



# **Annual Report 2014-15**

**Government of India  
Ministry of Micro, Small and Medium Enterprises  
(An ISO 9001:2008 Certified Organisation)**  
Udyog Bhavan, New Delhi – 110 107  
website: [www.msme.gov.in](http://www.msme.gov.in)  
Udyami Helpline: Toll Free No. 1800-180-6763

## CONTENTS

<b>CHAPTER</b>	<b>TITLE</b>	<b>PAGE</b>
1.	Introduction	1-10
2.	(a) Growth and Performance of Micro, Small & Medium Enterprises (MSMEs) and (b) 4th Census of MSMEs	11-36
3.	Policy Initiatives	37-44
4.	Role and Functions of Office of the Development Commissioner (MSME)	45-76
5.	Khadi and Village Industries Commission (KVIC)	77-94
6.	Mahatma Gandhi Institute for Rural Industrialisation (MGIRI)	95-100
7.	Coir Board	101-112
8.	National Small Industries Corporation Limited (NSIC)	113-128
9.	Training, Entrepreneurship Development and other Schemes	129-154
10.	Prime Minister's Employment Generation Programme (PMEGP) and Scheme of Fund for Regeneration of Traditional Industries (SFURTI)	155-166
11.	International Cooperation	167-182
12.	Activities in the North Eastern Region	183-192
13.	Activities and Programmes for Women	193-198
14.	Use of Official Language	199-204
15.	Vigilance Activities	205-208
16.	Citizens' Charter, Right to Information (RTI) Act, Performance Monitoring & Evaluation System (PMES) and Activities undertaken for the Benefit of the Persons with Disabilities (PwDs)	209-214

## ANNEXURES

<b>Annexure</b>	<b>SUBJECT</b>	<b>Page</b>
I	Statement showing BE, RE, Expenditure and Achievements during 2013-14 and 2014-15	215-230
II	Statement showing Plan Allocation and Expenditure during 2012-13, 2013-14 and 2014-15	231
III	State-wise Details: Units Assisted, Margin Money Utilised and Estimated Employment Generation during 2014-15 under Prime Minister's Employment Generation Programme (PMEGP)	232
IV	Data on Census	233-243
V	List of Items Reserved for Exclusive Manufacture by MSE Sector	244
VI	Bank Credit Data	245
VII	List of Nodal CPIO's of the Ministry and its Organisations	246-248
VIII	Results Framework Document 2013-14	249-285
IX	Achievements against Targets of RFD 2013-14	286-292
X	Contact Addresses	293-297
XI	Definition of Micro, Small and Medium Enterprises in India	298

## ABBREVIATIONS USED

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

## **MSME**

<b>Abbreviation</b>	<b>Full Form</b>
Goi	Government of India
ICT	Information and Communication Technology
IIE	Indian Institute of Entrepreneurship
IPFC	Intellectual Property Facilitation Centre
IPR	Intellectual Property Rights
KVI	Khadi and Village Industries
KVIC	Khadi and Village Industries Commission
MGIRI	Mahatma Gandhi Institute for Rural Industrialisation
M/o MSME	Ministry of Micro, Small and Medium Enterprises
MSE	Micro and Small Enterprises
MSE-CDP	Micro and Small Enterprises – Cluster Development Programme
MSME	Micro, Small and Medium Enterprises
MSMED Act	Micro, Small and Medium Enterprises Development Act
MSME-DI	Micro, Small and Medium Enterprises Development Institute
MSME-TC	Micro, Small and Medium Enterprises Testing Centre

<b>Abbreviation</b>	<b>Full Form</b>
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
NIESBUD	The National Institute for Entrepreneurship and Small Business Development
NIMSME	National Institute for Micro, Small and Medium Enterprises
NMCP	National Manufacturing Competitiveness Programme
NSIC	National Small Industries Corporation Limited
NTSC	NSIC Technical Service Centre
O/o DC MSME	Office of Development Commissioner( MSME)
PMEGP	Prime Minister's Employment Generation Programme
QMS	Quality Management System

## **MSME**

<b>Abbreviation</b>	<b>Full Form</b>
QTT	Quality Technology Tools
R&D	Research & Development
REGP	Rural Employment Generation Programme
REMOT	Rejuvenation, Modernisation and Technology Upgradation of the Coir Industry
RGUMY	Rajiv Gandhi Udyami Mitra Yojana
RTI	Right to Information
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

## 1

## INTRODUCTION



The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra addressing at a meeting with the representatives of MSME Associations to discuss various issues concerning the growth of MSME Sector, in New Delhi on July 03, 2014.

**CHAPTER - I****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 over the last five decades. 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.

**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 greater potential to enhance exports by value addition through technological interventions and diversified products like Coir Geotextiles 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 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 the three 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. SME Wing is also responsible for preparation and monitoring of Results-Framework Document

(RFD) as introduced in 2009 by the Cabinet Secretariat under Performance Monitoring and Evaluation System (PMES). The ARI 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).

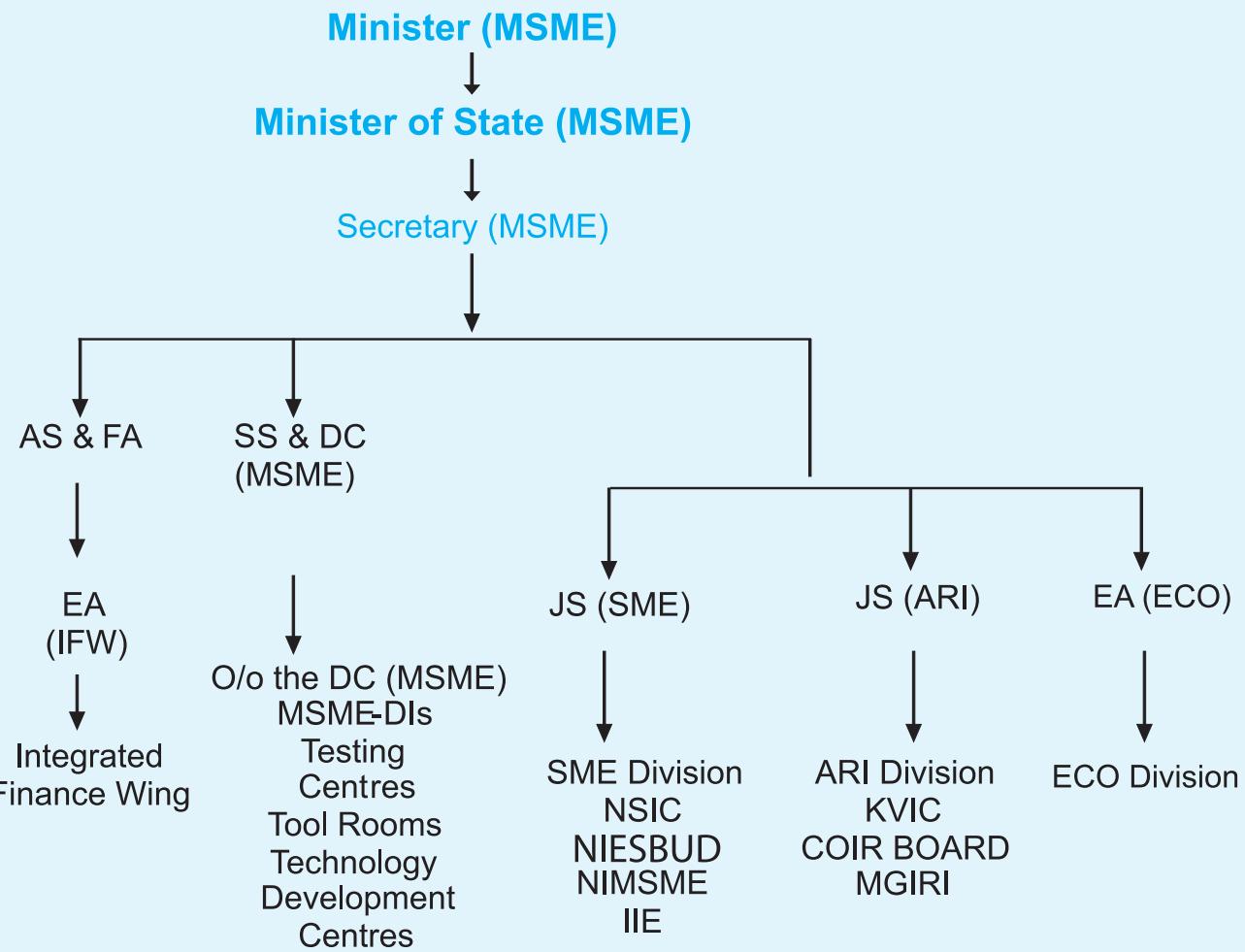
**1.2.2** The implementation of policies and various programmes/ schemes for providing infrastructure and support services to MSMEs is undertaken through its attached office, namely the Office of the Development Commissioner (O/o DC (MSME)), National Small Industries Corporation (NSIC), Khadi and Village Industries Commission (KVIC), the Coir Board, and three training institutes viz., The National Institute for Entrepreneurship and Small Business Development (NIESBUD), NOIDA, National Institute for Micro, Small and Medium Enterprises (NI-MSME); Hyderabad, Indian Institute of Entrepreneurship (IIE); Guwahati 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



### **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 Special 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.
- 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 and coir products in India and abroad. It also promotes co-operative organisations among producers of husks, coir fibre, coir yarn and manufacturers of coir products; ensuring remunerative returns to producers and manufacturers, 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 activities 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 142 offices located all over India and one office located at Johannesburg (South Africa).

## **1.8 NATIONAL ENTREPRENEURSHIP DEVELOPMENT INSTITUTES**

**1.8.1** Entrepreneurship development and training is one of the key elements for the promotion of micro, small and medium enterprises (MSMEs), especially for creation of new enterprises by the first generation entrepreneurs. In order to inculcate the entrepreneurial culture amongst the first generation of entrepreneurs on a regular basis, the Ministry has set up three national

level Entrepreneurship Development Institutes viz; The National Institute for Entrepreneurship and Small Business Development (NIESBUD) (1983) at Noida (Uttar Pradesh), National Institute for Micro, Small and Medium Enterprises (NI-MSME) (1960) at Hyderabad, and Indian Institute of Entrepreneurship (IIE) (1993) at Guwahati, as autonomous societies. These institutes are engaged in developing training modules; undertaking research & training; and providing consultancy services for entrepreneurship development & promotion of MSMEs, including enhancement of their competitiveness. The role, functions and activities of the NIESBUD, NIMSME, and IIE have 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.



*Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra receiving the ISO 9001:2008 certificate, which was awarded to the Ministry in New Delhi on October 22, 2014.*

# 2

## (A) GROWTH AND PERFORMANCE OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) AND (B) 4<sup>TH</sup> CENSUS OF MSMEs



Shri Giriraj Singh, Hon'ble Minister of State for Micro, Small and Medium Enterprises, Shri Kalraj Mishra, Hon'ble Minister for Micro, Small and Medium Enterprises and Shri Madhav Lal, Secretary, Micro, Small and Medium Enterprises at the Eleventh Meeting of the National Board for MSME in New Delhi on March 10, 2015

## CHAPTER - II

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

## **2.1 OVERVIEW OF THE SSI / MSME SECTOR**

**2.1.1** Performance of Micro, Small & Medium Enterprises (MSME) Sector is assessed by conduct of periodic All India Census of the Sector. 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. Fourth All India Census of MSME is the first census conducted post implementation of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Prior to implementation of MSMED Act, 2006, the sector was defined, as per the provision of Industrial Development and Regulation Act 1951, as Small Scale Industries (SSI) sector and its constituent tiny and auxiliary units as per periodic revision of criteria for defining such units. Third All India Census of SSI was conducted with coverage and concepts as prevailing during 2001-

02. The scope and coverage of the MSME sector were broadened significantly under the MSMED Act, 2006, which recognised the concept of “enterprise” and to include both manufacturing and services sectors, besides defining the medium enterprises under MSME Sector. Thus, the entire non-agricultural sector of economy was brought under the coverage of MSME Sector subject to the revised criteria prescribed for defining Micro, Small and Medium Enterprises separately for manufacturing and services sectors.

**2.1.2** The census adopted different methodology for Registered and Unregistered Sectors. While complete enumeration of enterprises was adopted in Registered Sector, sample survey was resorted to in Unregistered Sector. However, activities under wholesale/ retail trade, legal, educational & social services, hotel & restaurants, transports and storage & warehousing(except coldstorage) were excluded from the coverage of sample survey. For these

activities, data was extracted from Economic Census, 2005 (EC, 2005) conducted by Central Statistics Office (CSO) of Ministry of Statistics and Programme Implementation (MOSPI) for estimation of MSME relevant enterprises.

## DEFINITION

**(i) Registered Sector:** Enterprises registered with District Industries Centres in the State/UTs., Khadi and Village Industries Commission/Khadi and Village Industries Board, Coir Board as on 31.03.2007 and factories under the coverage of section 2m(i) and 2m(ii) of the Factories Act 1948 used for Annual Survey of Industries having investment in plant & machinery up to Rs.10 crore were considered to belong to registered sector.

**(ii) Unregistered Sector:** All MSME engaged in the activities of manufacturing or in providing/ rendering of services, not registered permanently or not filed Entrepreneurs Memorandum Part-II/ [EM-II] with State Directorates of Industries' District Industries Centers on or before 31-3-2007 are called unregistered MSME. Those enterprises that are temporarily registered on or before 31-3-2007 as also the units that are temporarily or permanently registered or filed EM-II after 31-3-2007 till the date of Sample Survey, conducted as part of Fourth All India Census of

MSME, 2006-07, were treated as unregistered MSME. All unregistered MSME, covering both manufacturing and services sectors, constituted unregistered sector.

**(iii) Small Scale Industrial Unit (SSI):** An industrial undertaking in which the investment in fixed assets in plant & machinery, whether held on ownership terms, or on lease, or by hire purchase, does not exceed ₹100 lakh as on 31-03-2001 were be treated as a Small Scale Industrial Unit.

**(iv) Micro Small Medium Enterprises (MSME):** MSME Sector consists of any enterprises, whether proprietorship, Hindu undivided family, association of persons, co-operative society, partnership or undertaking or any other legal entity, by whatever name called, engaged in production of goods pertaining to any industry specified in the first schedule of Industry Development & Regulation Act, 1951 and other enterprises engaged in production and rendering services, subject to limiting factor of investment in plant and machinery and equipments respectively as noted below:

- A. For manufacturing sector, an enterprise is classified as:
  - a) micro enterprise, if investment in plant and machinery does not exceed twenty five

- lakh rupees;
- b) small enterprise, if investment in plant and machinery is more than twenty five lakh rupees but does not exceed five crore rupees; or
- c) medium enterprise, if investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees;
- B.** In case, enterprise is engaged in providing or rendering of services, it is classified as:
- (a) micro enterprise, if investment in equipment does not exceed ten lakh rupees;
- (b) small enterprise, if investment in equipment is more than ten lakh rupees but does not exceed two crore rupees; or
- (c) medium enterprise, if investment in equipment is more than two crore rupees but does not exceed five crore rupees.
- 2.1.3.** As per the results of Fourth All India Census of MSME, the sector contributes significantly to the number of enterprises, employment and output of the country. Based on the data sets of Fourth All India Census of MSME, augmented with data sets of EC, 2005 and growth rate observed during Fourth (1998) and Fifth (2005) Economic Census, the performance of MSME

**TABLE 2.1: PERFORMANCE OF MSME, EMPLOYMENT AND INVESTMENTS**

Sl. No.	Year	Total Working Enterprises (in Lakh)	Employment (in Lakh)	Market Value of Fixed Assets (Rs. in Crore)
I	II	III	IV	V
1.	2006-07	361.76	805.23	868,543.79
2.	2007-08 <sup>#</sup>	377.36	842.00	920,459.84
3.	2008-09 <sup>#</sup>	393.70	880.84	977,114.72
4.	2009-10 <sup>#</sup>	410.80	921.79	1,038,546.08
5.	2010-11 <sup>#</sup>	428.73	965.15	1,105,934.09
6.	2011-12 <sup>#</sup>	447.64	1,011.69	1,182,757.64
7.	2012-13 <sup>#</sup>	447.54	1,061.40	1,268,763.67
8.	2013-14 <sup>#</sup>	488.46	1,114.29	1,363,700.54

- Including activities of wholesale/retail trade, legal, education & social services, hotel & restaurants, transports and storage & warehousing (except cold storage) for which data were extracted Economic Census 2005, Central Statistics Office, MOSPI.

- Estimated on the basis of per enterprises value obtained from sample survey of unregistered sector for activities wholesale/retail trade, legal, education & social services, hotel & restaurants, transports and storage & warehousing(except cold storage) which were excluded from Fourth All India Census of MSME, unregistered sector.

# - Projected.

Sector is summarised as below. It may be noted that the Fourth All India Census of MSME, unregistered sector was assessed by conduct of sample survey of the sector.

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

**TABLE 2.2: CONTRIBUTION OF MANUFACTURING OUTPUT OF MSME IN GDP**

(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 Accounts Statistics (2014), CSO, MOSPI and
3. Annual Survey of Industries, CSO MOSPI

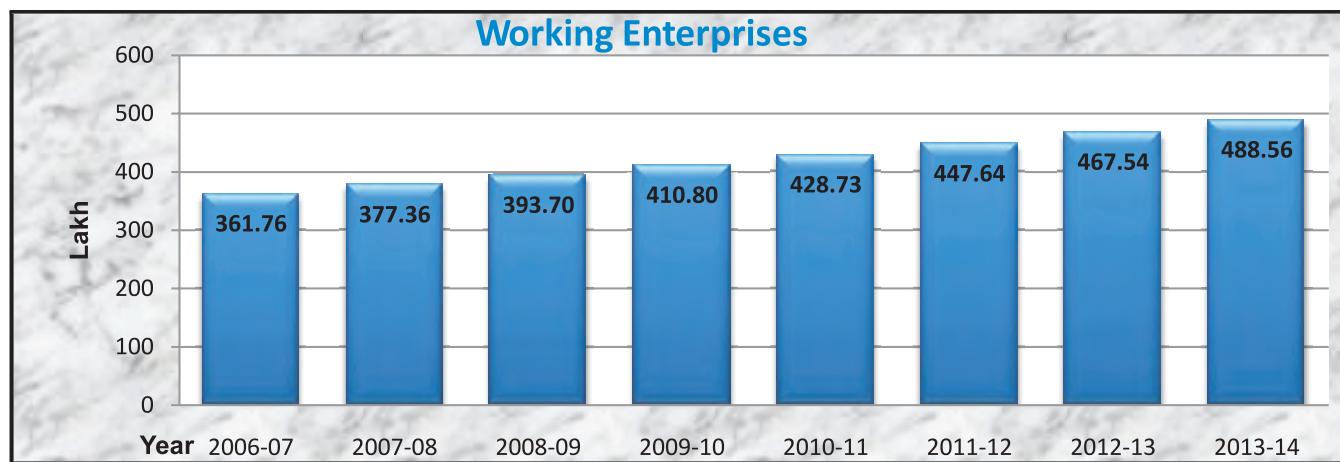
**2.1.5** There are over 6000 products ranging from traditional to high-tech items, which are being manufactured by the MSME Sector in

addition to provide wide range of services. The leading industries with their respective shares are as depicted below:



## 2.2 CHARTS SHOWING STATISTICS OF THE SECTOR

### A) NUMBER OF ENTERPRISES IN MSME SECTOR.



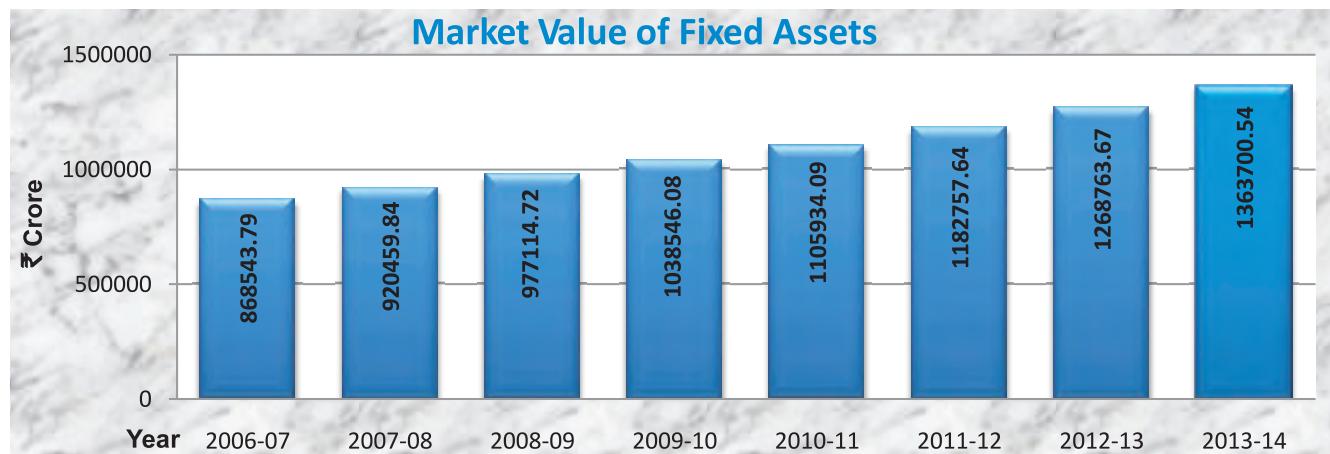
Projected data for the years 2007-08 to 2013-14

## B) EMPLOYMENT IN MSME SECTOR



Projected data for the years 2007-08 to 2013-14.

## C) FIXED INVESTMENT IN MSME SECTOR



Projected data for the years 2007-08 to 2013-14.

### 2.3 FOURTH ALL INDIA CENSUS OF MICRO, SMALL & MEDIUM ENTERPRISES SECTOR

2.3.1 The latest Census conducted by O/o DC, MSME is Fourth All India Census. It was conducted with reference year 2006-07 where in data was collected till 2009 and results were published in 2011-12.

#### 2.3.2 OBJECTIVES OF THE FOURTH ALL INDIA CENSUS:

- to strengthen the database for the MSME i.e. Collection of data in respect of number of enterprises, employment, production, extent of closure/sickness, clustering and other relevant economic parameters

- pertaining to micro, small and medium enterprises.
- b) to collect data on enterprises owned and/or managed by women, SC/ST and OBC.
  - c) to collect data on Khadi & Village Industry units and Coir sector units.
  - d) to estimate the size of the unregistered MSME sector, including Khadi & Village Industries and Coir Industries through sample survey using EC, 2005 frame of CSO, MOSPI.
- (KVIC/KVIB) units and 0.09 lakh Coir units were also taken up in the census of registered sector. In all, a total of 24.01 lakh enterprises were surveyed on complete enumeration basis.

#### **(ii) Unregistered Sector:**

As mentioned in para 2.1.2 the activities of wholesale/retail trade, legal, education & social services, hotel & restaurants, transports and storage & warehousing (except cold storage) forming part unregistered sector were excluded from the coverage of sample survey of Fourth All India Census of MSME. For the remaining activities, sample survey procedure was adopted. Sampling design using a two – stage stratified approach was adopted, with first stage unit of census villages as adopted for EC, 2005 in rural area and towns in urban area. Rural area covered 598 districts which consisted of 6,38,619 villages out of which 12,783 sample villages were selected for survey. In urban area, out of 5,170 towns, 568 towns were selected for survey. In selected villages 15 enterprises were surveyed out of the available enterprises. In case of selected towns, a minimum of 20 enterprises were surveyed.

#### **2.3.3 METHODOLOGY OF FOURTH CENSUS:**

##### **(i) Registered Sector:**

In Registered Sector data collection was on complete enumeration basis.

All the enterprises permanently registered up to 31-03-2007 at District Industries Centres (DIC) of the State Governments / UT Administrations numbering 21.04 lakh were surveyed on complete enumeration basis. In addition, 2.15 lakh enterprises registered under section 2m(i) & 2m(ii) of the Factories Act, 1948 were also surveyed on complete enumeration basis so that enterprises with investment in Plant & Machinery above rupees one crore may be culled out. Further, 0.73 lakh Khadi and Village Industries Commission/ Khadi & Village Industries Board

The Fourth All India Census of MSME 2006-07 estimated the size of MSME sector for the

first time taking data from multiple sources. The size of the sector was estimated at 361.76 lakh as compared to 105.21 lakh in Third All India Census of Small Scale Industries (SSI), 2001-02 in terms of estimated number of enterprises. The estimated employment generated in the sector is 805.24 lakh as compared to 249.33 lakh in Third All India Census of SSI. These estimates from census are not strictly comparable. The estimated size of number of MSME as 361.76 lakh and employment as 805.24 lakh includes enterprises relevant to MSME sector for the activities pertaining to wholesale/ retail trade, legal, educational & social services, hotel & restaurants, transports and storage & warehousing (except cold storage) which were excluded from the coverage of both Fourth Census of MSME, 2006-07 and Third Census of SSI, 2001-02. For such activities, estimates were based on data extracted from Economic Census, 2005 conducted by CSO, MOSPI and accounted for 147.38 and 303.31 lakh in terms of number of MSME and employment respectively. Summary results are given below.

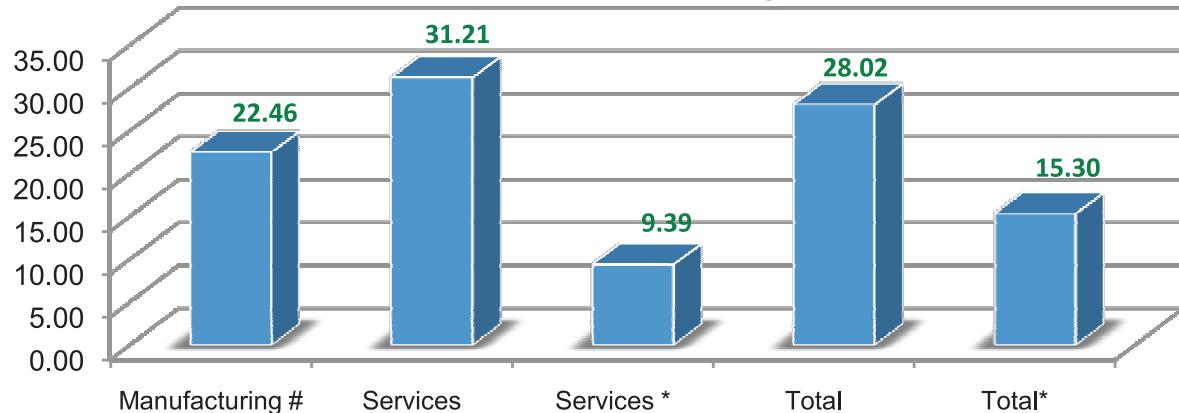
#### **2.3.4.1 GROWTH OF MSME SECTOR:**

(a.) While on a strictly comparable basis, growth rate recorded during the year 2001-

02 to 2006-07 was 15.30% and 15.02% for estimated number of Enterprises and Employment respectively, the sector as a whole recorded a growth rate of 28.02% and 26.42% in cases of estimated number of enterprises and employment respectively, taking into account the definitional changes during the period 2001-02 to 2006-07.

- (b.) As the activities brought under the coverage of MSME sector due to definitional changes in 2006-07 were limited to services sector, the growth rate for manufacturing sector is comparable. The growth recorded during the year 2001-02 to 2006-07 in manufacturing sector was 22.46% and 18.49% for estimated number of enterprises and employment respectively.
- (c.) For service sector, while the growth rate in estimated number of enterprises and employment recorded was 31.21% and 34.00% respectively, during the period of 2001-02 to 2006-07 taking into account the expanded coverage of the sector, the same was 9.39% and 10.12% respectively on strictly comparable basis.

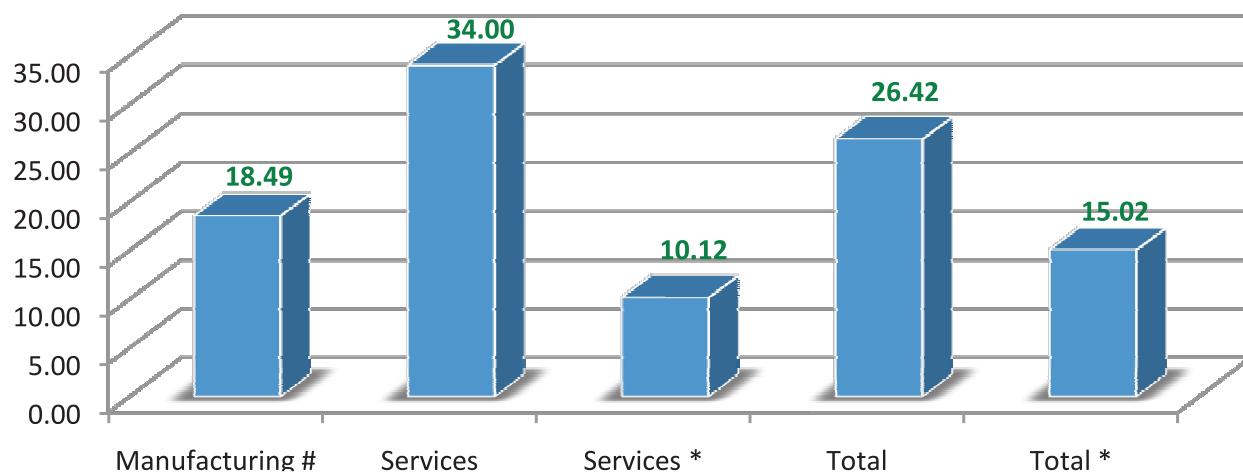
### Growth Rate of number of Enterprises by sector: MSME Sector



# - In view of the fact that the activities excluded in the coverage pertain to service sector only, there is no change in growth rate of manufacturing sector

\* - Excluding growth on account of expansion of coverage.

### Growth Rate of Employment by Sector: MSME Sector



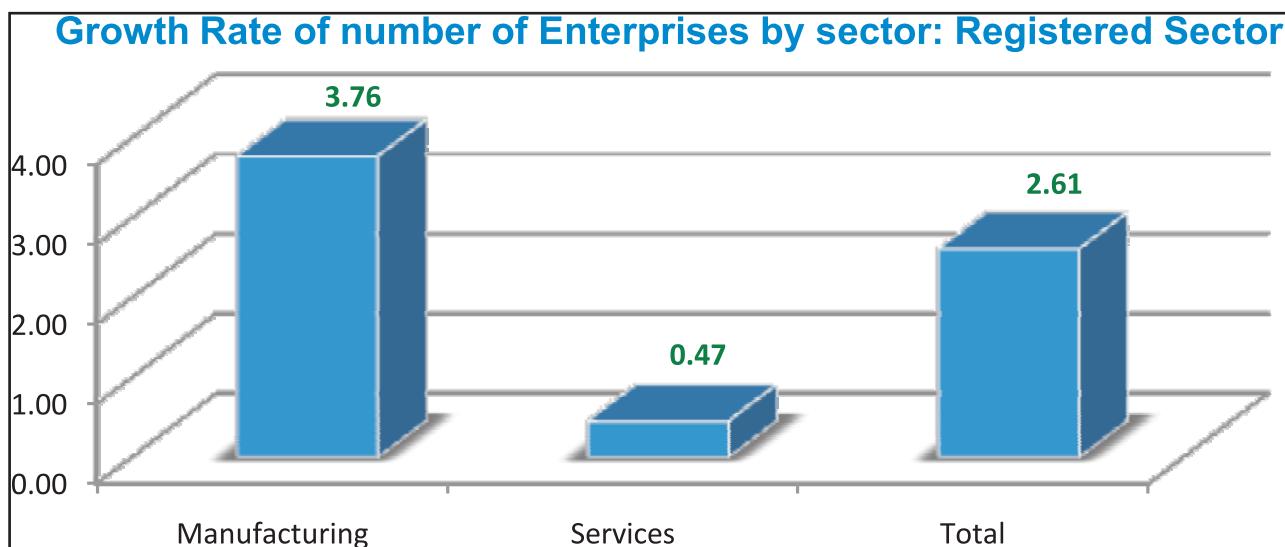
# - In view of the fact that the activities excluded in the coverage pertain to service sector only, there is no change in growth rate of manufacturing sector.

\* - Excluding growth on account of expansion of coverage

Additional activities brought under the coverage of MSME Sector in 2006-07 as compared to SSI sector of 2001-02, namely wholesale / retail trade, legal, educational & social services, hotel & restaurants, transports and storage & warehousing (except cold storage), accounted for 12.72% and 11.40% growth in the estimated number of enterprises and employment respectively.

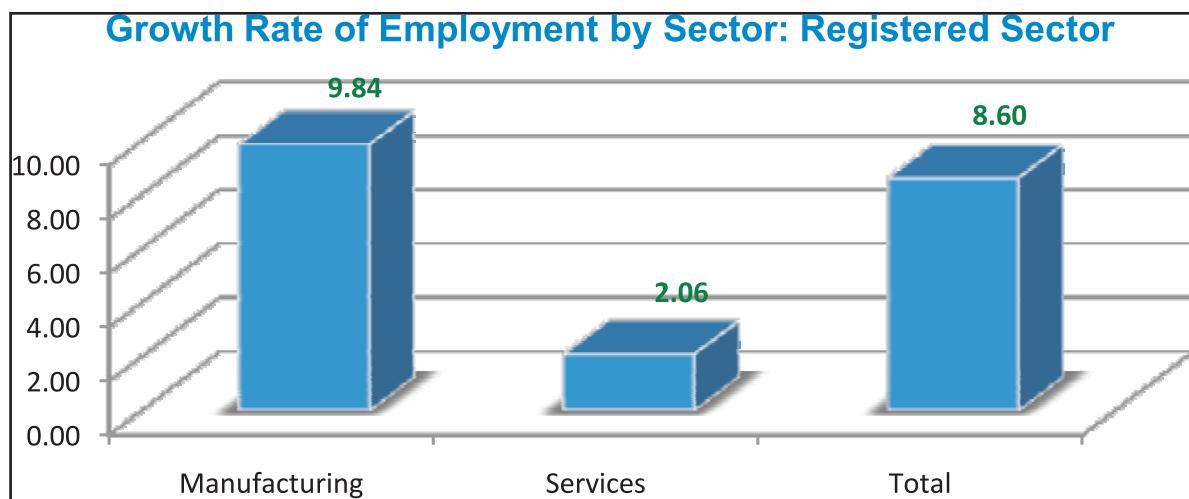
#### **2.3.4.2. GROWTH OF REGISTERED SECTOR:**

(a.) The estimated number of enterprises growth at 3.76% annually in case of manufacturing sector and 0.47% for services sector respectively in Registered Sector during 2001-02 to 2006-07, as per Fourth All India Census of MSME 2006-07, Registered Sector and Third All India Census of SSI 2001-02, Registered Sector. The growth in the estimated number of MSME was 2.61% for the period referred above, taking manufacturing and services together.



- (b) The employment increased at an annual growth rate of 9.84% for manufacturing sector and 2.06% for services sector during 2001-02 to 2006-07, as per

Fourth All India Census of MSME 2006-07, Registered Sector and Third All India Census of SSI 2001-02, Registered Sector.



- (c) The employments in Registered Sector as a whole grow at 8.60% per annum during 2001-02 to 2006-07 as per Fourth All India Census of MSME 2006-07, Registered Sector and Third All India Census of SSI 2001-02, Registered Sector.

#### 2.3.4.3 GROWTH OF UNREGISTERED SECTOR:

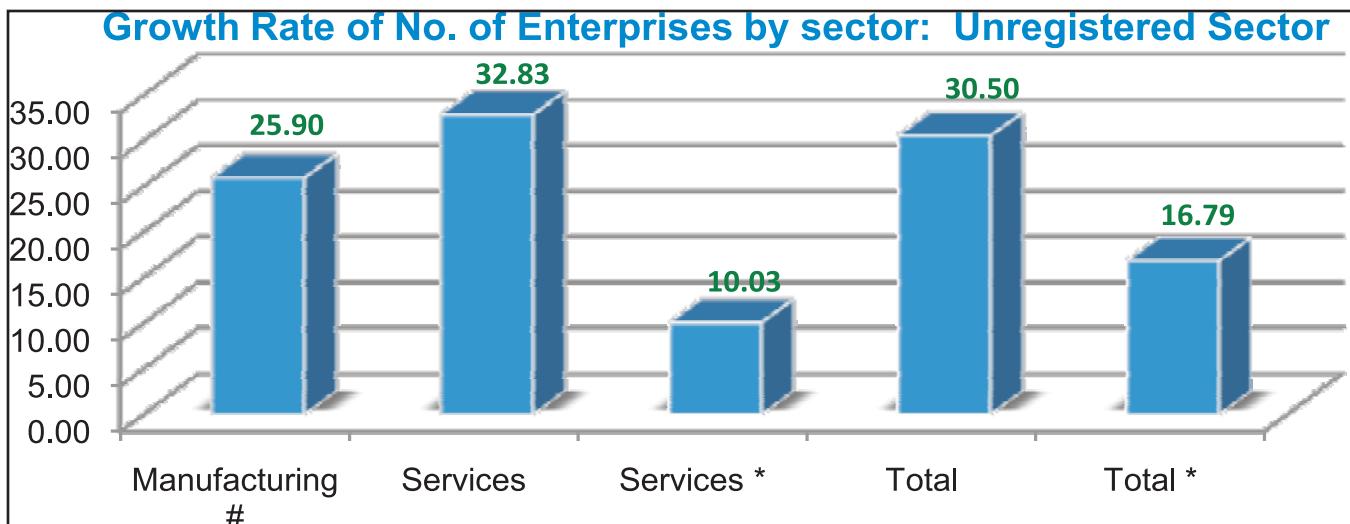
- (a) The estimated number of enterprises and employment recorded growth rates of 30.05% and 30.56%, respectively during the period 2001-02 to 2006-07 considering the extended coverage of the sector. The expansion in the coverage of MSME Sector followed adoption of Micro, Small and Medium Enterprises Act 2006. Activities pertaining to wholesale / retail trade, legal, educational & social services, hotel & restaurants, transports and storage & warehousing (except cold storage) which

were brought under the coverage of MSME sector accounted for 147.38 and 303.31 lakh in terms of estimated number of enterprises and employment respectively, as per data extracted from Economic Census, 2005 conducted by CSO, MOSPI for MSME relevant enterprises. The annual growth rates recorded, excluding these additional activities, were 16.79% and 16.85% in estimated number of enterprises and employment, respectively. The expansion in the coverage of MSME Sector was limited to service sector only. Therefore, the growth rate for manufacturing sector is not affected and the growth rate was recorded as 25.90% and 22.57% for estimated number of enterprises and employment respectively, during the year 2001-02 to 2006-07.

- (b.) For service sector, while the growth rate of estimated number of enterprises and

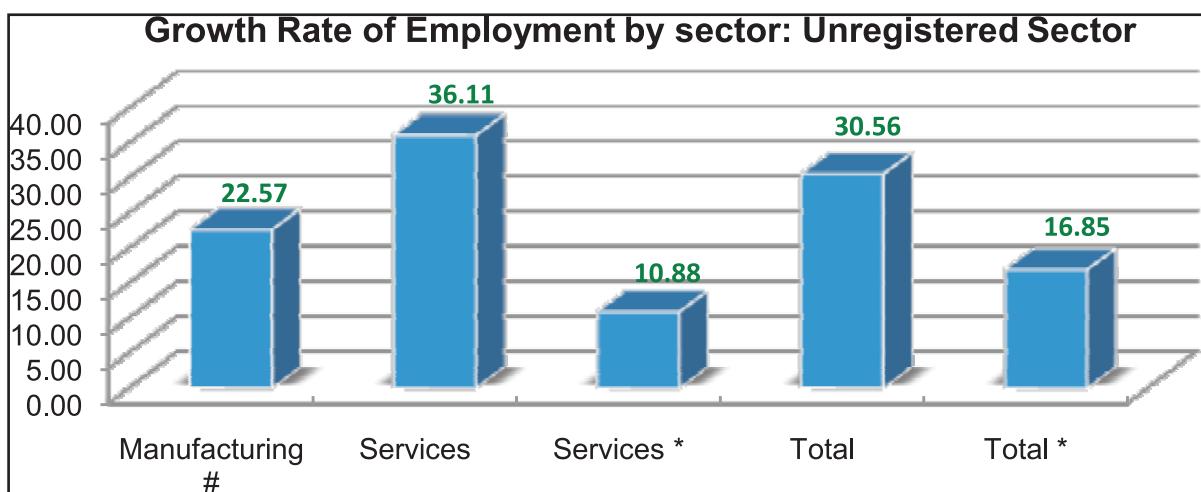
employment recorded was 32.83% and 36.11% respectively, during the period of 2001-02 to 2006-07, taking into account the expanded coverage of the sector, the

growth rate was 10.03% and 10.88% in case of estimated number of enterprises and employment respectively on strictly comparable basis.



# - In view of the fact that the activities excluded in the coverage pertain to service sector only, there is no change in growth rate of manufacturing sector.

\* - Excluding growth on account of expansion of coverage.



# - In view of the fact that the activities excluded in the coverage pertain to service sector only, there is no change in growth rate of manufacturing sector

\* - Excluding growth on account of expansion of coverage.

Additional activities brought under the since the conduct of Third All India Census coverage of MSME Sector, namely wholesale / retail trade, legal, educational & social services, hotel & restaurants, transports and storage & warehousing (except cold storage),

**TABLE 2.3: SUMMERY RESULTS: FOURTH ALL INDIA CENSUS OF MSME.**

Sl. No.	Characteristics	Registered Sector	Unregistered Sector	EC-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%)
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

\*- Economic Census 2005

- The ten leading States, in terms of enterprises, are Uttar Pradesh (44.03 lakh), West Bengal (36.64 lakh), Tamil Nadu (33.13 lakh), Maharashtra (30.63 lakh), Andhra Pradesh (25.96 lakh), Kerala (22.13 lakh), Gujarat (21.78 lakh), Karnataka (20.19 lakh), Madhya Pradesh (19.33 lakh) and Rajasthan (16.64 lakh).
- The ten leading States, in terms of employment, are Uttar Pradesh (92.36 lakh), West Bengal (85.78 lakh), Tamil Nadu (80.98 lakh), Andhra Pradesh (70.69 lakh), Maharashtra (70.04 lakh), Kerala (49.62 lakh), Gujarat (47.73 lakh), Karnataka (46.72 lakh), Madhya Pradesh (33.66 lakh) and Odisha (33.24 lakh).
- The ten leading industries, in terms of enterprises, (as per National Industrial Classification 2004 at two digit level) are Retail Trade except of Motor Vehicles and Motorcycles; Repair of Personal and Household Goods (144.15 lakh), Manufacture of Wearing Apparel; Dressing and Dyeing of fur (31.65 lakh), Manufacture of Food Products and Beverages (25.12 lakh), Other Service Activities (22.43 lakh), Other Business Activities (13.64 lakh), Hotels and Restaurants (13.18 lakh), Sale, Maintenance and Repair of Motor Vehicles and Motorcycles; Retail Sale of Automotive Fuel (12.92 lakh), Manufacture of Furniture & Manufacturing not elsewhere classified (11.61 lakh), Manufacture of Fabricated Metal Products, except Machinery and Equipment (8.42 lakh), Manufacture of Textiles (8.42 lakh).
- The ten leading industries, in terms of employment, (as per National Industrial Classification 2004 at two digit level) are Retail Trade except of Motor Vehicles and Motorcycles; Repair of Personal and Household Goods (245.48 lakh), Manufacture of Food Products and Beverages (62.99 lakh), Manufacture of Wearing Apparel; Dressing and Dyeing (60.06 lakh), Other Service Activities (37.65 lakh), Manufacture of Textiles (35.91 lakh), Hotels and Restaurants (33.92 lakh), Sale, Maintenance & Repair of Motor Vehicles and Motorcycles; Retail Sale of Automotive Fuel (30.03 lakh), Manufacture of Furniture & Manufacturing not elsewhere classified (28.19 lakh), Other Business Activities (27.67 lakh), Education (27.26 lakh).

**TABLE : 2.4 STATE/UT WISE DISTRIBUTION OF ESTIMATED NUMBER OF ENTERPRISES AND EMPLOYMENT**

Sl. No.	State/UTs	Number of Enterprises (Lakh)			Employment (Lakh)			Total	
		Registered Sector	Unregistered Sector		Total	Registered Sector	Unregistered Sector		
			Sample	EC 2005*			Sample		
1	Jammu & Kashmir	0.15	1.18	1.68	3.01	0.90	2.17	2.68	5.75
2	Himachal Pradesh	0.12	1.60	1.16	2.87	0.65	2.27	1.76	4.68
3	Punjab	0.48	9.66	4.32	14.46	4.16	14.16	8.48	26.79
4	Chandigarh	0.01	0.28	0.20	0.49	0.12	0.58	0.53	1.23
5	Uttarakhand	0.24	2.00	1.51	3.74	0.80	3.62	2.54	6.96
6	Haryana	0.33	4.87	3.46	8.66	3.82	8.41	6.61	18.84
7	Delhi	0.04	1.75	3.74	5.52	0.58	5.94	13.29	19.81
8	Rajasthan	0.55	9.14	6.96	16.64	3.42	15.00	12.37	30.79
9	Uttar Pradesh	1.88	22.34	19.82	44.03	7.55	51.76	33.06	92.36
10	Bihar	0.50	7.48	6.72	14.70	1.48	15.97	10.81	28.26
11	Sikkim	0.00	0.06	0.10	0.17	0.01	0.56	0.22	0.79
12	Arunachal Pradesh	0.00	0.25	0.15	0.41	0.05	0.82	0.31	1.19
13	Nagaland	0.01	0.16	0.21	0.39	0.16	1.00	0.54	1.71
14	Manipur	0.04	0.44	0.43	0.91	0.20	1.38	0.78	2.36
15	Mizoram	0.04	0.10	0.16	0.29	0.26	0.30	0.25	0.81
16	Tripura	0.01	0.26	0.70	0.98	0.23	0.53	0.99	1.75
17	Meghalaya	0.03	0.47	0.38	0.88	0.13	1.04	0.75	1.92
18	Assam	0.20	2.14	4.28	6.62	2.11	4.48	7.66	14.25
19	West Bengal	0.43	20.80	13.41	34.64	3.60	54.93	27.24	85.78
20	Jharkhand	0.18	4.25	2.32	6.75	0.75	8.24	3.92	12.91
21	Odisha	0.20	9.77	5.76	15.73	1.73	21.94	9.57	33.24
22	Chhattisgarh	0.23	2.78	2.19	5.20	0.75	4.68	4.09	9.52
23	Madhya Pradesh	1.07	11.50	6.76	19.33	2.98	17.32	13.36	33.66
24	Gujarat	2.30	13.03	6.46	21.78	12.45	21.97	13.31	47.73
25	Daman & Diu	0.01	0.01	0.04	0.06	0.26	0.03	0.09	0.37
26	Dadra & Nagar Haveli	0.02	0.04	0.03	0.09	0.26	0.07	0.07	0.41
27	Maharashtra	0.87	14.45	15.31	30.63	10.89	24.72	34.43	70.04
28	Andhra Pradesh	0.46	14.90	10.60	25.96	3.83	35.15	31.71	70.69
29	Karnataka	1.36	11.12	7.70	20.19	7.89	22.58	16.24	46.72
30	Goa	0.03	0.56	0.27	0.86	0.33	0.87	0.68	1.88
31	Lakshadweep	0.00	0.01	0.01	0.02	0.00	0.05	0.02	0.06
32	Kerala	1.50	12.94	7.69	22.13	6.21	26.98	16.42	49.62
33	Tamil Nadu	2.34	18.21	12.58	33.13	14.26	38.89	27.82	80.98
34	Puducherry	0.01	0.13	0.21	0.35	0.21	0.25	0.55	1.01
35	Andaman & Nicobar IIs.	0.01	0.07	0.07	0.14	0.06	0.18	0.15	0.38
<b>All India</b>		<b>15.64</b>	<b>198.74</b>	<b>147.38</b>	<b>361.76</b>	<b>93.09</b>	<b>408.84</b>	<b>303.31</b>	<b>805.24</b>

\* - For activities under wholesale/retail trade, legal, education & social services, hotel & restaurants, transports and storage & warehousing (except cold storage) excluded from the Sample survey of Fourth All India Census of MSME Unregistered Sector, data were extracted from Economic Census 2005 (EC, 2005), conducted by Central Statistics office of Ministry of Statistics & Program Implementation.

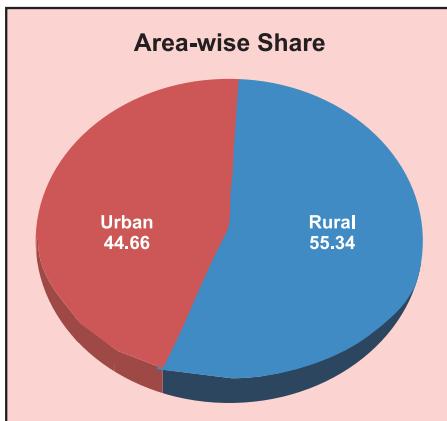
**TABLE 2.5: STATE/UT WISE DISTRIBUTION OF PRINCIPAL CHARACTERISTICS OF MSME SECTOR\*.**

<b>S I. No.</b>	<b>State/UT</b>	<b>Enterprises</b>	<b>Employment</b>	<b>Market Value of Fixed Assets</b>
		(in Lakh)	(in Lakh)	(Rs. in Crore)
1	Jammu and Kashmir	1.33	3.07	8475.28
2	Himachal Pradesh	1.72	2.92	5599.25
3	Punjab	10.14	18.31	37126.69
4	Chandigarh	0.29	0.70	607.05
5	Uttarakhand	2.23	4.42	6014.98
6	Haryana	5.20	12.23	25998.80
7	Delhi	1.78	6.52	10164.54
8	Rajasthan	9.68	18.42	25452.90
9	Uttar Pradesh	24.21	59.30	56161.03
10	Bihar	7.98	17.45	8405.45
11	Sikkim	0.07	0.57	72.16
12	Arunachal Pradesh	0.25	0.88	937.48
13	Nagaland	0.18	1.17	1273.67
14	Manipur	0.49	1.58	646.03
15	Mizoram	0.13	0.56	403.14
16	Tripura	0.28	0.76	661.73
17	Meghalaya	0.50	1.17	468.55
18	Assam	2.34	6.58	6941.15
19	West Bengal	21.23	58.53	39433.22
20	Jharkhand	4.43	8.99	5020.72
21	Odisha	9.97	23.67	12284.89
22	Chhattisgarh	3.01	5.43	3303.41
23	Madhya Pradesh	12.57	20.30	10530.40
24	Gujarat	15.32	34.42	166753.68
25	Daman & Diu	0.02	0.28	1881.53
26	Dadra & Nagar Haveli	0.06	0.34	229.58
27	Maharashtra	15.32	35.61	67941.24
28	Andhra Pradesh	15.36	38.98	32757.63
29	Karnataka	12.49	30.48	27161.11
30	Goa	0.59	1.20	3820.19
31	Lakshadweep	0.01	0.05	17.30
32	Kerala	14.44	33.20	44353.53
33	Tamil Nadu	20.55	53.16	77824.34
34	Puducherry	0.14	0.46	1135.29
35	Andaman & Nicobar IIs.	0.07	0.23	96.95
<b>All India</b>		<b>214.38</b>	<b>501.93</b>	<b>689954.86</b>

\* - Excluded activities under wholesale/retail trade, legal, education & social services, hotel & restaurants, transports and storage & warehousing (except cold storage).

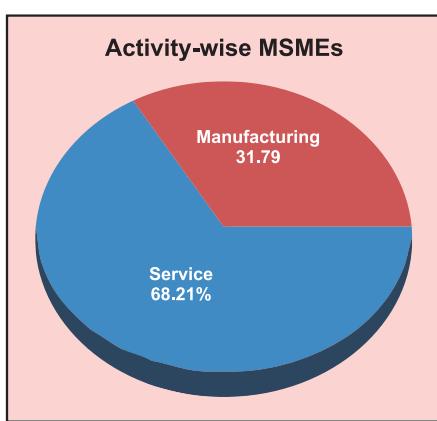
- Distribution of Working Enterprises by Area**

Rural area with 200.19 lakh of working enterprises accounted for 55.34% of the total working enterprises in MSME sector whereas urban area located 161.57 lakh working enterprises accounted for 44.66% of the working enterprises in MSME sector.



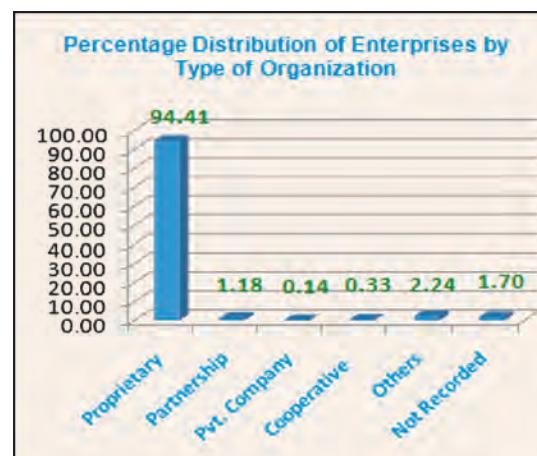
- Nature of activity**

31.79% of the enterprises in the MSME sector were engaged in manufacturing, whereas 68.21% of the enterprises were engaged in the services.



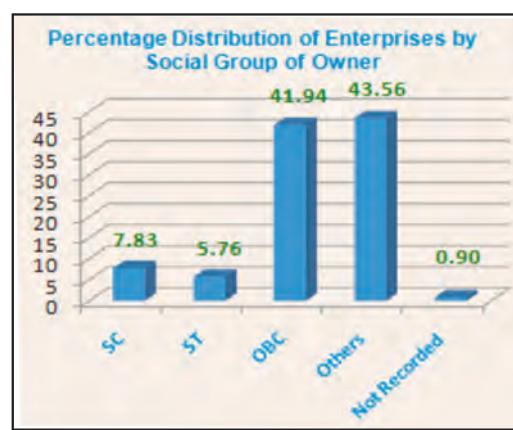
- Type of organization**

Results show that 94.41% of the enterprises in the MSME sector were proprietary enterprises. About 1.18% of the enterprises were run by partnerships and 0.14% of the enterprises were run by private companies. The rest were owned by co-operatives/ trusts or others.



- Ownership by Social Category**

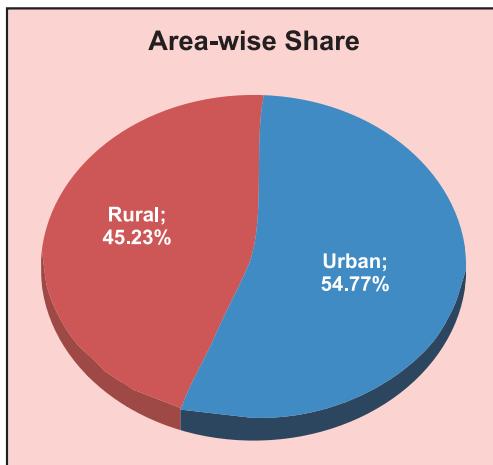
According to social group category, 7.83% of the enterprises were owned by Scheduled Caste entrepreneurs, 5.76% by Scheduled Tribe entrepreneurs and 41.94% by entrepreneurs of Other Backward Classes.



### (ii) Estimates of Registered Sector:

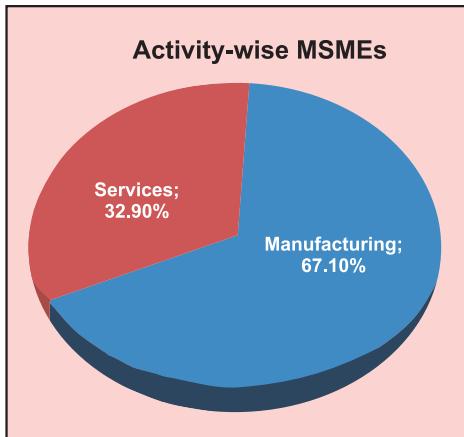
- Distribution of Working Enterprises by Area**

Urban area with 8.57 lakh of working enterprises accounted for 54.77% of the total working enterprises in Registered MSME sector whereas rural area located 7.07 lakh working enterprises (45.23% of the working enterprises).



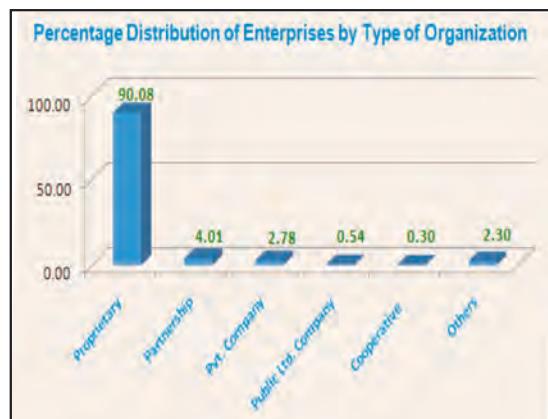
- Nature of activity**

67.10% of the enterprises in the Registered MSME sector were engaged in manufacturing, whereas 32.90% of the enterprises were engaged in the services activities.



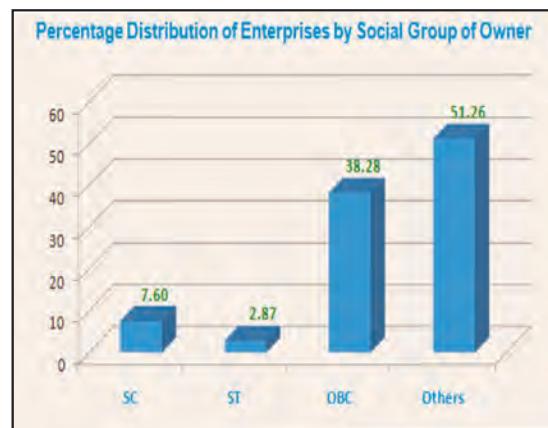
- Type of organization**

90.08% of the enterprises in the Registered MSME sector were proprietary enterprises. About 4.01% of the enterprises were run by partnerships and 2.78% of the enterprises were run by private companies.



- Ownership by Social Category**

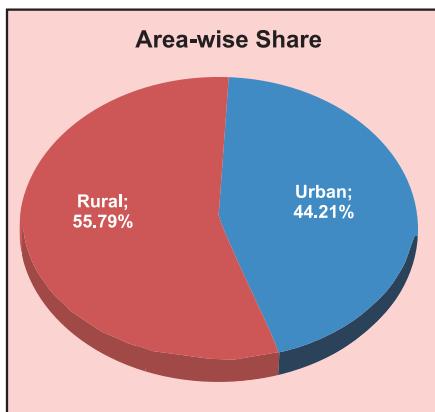
According to social group category, 7.60% of the enterprises were owned by Scheduled Caste entrepreneurs, 2.87% by Scheduled Tribe entrepreneurs and 38.28% by entrepreneurs of Other Backward Classes.



### (iii) Estimates of Unregistered Sector:

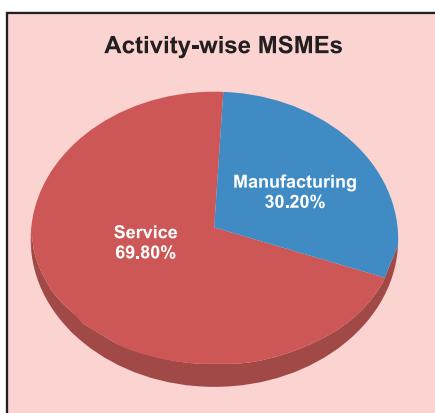
- Distribution of Working Enterprises by Area**

Rural area with 193.12 lakh of working enterprises accounted for 55.79% of the total working enterprises in Unregistered MSME sector whereas urban areas located 153 lakh working enterprises (44.21% of the working enterprises).



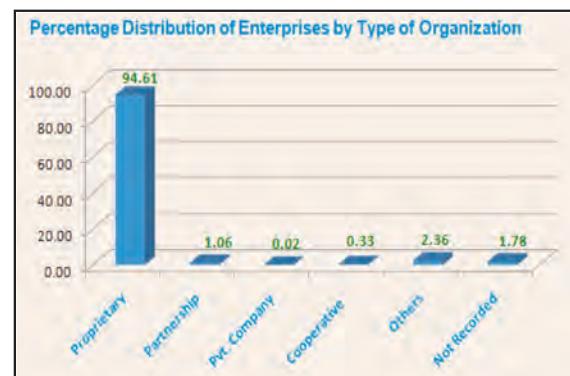
- Nature of activity**

69.80% of the enterprises in the Unregistered MSME sector were engaged in services, whereas 30.20% of the enterprises were engaged in the manufacturing activities.



- Type of organization**

94.61% of the enterprises in the Unregistered MSME sector were proprietary enterprises. About 1.06% of the enterprises were run by partnerships and 0.02% of the enterprises were run by private companies.



- Ownership by Social Category**

According to social group category, 7.84% of the enterprises were owned by Scheduled Caste entrepreneurs, 5.89% by Scheduled Tribe entrepreneurs and 42.11% by entrepreneurs of Other Backward Classes.



## 2.4 DESSIMENATION OF CENSUS RESULTS

### DEFINITION

The data collected from each MSME and processed for preparation of reports has been released with detailed data description.

The following reports based on the Census conducted are available for download at link  
<http://www.dcmsme.gov.in>

- Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Registered Sector.
- Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Unregistered Sector.
- Quick Results of Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Registered Sector.
- Third All India Census Small Scale Industries 2001-02: Registered Sector.
- Third All India Census Small Scale Industries 2001-02: Unregistered Sector.

## 2.5 TRENDS IN REGISTERED SECTOR AS PER DATASET ON ENTREPRENEUR MEMORANDUM (PART-II) 2007-08 TO 2013-14

### 2.5.1 Introduction to Entrepreneurs Memorandum

2.5.1.1 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.

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

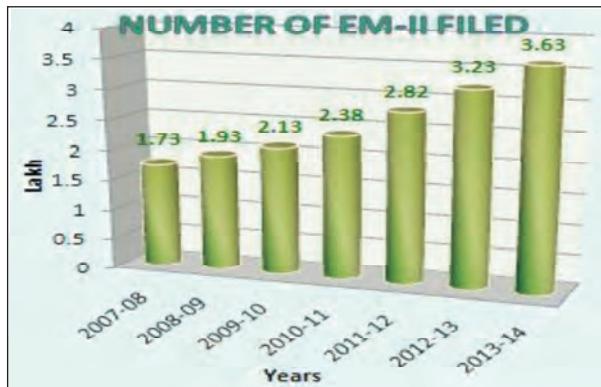
2.5.1.3 The information on number of EM-II filed by MSME at DICs was collected from the State/UT Commissionerates/ Directorates of Industries to assess the trends in growth of MSME during 2007-08 to 2013-14 in the country.

### 2.5.2 Trends in Msme Growth (Filing of Em-ii) During 2007-08 To 2013-14

2.5.2.1 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 and 3.63 lakh during 2008-09,

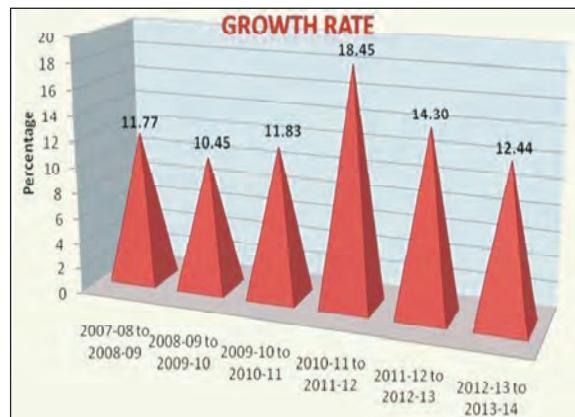
2009-10, 2010-11, 2011-12, 2012-13 & 2013-14 respectively. (Chart 2.5.1)

**Chart 2.5.1: Number of EM-II filed by the MSME during 2007-08 to 2013-14.**



**2.5.2.2** 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. (Chart 2.5.2)

**Chart 2.5.2: Annual Growth Rate on preceding years**



**2.5.3 State/ut wise distribution of number of em-ii filed during 1st april, 2007 to 31st march, 2014**

The State/UT wise details of EM-II filed with the Commissionerates/ Directorates of Industries during 2007-08 to 2013-14 are given in the following table:-

**TABLE 2.6: STATE/UT WISE DISTRIBUTION OF NUMBER OF EM-II FILED BY THE MSME DURING 2007-08 TO 2013-14.**

Sl. No.	State/UTs	Number of EM-II filed						
		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
1	Jammu & Kashmir	1,044	971	1,192	914	1,170	1,027	918
2	Himachal Pradesh	832	925	1,053	942	856	772	627
3	Punjab	932	1,272	2,189	2,988	3,087	2,644	2,282
4	Chandigarh	32	161	255	174	259	139	185
5	Uttarakhand	1,500	1,346	1,871	1,973	2,121	2,291	2,469
6	Haryana	2,396	3,270	2,747	2,929	2,715	2,105	2,481
7	Delhi	131	70	165	199	333	430	329
8	Rajasthan	13,786	14,703	14,631	14,863	14,678	15,363	17,601
9	Uttar Pradesh	30,443	31,629	33,479	33,027	32,304	30,933	45,342
10	Bihar	2,855	3,134	4,010	4,302	4,108	3,737	3,133
11	Sikkim	14	71	18	40	30	11	8

Sl. No.	State/UTs	Number of EM-II filed						
		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
12	Arunachal Pradesh	63	144	86	60	25	55	25
13	Nagaland	687	2,498	1,445	217	213	231	242
14	Manipur	54	138	81	122	122	181	178
15	Mizoram	226	478	500	198	131	122	213
16	Tripura	156	236	220	218	205	150	173
17	Meghalaya	403	397	1,040	748	573	581	641
18	Assam	1,811	1,711	1,678	1,506	1,218	1,451	1,860
19	West Bengal	17,618	13,428	11,685	10,109	13,470	10,342	11,380
20	Jharkhand	940	1,051	669	690	939	4,554	3,592
21	Odisha	1,515	1,588	1,758	1,657	2,155	2,622	2,815
22	Chhattisgarh	1,335	1,291	1,089	1,206	1,741	1,472	1,556
23	Madhya Pradesh	12,319	14,183	19,748	19,704	20,104	19,832	19,374
24	Gujarat	13,185	17,866	19,992	27,939	51,781	68,235	58,627
25	Daman & Diu	164	247	107	126	83	76	64
26	Dadra & Nagar Haveli	232	150	105	77	103	93	93
27	Maharashtra	10,244	11,682	11,896	14,496	15,606	16,136	19,826
28	Andhra Pradesh	4,478	4,726	9,144	9,204	9,260	8,200	9,247
29	Karnataka	14,984	15,705	17,195	18,434	21,021	24,208	25,966
30	Goa	57	76	112	88	97	103	169
31	Lakshadweep	5	14	23	24	8	11	9
32	Kerala	10,757	15,541	10,956	11,089	11,071	13,551	14,997
33	Tamil Nadu	27,309	32,049	41,799	57,902	70,639	90,974	116,393
34	Puducherry	144	214	200	186	120	86	76
35	Andaman & Nicobar IIs.	52	61	68	78	82	100	100
<b>All India</b>		<b>172,703</b>	<b>193,026</b>	<b>213,206</b>	<b>238,429</b>	<b>282,428</b>	<b>322,818</b>	<b>362,991</b>

**2.5.4 Number of EM-II filed during 2007-08 to 2013-14 by type of enterprises is as given in the following statement (2.7)**

**TABLE 2.7: DISTRIBUTION OF NUMBER OF EM-II FILED BY TYPE OF ENTERPRISES**

Year	Number of EM-II filed pertaining to				Total		
	Micro	Small	Medium				
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

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.

The main findings of the Fourth All India Census of MSME, Registered and Unregistered Sectors separately and Industry Group-Wise distribution of number of EM-II filed by Micro, Small and Medium Enterprises (At 2-Digit Level of NIC-2004) during 2007-08 to 2013-14 are given as Annexure IV(A), IV(B), IV(C), IV(D) and IV(E) respectively.



Shri Madhav Lal, Secretary, Ministry of Micro, Small and Medium Enterprises, releasing the "India Micro, Small and Medium Enterprises Report 2013", at a function, in Mumbai on September 06, 2013.

# 3

## POLICY INITIATIVES



Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra presiding over the National Conference of State's Ministers for Industries & MSME in New Delhi on August 22, 2014.

## CHAPTER - III

# POLICY INITIATIVES

### **3.1 IMPLEMENTATION OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:**

**3.1.1** The MSME Development Act 2006 came into effect on 2nd October 2006.

Subsequently both the Central and State Governments have taken effective steps towards implementation of the Act. While the Central Government has framed a number of Rules and issued Notifications in respect of the Act; different State Governments have also issued notifications under the Act as detailed below:-

(i) Notification of Authority for receiving Memoranda for Micro and Small Enterprises (MSEs):

All states & UTs except the newly created state 'Telangana' have issued the necessary Notifications nominating the authority for receiving Entrepreneurs Memorandum for MSEs.

(ii) Notification of Rules of MSE-Facilitation Council (MSEFC):

All States & UTs with the exception of Arunachal Pradesh, Assam and Manipur have issued the Notifications providing for Rules of Micro and Small Enterprises Facilitation Council (MSEFC).

(iii) Notification of Constitution of Micro and Small Enterprises Facilitation Council (MSEFC):

All States & UTs except the newly created state 'Telengana' have issued the Notifications for constitution of Micro and Small Enterprises Facilitation Council (MSEFC).

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

**3.2.1** The Policy of Reservation of Products for Exclusive Manufacture in SSI (now MSEs) was initiated in 1967 with the objective of achieving socio-economic development, through development and promotion of small units all over the country. This was expected to result in countering the challenges of regional

industrial imbalances, employment generation through self-employment ventures, increased productivity, etc. However, with the gradual opening up of the economy, de-reservation had to be resorted to for providing opportunities to MSEs for technological upgradation; promotion of exports and achieving economies of scale. Accordingly, the MSEs are being encouraged to modernize and enhance their competitiveness for facing the challenges arising out of liberalization and globalisation of the economy.

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

### **3.3 NATIONAL MANUFACTURING COMPETITIVENESS PROGRAMME (NMCP)**

Providing competitive edge to the units in the MSME Sector in the global environment has been one of the important cornerstones of the policies being pursued by the Government for sustenance of the sector. With a view to build the capacity of the Indian micro, small and medium manufacturing enterprises for overcoming competition in the global markets and facing challenges being posed by the entry of the multi-nationals in the domestic markets, the M/o MSME is implementing the National Manufacturing Competitiveness Programme (NMCP). The objective of NMCP is to ensure healthy growth of the MSME Manufacturing Sector. There are eight components of NMCP which address the entire gamut of manufacturing in the sector. The details of the components of the Programme are shown in the following Table:-

**TABLE 3.1: COMPONENTS OF NMCP**

<b>SI.No.</b>	<b>Component with Short Name</b>
1.	Support for Entrepreneurial and Managerial Development of SMEs through Incubator (INCUBATOR)
2.	Building Awareness on Intellectual Property Rights (IPRs)

3.	National Programme for Application of Lean Manufacturing (LEAN)
4.	Enabling Manufacturing Sector to be Competitive through Quality Management Standards and Quality Technology Tools (QMS/QTT)
5.	Technology Upgradation and Quality Certification Support to SMEs (TEQUP)
6.	Marketing Assistance for SMEs and Technology Upgradation Activities (MARKETING)
7.	Design Clinic Scheme to bring Design expertise to the Manufacturing Sector (DESIGN)
8.	Promotion of ICT in Indian Manufacturing Sector (ICT)

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

**3.4.1** The Prime Minister had announced setting up of the Task Force in August, 2009 when representatives of prominent MSME associations had met him to highlight their issues and concerns. Accordingly, the Task Force under Shri T. K. A. Nair, the then Principal Secretary to Prime Minister was constituted on

2<sup>nd</sup> September 2009 to reflect on the issues raised by the associations and formulate an agenda for action after discussions with all stakeholders. Its members included Member, Planning Commission, Secretaries of concerned Government Departments, Deputy Governor, RBI, Chairman and Managing Director, SIDBI and representatives of associations.

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

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

**3.5.1** 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 for effective implementation w.e.f. 1<sup>st</sup> April, 2012.

**3.5.2** 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. 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 shall be 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.

**3.5.3** 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 Minister 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.

**3.5.4** 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.

### **3.6 E-Governance initiatives**

**3.6.1** With a view to strengthening communications between stakeholders, and improving efficiencies in service delivery, the following initiatives have been launched: 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. **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 is under process.

**3.6.2 Aadhar-based Bio-metric Attendance System** for all employees (98% coverage) of the Ministry was started w.e.f. 20th August, 2014 resulting in punctuality of attendance.

**3.6.3 A National Portal for filing of EM-I and EM-II** is ready for launch. A Video Conference with all States and UTs was held recently wherein it was found that out of 658 districts and 644 DICs, very few are having online system which is workflow based system of filing. States are being encouraged to adopt National Portal and share the database for decision support system and planning for MSMEs. This will allow the MSMEs to register online, making it easier to do business.

**3.6.4 Virtual Cluster** web portal has been made available at [www.msmsecluster.in](http://www.msmsecluster.in). It will provide facilities like common application forms, credit scoring models etc. and a platform for Industry-Academia linkages. So far 121 Domain experts, 212 academic institutions and 25530 MSME enterprises have been registered.

**3.6.5 An Employment Facilitation Portal** ([www.memsenaukri.com](http://www.memsenaukri.com)) set up by NIESBUD

was launched by the Minister (MSME) on 11<sup>th</sup> July, 2014. This enables matching of job providers and job seekers. So far 10,151 youth seeking jobs and 191 employers have been registered. This is being linked to MSME Training Database in a searchable format as Career Centre.

**3.6.6 B2C web portal of NSIC was launched on 31<sup>st</sup> July, 2014.** This portal will market MSME products exclusively.

**3.6.7** All the forms and guidelines of the schemes implemented by the Ministry have been placed on the website. Online applications have been introduced in respect of large number of schemes and it would be the endeavor of the Ministry to cover all the schemes.

**3.6.8 First Ministry to launch mobile friendly website** for quicker access <http://msme.gov.in/mob/home.aspx>.



Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra inaugurating the twitter and facebook account of MSME ministry, in New Delhi on July 07, 2014.

# 4

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



Special Secretary and Development Commissioner, Ministry for Micro, Small and Medium Enterprises, Shri Amarendra Sinha and President & CEO, Samsung Electronics, South West Asia Mr. B.D. Park signed an MoU in the presence of Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra, at the inauguration of the MSME-Samsung Technical School, in New Delhi on August 04, 2014.

## CHAPTER - IV

# **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 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 (MSME-DIs):-** 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 Goverment Functionaries.
- Market Surveys.
- Promotion of handholding programme called Rajiv Gandhi Udyami Mitra Yojana (RGUMY) for micro and small entrepreneurs.

- 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 – particulraly with objective of helping the micro, small and medium enterprises, has established the following Technology Centres : -

- (i) Central Tool Room & Training Centre (CTTC), Kolkata
- (ii) Central Tool Room (CTR), Ludhiana
- (iii) Indo German Too Room (IGTR), Indore
- (iv) Indo German Tool Room (IGTR), Ahmedabad
- (v) Indo German Too Room (IDTR), Jamshedpur

- (vi) Central Tool Room & Training Centre (TRTC), Guwahati
- (vii) Central Institute of Hand Tools (CIHT), Jalandhar
- (viii) Central Institute of Tool Design (CITD), Hyderabad
- (ix) Electronics Service & Training Centre (ESTC), Ramnagar
- (x) Institute for Design of Electrical Measuring Instruments, Mumbai.
- (xi) Fragrance & Flavour Development Centre (FFDC), Kannauj.
- (xii) Centre for Development of Glass Industry (CDGI), Firozabad.
- (xiii) Process & Product Development Centre (PPDC), Agra.
- (xiv) Process cum Product Development Centre (PPDC), Agra.
- (xv) Central Footwear Training Institute (CFTI), Agra.
- (xvi) Central Footwear Training Institute (CFTI), Chennai.

**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

toll 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.

**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 Intergrated 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 to look into MSMEs specific problems and render technical services, development and training specific product groups like Foundry & Forging, Electromics, Electrical Measuring Instruments, Fragrance & Flavour, Glass, sport shoes, and develop footwear designing to promote exports & provide training for manpower Footwear Industry.

**4.1.9 The achievements of these Tool Rooms are as under:-**

**Achievements of MSME Tool Rooms during 2013-14(up to 31<sup>th</sup> December 2014) are as under:**

(i)	Revenue Target 2013-14 (` Rs in lakh)	20000
(ii)	Revenue Earned (`Rs in lakh)	15473
(iii)	No. of Units Serviced	24814
(iv)	No. of Trainees (Long Term)	21474
(v)	No. of Trainees (Short Term)	95158
(vi)	No. of SC/ST Trainees	41979
(vii)	No. of OBC Trainees	17742
(viii)	No. of Minority Trainees	2580
(ix)	No. of Women Trainees	17621
(x)	No. of Physically Handicapped Trainees	56

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

4.2.1 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 Rs. 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. Location in 9 unserved States has been finalized 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 TECHNOLOGY DEVELOPMENT CENTRES (MSME TDCs)**

**4.3.1** MSME Technology Development Centres (MSME TDCs) are product specific Centres to look into MSME's specific problems and render technical services develop and upgrade technologies & manpower development and training in specific product groups like Foundry & Forging, Electronics and Electrical Measuring Instruments. MSME TDCs include the Electronic Service & Training Centre (ESTC), Ramnagar; Institute for Design of Electrical Measuring Instruments (IDEMI), Mumbai and Process and Product Development Centre (PPDC), Agra.

**4.3.2** The main objective of these Technology Development Centres is to develop human

resources for meeting the requirements for transfer of technology in respective products fields. These Centres are also running training courses as per the requirements of the industry.

**4.3.3** The achievements of MSME Technology Development Centres during 2014-15 (up to 31<sup>th</sup> December 2014) are as under:-

(i)	Revenue Target 2013-14 (Rs in lakh)	4450
(ii)	Revenue Earned (Rs in lakh)	2482
(iii)	No. of Units Serviced	5121
(iv)	No. of Trainees (Long Term)	551
(v)	No. of Trainees (Short Term)	19844
(vi)	No. of SC/ST Trainees	7161
(vii)	No. of OBC Trainees	2014
(viii)	No. of Minority Trainees	16
(ix)	No. of Women Trainees	3550
(x)	No. of Physically Handicapped Trainees	12

#### **4.4 MSME TESTING CENTRES (TCs) AND MSME TESTING STATIONS (TSs)**

##### **4.4.1 MSME -TESTING CENTRES (TCs)**

Office of DC (MSME) is operating four MSME -Testing Centres (formerly RTCs) located at New Delhi, Mumbai, Chennai and Kolkata.

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



#### **4.4.2 MSME -TESTING STATIONS (TSs):**

**4.4.2.1** 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 FTSS) at Jaipur, Bhopal, Kolhapur, Hyderabad, Bangalore, Puducherry and Ettumanur. These Testing Stations extend facilities for testing of various products viz. chemicals, dye-stuffs, lamps, rubber products, castings and forgings, paints and varnishes, domestic electrical appliances, general engineering etc.

**4.4.2.2** 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

For the year 2013-14, an amount of Rs 575.00 lakh has been allocated for day to day functioning and modernization of MSME -Testing Centres / Stations.

The Overall performance of MSME-TCS & MSME upto 31st December 2014 is as follows:

#### **4.5 MSME-DEVELOPMENT INSTITUTES (MSME-DIs)**

**4.5.1** 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.

Year	Revenue earned (Rs. lakhs)		Recurring Expenditure (Rs.lakhs)		No. of jobs completed		No. of MSMEs 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	377.7	217.86	664.11	201.7	101548	52191	5489	5164

to cater to the need of industries in general and Micro, Small & Medium sector in particular, situated in their locality.

#### **Hands on skill development**



**4.5.2** 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.

**4.5.3** 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.

**4.5.4** 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.

#### **4.6 CREDIT LINKED CAPITAL SUBSIDY SCHEME (CLCSS)**

**4.6.1** The Ministry of Micro, Small and Medium Enterprises (MSME) is operating a Scheme namely Credit Linked Capital Subsidy Scheme (CLCSS) for Technology Upgradation of Micro and Small Enterprises. The Scheme aims at facilitating Technology Upgradation 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 aims at facilitating Technology Upgradaton of Micro and Small Enterprises by providing 15% Capital Subsidy (limited to maximum Rs. 15.00 lakh) for purchase of Plant & Machinery. Maximum limit of eligible loan for calculation of subsidy under the scheme is Rs.100 lakh. Presently, more than 1500 technologies under 51 products/sub-sectors have been approved under the scheme. Since inception of the scheme, 30,732 units have availed subsidy of Rs. 1776.58 crores till 31.12.2014.

#### **4.7 Credit Guarantee Fund Scheme for Micro and Small Enterprises**

**4.7.1** The Government launched the Credit Guarantee Fund Scheme for Small Industries (now renamed as Credit Guarantee Fund Scheme for Micro and Small Enterprises) in August, 2000 with the objective of making available credit to MSEs, particularly Micro Enterprises, for loans

up to Rs. 100 lakh without collateral/ third party guarantees. The scheme is being operated by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) set up jointly by the Government of India and SIDBI.

**4.7.2** The Scheme covers collateral free credit facility (term loan and/ or working capital) extended by eligible member lending institutions to new and existing micro and small enterprises up to Rs. 100 lakh per borrowing unit. The guarantee cover provided is up to 75% of the credit facility up to Rs.50 lakh (85% for loans up to Rs. 5 lakh provided to micro enterprises, 80% for MSEs owned/ operated by women and all loans to NER) with a uniform guarantee at 50 % of the credit exposure above Rs. 50 lakh and upto Rs. 100 lakh. A composite all-in Annual Guarantee Fee of 1.0 % p.a of the credit facility sanctioned (0.75% for credit facility upto Rs. 5 lakh and 0.85% for above Rs. 5 lakh and upto Rs. 100 lakh for women, micro enterprises and units in NER including Sikkim) is now being charged. The corpus of CGTMSE is contributed by the Government of India and SIDBI in the ratio of 4:1. The corpus of CGTMSE has been enhanced to Rs. 2389.04 crore with the contribution of Rs.1911.23 crore from the GoI and Rs. 477.80 crore from SIDBI. This includes Rs. 74.99 crore released as GoI contribution during 2014-15.

**4.7.3** At present 133 eligible lending institutions registered as MLIs of the Trust comprising of 26 Public Sector banks, 20 Private Sector Banks, 73 Regional Rural Banks (RRBs), 4 foreign banks and 9 other Institutions ViZ. Delhi Finance Corporation, Kerala Financial Corporation, Jammu & Kashmir Development Corporation Ltd, Andhra Pradesh State Fiancial 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).

**4.7.4** As on 31<sup>st</sup> December 2014, cumulatively 17, 22,488 proposals have been approved for guarantee cover for a total sanctioned loan amount of Rs. 85,607.35 crore.

#### **4.8 Scheme of Micro Finance Programme**

**4.8.1** The Ministry has been operating a Scheme of Micro Finance Programme since 2003-04 which has been tied up with the existing Micro Credit Scheme of SIDBI. Under the Scheme, the Government of India provides funds to SIDBI under 'Portfolio Risk Fund' (PRF) which is utilized for security deposit

requirements of loan from the 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, Orissa, Madhya Pradesh, Chhattisgarh, Uttar Pradesh, Jammu & Kashmir, Rajasthan and Uttarakhand and underserved pockets/ districts of other States.

**4.8.2** As on 31<sup>st</sup> December 2014, Cummulative loan amount provided to MFIs/NGOs under the scheme stood at Rs 2199.11 crore covering approximately 27.19 lakh beneficiaries.

#### **4.9 MICRO & SMALL ENTERPRISES CLUSTER DEVELOPMENT PROGRAMME (MSE-CDP)**

**4.9.1** The Micro and Small Enterprises – Cluster Development Programme (MSE-CDP) is being implemented for holistic and integrated development of micro and small enterprises in clusters through Soft Interventions (such as diagnostic study, capacity building, marketing development, export promotion, skill development, technology upgradation, organizing workshops,

seminars, training, study visits, exposure visits, etc.), Hard Interventions (setting up of Common Facility Centers) and Infrastructure Upgradation (create/upgrade infrastructural facilities in the new/existing industrial areas/ clusters of MSEs). Assistance is provided for the following activities under the scheme-

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

- (v) Infrastructure Development with GoI grant of upto 60% of the cost of project of Rs 10.00 crore, excluding cost of land. GoI grant will be 80% for projects in NE & Hill States, industrial areas/ estates with more than 50% (a) micro (b) women owned (c) SC/ST units.
- (vi) The GoI assistance shall also be available to Associations of Women Entrepreneurs for establishing exhibition centres at central places for display and sale of products of women owned micro and small enterprises @ 40% of the project cost.

#### **4.9.2 Progress under the components of MSE-CDP**

- (a) **Cluster Development:** A total of 965 interventions in various clusters spread over 29 States and 1 UT in the country have so far been taken under the programme for Diagnostic Study, Soft Interventions and Hard Interventions. The efforts under the scheme are focused on covering more and more clusters from all the States / UTs.
- (b) Physical Progress (1<sup>st</sup> April 2012 to 31<sup>st</sup> December, 2014)

- New clusters undertaken for Diagnostic Study Reports (DSRs) – 27 Nos.
- Cluster undertaken for soft interventions - 21 Nos.

- New Common Facility Centre (CFC) - final approval accorded - 4 Nos.
- New Infrastructure Development (ID) & upgradation of ID centres approved - 1 Nos.
- Monitor and sanction of funds in the earlier approved CFCs & IDs – 30 Nos.
- In-principle approval for CFCs - 2 Nos.
- In-principle approval for Infrastructure Development - 4 No.

(c) **Infrastructure Development:** Under ID component, till 31<sup>st</sup> December 2014, 171 new ID/upgradation Centres have been sanctioned since inception of the scheme. Out of the above sanctioned centres, 116 new ID/upgradation Centres have been completed. A total of 12607 plots have been allotted to small and tiny units and 6120 units established. The scheme has generated employment to 89935 persons so far.

(d) **Financial Progress:** Sanctions for expenditure of Rs. 45.45 crore have been issued till 31<sup>st</sup> December 2014 during the current financial year under MSE-CDP.

(e) **Online Application:-** To ensure transparency and speedy implementation of MSE- CDP, on-line application system has been started from 1st April 2012.

#### **4.10 National Manufacturing Competitiveness Programme (NMCP)**

The National Manufacturing Competitiveness Programme (NMCP) is the nodal programme of the Government of India to develop global competitiveness among Indian MSMEs. Conceptualised by the National Manufacturing Competitiveness Council (NMCC), the Programme was initiated in 2007-08. There are eight components under the NMCP targeted at enhancing the entire value chain of the MSME sector. These components are described below:-

##### **4.10.1 Scheme for Providing Support for “Entrepreneurial and Managerial Development of SMEs through Incubators”**

The scheme “Support for Entrepreneurial

Development of SMEs through Incubators” is operational since April 2008. This is one of the components of National Manufacturing Competitiveness Programme (NMCP) which provides support for entrepreneurial development of SMEs through incubators. In fact Govt. launched National Manufacturing Competitiveness Programme (NMCP) to improve the competitiveness and efficiency of MSME sector. Under the scheme the main task is promotion of individual innovators so that they could become technology based entrepreneur.

The Office of DC (MSME) has selected 138 Business incubators for implementing the above scheme and released Rs. 15.848 Crore so far. Year wise progress of Scheme till 31.12.2014 is given below.

<b>Year</b>	<b>No of Incubator selected/approved for implementing the Scheme</b>	<b>No of Innovative Ideas selected/ approved for financial assistance</b>	<b>Total Govt of India funds provided / released. (Rs. in Crore)</b>
2008-09	25	18	-
2009-10	29	164	1.906
2010-11	22	95	5.76
2011-12	-	49	2.06
2012-13	26	29	2.301
2013-14	16	53	2.506
2014-15	20	95	1.3218
<b>Total</b>	<b>138</b>	<b>503</b>	<b>15.8548</b>

**4.10.2 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 is continued to be implemented since 11<sup>th</sup> Five-year Plan. Under this programme, financial assistance is provided for taking up the identified activities viz. (1) Awareness/ Sensitisation Programmes, (2) Pilot Studies for Selected Clusters/ Groups of Industries, (3) Interactive Seminars / Workshops, (4) Specialized Training, (5) Assistance for Grant on Patent/ GI Registration, (6) Setting up of ‘IP Facilitation Centre and (7) Interaction with International Agencies. These initiatives are being developed through Public-Private Partnership (PPP) mode to encourage economically sustainable models for overall development of MSMEs.

With the approval of the Project Implementation Committee (PIC), which is responsible for day-to-day implementation of the programme, various activities have been undertaken during the year 2014-15. These include: (i) setting up of 28 Intellectual Property Facilitation Centres (IPFCs), (ii) Organized 278 Awareness/ Sensitisation Programmes, (iii) 88 Workshops / Seminars, (iv) 7 Short Term Training Programmes and (v) three Two-day Workshops in association of International Agencies i.e WIPO, Geneva. (vi) One Pilot Study was conducted on Cane and Bamboo and (vii) Financial assistance was released to one unit for Grant of Patent.

**4.10.3 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 Scheme (LMCS) is basically a business 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, Kaizen Blitz.

The lean Manufacturing Competitiveness Scheme was started as a pilot phase in 2009 for 100 Mini clusters (10 or so manufacturing MSME units) in 11<sup>th</sup> 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 stated in 89 clusters and successfully Work completed in 59 Mini Clusters with expenditure of Rs. 16.0 crore under the Pilot phase of LMCS. The brief progress details of the Pilot Phase are as below:

Activities	Target (Nos.)	Achievement
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

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. Following are the few clippings of photograph showing differences before and after the status of implementation of the scheme.

The scheme was up-scaled in September, 2013 considering the recommendations of the evaluation report. The up-scaled Leand Manufacturing competitiveness Scheme approved with a total Project Cost of Rs 240.94 crore. (GOI contribution Rs 204.94 crore) for 12<sup>th</sup> five Year Plan for 500 mini

Clusters. National Productivity Council and Quality Council of India have been selected as National Monitoring and Implementing units (NMIUs) for the up-scaled Scheme. Under the scheme, financial assistance upto Rs. 36 Lakhs(maximum) per Mini Cluster of 10 units for a period of 18 Months or till completion(GOI: Units::80:20, Rs 28.8 Lakhs: Rs. 7.2 Lakhs) is paid to Lean Manufacturing consultants for intervention Lean Manufacturing in the units. In a very short period of time, we have already identified and selected 349 Clusters for implementation of Lean Techniques, remaining clusters will be selected in coming two months so. The brief of the up scaled are as below:

Activities	Target(Nos.)	Achievement (Nos.)
Clusters identified for implementation of the Lean Techniques	500	349
Awareness Programmes across the country	500	236
LMC(Lean Manufacturing Consultatnt) Empanelled in the Scheme	500	222
SPVs(Special Purpose Vehicle)/ DPGs formed	500	114

LMC(Lean Manufacturing consultant) Selected in the Scheme for LM interventions in the cluster	500	45
Expenditure Incurred	Rs. 13.0 crore	

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

The scheme, “Enabling Manufacturing Sector to be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT)” is aimed at improving the quality of the products in the MSME sector and inculcating the quality consciousness in enterprises in this sector. This Scheme was implemented during 11<sup>th</sup> Five-Year. After evaluation study the scheme is being conducted during the 12<sup>th</sup> Five Year Plan. The major activities are:

- (i) Introduction of Appropriate Modules for Technical Institutions;
- (ii) Organizing Awareness Campaigns for MSEs;
- (iii) Organizing Competition-Watch (C-Watch);
- (iv) Implementation of Quality Management Standards and Quality Technology Tools in selected MSMEs;

- (v) Monitoring International Study Missions;
- (vi) Impact Studies of application of QMS/QTT.

**Present Status:** Till 31st December 2014, (i) 578 Nos. of awareness programmes have been conducted (ii) 1800 Nos. ITI teachers have been trained on QMS/QTT by Quality Council of India (QCI). (iii) Course Module for the polytechnic prepared by QCI has been accepted by Ministry of HRD. (iv) One National level workshop organized. (v) Two International study missions to Japan have been organized. (vi) Implementation of QMS/QTT in 20 nos. of MSME clusters /200 units are under process. The DSR of 10 clusters/ 100 units have been prepared and implementation of QMS/QTT in these units is 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.

#### **4.10.5 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 under this

component include Capacity Building of MSME Clusters for Energy Efficiency/Clean Development Interventions, Implementation of Energy Efficient Technologies in MSME sector, and encouraging MSMEs to acquire product certification licenses from National / International bodies.

**Present Status:** During 2014-15, 67 nos. of Product Certification reimbursements have been made, till 31<sup>st</sup> December, 2014. Further 56 nos. Of units have been approved by the Scheme Steering Committee (SSC) for assistance towards implementing energy efficient technology during the current financial year, for reimbursement of Rs. 4.20 crore.

#### **4.10.6 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.



*Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra visiting the stalls at a Conference in Kolkata on September 20, 2014.*

**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 Rs. 340.59 lakhs has been providing to 2464 MSME units benefitted under the Scheme upto 31.12.2014.

#### 4.10.7 Design Clinics scheme for MSMEs:

The main objective of this component is to bring the MSME sector and design expertise on a common platform and to provide expert advice and solutions on real time design problems,

resulting in new product development, continuous improvement and value-addition for existing products. It also aims at value-added cost effective solutions. The activities under the scheme are; organizing seminars; workshops in MSME clusters include design projects of MSME units.

**Present Status:** National Institute of Design (NID) Ahmedabad is working as nodal agency. Till date to sensitize the scheme, 156 seminars have been organized in the clusters and 90 Nos. Design Projects received from MSME units for design intervention approved by the

Government for financial assistance. 53 Nos. of Design Awareness workshops were also conducted.

#### **4.10.8 Promotion of Information & 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:** The revised Scheme with above objectives has been approved by the SFC. Guidelines are approved. Scheme is being operationalised shortly.

#### **4.11 ISO-9000/ISO-14001/HACCP Certification Reimbursement Scheme**

**4.11.1** 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 Rs.75000/- Approval for continuation of the scheme in XIIth Plan has been accorded by hon'ble Minister for MSME in Oct 2014 after completion of Evaluation study of the Scheme. An amount of Rs 132.11 Crore has been reimbursed to 25,652 units since inception of the Scheme till 31<sup>st</sup> March, 2014. During 2014-15 about 74 Lakh to 125 units has been reimbursed upto 31<sup>st</sup> December, 2014.

#### **4.12 TRAINING PROGRAMMES (IMCs, ESDPs, EDPS, BSDPs AND MDPs) conducted by MSME-DIs**

**4.12.1** MSME-DIs are conducting varieties of training programmes for first generation potential entrepreneurs, existing industrial workers and supervisory personnel. 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. 1310 IMCs have been conducted up to March 2014 to motivate 81084 persons.
- (ii) Entrepreneurship Development Programmes (EDPs): Entrepreneurship

Development Programmes are being organized as a regular training activity to cultivate the latent qualities of youth by enlightening them on various aspects that are necessary to be considered while setting up Micro, Small & Medium Enterprises. These programmes are conducted generally for technicians / artisans for motivating them towards self-employment. The course contents of such Entrepreneurship Development Programmes are so designed as to provide useful information on product /process design, manufacturing practices involved, testing and quality control, selection and usage of appropriate machinery and equipments, project profile preparation, marketing avenues/techniques, product / service pricing, export opportunities, infrastructure facilities available, finance and financial institutions, cash flow, etc. No participation fee is charged from SCs/ STs. Only 50% fee is charged from Women and Physically handicapped participants. A stipend of Rs. 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

7253 persons have participated in 1647 EDPs conducted for providing training, up to 31<sup>st</sup> December 2014.

(iii) Entrepreneurship Skill Development Programme (ESDP): Comprehensive training programmes are organized to upgrade existing skills and to create new skills in workers and technicians of existing units and educated unemployed youth by organizing various technical training courses for them. The basic objective has been to provide training to unskilled/semi-skilled workers engaged in MSE sector and to equip them with better and improved techno-managerial skills of production. Emphasis is being made to organize maximum programmes in rural areas particularly for weaker sections of society.

Programmes so far organized, inter-alia, include Basic Turning, Machining Grinding, Welding/Fabrication Skills, Operation of CNC Machine Tools, Herbal Cosmetics, High Fashion Garments, Hosiery, Food & Fruit Processing industries, Information technology, Hardware Maintenance, Soap and Detergents, Leather Products, Jute/Rexene Bags, DTP & Screen Printing, Servicing of House Hold Electrical Appliances and Electronic Gadgets, Engineering Plastics, Mobile Repairing, Webpage Designing, CAD/CAM etc. No participation fee is charged from SCs/STs.

Only 50% fee is charged from Women and Physically handicapped participants. A stipend of Rs. 125/- per week per candidate is paid to a person belonging to SC/ST, women or physically handicapped categories in the stipendiary programmes. 1647 ESDPs have been conducted for providing training to 38425 persons up to 31<sup>st</sup> December 2014.

(iv) Management Development Programmes (MDP): The basic objective of imparting training in management subjects is to improve the MSMEs in the decision-making and in enhancing productivity/profitability. Entrepreneurs and their supervisory and managerial staff are trained so that they can improve decision making and enhance productivity & profitability of MSMEs. 2958 persons have been benefited through 128 programmes conducted up to 31<sup>st</sup> December 2014.

#### 4.12.2 Officers' Training Programmes within the O/o DC (MSME):

MSME-DO plays a vital role in the development of Micro, Small & Medium sector in India. It is actually engaged in developing new and existing Micro, Small and Medium Entrepreneurs by providing training, extension service, common facility workshop and Hi-tech technological inputs and facilities for preparing of tools, moulds, jigs, fixtures etc. through modern tool

rooms and development institutes spread across the country. It has excellent technical officers and staff for imparting Entrepreneurship skills, management training, and technical training in all trades pertaining to MSME sector.

For the efficient working of the organization, there exists a continuous need for improving the performance of MSME-DO officers and staff by giving appropriate training to them. Accordingly, IC&C division arranges various In-Country training programmes for MSME-DO officials every year thus enriching their knowledge and skill. On an average about 300 officials are trained every year.

It is against this background that there exists a continuous need for improving the performance of staff and officers of MSME-DO by giving appropriate training to them. Accordingly, DC Office arranges In-Country training to MSME-DO officers for enriching their knowledge. A total of 192 officers (including 13 officers from NE region and 7 women officers) have attended various training programmes at different training institutes situated in different parts of the country. The total expenditure incurred is Rs. 0.34 crores. It is expected to provide training to 300 MSME-DO officials during 2015-16.

#### **4.12.3 Export Promotion (Training programme on packaging for Exports):**

To educate MSE Entrepreneurs about the scientific packaging techniques, latest design of packaging technology, improve their packaging standards and to highlight the importance of packaging in marketing, Office of DC (MSME) has been organizing specialized training programmes on packaging for exports for MSE units through field offices i.e. MSME-DIs in collaboration with Indian Institute of packaging (IIP), Mumbai and other such Institutes since the year 1979. The Training Programme is being organized for one, two and three day's duration as per the need and concentration of MSMEs.

**4.12.4** As the evaluation study of Export Promotion Scheme for its continuation in the 12th Five Year Plan has been under way, no training programmes were conducted during 2013-14. It is planned to organize 40 one-day, two days & three days training programmes on packaging for exports through MSME-DIs in 2014-15. It is also planning to conduct 02 training programmes on export procedures & documentations for MSME-DO officers and one day workshop for MSME exporters/units. 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.

#### **4.13 VENDOR DEVELOPMENT PROGRAMMES (VDPS) FOR ANCILLIARISATION**

Vendor Development Programmes (VDPs) are being organised by MSME-DIs in every corner of the country to provide common platform for MSEs as well as selling organisations 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 the small scale entrepreneurs and their industrial ventures. Such programmes have proved to be of immense use in locating suitable entrepreneurs by a number of buying organisations including the Public sector enterprises various wings of Defense, Railways and others in indenting 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

MSMEs (sellers) and requirement of large scale organizations (Buyers). Souvenir published containing details of participants after every NCDP. In SVDPs, only one or two large scale organizations functioning in the State participate and interact with SMEs (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 SME units in the form of exhibition. In view of this, VDPs help to achieve the objective of faster and inclusive growth, expanding production in a regionally balanced manner and in generating widely dispersed employment.

During the year 2014-15, 12 Nos. of National Level VDPs and 50 Nos. of State Level VDPs have been organized by MSME-DIs throughout the country with an expenditure of Rs. 100 Lakhs as on 30.11.2014. Further 38 Nos. of NVDPs and 250 Nos. of SVDPs are likely to be organized over the remaining months of this Financial year with an expenditure of about 300 lakhs.

#### **4.14 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 2014-15, Office of DC (MSME) has participated in 13 International Trade Fairs in which 195 units has participated. Total expenditure till 16.12.2014 is Rs. 1.97 crore.



*Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra inaugurating the MSME Pavilion, at the India International Trade Fair, 2014, at Pragati Maidan, in New Delhi on November 14, 2014. Secretary, Ministry of Micro, Small and Medium Enterprises, Shri Madhav Lal and AS & DC, Shri Amarendra Sinha are also seen.*

#### **4.15 BAR CODE SCHEME**

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 Enterprise (MSEs) to GS1 India for adoption of Bar Code.

The scheme aims at enhancing marketing competitiveness of MSEs. Financial assistance of Rs. 62, 43,049 lakhs has been provided to 387 MSEs Upto 31st December 2014 for reimbursement of one-time registration fees and annual recurring fees.

#### **4.16 SENET (SMALL ENTERPRISE NETWORK)**

4.16.1 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 computers, Servers, printers, UPS, Networking equipments, Facility Management, Internet connection etc, up gradation/replacement of Computers of IT Hardware available in the HQrs and it's 30 (thirty) field MSME-DIs & 28 Branch MSMEDIs.
- (ii) The maintenance of the website of Office of DC (MSME), the website of 30 MSME Development Institutes providing internet connection to 30 field MSMEDIs & 28 Branch MSME DIs.
- (iii) There, of course are certain add-ons for facilitation of MSMEs in theses establishments. Further more, 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 Schemes also provides for a communication link between the Associations; state Govt. and other stakeholders.

#### **4.17 National Awards**

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

The awards are given to MSMEs for outstanding performance in Entrepreneurship, Research and Development, Innovation, Lean Manufacturing Techniques and Quality Products. The First, Second and Third National Awards carry a cash prize of Rs.3,00,000/-, Rs.2,00,000/- and Rs.1,50,000/- respectively, a certificate and a trophy. Selection for awards is made on the basis of a set criteria exclusively designed to evaluate performance of the MSMEs. Special Awards are given to honour one Outstanding Woman entrepreneur, One Outstanding entrepreneur from SC/ST Community and one entrepreneur from North Eastern Region. National Awards

are also given to Banks for Excellence in MSEs & Medium Enterprises and these awards lending and Excellence in lending to Micro have been gone to entrepreneurs from Delhi, Enterprises. Haryana and Punjab respectively.

Under the scheme, an exhibition is also organized for MSMEs during the India International Trade Fair (IITF) at Pragati Maidan to exhibit and explore the market potential of the products manufactured by MSMEs/ National Awardess.

#### **4.17.1 National Award for Research & Development efforts in Micro, Small and Medium Enterprises (MSMEs)**

National Awards for Research & Development Efforts in Micro, Small and Medium Enterprises are given for encouraging in-house R&D efforts and promoting this spirit in the larger interest of qualitative development in MSME Sector. Under this Scheme, three awards each for Micro and Small Enterprises and for Medium Enterprises were conferred upon deserving registered MSMEs.

#### **4.17.2 National Award for Innovation in Micro, Small and Medium Enterprises (MSMEs)**

These Awards have been included from the last year. This category includes three First Awards, one in each category for Micro, Small

& Medium Enterprises and these awards have been gone to entrepreneurs from Delhi, Haryana and Punjab respectively.

#### **4.17.3 Outstanding Entrepreneurship Efforts in Micro, Small and Medium Enterprises (MSMEs).**

Under the Scheme, three National Awards each were given to Micro enterprises, Small enterprises and medium enterprises. For the Service Sector also, three National Awards were given to SMEs. Special Awards to Outstanding Women Entrepreneur, SC/ST entrepreneur and Entrepreneur from NER at par with the First National Award in each category are also given.

#### **4.17.4 National Award for Quality Products in Micro & Small Enterprises (MSEs)**

This category includes awards for achieving outstanding quality benchmarks in certain product groups, selected every year. One National Award is given for each category for the selected products.

The National Awards for Quality Products 2012 were given to eligible entrepreneurs for 8 products - (1) Essential oil and perfumery products (2) Bio-Technology Products (3) Hand Tools (4) Builders Hardware (5) Electrical Home

Appliances (6) Electro- Medical Instruments/ Equipments (7) Glass Tableware Products (8) Bakery Products.

#### **4.17.5 NationalAwardsforLeanManufacturing Techniques**

The National Award for Lean Manufacturing Techniques has been introduced this year which included three awards one each in Micro, Small and Medium enterprises categories.

#### **4.17.6 National Awards to Banks for Excellence in MSE Lending and Excellence in Lending to Micro Enterprises.**

With a view to encourage the Banks for taking effective steps for enhancing flow of credit to the MSE sector, a National Award is conferred upon the Banks in recognition of their outstanding performance in financing the Micro and Small enterprises. Further, the National Awards for Excellence in lending to Micro enterprises have also been instituted from the year 2005-06.

### **4.18 ADVERTISING & PUBLICITY**

**Print Media:** Till December, 2014 more than 1250 advertisements were designed & released on EDPs/SDPs/MDPs/VDPs etc. Conducted by all the field offices/MSME-DIs in the National and local newspapers including Employment News

in English, Hindi and vernacular languages in different parts of the country through DAVP. In addition, advertisements relating to Schemes/ Tenders/Notices/vacancies etc. of the Office of the Development Commissioner (MSME) were also released. Special informative & motivational display advertisements were also released across the country through DAVP on the occasion of MSME-Samsung Technical School at New Delhi & Varanasi, congratulating the scientists of ISRO for successfully entering the MARS Orbiter Space Craft into MARS Orbit, National Awards, inviting suggestions on the National Policy of MSME etc. For timely publication of advertisements, coordination/ monitoring with President's Office/PMO, Creative Agency, DAVP/Newspapers and all field MSME-DIs was also performed.

**Electronic Media:** A special motivational campaign was also launched for existing MSME's entrepreneurs for inviting the application for National Awards 2013 on radio for creating awareness among the entrepreneurs through FM Gold (4 Stations) for 7 days in 14 languages through DAVP.

<b>Newspaper/Magazine</b>	<b>Clippings/Press Coverage:</b>
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 number of messages was 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, and NIESBUD etc.

#### **4.19 LAGHU UDYOG SAMACHAR AND OTHER PUBLICATIONS**

Laghu Udyog Samachar, a monthly journal in Hindi and English (Bilingual) of MSME could not be brought out. 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 Publication of different motivational booklets, folder, and 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.

#### **4.20 INFORMATION & FACILITATION COUNTER (IFC)**

The Information and Facilitation Counter (IFC) located in Nirman Bhawan is 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. 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 publications of Laghu Udyog Samachar (complimentary copies) in Hindi & English were issued to them during the year.

#### **4.21 MODERNISATION 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.

## 4.22 COLLECTION OF STATISTICS OF MSMEs

**4.22.1** The Statistics and Data Bank Division of the O/o DC (MSME) collects, compiles and disseminates statistical information on various economic parameters like number of MSMEs, employment, fixed investment and production in the micro, small and medium enterprise sector under the centrally sponsored scheme of “Collection of Statistics”. The Scheme was initiated during 5<sup>th</sup> year plan period in the year 1975 with the objective to collect, compile and disseminate time series statistical data/information of MSME. The scheme was implemented through State Directorate of Industries till 11<sup>th</sup> period. Four All India Censuses were conducted so far.

### 4.22.2 Database on MSME Sector

#### (i) Reports published:

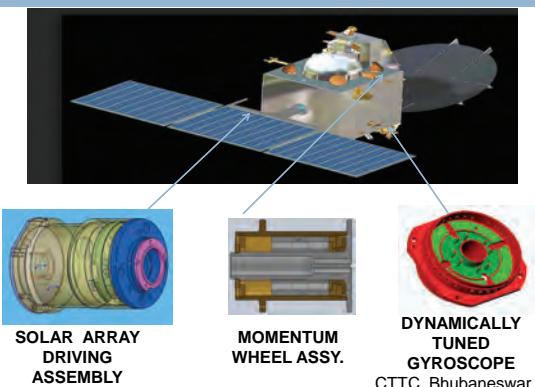
- a) Third All India Census of Small scale Industries 2001-02
- b) Quick Results of Fourth All India Census of Micro, Small & Medium Enterprises 2006-07.
- c) Fourth All India Censuses of Micro, Small and Medium Enterprises 2006-07: Registered Sector.
- d) Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Unregistered Sector.

#### (ii) Online data:

Unit wise Raw Data of Third All India Census of SSI 2001-02: Registered Sector.

### Precision Machining & Assembly

Mars Orbiter Mission (MOM)



Central Tool Room & Training Center, Bhubaneswar

### Precision Machining & Assembly

LCA TEJAS FIGHTER AIRCRAFT



Central Tool Room & Training Center, Bhubaneswar

5

## KHADI AND VILLAGE INDUSTRIES COMMISSION (KVIC)



Hon'ble Minister of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh lighting the lamp to inaugurate the Khadi Paridhan Utsav-2014, at the India International Trade Fair, 2014, at Pragati Maidan, in New Delhi on November 25, 2014. Secretary, Ministry of Micro, Small and Medium Enterprises, Shri Madhav Lal is also seen.

## CHAPTER - V

# KHADI AND VILLAGE INDUSTRIES COMMISSION (KVIC)

### **5.1 BACKGROUND**

Khadi & Village Industries Commission (KVIC) established under the Khadi and Village Industries Commission Act, 1956 (61 of 1956), is a statutory organization under the aegis of the Ministry of MSME, engaged in promoting and developing khadi and village industries for providing employment opportunities in the rural areas, thereby strengthening the rural economy. KVIC has been identified as one of the major organisations in the decentralised sector for generating sustainable non-farm employment opportunities in rural areas 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 training, marketing, funding, economic research, the Prime Minister's Employment Generation Programme (PMEGP), etc.

**5.4.2** KVIC undertakes training activities through its 41 departmental and non-departmental training centres. Marketing is taken up through its 09 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 Sliver Plants (CSPs).

## 5.5 IMPLEMENTING AGENCIES

Khadi and Village Industries (KVI) programmes are implemented through 33 State/Union Territories (UTs) Khadi and Village Industries Boards (KVIBs); 5,000 registered institutions; 30,129 cooperative societies and banks / financial institutions. The Khadi programme is implemented through institutions registered either with KVIC or State/UT 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** The Union Government through the Ministry of Micro, Small and Medium Enterprises (MSME) provides funds to KVIC for undertaking its various activities under Plan

and Non-Plan heads. These funds are provided primarily by way of grants and loans and KVIC in turn re-allocates them to its implementing agencies, namely the State 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 those earmarked in the Budget Estimate 2014-15 are given in the following Table:

**TABLE 5.1: Budgetary Support to KVIC**

(in ₹ crore)

Year	Allocation (RE)		Funds Released	
	Plan	Non- Plan	Plan	Non- Plan
2011-12	1494.22	185.22	1258.46	184.72
2012-13	1543.79	162.85	1466.20	160.85
2013-14	1395.67	219.28	1204.88	218.23
2014-5(BE)	1962.96	229.09	1152.37*	151.47*

\*UPTO 31 December 2014

## 5.8 PHYSICAL PERFORMANCE

**5.8.1** The total KVI production during 2014-

15 (upto 31 December 2014) is estimated at ₹ 21675.89 crore (Khadi ₹ 674.52 crore and

V.I. ₹ 21001.37 crore) as against ₹ 26109.08 crore (Khadi ₹ 811.08 crore and V.I. ₹ 25298.00 crore) in corresponding period of 2013-14. Similarly, estimated sales of KVI products is ₹ 28753.20 crore (Khadi ₹ 792.00 crore and V.I. ₹ 27961.20 crore) in 2014-15(upto 31 December 2014) as against ₹ 31154.20 crore (Khadi ₹ 1081.04 crore and V.I. ₹ 30073.16 crore) in corresponding period of the previous year.

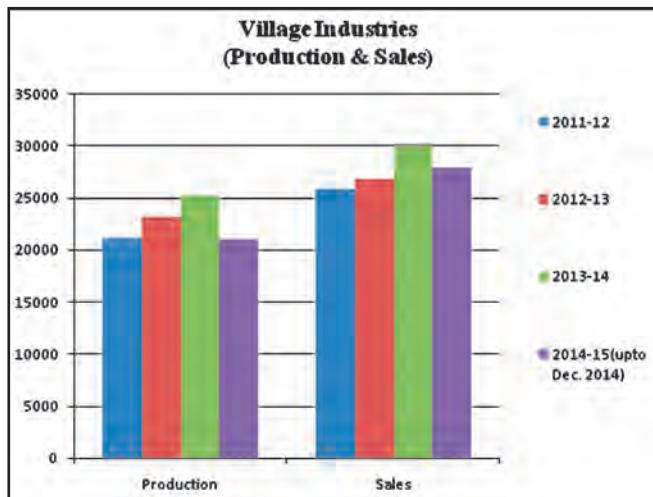
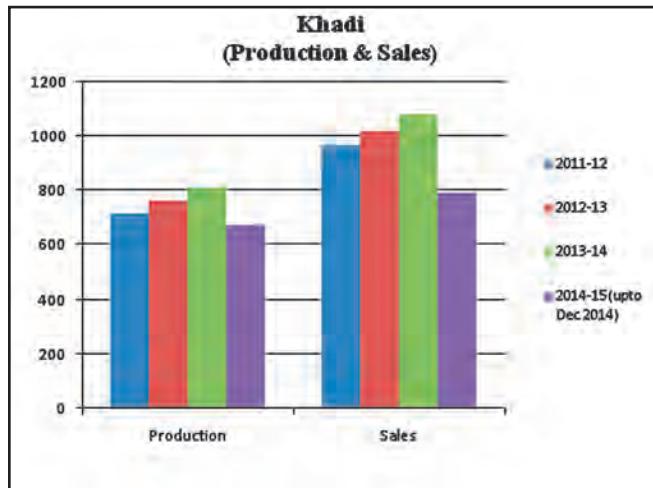
The total cumulative employment in the KVI sector is estimated to have also increased to 143.41 lakh persons (10.69 lakh in Khadi and 132.72 lakh in V.I.) in 2014-15(upto December 2014) as against 130.38 lakh persons (10.98 lakh in Khadi and 119.40 lakh in V.I.) in corresponding period of the previous year.

**5.8.2** The performance of KVI sector in respect of production, sales and employment during the last three years and in 2014-15 is shown in the following Table:

**TABLE 5.2: Performance of KVI Sector**

YEAR	PRODUCTION (Value in ₹ crore)		SALES (Value in ₹ crore)		CUMULATIVE EMPLOYMENT (in lakh persons)	
	KHADI	V. I.	KHADI	V. I.	KHADI	V. I.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2011-12	716.98	21135.06	967.87	25829.26	10.45	108.65
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*	674.52	21001.37	792.00	27961.20	10.69	132.72

\*upto 31 December 2014



## 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 Workshops (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 1950 artisans have been provided during 2013-14. The targets of assistance to 4444 artisans have been fixed in 2014-15 under this scheme.

### **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 Rs.76 crores i.e. Rs.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.

#### **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 2014-15 is depicted in the following Table:

Year	Credit Flow to Khadi and Polyvastra Institutions	Subsidy Provided by KVIC
2011-12	305.03	35.56
2012-13	332.53	38.00
2013-14	340.67	24.92
2014-15*	36.57	31.45

\*upto 31 December 2014



*Signing of MoU between KVIC and RSETI*

#### **5.9.6 Market Development Assistance (MDA)**

For promoting sale of khadi and polyvastra, Government of India through the Khadi and Village Industries Commission (KVIC) used to provide subsidy in the form of rebate on sale which used to be passed to the consumers.

But it was observed that artisans, who are the backbone of Khadi activities, were not extended any benefit from this and khadi outlets also were not able to attract buyers due to inadequate quality design and unattractive look of the outlets and inadequate marketing support, etc. To rectify these deficiencies, the Government after extensive consultation with khadi institutions and other stake holders and also with the approval of Cabinet Committee on Economic Affairs(CCEA) has introduced a flexible, growth stimulating and artisan-centric ‘Market Development Assistance (MDA) Scheme for Khadi and Polyvastra’ in place of the Rebate Scheme with effect from 01.04.2010 for implementation during two terminal years of XI Plan, i.e., 2010-11 and 2011-12 with estimated cost of ₹ 345.05 crore (₹ 159.65 crore for 2010-11 & ₹ 185.40 crore for 2011-12). The main feature of this Scheme

is that financial assistance (i.e., MDA) will be provided @ 20% of value of production of Khadi and polyvastra (cotton khadi, silk khadi, wollen khadi and Polyvastra) achieved by the producing institution. It is mandatory on the part of the Khadi Institution to pass on 25% of MDA to artisans/weavers as bonus/incentive, in addition to wages in their Post Office/Bank Account. The remaining 75% can be utilized by the producing and selling institutions for various marketing and production related activities as per norms. The MDA would be claimed by the institutions quarterly on the basis of their production in the preceding quarter. An amount of ₹ 177.29 crore has been disbursed by KVIC towards MDA(Khadi) in 2013-14. In 2014-15(upto December 2014), ₹ 76.99 crore have been disbursed by KVIC towards MDA (Khadi).



*Shri Kalraj Mishra, Hon'ble Minister (MSME) interacts with youth on popularity and promotion of khadi in KVIC premises, Mumbai.*

### **5.9.7 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 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 2.84 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 34 exhibitions /events were organised in various parts of the country in 2013-14. During 2014-15(upto December 2014), 21 exhibitions/ events have been organized.

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. 979 units have since been registered with KVIC.



*Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra flagging off the Khadi Sales Van after inaugurating the renovated Khadi Gramodaya Bhavan, at Vile Parle (w), Mumbai on August 02, 2014.*

#### 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), Sanganer, Jaipur; Central Village Pottery Institute (CVPI), Khanapur, Karnataka and Khadi Gramodyog Prayog Samiti (KGPS), Ahmedabad.

## **5.10 OTHER INITIATIVES TO DEVELOP KHADI AND VILLAGE INDUSTRIES SECTORS**

### **5.10.1 Categorization of Institutions:**

KVIC introduced a system of categorization in order to grade 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 tune parameter was continued till March, 2013. It has been proposed to re-catalogize the Khadi institutions with additional parameters such as women empowerment; bank account opening/ensuing issues are of Adhar card for Khadi artisans etc. As on 31 December, 2014, the total numbers of khadi institutions are 2194.

### **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 2014-15 is given in the Table below:

**TABLE 5.4: KVIC Supplies to  
Governmental Agencies**

(₹ in crore)

<b>Year</b>	<b>Amount of Government Supplies</b>
2011-12	29.94
2012-13	38.79
2013-14	47.20
2014-15*	23.13

\*upto 31 December 2014

### **5.10.3 Registration of New Khadi Institutions**

KVIC has directly enlisted/ registered institutions with a view to enhancing production. 25 such new khadi institutions were registered with KVIC and KVIBs in 2014-15(upto 31 December 2014).

### **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 1986 khadi institutions have become its members as on 31 December, 2014, accounting for remittance to the tune of ₹ 12.26 crore and refund of ₹ 11.08 crore.

### **5.10.5 National Flag Production Centre**

Khadi is the pride and joy of our nation and this can be easily understood from the fact that the Bureau of Indian Standards (BIS) gave it the first place by way of national

flag specifications. As per BIS, khadi is the only fabric that is to be used for production of India's National Flag. Accordingly, one National Flag Production Unit has been started in consultation with the South Indian Textile Research Association (SITRA) at Karnataka Khadi Gramodyog Samyukta Sangh, an NGO of KVIC at Bengeri, Hubli (Karnataka) at an estimated cost of ₹ 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.



*Hon'ble Prime Minister of Bhutan feels Pride of India: The National Flag made exclusively of Khadi*

#### **5.10.6 Khadi ‘Ready-to-Use Mission’:**

KVIC has initiated a “Ready-to-Use” Mission during 2005-06 for khadi products. Under this project, a major khadi institution works as a lead institution where facilities for production of garments including covering, designing, finishing, packaging, etc., are installed. Other institutions working in nearby areas are associated in a concentric manner with the activities of the lead institution. As a result, all of them are able to upgrade their product quality by sharing their experiences and common facilities installed by the lead institution. The National Institute of Fashion Technology (NIFT), Kolkata and Chennai have been engaged as Service Providers for conceptualization and development of project, identification of location, installation of machinery, training, commissioning of project and post installation support. Two projects one each at Murshidabad (West Bengal) and Padiyur (Tamil Nadu) have been established under this Mission. The NIFT, Kolkata and Chennai have been enlisted by KVIC to also provide hand-holding support in the areas of design inputs and training.

#### **5.10.7 Central Sliver Plants:**

Khadi institutions and State KVI Boards are implementing khadi programmes of KVIC. 25 per cent of the working capital given to them is

meant for raw material. In order to ensure that khadi institutions maintain regular spinning work for artisans and to improve the quality of raw material in khadi sector, KVIC continued to operate its six Central Sliver Plants (CSPs) at Kuttur, Chitradurga, Sehore, Raibareilly, Etah and Hajipur during the year. The performance of these sliver plants in terms of production and supply to the khadi institutions during the last three years and in 2014-15 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
2011-12	29.63	48.81	24.98	42.76
2012-13	20.81	30.88	26.48	40.58
2013-14	27.96	45.02	27.87	44.58
2014-15*	17.80	32.17	19.08	34.15

\* upto 31 December 2014

#### **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
- (v) Metapalli, Karimnagar Dt.\-Andhra Pradesh
- (vi) Kanhewali-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 2 PEP events in 2014-15(upto December 2014) 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.

#### **5.10.11 New Initiatives:**

- (i) In a recent initiative, a District Level Advisory Committee has been constituted under the Chairmanship of the Member of Parliament of the district for effective monitoring of the PMEGP Scheme.
- (ii) One more member has also been added in the District Level Task Force Committees constituted under PMEGP to represent urban local bodies of the District, such as Municipalities and Nagar Palikas.
- (iii) KVIC has introduced an electronic tracking system for online tracking of all cases under PMEGP, beginning with filing of application to selection, sanction, disbursal, setting up of unit and its physical verification. Applicants can view the status of their cases online. It will also ensure better accountability within all the implementing agencies i.e. KVIC, State KVI Boards, District Industries Centers(DICs) and Banks.

- (iv) The direction has been given to the KVIC and the Coir Board, which are the nodal agencies for implementation of PMEGP and Scheme of Fund for Regeneration of Traditional Industries (SFURTI) at national level, to issue necessary instructions to all their field level offices to ensure that priority be given to the Gram Panchayats selected under Saansad Adarsh Gram Yojana(SAGY) in implementation of PMEGP and SFURTI.
- (v) 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 Rs. 149.44 crore have been taken up for development in the 1st phase. It is envisaged under the revamped SFURTI to have 3 types of clusters as follows:
- (vi) Government in the Ministry of MSME has also launched KVI Programme in the Hill, Border & Left Wing Extremism (LWE) affected areas in respect of 100 institutions with financial assistance amounting to Rs.76 crores i.e. Rs.76 lakh/institution under KRDP, in which relaxation is given in criteria of selection of institutions and in minimum number of artisans associated with the institutions of Hill, Border & LWE affected areas.
- (vii) Under Workshed Scheme for Khadi Artisans, assistance for construction of worksheds have been increased from Rs.45,000/- to Rs. 60,000/- in case of Construction of individual workshed and from Rs. 30,000/- to Rs. 40,000/- in case of Construction of group workshed.

Type of clusters	Numbers	Outlay(Rs. In crore)	Artisans to be covered
Heritage Clusters	2	16.00	1000-2500 artisans per cluster(500-1200 artisans for NER,Hill, LWE affected area)
Major Clusters	10	30.00	500-1000 artisans per cluster(250-500 artisans for NER,Hill, LWE affected area)
Mini Clusters	59	88.50	Upto 500 artisans per cluster(Upto 250 artisans for NER,Hill, LWE affected area)
Total	71	134.50*	

\*Rs. 14.94 crore also kept for thematic interventions, administrative, scheme management, monitoring and evaluation.

# 6

## MAHATMA GANDHI INSTITUTE FOR RURAL INDUSTRIALISATION (MGIRI)



Hon'ble Minister Shri Kalraj Mishra and Shri Madhav Lal, Secretary MSME visiting the stall of MGIRI during the India International Trade Fair at New Delhi in November, 2014

## CHAPTER - VI

# MAHATMA GANDHI INSTITUTE FOR RURAL INDUSTRIALISATION (MGIRI)

### **6.1 INTRODUCTION**

**6.1.1** There has been a long felt need to create a mechanism that would provide high quality science, technology and management inputs and support in a comprehensive manner 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 and has since been registered under the Societies Registration Act, 1860 as an autonomous body and rechristened as the Mahatma Gandhi Institute for Rural Industrialization (MGIRI) in 2003, 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)** with a view to creating a mechanism to provide the best possible science, technology and management inputs in a comprehensive manner to the khadi and village industries sector, thus strengthening rural industrialization and enhancing the opportunities of meaningful and productive employment in rural areas, empowering and retraining traditional craftsmen and artisans and encouraging innovation and fostering creativity in this sector.

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 2014-15 to MGIRI are as under:

**Table: 6.1 Funds released to MGIRI**

<b>Year</b>	<b>Budget allocation (RE)</b>	<b>Funds released</b>
2011-12	7.00	3.98
2012-13	4.00	2.31
2013-14	11.00	8.01
2014-15(BE)	11.00	2.91*

\*upto 31 December 2014

## 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:**

**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 2014-15:

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

**6.5.1** Works on the 19 Improved machines/ processes /Services for Rural Industries Sector has been completed including Creation of Woven designs for Khadi Sector and hosting the same for use by Khadi Industries, improvement in strengthening & appearance properties of Fine cotton fabrics, New methods of Dyeing in Khadi sector, development of Gomutra and medicinal plant based transparent soaps, Solar cold storage (evaporative type), Fruit grader prototype, White phenyl disinfectant, Dye ability of Cotton muslin fabrics using soybean extracted amino acid, efficient buffing machine for terracotta jewelry, etc and they are ready for field trials.

**6.5.2** Five MoU's have been signed with various institutions for their centers to act as extension centre for MGIRI in dissemination support activity.

**6.5.3** Support to 138 Nos incubates in 21 batches upto Nov 2014 and Quality assurance testing has been done in 19 samples.

**6.5.4** MGIRI imparted training to 2227 trainees in 86 sessions to various existing and aspirant Entrepreneurs, representatives of NGO agencies, Artisans, Students, Farmers, etc.

**6.5.5** MGIRI participated in five National & International Level Expo and in IITF 2014.

**6.5.6** MGIRI activities have widely been made public through 183 News items in various National and regional dailies, electronic media, etc from time to time during 2014-15.

# 7

## COIR BOARD



Shri S.N. Tripathi, Chairman, Coir Board presenting the Gold Medal which was won by Coir Board for the Pavilion in India International Trade Fair 2014 to Shri Kalraj Mishra, Hon'ble Minister MSME

## CHAPTER - VII

# COIR BOARD

### **7.1 COIR INDUSTRY**

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

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

**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 rats which require repeated walking, forward and backward. The total production of coir fibre in the country during the year 2013-14 was 406441 M.T. The fibre production anticipated during 2014-15 is 671000 M.T.

### **7.2 COIR BOARD**

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

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

**7.2.3** The functions of the Coir Board for the development of coir industry, *inter-alia*, include undertaking scientific, technological and economic research and development activities; collection of statistics relating to exports and internal consumption of coir and coir products; development of new products and designs; publicity for promotion of exports and internal sales; marketing of coir and coir products in India and abroad; preventing unfair competition among producers and exporters; assisting in the establishment of units for the manufacture of products; promoting co-operative organisations among producers of husk, coir fibre, coir yarn and manufacturers of coir products; ensuring remunerative returns to producers and manufacturers, etc.

### **7.3 THRUST AREAS FOR DEVELOPMENT OF COIR INDUSTRY**

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

- (i) Modernisation of production infrastructure

by means of appropriate technology without displacement of labour.

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

### **7.4 BUDGETARY SUPPORT TO THE COIR BOARD**

**7.4.1** The Government of India provides funds to Coir Board for undertaking its various activities under Plan and Non-plan heads. The details of budgetary support provided to Coir Board during the last three years and in 2014-15 are given in the Table below:-

**TABLE 7.1: Details of budgetary support to the Coir Board**

( ₹ Crore)

YEAR	ALLOCATION (RE)		FUNDS RELEASED	
	Plan	Non- Plan	Plan	Non-Plan
2011-12	36.46	20.00	26.55	15.24
2012-13	35.51	15.24	20.07	15.07
2013-14	57.07	19.02	45.10	19.17
2014-15(BE)	68.04	20.42	25.50*	15.58*

\*upto 31 December 2014

## **7.5 ACTIVITIES OF THE COIR BOARD**

### **7.5.1 Research and Development in Coir Technology:** Central Coir Research

Institute (CCRI), Kalavoor, Alleppey and Central Institute of Coir Technology (CICT), Bangalore, undertake research activities for the different aspects of coir industry beginning with the method of extraction of fibre to the processing and manufacture of end products. The CCRI was established in 1959 and the CICT in 1980. Whereas CCRI concentrates on research concerning both the white and brown fibre sectors, CICT confines to the brown fibre sector. Identification of new user areas for utilization of coir and coir waste (coir pith), modernization of production infrastructure for elimination of drudgery in

manual operation thereby attaining higher productivity and improvement in quality are integral parts of the research efforts. Research investigations in CCRI have led to development of several new technologies for the coir industry and it has been awarded the prestigious National Research and Development Corporation (NRDC) Technology Awards thrice for innovations in 1999, 2002 and 2004. The recent achievements of the Board include development of a versatile loom, named as "Anupam", and a mobile fibre extraction machine "Swarna" for extraction and manufacturing various coir products with ease and higher productivity and development of a technology for pollution free retting.

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

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

## 7.6 DOMESTIC MARKET PROMOTION

**7.6.1** Promotion of the sale of coir products in India and elsewhere is one of the important functions of the Coir Board. The Domestic Market Promotion includes efforts for enhanced sale of coir products through Board's showrooms and sales outlets and also popularizing coir and coir products by way of publicity, organizing exhibitions in different parts of the country, through audio and visual media, sales campaign, press advertisement and through pamphlets, hoardings etc. The Coir Board has participated in /organized 78

exhibitions during 2014-15(upto December 2014) for popularization of coir and coir products in the domestic markets.

**7.6.2** The Coir Board has 30 showrooms and sales depots which also serve as marketing outlets. The total sales of coir and coir products through Coir Board's showrooms and sales depots during the last three years and in 2014-15 are as under:

(₹ Lakh)

2011-12	2012-13	2013-14	2014-15*
1462.46	2096	1805.87	1262.21

\*upto 31 December 2014



Hon'ble Minister MSME Shri Kalraj Mishra inaugurating the Coir Board Pavilion at IITF. Shri Madhav Lal, Secretary and Shri S N Tripathi, Joint Secretary and Chairman Coir Board are also present.

## 7.7 EXPORT MARKET PROMOTION

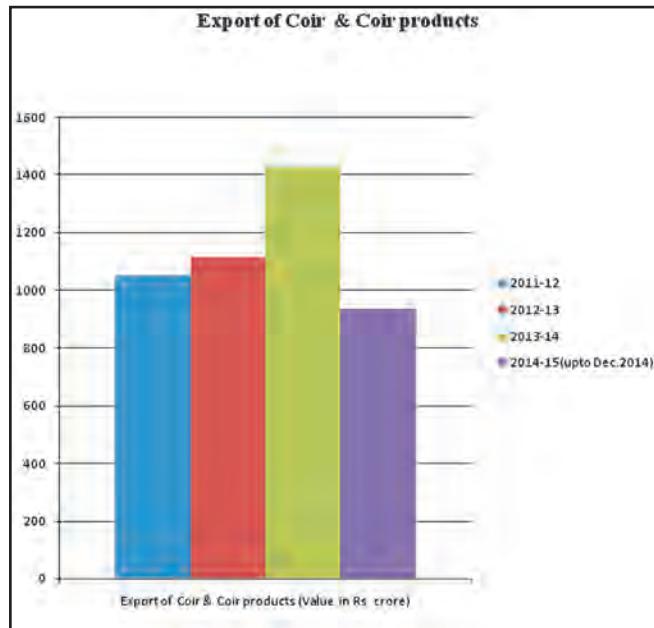
**7.7.1** Export promotion is one of the important programmes being implemented by the Coir Board for sustainable development of the industry. Under this Programme, the Board in association with trade and industry is participating in major international fairs/exhibitions on a country/product specific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

**7.7.2** With the efforts of the Coir Board, the export of coir and coir products reached a level of Rs. 1425.77 crore during 2014-15 (upto December 2014). The details of exports of coir and coir products made during the last three years and in 2014-15 are given in the Table below:-

**TABLE 7.2: Exports of Coir & Coir Products**

Year	Quantity (Metric Tonnes)	Value (₹ crore)
2011-12	410854	1052.62
2012-13	429501	1116.03
2013-14	531108	1425.77
2014-15*	377566	935.04

\*upto 31 December 2014



**7.7.3** The details of participation by the Coir Board in international fairs and exhibitions for promotion of exports of coir and coir products during 2014-15 are given in Table below:

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

Sl. No.	Name of the Fair	Country	Period
1	Domotex Russia, Moscow	Russia	01-03 April,2014
2.	Mega Show Part I, Hong Kong	Hong Kong,	20-23 October, 2014
3.	China Import & Export (Canton Fair), Guangzhou	China	31 October-04 November 2014

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

## 7.8 DEVELOPMENT OF PRODUCTION INFRASTRUCTURE

Under this scheme, financial assistance is provided for setting up new coir units and modernization of existing units for the sustainable growth of coir sector. The norms of financial assistance under this scheme have been revised with effect from 2009-10 and the scheme now envisages provision of 25% of the project cost subject to a maximum of Rs.6 lakh for setting up of defibering unit, Rs.4 lakh for automatic spinning unit and Rs.5 lakh for others, including coir pith unit. Financial assistance limited to Rs.2 lakh is also provided for modernization of existing units. The Scheme is project based. Initial investment is made by the entrepreneur and subsidy is released as reimbursement after coming into operation of the units. The details of financial assistance given to the units under this Scheme during the last three years and 2014-15 are given in the Table below:-

**TABLE 7.4: Details of assistance towards Development of Production Infrastructure**

Year	Amount (` Lakh)	Number of Units
2011-12	54.45	21
2012-13	93.62	29
2013-14	90.24	34
2014-15*	56.14	21

\*upto December 2014

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

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

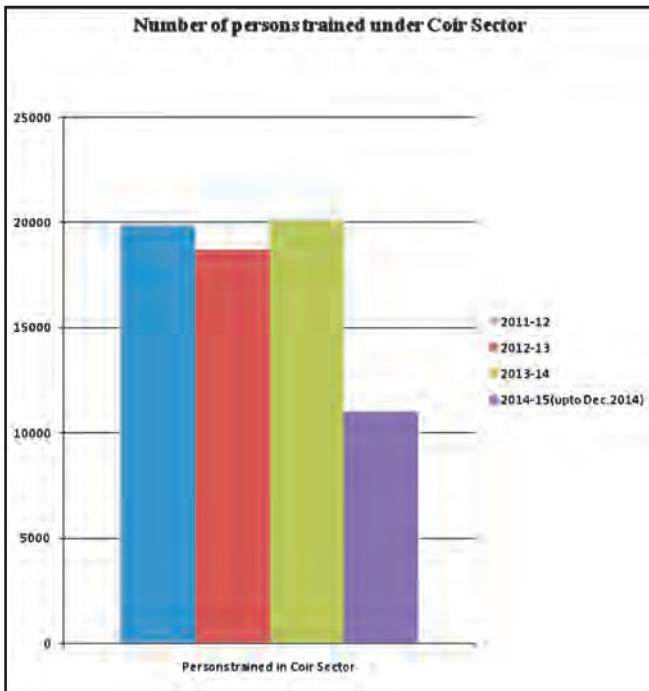
- (i) Advanced training course( one year);
- (ii) Artisans' training course (six months);
- (iii) Training in motorized ratt spinning under Mahila Coir Yojana(two months); and
- (iv) Training in coir handicraft and coir ornaments.

**7.9.2** The Board is also conducting training activities in different field training centres to suit the convenience of the coir workers at far off places who cannot attend the above regular training centres. The Field Training Centres are run with the help of NGOs/Co-operative Societies engaged in coir activities. Through these training activities, training is imparted in spinning motorised ratt and motorised traditional ratt. Stipend being paid to the trainees has been raised from Rs.500/- per month to Rs.750/- per month and amount of honorarium to trainers has also been enhanced from Rs.3,000/- per month to Rs.5000/- per month. An amount of Rs.250/- per head per month is provided as financial assistance to the training sponsoring agency to meet the operational cost of the training including raw material etc. The number of persons trained during the last three years and in 2014-15 is given in the Table below:

**TABLE 7.5: Number of persons trained**

Year	Number of Persons Trained
2011-12	19811
2012-13	18721
2013-14	20077
2014-15*	10993

\*upto 31 December 2014



**7.9.3 Mahila Coir Yojana:** The Mahila Coir Yojana is the first women oriented self-employment Scheme in the coir industry which provides self-employment opportunities to the rural women artisans in regions producing coir fibre. The conversion of coir fibre into yarn on motorised ratt in rural households provides scope for large scale employment; improvement in productivity and quality; better working conditions and higher income to the workers. The Scheme envisages distribution of motorised ratts to women artisans after giving training for spinning coir yarn. One artisan per household is eligible to receive assistance under the Scheme. The women spinners are trained for two months in spinning coir yarn on motorised ratt at

the Board's Training Centres. A stipend of Rs.500/- is paid to the trainee which has been raised to Rs. 750/- per month. A trainee, who passes the test conducted at the end of the training, is also eligible for subsidy for purchasing a motorised ratt. The beneficiary under the scheme gets a subsidy of 75 per cent of the cost of the motorized ratt subject to a maximum of Rs.7,500/- and 75 per cent of the cost or Rs.3,200/- whichever is less, for motorised traditional ratts.

The details of distribution of ratts and the assistance sanctioned during the last three years and in 2014-15 are given in the Table below:

**TABLE 7.6: Details of assistance under Mahila Coir Yojana**

Year	No. of ratts distributed	Assistance sanctioned (₹ lakh)
2011-12	466	14.72
2012-13	274	8.39
2013-14	445	12.85
2014-15*	200	4.60

\*upto 31 December 2014

**7.9.4 Quality Improvement Programme (QIP):** The Coir Board organizes Quality Improvement

Programmes (QIPs) every year to motivate entrepreneurs to take up coir production and to create quality consciousness among the coir workers in various processing activities viz:, spinning, dyeing and on improving the quality of yarn and coir products.

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

**7.9.6 Coir Workers' Group Personal Accident Insurance Scheme:**

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

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

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

During the year 2014-15(upto December 2014) an amount of Rs. 2 lakh has been disbursed to the nominees of the deceased and disabled coir workers under the Coir Board Coir Workers Group Personal Accident Insurance Scheme.

## 7.10 HINDUSTAN COIR

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

**TABLE 7.8: Details of Production of  
Hindustan Coir Matting**

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

	2011-12	2012-13	2013-14	2014-15*
Quantity	1,34,000	79,856	1,00,067	67728
Value	355.47	218.00	279.18	228.24

\*upto 31 December 2014

## 7.11 Rejuvenation, Modernisation and Technology Upgradation (REMOT): [Coir Udyami Yojana(CUY) ]

**7.11.1** The Ministry through Coir Board is implementing a central sector Scheme of Rejuvenation, Modernization and Technology Upgradation of Coir Industry(REMOT). 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. The ceiling limit for setting up of coir units under this scheme has been increased (from Rs. 80,000/- in spinning sector and Rs. 2 lakh in tiny/household sector) to Rs. 10 lakh. The pattern of financial assistance under the scheme is 40% as Govt. of India grants, 55% as loan from Banks and 5% as beneficiary contribution for setting up of coir units with project cost upto Rs. 10 lakh. Rs.16 crore has

been earmarked in BE 2014-15 under this scheme. Rs.80 crore has been earmarked in 12th Plan for this scheme. **The scheme has been renamed as Coir Udyami Yojana (CUY).**

During 2014-15 (upto 31 December, 2014), 177 units have been assisted under the sheme.

# 8

## NATIONAL SMALL INDUSTRIES CORPORATION LIMITED (NSIC)



Hon'ble Minister of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh visiting the NSIC –Training cum Incubation Centre, in New Delhi on November 19, 2014.

## CHAPTER - VIII

# NATIONAL SMALL INDUSTRIES CORPORATION LIMITED (NSIC)

### **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 five 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 165 offices and 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, NSIC provides a package of services as per the needs of MSME sector.

NSIC carries forward its mission to assist MSMEs with a set of specially tailored schemes designed to put them in a competitive and advantageous position. The schemes comprise of facilitating marketing support, credit support, technology support and other support services.

### **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 two Non-official Part-time Directors.

### **8.3 OPERATING PERFORMANCE**

**8.3.1** During the year 2013-14 gross income (net of purchase and grants) of the Corporation was Rs. 41,804 lakh and upto Dec. 2014 is Rs.36,498.32 lakh. The Corporation has

achieved record operational and financial performance in terms of gross volume of business and profitability in the financial year 2013-14. The year witnessed the Corporation achieving new heights on all parameters. There was substantial improvement in enhancing the company's outreach and its volume of operations. All the schemes operated by the Corporation for the MSMEs are demand driven and performance under all these schemes is increasing which clearly shows their attractiveness in-terms of their utility, pricing and the quality of service delivery. During the year 2013-14, Corporation did not receive any grant from Government for its operating expenditure. Highlights of achievements for the year 2013-14 and upto December, 2014 are as under:

### **8.3.2 Profitability**

The gross margin and profit before & after tax earned by the Company during 2012-13 vis-à-vis 2013-14 and upto December, 2014 is depicted in the table below:

(Rs. in Lac)

Particulars	2012-13	2013-14	2014-15 (upto Dec.,2014)
Gross Margin	22,567.09	27,750.09	<b>21050.00</b>
Net Profit before Tax	9,235.50	11,470.99	<b>10373.52</b>
Less : Provision for Tax	3,000.00	3,877.19	<b>3525.96</b>
Net Profit after tax	6,235.50	7,593.80	<b>6847.56</b>

### **8.3.3 Raw Material Assistance**

One of the main requirements of MSMEs is steady and timely availability of raw materials. Accordingly, in the various support services rendered by the Corporation under 'Marketing Support', Raw Material Distribution has been given top priority. Raw Material assistance to MSMEs at competitive rates with good quality and in time delivery not only enhances the competitive capacity of small units but also arrests sickness of the enterprises. NSIC, through its distribution network, has been supplementing the availability of raw material to a large number of MSMEs scattered all over the country. Arrangements have been made with bulk manufacturers to provide raw materials to micro & small enterprises as per their requirements. Under the scheme the Portfolio of finance against Bank Guarantees reached Rs.3,85,034.31 lac upto 31st December,2014. The Raw Material against advance payment was of Rs.98,238.73 lac (upto Dec.,2014) and Raw Material supplied against Agency Sales was to the tune of Rs.8,21,698.36 lac (upto Dec.,2014).

### **8.3.4 Credit Facilitation**

During the year 2013-14 agreements were signed with four more Banks i.e. Syndicate Bank, State Bank of India, ICICI Bank and Canara Bank and during the year 2014-15 (upto December,2014)

agreements were signed with three more Banks i.e. State Bank of Patiala, Dena Bank and Kotak Mahindra for credit facilitation to this sector, making the total banks as 28.

### **8.3.5 Government Purchase**

The revenue from the schemes of Government Purchase and E-Marketing portal increased to Rs. 1,437.40 lac in the year 2013-14 from Rs. 1,241.47 lac. During the current financial year (upto December, 2014), Corporation has generated revenue of Rs.1133.86 lac under these schemes.

### **8.3.6 Performance of NSIC – Technical Services Centres**

Financial year 2013-14 continued to be another good year for the NSIC's Technical Centres when all seven centres operated without getting any grants to meet their administrative cost. This could be possible through these Centres beginning to undertake "Techno-Commercial activities". During the year 2013-14 revenue earned was Rs.1393.48 lacs from "Training Activities" and "Common Facilities" by NSIC- Technical Services Centres and Rs. 1131.87 lac (upto December, 2014).

### **8.3.7 Government Grants**

For the financial year 2012-13, Government Grants were available only for operating schemes on behalf of the Government of India namely Performance & Credit Rating Scheme and Marketing Assistance Scheme. Under the Performance & Credit Rating Scheme (upto December, 2014), 20231 units were rated during the year.

Under the Marketing Assistance Scheme, the Corporation conducted various marketing events namely Exhibitions, Buyer Seller Meets, Intensive Campaigns etc. During the current financial year 2014-15 (upto December,2014) Corporation has facilitated participation of 153 MSME in 11 International exhibitions participated (abroad), four international level exhibitions organised in India, 12 Buyer Seller meets, 106 domestic exhibitions participated.

## **8.4 DIVIDEND**

Dividend of Rs. 1518.76 lac (i.e.20% of the net profit) for the financial year 2013-14 was paid to the Government.



CMD, NSIC, Shri Ravindra Nath presenting the dividend cheque to Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra, in New Delhi on September 24, 2014.

## 8.5 SUPPORT SERVICES OFFERED TO MSME SECTOR

The Corporation continued providing following support services to help 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. It is

critical for the growth and survival of MSMEs in today's intensely competitive market. NSIC acts as a facilitator and has devised a number of schemes to support enterprises in their marketing efforts, both in domestic and foreign markets. These schemes are briefly described as under:-

- 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 2013-14. These efforts of the Corporation supplement the programmes of the Government aimed in making Indian MSMEs globally competitive.

- b) **Consortia and Tender Marketing:** Small Enterprises in their individual capacity face problems to procure & execute large orders, which inhibit and restrict their growth. NSIC, accordingly adopts Consortia approach and forms consortia of units manufacturing the same products, thereby easing out marketing problems of SSIs. The Corporation explores the market and secures orders for bulk quantities. These orders are then distributed to small units in tune with their production capacity. Testing facilities are also provided to enable units to improve and maintain the quality of their products conforming to the standard specifications.
- c) **Single Point Registration for Government Purchase:** NSIC operates a Single Point Registration Scheme under the Government Purchase Programme. The micro and small enterprises registered under this Scheme get the following facilities:-
  - i) Issue of Tenders free of cost.
  - ii) Exemption from payment of Earnest Money Deposit (EMD).
  - iii) The tender participating MSEs quoting

price within price band of L1+15% shall also be allowed to supply a portion upto 20% of requirement by bringing down their price to L1 price where L1 is non-MSE; and

Under Single Point Registration Scheme 7112 units were registered / renewed during the financial year upto December, 2014.

- d) **Exhibitions:** To showcase the competencies of Indian SSIs and to capture market opportunities, NSIC participates in select International and 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.
- e) **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.
- f) **Marketing Assistance Scheme:** Marketing, a strategic tool for business development, is

critical for the growth and survival of micro, small & medium enterprises. Marketing is the most important factor for the success of any enterprise. 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. Ministry of Micro, Small & Medium Enterprises, inter-alia, through National Small Industries Corporation (NSIC), a Public Sector Enterprise of the Ministry, has been providing marketing support to Micro & Small Enterprises (MSEs) under Marketing Assistance Scheme.

#### **8.5.2 Technology Support**

- a) 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.
- b) NSIC offers small enterprises the following support services through its Technical Services Centres:

1. Advise on application of new techniques
2. Material testing facilities through accredited laboratories
3. Product design including CAD
4. Common facility support in machining, EDM, CNC, etc.
5. Energy and environment services at selected centres
6. Classroom and practical training for skill upgradation

#### **8.5.3 Credit Support**

The Corporation is providing Credit Facilitation to MSMEs through its various schemes. During 2013-14 total credit facilitation of Rs. 5,186 crore and (upto Dec., 2014, Rs. 4029 crore was provided). The various schemes providing Credit Support to MSMEs are as under:

##### **a) Meeting Credit Needs of MSMEs through tie-up arrangements with Banks**

One of the major challenges faced by MSMEs is inadequate access to finance due to lack of financial information and non-formal business practices. To overcome these problems, NSIC has entered into tie-up arrangements with 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 Micro and Small Enterprises**

On behalf of the M/o MSME, NSIC is implementing "Performance & Credit Rating Scheme" for Micro and Small Enterprises (MSEs). The scheme is being operated through accredited rating agencies i.e. CARE, CRISIL, India Rating (Formerly known as FITCH), ICRA, ONICRA, SMERA and Brickwork Rating. The fee to be paid by the MSEs for the rating, is subsidized by the Government to the extent of 75% of the rating fee up to a maximum of Rs.40,000/- . The scheme has become quite popular and getting good response. The rating serves as a trusted third party opinion on the unit's capabilities and credit worthiness. A good rating enhances the

acceptability of the rated unit in the market and also makes it access to quicker and cheaper credit and thus helps in economizing the cost of credit. Under the Performance & Credit Rating Scheme, 20231 units were rated during the year 2014-15 (upto December, 2014) as against 24,886 in the year 2013-14.

**8.5.4 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) Government Schemes for the Financial year 2012-13**

NSIC continued to implement two schemes on behalf of the Government of India namely Performance and Credit Rating Scheme and Marketing Assistance Scheme. Under the Marketing Assistance Scheme, the Corporation could conduct various events namely exhibitions in India and abroad, Buyer-Seller meet, Intensive Campagin etc.

**b) Marketing Intelligence Cell**

NSIC had established a Marketing Intelligence Cell for collecting and disseminating both

domestic and international marketing intelligence in coordination with other relevant departments / agencies. Marketing Intelligence Cell is acquiring and analyzing information in order to understand the market (both existing and potential customers) to determine the current and future needs and preferences, attitudes and behaviour of the market, assess changes in the business environment that may affect the size and nature of the market in future. This aims to promote business horizons of MSMEs of India through Marketing Intelligence Web Portal. Potential beneficiaries are MSMEs seeking business collaborations and co-production opportunities, joint ventures, exporters and importers and those looking for technology transfer.

#### **c) Promoting International Trade through NSIC's E-Marketing Web Portal**

Information today is very vital for survival & growth of every organization. With increase in competition and melting away of international boundaries, the demand for information is reaching new heights. NSIC, realizing the needs of MSMEs, is offering Infomediary Services which is a one-stop, one-window bouquet of aids that will provide information on business, technology and finance, and also exhibit the core competence of Indian SMEs. The Corporation is offering Infomediary

Services through its MSME Global Mart [www.msmemart.com](http://www.msmemart.com); which is a Business to Business (B2B) and Business to Customer (B2C) compliant web portal. The benefits of the e-commerce portal are: Interactive Data base of MSMEs, Global & National Tender Notices, self-web Development Tool, Centralized Mail System, Payment Gateway for membership subscription, Popular Products Section, Unlimited Global Trade Leads, trust Seal of NSIC, Multi Product Cart, Online Buying / Selling, Multiple Payment Option, Multiple Language Support, Call Center Support & Live Chat an other value added services.

#### **d) NSIC-Training-cum-Incubation Centres (NSIC-TICs) for promoting Entrepreneurship**

Training-cum-Incubation Centres were started in year 2008 by NSIC with a view to create self-employment opportunities by imparting training to the unemployed people who want to set up new small business enterprises in any of the manufacturing / services sectors or seek employment opportunities. The scheme is being operated under PPP [Private Public Partnership] mode where private partners are associated with NSIC. Corporation offers technical & other support services to associated TICs with a view to achieve the objectives of

the programme. NSIC Training-cum-Incubation Centres provide a unique opportunity to first generation entrepreneurs to acquire skills for enterprise building and also helps to incubate them to become successful small business owners. At these centres, exposure in all areas of business operations are being provided such as business skills, ideas for structure an enterprise, identifications of appropriate technologies, hands on experience on working projects, financial linkages etc. In the year 2013-14, thirteen more new centers were operationalised. As a result of this addition, now 81 centres are operational covering 19 states.

## **8.6 INTERNATIONAL CO-OPERATION ACTIVITIES**

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 are:

- 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.

The details of the activities undertaken by NSIC under International Cooperation are given in Chapter XI.

## **8.7 NSIC IN NORTH EASTERN REGION**

**8.7.1** 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). During the year 20 Skill Development Training Programmes were conducted for the unemployed youth of North Eastern States in various parts of North-Eastern States viz. Assam, Tripura, Manipur, Nagaland, Meghalaya, Sikkim, Arunachal Pradesh and Mizoram, which were sponsored by Guwahati Municipal Council, Indian Oil Limited. In these programmes, all together 400 trainees were trained. NSIC Guwahati also conducted 02 Entrepreneurship Orientation Programmes

(EOP) for the students of different colleges in North East States. All together 97 students were trained under EOP.

**8.7.2** Apart from the above schemes NSIC undertakes different developmental schemes especially in the North Eastern Region in order to bring awareness amongst the budding entrepreneurs & development of the small scale industries of the region. NSIC conducts intensive campaigns at different parts of the region to bring awareness about various schemes of the Corporation. During the year 2014-15 NSIC, Guwahati conducted 28 campaigns in all the 8 states of North Eastern Region. Branch Office, Guwahati organised / participated in different domestic exhibitions in the country to give exposure to the entrepreneurs. During the year 2014-15, Branch Office organised / participated in 7 domestic and 2 international exhibitions upto December, 2014.

## 8.8 RECOGNITIONS

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

**8.8.1 “Excellence in Overall Growth and Competition”:** NSIC was awarded PSU Award 2014 for “Excellence in Overall Growth” 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 & Vice Chairman, ISRN.

## 8.9 SIGNING OF MEMORANDUM OF UNDERSTANDING (MOU) WITH THE GOVERNMENT

NSIC signed a MoU with the M/o MSME for the year 2014-15. The Company’s rating based on the audited results for the year 2013-14 is “Excellent”.

**8.10 a) MSME DEFEXPO, 2013:** NSIC organised an International Sub-contracting and Supply chain exhibition on Defence, Aerospace and Homeland Security from 12th - 14th December, 2013 at Bangalore. The event was supported by Ministry of Defence (GOI), Ministry of MSMEs (GOI), Indian Air Force and Government of Karnataka. This is a unique event which provides the perfect platform for companies to promote their products and services to domestic and international companies of Defence, Aerospace and Homeland Security areas. MSME Defexpo, 2013 received overwhelming response with over 200 MSMEs participating as exhibitors and 500 plus B2B meetings were scheduled.

Foreign Defence manufacturing companies like Arsenal, Raytheon, Pilatus, Bae Systems and the major Defence Public Sectors of the country participated in the event.

**b) Odisha MSME International Trade Fair:**

NSIC and MSME Department, Govt. of Odisha organized the Odisha MSME International Trade Fair-2014 from 1st - 7th January, 2014. In the trade fair 254 units participated from these 40 units displayed mechanical technologies which proved to be the major attraction of the trade fair. These machineries were new to the entrepreneurs of the state, which encouraged them to imbibe those into their industry. Besides MSMEs from Odisha, participants from different parts of the country such as Haryana, North East, Delhi, Uttar Pradesh, West Bengal, Jharkhand, Tamil Nadu, Gujarat, Karnataka, displayed their products and technologies. Number of handicraft units from Jharkhand, West Bengal and North - East displayed their products showcasing their culture and traditional products. Apart from MSMEs, corporate sector companies like SAIL, Mahanadi Coalfields Ltd., NALCO, Paradip Port Trust, Tata Steel, Hindustan Aeronautics, Ordnance Factory, Garden Reach Shipbuilders & Engineers, JK Paper Ltd., Orissa Mining Corporation, Odisha Tourism, Hindustan Copper Ltd. & IOCL also took part in the event.

**c) NSIC organizes Vendor Development Programme with Indian Air force:**

After the successful results of the NSIC-Vendor Development Programme organised by Branch Office Coimbatore in January, 2014 in association with the Indian Air Force. The NSIC-Vendor Development Programme provided MSMEs an opportunity to have first-hand interaction with the defence products purchasing officials.

**d) India Manufacturing Show 2014 (IMS 2014) at Bangalore during 11-13 September, 2014:**

The Corporation organized IMS 2014 jointly with IMS Foundation & Laghu Udyog Bharti. The event was inaugurated by Shri Anant Kumar, Union Minister of Chemicals & Fertilizers, Govt. of India in the presence of CMD, NSIC. The participants included MSMEs in Manufacturing/Industry Sector, various State Government like Govt. of Chhattisgarh, Govt. of Gujarat, Various PSUs like Indian Railways, BDL, HAL, Rail Wheel Factory, Southern Railways, South Western Railways, Banks like Canara Bank, SIDBI and others. Total 125 units participated out of which 84 MSME units were extended subsidy towards space rental under Marketing Assistance Scheme.

**e) Techmart India, 2014:** The National Small Industries Corporation (NSIC) organized its 22nd

International Technology Fair “Techmart India 2014” from 14<sup>th</sup> - 27<sup>th</sup> November, 2014 at Pragati Maidan coinciding with India International Trade Fair, 2014. Techmart Exhibition is a unique platform to provide opportunities to MSMEs for displaying their capabilities, competencies and enhancing their marketing efforts and technology transfer. In this Exhibition engineering, technology, manufacturing and the entire range of the associated industries were displayed. This Exhibition is a significant resource to establish the network of new business of MSMEs in India and abroad and strengthening the old relations as well as finding out the new marketing opportunities and expanding their reach in the market. The main objectives of Techmart India, 2014 were:-

- To strengthen the relationship between MSMEs and to establish networking by providing the information on sharing their experiences relating to industries, exchange of views, best business practices and policies.
- To showcase the emerging technologies of the MSME sector for the domestic & export markets.
- To provide opportunity for the MSME units to display their products & services through virtual display.

Techmart India, 2014 attracted good response from trade and industry. A total number of 658 Micro & Small Enterprises displayed their technologies and products during Techmart India, 2014. Out of this 188 MSEs physically displayed their technologies / products from all over India. 470 MSEs participated through “Virtual Exhibition” by displaying their technologies and products on LED screen installed by NSIC inside the Hall. Out of total MSEs who had displayed their products during Techmart India, 2014, 37 units from North Eastern States, 19 units from SC / ST and 17 units of Women Entrepreneurs category participated in the Exhibition. NSIC received Silver Partnership from State Bank of India, HSBC Bank, Allahabad Bank and Associate Partnership from Punjab National Bank, Bank

of India, CRISIL Rating, Brickwork Rating and CARE Rating Agency.

**f) NSIC (Kanaid), Himachal Pradesh organised Fashion & Craft Exhibition:** NSIC (Kanaid) in association with KCN Charitable Trust (Rewalsar Town). The students studying at Training-cum-Incubation Centre participated and exhibited Craft items and dresses prepared by them. The display from craft items included flower pots, photo frames, bags, paint works, show pieces and designed dresses.

**8.11 NSIC presents report on “MSME sector growth and its way forward” to Chief Minister of Uttrakhand:** A report on MSME Sector growth in the State of Uttrakhand was presented by Shri Ravindra Nath, Chairman-cum-Managing Director to the Hon'ble Chief Minister Shri Harish Rawat during the Samay Udyami-2014 Awards organised by Samay News Network. The report highlights the industrial scenario of Uttrakhand, the status of MSME sector and the problems being faced by this sector. The report also brings out various suggestions / improvements required for the growth of MSME sector in Uttrakhand. On this occasion the Hon'ble Chief Minister appreciated the role of NSIC in employment creation as also development of MSMEs through its package of schemes and urged CMD, NSIC to set up NSIC-

Incubation Centres for employments creation in different parts of the State of Uttrakhand.

**8.12 NSIC presents report on “MSME sector growth in the State of Rajasthan” to Hon'ble Minister, MSME Shri Kalraj Mishra:** A Report on MSME sector growth in the State of Rajasthan being presented by Shri Ravindra Nath CMD, NSIC to the Hon'ble Minister, MSME, Shri Kalraj Mishra during the Samay Udyami -2014 Awards organised by Samay News Network. The report highlights the industrial scenario of Rajasthan, the status of MSME sector and the problems being faced by this sector. The report also brings out various suggestions / improvements required for the growth of MSME sector in Rajasthan.

### **8.13 CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Corporation has always been conscious for discharging its duties & responsibilities towards the society. It has taken up various CSR initiatives for the benefit of the weaker sections of the society, upliftment of the girl child & women. In continuation of this objective, the Board of Directors had decided to implement the DPE guidelines for funds to be allocated towards Corporate Social Responsibility initiatives. During the year, Corporation took up

the following initiatives under CSR activities:

- Training of women in the skill development for making ready-made garments and modern dresses at Chennai.
- Providing educational facilities to under privileged children at Aurangabad.
- Setting up of Vocational Training-cum-rehabilitation Centre in the field of knitting industry (hosiery) at Ludhiana.
- Running cost of fully equipped Mobile Medical Unit (MMU) for providing health care facilities at the doorsteps of urban poor;
- Setting up of RO Water Treatment Plant in Adilabad and Nizamabad District of Hyderabad.
- Training of dress designing and tailoring and distribution of sewing machines to trainees at backward and tribal areas of Nagpur.
- Running cost of Computer Training Centre set up in Puducherry & Thanjavur for benefit of hearing impaired persons.
- Training to girls & women for dress designing and tailoring & distribution of sewing machines in villages of Hapur (UP).
- Providing Medical Facility in village Bagda & Educational and Water Facility in the schools of villages of Kashipur and Bartand in Purulia District.
- Installation of Hand Pumps at public places in villages of District Bhadoi (UP).
- Providing educational facilities to the under privileged children residing in slum areas of Delhi.
- Provided hearing aids and artificial limbs to differently abled persons at Hyderabad.
- Computer training to handicapped and other weaker sections of the society at New Delhi.
- Provided lower limbs, calipers, upper limbs, tri-cycles, wheel chairs, hearing aids, crutches to differently abled persons and vocational training to women, differently abled and wards of industrial workers at Jodhpur.
- Distribution of tri-cycles, aids & appliances and medical assistance to differently abled persons.
- Provided lower limbs, calipers, upper limbs, tri-cycles, wheel chairs, hearing aids, crutches to differently abled persons at Ludhiana (Punjab).

## 9

TRAINING, ENTREPRENEURSHIP DEVELOPMENT AND  
OTHER SCHEMES

Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra launching the NIESBUDNAUKRI Portal, in New Delhi on July 11, 2014. Secretary, Ministry of Micro, Small and Medium Enterprises, Shri Madhav Lal is also seen.

## 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 over the last five decades. 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 three National level Entrepreneurship Development Institutes namely, National Institute for Micro, Small and Medium Enterprises (NI-MSME), Hyderabad, National Institute for Entrepreneurship and Small Business Development (NIESBUD), Noida, and Indian Institute of Entrepreneurship (IIE), Guwahati 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 Rs. 150 lakh whichever is less (90% or Rs. 270 lakh of the project cost whichever is less, for North Eastern States and Union Territories of Andaman & Nicobar and Lakshadweep Islands) excluding cost of land and working capital. The balance 50% of the matching contribution (10% for State level EDIs in North Eastern States including Sikkim or Union Territories of Andaman & Nicobar and Lakshadweep Islands) should come from the concerned Institute, State/ UT Government, public funded institution(s), NGOs/Trusts/ Banks/Companies/ Societies/ Voluntary organizations etc.

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

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

- (a) National level EDIs (including branches),
- (b) Training Institutions established by Partner Institutions (PIs) of national level EDIs,
- (c) Training/Incubation 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)
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/-
<b>Others</b>	
District HQ	50/-
Urban areas other than District HQ	40/-
Rural areas	30/-

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

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

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

**9.3.1** National Institute for Entrepreneurship & Small Business Development (NIESBUD)

is an apex autonomous Institute established in 1983 under the administrative control of M/o MSME. The major areas of intervention of the Institute are conducting of Training Programmes, Research/Review/ Evaluation Activities, Publications & Training Aids, Cluster Development Activities, Virtual Cluster, Garment Incubation-cum-Training Centre, Intellectual Property Facilitation Centre, Employment Generation/Assistance, Hand-Holding Assistance for Enterprise Creation, Consultancy Services (National and International) etc. The Institute also has a Regional Centre at Dehradun engaged in organizing training and research activities besides extending hand-holding support for enterprise creation and wage employment.

**9.3.2** The activities of the Institute have witnessed a quantum jump in the recent past. From 355 training programmes during 2009-10, the number increased to 4971 during 2014-15 (as on 31.12.2014), a growth of nearly 1300%.

**9.3.3** Another significant feature of this all-round growth is the conduct of need-based market oriented programmes wherein the participants themselves who are generally the existing MSMEs, pay the fee. The number of non-sponsored programmes i.e. market oriented programmes has far exceeded the

sponsored ones (Government and its agencies generally are the sponsors).

**9.3.4** During the year 2014-15, the Institute has organized 4971 training activities for different target groups with 1,26,366 participants as on 31.12.2014. The category-wise details of the training programmes thus organized during the year, are given in Table 9.1:-

**Table 9.1: Performance of NIESBUD during 2013-14 and during 2014-15 (as on 31.12.2014)**

Sl. No.	Category of the Programme	2013-14		2014-15 (as on 31.12.2014)	
		No. of Progs.	No. of Part.	No. of Progs.	No. of Part.
1.	TTPs/ MDPs/ Conferences / Workshops	132	2,824	76	3147
2.	ToTs / EDPs / ESDPs-ATI	1,500	39,979	922	24,715
3.	EDPs / ESDPs – Non-ATI	2,241	56,505	3,964	98,354
4.	International Programmes	13	252	9	150
<b>Total</b>		<b>3,886</b>	<b>99,560</b>	<b>4,971</b>	<b>1,26,366</b>

**9.3.5** The broad salient features of the training activities during the period, are enumerated below:-

- a) The majority of the EDPs – Non-ATI, comprised of E-Learning Module on Entrepreneurship Development

- Programme which has so far been launched in more than 10 States/U.T. The methodology of evaluation and certifying the participants of the Module (on-line) has been recently improved upon in accordance with the advice of Executive Committee of the Institute.
- b) Encouraged by the success of the E-learning Module on EDP, the Institute has launched nine more E-learning Modules: Communication Skills; Web Designing; Cyber Security; Personality Development; Mathematical Modeling; Java; Cloud Computing; Digital Marketing and Intellectual Property Rights.
- c) A Workshop on “MSME Virtual Cluster” organized on June 6-7, 2014 at the Campus of the Institute with the objective of reviewing the progress in implementing Virtual Cluster so far and carving out a Roadmap for future for optimum results and inaugurated by Shri Kalraj Mishra, Hon’ble Minister of MSME, was attended by over 100 representatives/captains of Industry/MSMEs and those of educational/research/technical institutions; chambers of commerce and industry; NGOs; academia; professionals etc. besides Government officials from different ministries/departments.



Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra addressing the participants in a workshop on MSME Virtual Cluster organized by NIESBUD in July, 2014

- d) A total of 10 Training of Trainers (ToTs) for more than 100 trainers were organized in association with the International Finance Corporation (IFC), a member of the World Bank Group.
- e) The National Convention on "Entrepreneurship and Innovation" organized by the Institute in association with the E-commerce Association of India, was inaugurated by Shri Madhav Lal, Secretary, MSME. A Booklet on "Breaking Barriers with E-Commerce" was also released on the occasion.
- f) The Institute collaborated with the PHD Chamber of Commerce & Industry for organizing an Innovation Summit "Enhancing Innovative Capacities of MSMEs: Roles of Banks, Financial Institutions and Training Providers. The Summit inaugurated by Shri Kalraj Mishra, Hon'ble Minister, MSME, also saw releasing of a Mobile Apps on Schemes for MSMEs "MSME India" co-developed by the PHD Chamber of Commerce & Industry and the Institute.
- g) The Institute has taken initiative in providing orientation to prospective/existing small units in the contemporary areas of Solar Energy, Raising of Financial Resources etc.
- h) The Institute organized 9 International Training Programmes during the period, which were attended by 150 participants from 41 different countries. Besides, 2 international training programmes with 42 participants were then running at the Institute. Out of the 9 training programmes, those on Gender Development & Planning; Rural Enterprise Management; Portfolio Management: Risk & Behaviour of Investors and Project Management Training & Certification were new programmes introduced by the Institute during the year.
- i) The Institute is managing the Virtual Cluster, a Web-Portal on behalf of the Ministry of Micro, Small and Medium Enterprises (MSME). The Portal enables the small businesses located anywhere in the country as well as the other stakeholders to register instantly thereon and thus avail prompt linkages with each other.
- j) The Naukri (Job) Portal ([www.niesbudnaukri.com](http://www.niesbudnaukri.com)), the first of its kind in sphere of micro and small enterprises, indigenously developed by the Institute, was inaugurated by Shri Kalraj Mishra, the Hon'ble Minister of Micro, Small and Medium Enterprises (MSME), Government of India on July 11, 2014.

The Portal representing yet another effort, in the series of efforts of the Institute, for improving the employability of the skilled/trained persons, provides a common platform to both the trained persons and the prospective employers.

- k) Uploading of data on Self-employment and Wage-employment of the persons trained by the Institute under the Assistance to Training Institutions (ATI) Scheme of the Ministry of MSME, upon the Website of the Institute.
- l) Developing 15 Training Manuals/Modules on different Skills/Trades inter-alia for apprising the Trainers etc. with the Methodology etc. for conduct of the training activities.
- m) Further strengthening of the Monitoring Mechanism in respect of off-campus training activities through provision of supplementary visits to the training avenues; holding of Entrepreneurial Orientation Sessions etc.

**9.3.6 Activities for SCs/STs/OBCs:-** As per the mandate of the Government for inclusive growth, the Institute continued to encourage the participation in its training activities of the participants belonging to these Sections of the Society. Besides the Entrepreneurship-cum-Skill Development Programmes under the ATI Scheme of the Ministry, the persons belonging

to these target groups are also encouraged through publicity etc. to increasingly participate in other programmes/activities of the Institute.

**9.3.7 Activities for Women:-** In accordance with the policy directions/guidelines of the Government of India for accelerating the spread of entrepreneurial culture among Women, the Institute continued with its activities having focus on this target group and encouraged women candidates for participation in its different activities especially the Entrepreneurship-cum-Skill Development Programmes (ESDPs). In this manner, the Institute provided training to 31,813 women which is almost 25% of the total participants through its different training activities during the first nine months of 2014-15.

**9.3.8 Research/Evaluation Studies:-** The Institute conducted the following research activities during the period:-

- i) Submission of Report on "Review of Duckery Project", Thoubal, Manipur under STEP Scheme of the Ministry of Women and Child Development, Government of India.
- ii) Completion of work of "Physical Verification (100%) of PMEGP Beneficiaries in A&N Islands" for the years 2010-11 and 2011-12.
- iii) Commencement of work under "Evaluation of SENET (Small Enterprise Network) Scheme" of O/o the DC (MSME).

- iv) Development of a Module on “Employment Through Skill Training & Placement” under EST&P Scheme of the Ministry of Housing & Urban Poverty Alleviation (HUPA), Government of India.
- v) Review Studies on “Impact of ESDPs” being organized by the Institute and “Income Generation and Taxes/Duties” being contributed by the persons trained by the Institute.

**9.3.9** The Institute brought out a Booklet titled “Breaking Barriers with E-Commerce” on the occasion of the National Convention on Entrepreneurship and Innovation.

#### **9.3.10 Accolades:-**

- a. Recognized for pioneering work in “Skill Development Sector” (skilling/up-skilling) during 6th Global Summit for Skill Development, Confederation of Indian Industry.
- b. Conferred with “Dewang Mehta Business School Award” for talent and leadership amongst the educational institutes across India.
- c. Moved to final stage of the “Times Social Impart Awards” (2014-15) in the category of “Livelihood”.

**9.3.11 Collaborations:-** NIESBUD has executed Memorandums of Understanding with the following organizations: -

- Confederation of Indian Industry (CII) for sharing knowledge and specific data pertaining to MSMEs and holding Convention(s) on different aspects of the MSME Sector especially Virtual Cluster.
- PHD Chamber of Commerce & Industry for establishing a NIESBUD- PHD Chamber Center of Excellence for Innovation and Entrepreneurship.
- Uttar Pradesh Technical University (UPTU), Government of Uttar Pradesh for assistance in establishing Entrepreneurship Development Centre(s) in the designated institutions of the University through organizing faculty orientation programmes, provision of standardized course curriculum etc.; facilitation for popularizing/ introducing/ organizing capsule programme(s) on Entrepreneurship Development for final year students of the affiliates of the University etc.
- Jasper InfoTech Private Limited (*Snapdeal*) for examining/ assessing the potential of MSMEs venturing into E-commerce; designing and organizing joint training programme(s) on E-commerce Entrepreneurship and extending special concessions and facilities to the MSME suppliers approaching the Company

through the Institute for association with its virtual market place.

- *Monster.com and Team Lease Skills University (TLSU)* for increasing employability, assisting placement and/or facilitating job search/opportunities for the persons trained by the Institute and progressively also by any of organizations of the Ministry of MSME.
- WTC India Services Council (WTCISC) for organizing collaborative training programmes for existing MSMEs; developing and conducting different training programmes viz; TOTs, MDPs, EDPs & ESDPs and mentoring organizations, both governmental and non-governmental, towards promoting entrepreneurship and self-employment.
- SAMADHAN Associates Pvt. Ltd. for conducting Entrepreneurship-cum-Skill Development Programmes in different emerging sectors; designing/revising the course curriculum of different training programmes etc.

**9.3.12 Increasing the Outreach of the Activities of the Institute:-** The Institute has also been organizing different training activities under the Ministry of MSME's Scheme of "Assistance to Training Institutions" in different States/Union Territory through its Partner Institutions. The Institute as of now has a total

of 58 Partner Institutions covering 12 States as per details given below: -

Name of the State	No. of PIs
Bihar	02
Delhi	07
Gujarat	02
Haryana	04
Himachal Pradesh	01
Jharkhand	01
Madhya Pradesh	02
Odisha	01
Punjab	01
Rajasthan	06
Uttar Pradesh	14
Uttarakhand	17

A total of 173 training programmes for 4,325 participants will be conducted during the year 2014-15 through these PIs.

### **9.3.13 Enterprise Creation / Establishment of Units:-**

The primary objective of the ESDPs is to encourage the participants to go in for self-employment through setting up of micro units as against wage employment. The ideal achievement should be 10%. Normally, it takes about 1 year to set up an enterprise after getting statutory clearances from the concerned authorities. However, it has been noticed that most of the trainees are of young age therefore, they try wage employment first. 4.17% of the persons trained by the Institute during the year

2014-15, under the ATI Scheme of the Ministry of MSME, have taken up self-employment and set up their own enterprises. This figure is likely to go up as the support to these trained persons has been intensified. The units established are in the areas of Artificial Gems & Jewellery; Mobile Repairing; Fashion Designing; Computer Hardware & Networking; Repair and Maintenance of Power Supply, Invertor & UPS; Two Wheeler Maintenance and Repair etc.

**9.3.14 Employment Generation:-** In order to create a platform of interaction with the prospective employers for our trained persons who belong to the low-skilled and lower strata of the society, the Institute took the initiative of organizing Rojgar Mela(s) at regular intervals. This also provides the Institute an opportunity for understanding the requirements of the companies; assessing effectiveness of the training activities and interacting with the Placement Agencies. The concept of Rojgar Mela(s) has a long lasting impact on the future course of action for MSME Sector which seldom had exclusive platform for hiring skilled manpower especially by Micro and Small Enterprises. Continuing with its efforts in this regard, the Institute has so far organized 12 such Rojgar Melas during 2014-15 thus providing employment opportunities to about 3,000 trained persons. The fields where the

students were assisted in securing employment are: Retail, House-keeping and Hospitality; Computer Accounting (TALLY); Mobile Repairing; Computer Hardware & Networking; Draughtmanship; Fitter Maintenance; Web Designing etc.

#### **9.4 NATIONAL INSTITUTE FOR MICRO, SMALL AND MEDIUM ENTERPRISES (Ni-MSME), HYDERABAD**

**9.4.1** National Institute for Micro, Small and Medium Enterprises (Ni-MSME) has been rendering yeomen service for MSMEs since 52 years. In line with the national objective of economic development through industrialization and based on the expertise that is available, the Institute has identified some thrust areas that need emphasis and exploration. These are: Entrepreneurship Research, Women Entrepreneurship, Technology Up-gradation & Transfer, Policy Issues, NGO Networking, Environment Concerns, Cluster Development, Management Consultancy, Quality Management Services, Financial Services and Information Services.

**9.4.2** Activities of the Institute are organized through Schools of Excellence, each School consisting of theme focused centers and cells. The Academic Council is the nucleus coordinating body which formulates academic

activities and programmes with quantitative and qualitative benchmarks by providing a framework for assessment and evaluation addressing contextual variations.

**9.4.3** 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 enterprises

**9.4.4** The performance of the Institute in FY 2013-14 and in 2014-15 (as on 31st December, 2014) is given in the **Table – 9.2**.

**Table 9.2: Performance of Ni-MSME during 2013-14 & 2014-15**

Programmes	2013-14		2014-15 (as on 31-12-2014)			
	Progs.	Trainees	From April to December 2014			
			Progs.	Trainees		
<b>Entrepreneurship Development Programmes</b>						
<b>A. Programmes under Assistance to Training Institutions Sponsored by M/o MSME:</b>						
ni-msme as Apex Institution	789	23600	193	5790		
Programmes by Partner Institutions	256	7310	411	11790		
<b>B. Other Programmes:</b>						
(i) National:						
Announced	71	3685	49	3673		
Sponsored	170	5797	551	21441		
(ii) International						
Announced	23	429	10	196		
Sponsored						
<b>C. National Seminars and Workshops</b>	35	2466	33	2157		
<b>D. Consultancy &amp; Research</b>	10	-	6	-		
<b>TOTAL</b>	1354	43287	1253	50313		

9.4.5 The broad features of the training activity of the Institute during the year 2014-15 (till 31.12.2014) are:

- (a) For 2014-15, the Institute was allotted 1613 Entrepreneurship and Skill Development Programmes with a target of 47,575 participants under the Scheme of Assistance to Training Institutions (ATI) of Ministry of MSME. 604 programmes for 17580 participants were completed as on 31st December, 2014. Identification and Selection of participants for the balance 1009 programmes for 29995 participants are in progress and all the programmes are expected to be completed by middle of March, 2015 through 32 Partner Institutions at different places in country (covering eight States) and by the **ni-msme** as Apex Institution.
- (b) The Institute conducted 130 announced & sponsored national programmes in different areas for the benefit of officials of various Central/State Government departments, NGOs, Banks and MSME service providers and as many as 470 national sponsored programmes in skill development for construction workers sponsored by Government of Andhra Pradesh and Telangana in different areas. During the year the Institute also conducted
- (c) In the year 2014-15, the Institute has organized 10 announced international programmes for the benefit of executives coming from different countries.
- (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 has undertaken consultancy projects sponsored by Khadi Village Industries Commission (KVIC), Government of Odisha and National Mineral Development Corporation (NMDC).
- (e) The Institute also renders services to the MSMEs through Intellectual Property Facilitation Centre (IPFC) and to the Handicraft Artisans through Resource Centre for Traditional Paintings (RCTP).

33 Seminars and Workshops on different themes wherein issues involving remedial measures were discussed.

- 9.4.6 Important visits/delegations to the Institute during the period:-
- (a) Shri Kalraj Mishra, Hon'ble Union Minister for MSME during his visit to the Institute held interaction meetings with the faculty, the trainees attending the international and national programmes, and also

with the members of the Employees' Union. He directed that the activities of the Institute be publicized widely and more intensely. He stressed upon giving emphasis to escort/hand-holding services and the need to focus strongly on skill development.

- (b) The Hon'ble Minister also had an interaction session with the international delegates attending the phase-I programmes, as also the participants of the national programme. The international delegates shared their views about training at ni-msme.
- (c) Shri Kalraj Mishra, Hon'ble Union Minister

for MSME released a number of ni-msme's publications like books, volumes, magazines etc. during his visit to the Institute during 18-20 October 2014. The publications included ten volumes of success stories of Entrepreneurship and Skill Development Programmes (ESDPs), *Documentation of Madhubani Paintings* and *ToT Manual on Entrepreneurship*. During the ceremony Secretary (MSME), Additional Secretary & Development Commissioner (MSME), AS & FA, JS(SME), Director General (NIESBUD) and other distinguished persons were present.



Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra releasing NI-MSME's publications

- (d) Shri Kalraj Mishra, Hon'ble Union Minister for MSME inaugurated the 2-days Talent Mela at the Institute campus, convened with the aim of matching right employers with right placement seekers with the right skills. On the first day of the event, about 50 employers and more than 3,000 youth had participated in the Mela, and over 300 candidates were short-listed for placement. At the Talent Mela, Shri Bandaru Dattatreya, Hon'ble Member of Parliament stated that unless enterprises work well jobs would be limited. Therefore, focus should be given to creating enterprises resulting in generation of jobs automatically. The Government of India has been launching various schemes to popularise entrepreneurial culture amongst the youth. The other delegates who shared their views amongst the participants were Chairman-cum-Managing Director, NSIC and Director General, NIESBUD, NOIDA.
- (e) Mongolian Delegation Visit to ni-msme: Mr. Christopher of Thailand, Regional Head of World Vision India, accompanied by the Mongolian delegation paid visit to the Institute on 30th July, 2014.
- (f) Mr. Krishnamachari Srikanth, former Indian cricket captain and Managing Director of M/s Edustrokes visited **ni-msme** on 15th May, 2014 and held discussions on possibility of organizing skill development programmes jointly.
- (g) Mr. Panchanan Dash, ISS, Secretary, Department of MSME, Govt. of Odisha, and Chairman, OSFC visited **ni-msme** on 23rd June, 2014 to discuss different issues on MSME sector, contribution of **ni-msme**, re-engineering and re-designing of DICs as per the requirements including the future challenges. He assured to depute all the new IPOs joining DICs to **ni-msme** for their induction programmes.
- (h) Mr. Rohit R. Brandon, IAS, Director (HCM), Rajasthan State Institute of Public Administration and Principal Secretary (Training) of Rajasthan Government visited **ni-msme** on 11th June, 2014 and had discussions with the Director General and Faculty of the institute. The focus of the discussion was on conducting development programmes related to enterprises, management and clusters.
- (i) Mr. Satyajeet Rajan, IAS, Principal Secretary, Industries & Commerce and Managing Director, Kerala State Industrial Development Corporation visited **ni-msme** on 31st October, 2014 and interacted with the 30 Industry Extension Officers of the Govt. of Kerala, attending the six-week induction training.

#### **9.4.7 Major Activities organized during 2014-15:-**

##### **(1) Specialized Skill Up-gradation Training Programmes for Construction Workers:-**

Ni-MSME organized Specialized Skill Up-gradation Training Programmes in Andhra Pradesh at Visakhapatnam and Vizianagaram from 28 April - 16 May 2014, in collaboration with Oriental Skill and Safety Services. These training programmes were organized in six trades viz., Mason, Electrician, Bar Bending, Welder, Plumbing and Sanitary. A total of 1680 construction workers enrolled/attended the programme. Andhra Pradesh Building & Other Construction Workers' Welfare Board sponsored the programmes.

##### **(2) HORIZON-Business Basics for "SWAEROES":-**

The orientation programme on entrepreneurship development for school going students, the residents of Social Welfare hostels in the state of Telangana was conducted from 13 to 16 October 2014. The programme was conducted in two parts as separate orientation programmes for 132 girls (13-14 Oct.), and for 120 boys (15-16 Oct.). This was second such training programme on entrepreneurship development,

conducted at ni-msme in association with and sponsored by DICCI.

- (3) Two seven week customized programmes for the newly recruited Extension Officers of the Industries Department of the Government of Bihar were conducted. The programmes have an innovative practically oriented structure with the first four weeks being comprised of class-room modules, and the rest of the three weeks devoted to conducting potential surveys in the selected districts of Bihar.
- (4) A three-day Professional Development Programme on current requirements in Environmental Impact Assessment (EIA) – Process & Procedures as per MoEF Guidelines was organized during 25 – 27 June 2014. A total of 20 members from various states attended the programme.
- (5) One week training programme on Infrastructure Development through Public Private Partnership (PPP) during 02 - 06 June 2014 was organized at Port Blair which was sponsored by Department of Public Enterprises, Government of Karnataka. A total of 17 senior officials from various public sector enterprises of Government of Karnataka participated in the programme.
- (6) One week Training Programme on Entrepreneurship Development for the

Tribal Development Officers during 2 - 6 June 2014 was organized. A total of 17 officers participated in the programme from Andaman & Nicobar Islands, Maharashtra, Telangana and Andhra Pradesh States. The objective of the programme was to build the capacity of Tribal Development Officers by strengthening their entrepreneurship promotion abilities among tribal community.

- (7) **Training Programme on Cluster Development**:- The Institute had organized a one-week training programme on soft and hard interventions in MSME clusters during 7-12 July 2014, sponsored by the Directorate of Industries, Government of Bihar.
- (8) A one-week Refresher Programme on MSME Sector for State Industries Officials was held during 21–25 July 2014. The programme focused on the need for the promotion and development of MSMEs in Assam and also the importance of the role of the DIC officials in promoting the MSMEs.
- (9) **Programme on TQM & ISO**:- A one-week programme on TQM & ISO Standards for Public Sector Enterprises Excellence was successfully conducted at Darjeeling from 21-25 July 2014 sponsored by DoPEs, Govt. of Karnataka.

**(10) Management Development Programme**

**for Middle Level Executives of NMDC**:-

A one-week Management Development Programme for Middle Level Executives of NMDC was conducted from 31 July, 2014 at the Bacheli Complex training centre, Bacheli, Chattisgarh.

**(11) ESDPs in Food Processing**:- A series

of interventions in food processing were organized at different locations in the country, sponsored by NIFTEM, Haryana. This included one week programmes on Skill Development at Amritsar and Tirupati and one-day outreach programmes at Tirupati, Bhubaneswar and Ambala.

**(12) Leadership Training for Young Managers**:- A one-week training

programme on “Leadership for Young Managers” was organized during 4-9 August 2014, sponsored by the National Mineral Development Corporation. Tailored to meet the specific needs of NMDC, the inputs spotlighted personal skills, self-assessment ability, team-focused skills and corporate-focused skills.

**(13) Programmes for Odisha Government**:-

**Evaluation study of DICs**

A 2-week field level programme (30th Aug – 12th September, 2014), “Evaluation

Study for Re-engineering and Re-Structuring of Directorate of Industries and Regional Industries Centres (RIC) / District Industries Centres (DICs)", was conducted for the Department of MSME, Government of Odisha.

#### **MSME awareness creation among students**

A one-day programme on MSME Awareness and Significance for Business Innovation Workshop was held at the Regional College of Management, Bhubaneswar on 11th September.

#### **(14) Induction Training for Industries Extension Officers on MSME promotion:-**

A Six week programme on "Induction Training for Industries Extensions Officers on MSME Promotion", sponsored by Department of Industries & Commerce, Government of Kerala commenced on 13th October 2014. 30 officers participated in the programme.

(15) One-week Orientation Programmes on Promotion of MSME for IPOs of RICs/DICs of Government of Madhya Pradesh and Odisha were organized. The programme emphasized the role of IEOs and their importance for promotion and development of the small and medium enterprises.

#### **(16) Induction Training for Meghalaya IPOs:-**

Two-week Induction Training for Newly Recruited Industrial Promotion Officers, for 31 Officers from different districts of the State of the Government of Meghalaya was conducted during 24th of November and 5th December, 2014, sponsored by the Department of Commerce and Industries, Government of Meghalaya.

(17) The Institute on behalf of India, organized a week-long training programme on Total Quality Management (TQM) and ISO standards during 27 – 31 May 2014 at the College of Science and Technology of the Royal University of Bhutan in Rinchending, Bhutan, sponsored by the Quality Assurance Department of the Ministry of Works and Human Settlement (M/o WHS), Bhutan. In all, 29 top and middle level officials of the Government Construction Board, Bhutan had participated in the training programme.

(18) Ni-MSME also imparted free coaching to 400 Intermediate-passed students preparing to take three different common entrance tests viz: a. PET (Engineering) – 2014; b. PMT (Medical) – 2014; c) Ed-CET (Education) – 2014. Each programme is of four months duration, consisting of 150 students each in PET and PMT, and 100

in the Ed-CET programme. This project was sponsored by the Union Ministry of Minority Affairs, Govt. of India.

**(19) International Conference on Stress Management:-** Together with International Stress Management Association-India (ISMAIND) and Stress Management Lab (SML), ni-msme organised a 3-day International Conference on Stress Management Professional (ICSMP 2014) during 6-8 November 2014, at the Institute campus. The theme of the conference was "Enhancing Productivity with Well-being at Workplace". The conference was sponsored by Andhra Bank, Union Ministry of Health and NMDC. More than 100 delegates from different occupational streams, including eminent professionals and practitioners, participated and over 50 papers presented.

**(20) Workshop on Heritage Arts:-** Ni-MSME and the State Art Gallery jointly organized a week-long Workshop-cum-Exhibition on Traditional Folk and Tribal Arts and Crafts during 13 - 18 April 2014, in the premises of the Gallery. The theme of the event was Tradition and Continuity: The Way Forward.

**(21)** A one-day orientation programme for 166 retirees of EME Depot Battalion was organized to bring awareness about

entrepreneurship and inculcate the idea of enterprise management and about the MSME schemes available for ex-servicemen. It was followed by two-day workshop on Entrepreneurship and Business Opportunities for 29 shortlisted retirees.

**(22) Workshops for IMC Members of ITIs of Karnataka & Andhra Pradesh:-** Under the scheme for upgradation of ITIs , Directorate General of Employment & Training (DGE&T) assigned the task to train the IMC members of ITIs consisting of industry members, principals and Sr. faculty members to ni-msme. The Institute organized seven orientation workshops for Industry Members of IMCs under the Scheme Upgradation of 1396 ITIs through PPP at different places in the states of Karnataka and Andhra Pradesh. The main objective of these workshops was to orient the Members of the IMCs, on key policies, financial guidelines and other important facets of the scheme. All these workshops were sponsored by the DGE&T, Ministry of Labour & Employment, Government of India.

**(23) Workshop on Manufacturing SMEs:-** The Hon'ble Union Minister of MSME inaugurated a one-day workshop of small and medium entrepreneurs, organized at the Institute campus jointly by the Council

for Small Manufacturing Industry (COSMI) and Ni-MSME. Mr. Etela Rajender, Minister of Finance, Govt. of Telangana; Mr. Patnam Mahender Reddy, Minister of Transport, Govt. of Telangana; Mr. Bandaru Dattatreya, M.P. (Secunderabad constituency); Mr. P. Muralidhar Rao, All India General Secretary, BJP, and Mr. Maganti Gopinath, MLA (Jubilee Hills constituency) were guests of honour.

(24) **Workshop on E-Governance:-** A one-day national workshop on “E-Governance and its Implications to Indian MSME Segment”, was held on 19th September 2014 at Ni-MSME sponsored by the National E-Governance Plan, Department of Information Technology.

## 9.5 INDIAN INSTITUTE OF ENTREPRENEURSHIP (IIE), GUWAHATI

**9.5.1** Institute of Entrepreneurship (IIE) is completing 21 year of its operation on 31st March, 2015. The Institute's activities are focused on areas of stimulating, supporting and sustaining entrepreneurship development with special emphasis on North Eastern Region. The Institute is constantly evolving in accordance with the emerging needs of the MSME sector. Since its establishment and up to December, 2014, the Institute has organized

5282 programmes with 184743 participants. The Regional Office of IIE at Dehradun, Uttarakhand, has been merged with National Institute for Entrepreneurship and Small Business Development, Noida with effect from the 1st April, 2013.

**9.5.2** The performance of the Institute during 2013-14 (actual) and during 2014-15 (as on 31.12.2014) is given in the **Table – 9.3.**

**Table 9.3: Performance of IIE during 2013-14 and during 2014-15**

Sl. No.	Type of Programmes	2013-14		2014-15 (as on 31.12.2014)	
		No. of Prog.	No. of Parti.	No. of Prog.	No. of Parti.
1	Entrepreneurship Development Programme (EDP)	27	710	29	738
2	Entrepreneurship cum Skill Development Programmes (ESDP) and Skill Development Programmes (SDP)	312	9235	379	11525
3	Management Development Programmes (MDP)	27	943	04	87
4	Other Programmes including Seminar/ Workshop	135	12471	57	3526
5	<b>Total</b>	<b>501</b>	<b>23359</b>	<b>469</b>	<b>15876</b>

**9.5.3** During the year 2014-15 (as on 31.12.2014), the Institute organized 469 training programmes where 15876 participants participated. Out of the total 469 training programmes, 356 (75.9%) are on Entrepreneurship and Skill Development Programmes (ESDPs) under the Scheme for Assistance to Training Institutions (ATI), Ministry of MSME and 23 Skill Development Programmes (SDPs) sponsored by other organizations, 29(6.18%) on Entrepreneurship Development, 04 (0.85%) on Management Development, and 57 (12.15%) on various other programmes.

**9.5.4** The majority of the programmes (75.9%) conducted during the period were organized under the Scheme of “Assistance to Training Institutions” of the Ministry of MSME. Other programmes include Orientation programme for NSS Programme Officers, sponsored by Ministry of Youth Affairs and Sports. The Institute was also engaged with implementation of Rajiv Gandhi Udyami Mitra Yojana (RGUMY) and CSR activities of corporate houses which include Oil India Limited, Duliajan.

**9.5.5** Initiative for Weaker Sections and Women: The Institute has been giving special thrust on the upliftment of weaker sections of the society. The Institute organizes programmes for SC, ST and women folk of rural and tribal

areas to promote livelihoods. Distribution of category wise number of participants trained during the year 2014-15 (as on 31.12.2014) is shown in Table 9.4 below:-

**Table 9.4: Programme and category wise distribution of participants**

CATEGORY OF PARTICIPANTS	No of Participants Programme wise					TOTAL
	ESDP (ATI)	ESDP (NON ATI)	EDP	MDP	OTHERS	
SC	867	35	21	7	274	1204
ST	4530	130	337	13	734	5744
OBC	1772	126	84	23	1480	3485
Minorities	112	0	0	0	122	234
Women	5930	147	292	5	1852	8226
Physically Handicapped	0	0	0	0	0	0
Others	3954	111	296	44	1038	5443
Total participants	11123	402	738	87	3526	15876

- Women and Physically Handicapped are excluded from the total participants

**9.5.6** The Regional Resource Centre (RRC) of the Indian Institute of Entrepreneurship (IIE), Guwahati has been organizing Buyer-Seller Meets for the cluster artisans and units implemented by it since the year 2009. These Buyer-Seller Meets organized are humble attempts at giving a platform to the cluster artisans and household units to reach to a wider market cutting across spatial miles and segregated sectors have been working for

Cluster Development with projects sponsored by a number of agencies like DC-MSME, DC-Handloom and KVIC. The RRC is implementing and supporting 39 different projects in the entire North Eastern Region. During the year 2014, RRC had organized different programmes covering beneficiaries of different clusters spread across the region through the initiative. A detailed Report on "Cluster Development in North Eastern Region" has been developed by the Centre which reflects the all the achievements through Cluster initiative in the region.

#### **9.5.7 Orientation Course for NSS**

**Programme Officers:-** The Ministry of Youth Affairs & Sports, Govt. of India has granted "Empanelled Training Institute (ETI)" status to Indian Institute of Entrepreneurship (IIE), Guwahati for imparting regular training to NSS Programme Officers (PO) of North East India. In this context, Indian Institute of Entrepreneurship (IIE) Guwahati, organized 5 Orientation Courses for Programme Officers, National Service Scheme from 1st Apr'2014 to 31st Dec'2014. The programmes were sponsored by Ministry of Youth Affairs & Sports, Govt. of India. The rationale behind conducting these Orientation Courses for Programme Officers is to provide them necessary knowledge, skills and attitude required for effective implementation of NSS Programme.

#### **9.5.8 Rajiv Gandhi Udyami Mitra Yojna (RGUMY):-**

The objective of "Rajiv Gandhi Udyami Mitra Yojana (RGUMY)" is to provide handholding support and assistance to the potential first generation entrepreneurs, who have already successfully completed Entrepreneurship Development Programmes (EDPs)/ Skill Development Training Programme (SDPs)/ Entrepreneurship -cum-Skill Development Training Programme (ESDPs)/ Vocational Training Programmes (VTs), through the selected lead agencies i.e. 'Udyami Mitras', in the establishment and management of the new enterprises, in dealing with various procedural and legal hurdles and in completion of various formalities required for setting up and running of the enterprise. IIE has also been organizing workshops on RGUMY at different locations of North Eastern Region to create awareness about the schemes available so that they can take the benefit of these schemes.

#### **9.5.9 Centre for Sustainable Livelihood**

**Promotion:** IIE signed an MoU with OIL, Duliajan on **2nd December'2013** at the OIL headquarters in Duliajan, Assam for Design and Implementation of CSR activities of OIL, Duliajan as Social Sector Interventions covering Entrepreneurship Education, Skill Development Training Programme, Livelihood Clusters and

Solar Solution Initiative in OIL operational areas or any other areas as indicated by OIL within India. All the activities of this project are carried out by IIE under its Centre for Sustainable Livelihood Project (CSLP). The various activities carried out by the center during the period are Entrepreneurship Education Programmes for Schools and Colleges (students and teachers), placement linked SDP's on various trades Baseline surveys etc.

**9.5.10 Seminars, Workshops and others:-** During the year 2014, IIE organized various seminars and workshops. A job fair cum buyer seller meet was also organized by the institute to exhibit the products developed by clusters as well as during the training. A national Seminar on Entrepreneurship was organized in association with PHD Chambers of Commerce. Other workshops includes project launch workshop for Access to New and Renewable Energy for micro enterprises under Ministry of New and Renewable Energy, workshop on Social Entrepreneurship for young women etc.



## 9.6 RAJIV GANDHI UDYAMI MITRA YOJANA (RGUMY)

**9.6.1** The “Rajiv Gandhi Udyami Mitra Yojana (RGUMY)” was launched in 2008-09 to provide handholding support and assistance to the potential first generation entrepreneurs, who have already successfully completed Entrepreneurship Development Programmes (EDPs)/ Skill Development Training Programme (SDPs)/ Entrepreneurship-cum-Skill Development Training Programme (ESDPs)/ Vocational Training Programmes (VTs), through the selected lead agencies i.e. ‘Udyami Mitras’, in the establishment and management of the new enterprises, in dealing with various procedural and legal hurdles and in completion of various formalities required for setting up and running of the enterprise. The scheme also provides for a Call Centre for information, support and guidance, which operates 365 days. The BE for 2014-15 is Rs. 3.00 crore and 2966 New Udyamis have been registered for handholding support under the scheme as against the target of 7500 for the year.

**9.6.2** In line with the new government’s emphasis on ‘Make in India’ the scheme is being modified to provide mentoring support for upscaling and nurturing existing enterprises

and developing competitive and resilient new enterprises, with a larger goal is of identifying, supporting and expanding the role of competitive Indian MSMEs in a global economy.

**9.6.3** 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 queries 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.

## **9.7 SURVEY, STUDIES AND POLICY RESEARCH**

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

# 10

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



*N. E. Zonal Workshop cum Review Meeting under Prime Minister's Employment Generation Programme chaired by Shri Kalraj Mishra, Hon'ble Minister of MSME*

**CHAPTER - X**

## **PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMMEE (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](http://www.pmegp.in); [www.kvic.org.in](http://www.kvic.org.in))

### **10.2 MAIN OBJECTIVES**

The main objectives of the PMEGP are:

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

traditional and prospective artisans and rural & urban unemployed youth; and

- To increase the wage earning capacity of artisans.

### **10.3 SALIENT FEATURES**

The salient features of the scheme are as follows:

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

- Self Help Groups (SHG) including those belonging to BPL are also eligible for assistance provided that they have not availed benefits under any other Scheme.
- The borrower is required to bring in own contribution of 10 per cent of the project cost. In the case of beneficiaries belonging to SC/ST and borrowers from other weaker sections, etc., the beneficiary's contribution is 5 per cent of the project cost.
- Banks will sanction loan for the balance of the project cost (90% or 95% as the case may be). After the sanction of the credit by the Bank and after the beneficiary has undergone EDP training, eligible amount of margin money will be kept in term deposit for three years in the account of the borrower at the financing bank branch, which will be credited to the borrower's loan account after a period of two years from the date of first disbursement of loan.
- The permissible margin money assistance is kept at a higher level as compared to PMRY and REGP and is as detailed in the Table below:

**TABLE 10.1: Assistance under PMEGP**

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

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

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

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

does not exceed Rs. one lakh (Rs. one lakh and fifty thousand in case of village industry located in a hilly area) or such other sum as may, by notification in the Official Gazette, be specified from time to time by the Central Government".

#### **10.4 IMPLEMENTING AGENCY**

The following agencies are involved in implementation of PMEGP:

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

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

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

Secretary (Industries)/ Commissioner (Industries).

- Small Industries Development Bank of India (SIDBI).

#### **10.5 BACKWARD and 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, 06 workshops, 162 awareness camps and 91 exhibitions have been organized during 2014-15(upto December 2014) and 23097 persons have undergone EDP training during 2014-15(upto December 2014). As per PMEGP guidelines, once project is sanctioned by Bank, before releasing the second installment of loan, beneficiary is required to undergo a two weeks EDP training to be arranged by KVIC through its accredited institutions. State-wise details of units assisted, margin money utilised and estimated employment generated during 2014-15(upto December 2014) is given at Annexure.

**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](http://www.kvic.org.in) and [www.pmegp.in](http://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 under PMEGP**

- 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.
- 100% physical verification of PMEGP units conducted through outsource agencies for 2008-09 and 2009-10 revealed that 82% of the units are found setup and working.
- 457 model projects including 150 from NSIC incubation centers prepared and

put up on PMEGP website for benefit of potential beneficiaries.

- The KVIC is being registered with CPSMS at State Directorate, Nodal branches and financial branch level to monitor the flow of fund from the point of release from ministry upto the beneficiary level .
- One more member added in District Task Force to represent urban local bodies of the District such as Municipalities and Nagar Palikas in addition to three Panchayat representatives includes SC/ST/Women.
- The District Level Advisory Committee under the Chairmanship of Hon'ble M.P. Lok Sabha has constituted at district level to monitor the implementation of PMEGP scheme.
- Trading activities / sales outlets have been included under PMEGP for LWE Districts/ NER/A&N Island subject to 10% of total allocation of the state.
- 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.

**10.8** During 2014-15(upto December 2014), 3,37,070 applications have been received

under the Scheme of which 1,39,410 projects were recommended to banks. Banks have, however, sanctioned 32,924 cases and made disbursement only in 18,141 cases involving margin money assistance of ₹ 428.08 crore during the year.

#### **10.9 SCHEME OF FUND FOR REGENERATION OF TRADITIONAL INDUSTRIES (SFURTI)**

**10.9.1** 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 Rs. 149.44 crore have been taken up for development in the 1st phase.

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

**10.9.2** 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.
- ii. Skill development and capacity building; Guidelines for SFURTI
  - iii. Institution development;
  - iv. Exposure visits;
  - v. Market promotion initiatives;
  - vi. Design and product development;
  - vii. Participation in seminars, workshops and training programmes on technology up-gradation, etc.

**10.9.3 (b) Hard Interventions:** Under Hard interventions, the following facilities will include:

- i. Common facility centres (CFCs);
- ii. Raw material banks (RMBs);
- iii. Up-gradation of production infrastructure;
- iv. Tools and technological up-gradation such as charkha up-gradation, tool-kit distribution, etc.
- v. Warehousing facility;
- vi. Training center;
- vii. Value addition and processing center.

**10.9.3 (c) 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:

- i. Brand building and promotion campaign
- ii. New media marketing Guidelines for SFURTI
- iii. e-Commerce initiatives
- iv. Innovation
- v. Research & development initiatives
- vi. Developing institutional linkages with the existing & proposed clusters

#### **10.9.4 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 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.



*Spinning activity at Gorakhpur Khadi Cluster*

#### **10.9.5 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.

**10.9.5(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.

**10.9.5 (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).

**10.9.6 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.

**10.9.7 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.

#### **10.9.8 Implementating 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.

**10.9.9 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.



*Preparation of Jackfruit Wafers by Artisans of Sindhudurg Food Processing Cluster*



*Wooden Handicraft artisans at Hoshiarpur Wooden handicraft Cluster (Punjab)*

11

## INTERNATIONAL CO-OPERATION



Shri Kalraj Mishra, Hon'ble Minister (MSME) meeting H.E Paul Kagame, President of Rwanda at Kigali on 17.1.2015

**CHAPTER - XI****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 its agility and dynamism, the sector has shown admirable innovativeness and adaptability to survive the recent economic downturn and recession. However, MSMEs have been facing

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 17 countries viz., Tunisia, Romania, Rwanda, Mexico, Uzbekistan, Lesotho, Sri Lanka, Algeria, Sudan, Cote d'Ivoire, Egypt, Republic of South Korea, Mozambique, Botswana, Indonesia, Vietnam and Mauritius. Besides, different organisations under this Ministry have also been maintaining close interaction with their counterparts in the foreign countries for the development of Indian MSMEs. The National Small Industries Corporation (NSIC) Ltd., a public sector

enterprise under this Ministry has entered into long term agreements with partner institutions/ organisations in 24 different countries. In view of M/o MSME's long experience of over half a decade in the policy, programme and implementation of the schemes in the MSME sector, many of the developing economies of Asia and Africa seek guidance from it and /or its organisations. The organisations of the M/o MSME have provided consultancy services and also assisted in setting up of different projects, in the Afro-Asian countries.

### **11.3 INTERNATIONAL COOPERATION SCHEME**

**11.3.1** International Cooperation (IC) Scheme, being implemented by 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 Rs. 24.50 crore. For the Annual Plan 2013-14, a provision of Rs. 5.00 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 objective 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 the market of MSMEs products, foreign collaborations, etc.
- (ii) Participation by Indian MSMEs in international exhibitions, trade fairs and buyer-seller meets in foreign countries as well as in India, having international participation.
- (iii) Holding international conferences and seminars on topics and themes of interest to the MSMEs.

**11.3.3** Under the IC Scheme, during the year 2014-2015, a number of MSMEs were facilitated to participate in international exhibitions, trade fairs and buyer-seller meets abroad.

### **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:

- The 3rd Joint Committee Meeting (JCM) between India and Tunisia was held on 2nd April, 2014 at Udyog Bhawan, New Delhi under the co-chairmanship of Shri Madhav Lal, Secretary, Ministry of Micro, Small & Medium Enterprises for implementation of the Cooperation Agreement which was signed between India and Tunisia on 8.2.2007 for cooperation in the field of Micro, Small and Medium Enterprises.
- A delegation headed by Shri Madhav Lal, Secretary, Ministry of Micro, Small & Medium Enterprises comprising of Shri Amarendra Sinha, Additional Secretary & Development Commissioner (MSME) and Shri H.P. Kumar, Chairman-cum-Managing Director, National Small Industries Corporation Ltd. (NSIC) mounted a visit to Germany from 28-30 April, 2014 to explore the possibilities of collaboration with select Institutions/ Organisation in Germany for the promotion and development of MSME sector in India.
- Shri Surendra Nath Tripathi, Joint Secretary (SME), Ministry of Micro, Small & Medium Enterprises undertook a visit to Taipei, Taiwan from 28th to 30th July, 2014 for the 2nd Review of the implementation of the decisions taken during the 7th Secretary level meeting between India and Taiwan. He represented the Ministry in the delegation led by Shri Shailendra Singh, Joint Secretary, Department of Industrial Policy & Promotion.
- A delegation led by Mr. Alain St. Ange, Hon'ble Minister of Tourism and Culture, Government of Seychelles met Shri Kalraj Mishra, Hon'ble Minister of Ministry of Micro, Small & Medium Enterprises on 04.08.2014 at Udyog Bhavan, New Delhi to discuss issues relating to bilateral cooperation between the two sides.



*The Minister for Tourism & Culture of Seychelles, Mr. Alain St. Ange meeting the Hon'ble Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra, in New Delhi on August 04, 2014.*

- To represent India, a delegation of officials of Ministry of Micro, Small & Medium Enterprises headed by Shri Kalraj Mishra,

Hon'ble Minister of Micro, Small and Medium Enterprises (MSME) visited Australia from 25th to 29th September, 2014 to inaugurate the India Pavilion at IGA Perth Royal Show at Perth, Australia. The delegation also held bilateral meetings with Australian Business Chambers and senior Government functionaries for promotion of SME sector in both the countries.

- Mr. Claire Mateus Filipe Correia Zimba, General Manager, Institute for Promotion of Small and Medium Enterprises of Mozambique (IPEME) met Shri Jithesh John, Director (SME), Ministry of Micro, Small & Medium Enterprises on 09.09.2014 to discuss about the bilateral business cooperation for building the more intense platform of the Small & Medium Enterprises.
- Shri Madhav Lal, Secretary, Ministry of Micro, Small & Medium Enterprises visited Kuala Lumpur, Malaysia from 5th to 7th November, 2014 to have a comprehensive overview of the MSME sector in Malaysia, their schemes for its promotion as well as to look for opportunities for closer cooperation between the two nations in MSME sector.
- Mr. Jean-Lois Billon, Hon'ble Minister of Trade, Crafts and Promotion of SMEs

of Cote d'Ivoire met Shri Kalraj Mishra, Hon'ble Minister, Ministry of Micro, Small & Medium Enterprises on 3.11.2014 to discuss bilateral relations in MSME sector of the two countries.

- Dr. Sunita Chhibba, Economic Adviser, Ministry of Micro, Small and Medium Enterprises (MSME) attended the 8th Secretary-Vice Ministerial Consultations between India and Taiwan held from 5-7 January, 2015 in Taipei, Taiwan. She was part of the Indian delegation which was led by Secretary, Department of Industrial Policy and Promotion.
- Shri Kalraj Mishra, Hon'ble Minister of Micro, Small and Medium Enterprises (MSME) led a delegation comprising Shri Surendra Nath Tripathi, Joint Secretary, Ministry of Micro, Small & Medium Enterprises, Shri Manoj Dwivedi, Private Secretary to Hon'ble Minister (MSME) and Shri Ravindra Nath, Chairman-cum-Managing Director, National Small Industries Corporation, a PSE of the Ministry to Rwanda and South Africa from 15th to 20th January, 2015 to (i) attend the inauguration of the Incubation Centre set up in Rwanda by NSIC, with the support of Ministry of External Affairs, (ii) to witness the progress of vocational training/ incubation centre in Rwanda supported by

the Government of India and implemented by the Workforce Development Authority (WDA), and (iii) to witness the signing ceremony of MoU between the Black Business Council (BBC) and NSIC in Johannesburg, South Africa.

- A Memorandum of Understanding (MoU) has been signed between Ministry of Micro, Small and Medium Enterprises(MoMSME) and International Labour Organization (ILO) to promote Substantial Enterprises for Inclusive Growth and formalization of the informal economy in India. The MoU forms the basis for a technical partnership with the primary objectives of creating more and better quality employment in India.

Under MoU, three priority areas have been identified entrepreneurship development; good workplace practices for improving productivity and enhancing integration into global supply chains; and research and knowledge building related to sustainable enterprises and formalization strategies. The ILO through its intervention models and methodologies such as the Start and Improve Your Business (SIYN), Sustaining Competitive and Responsible Enterprises (SCORE) will contribute to India's efforts to accelerate competitiveness and growth of the MSME sector. The design of the MoU will also support the government's ongoing initiative "Make in India" programme.



*Secretary, Ministry of Micro, Small and Medium Enterprises, Shri Madhav Lal and the Director, ILO DWT for South Asia and Country Office for India, Ms. Tine Staermose signing an MoU, in New Delhi on November 03, 2014.*

**11.4.2** NSIC undertook following activities under International Cooperation during the year 2013-14 and upto December, 2014:

S.No.	Date	Event
1.	4 <sup>th</sup> June, 2013	A five member delegation led by H.E. Mr. Saidbeg Saidov, Ambassador of Republic of Tajikistan visited NSIC to understand its activities for promotion of MSMEs especially its “Rapid Incubation Centre” for creating employment opportunities for youth.
2.	6 <sup>th</sup> June, 2013	Six member benchmarking delegation from Kenya organized by High Commission of Kenya and Export Promotion Council of Kenya visited NSIC to understand NSIC’s activities in the field of MSMEs. Delegation also visited NSIC’s Incubation Centre at Okhla and saw various projects for creation of self-employment opportunities.
3.	26 <sup>th</sup> June, 2013	Mr. Glen Ramadharsingh, Minister of People & Social Development, Government of Trinidad & Tabago visited NSIC to discuss areas of mutual cooperation in MSME development in Trinidad & Tabago and especially to know about NSIC’s concept of Rapid Incubation Program for creation of self- employment opportunities.
4.	1 <sup>st</sup> July, 2013	NSIC, in cooperation with High Commission of India in South Africa organized a “Conference on Opportunities of Cooperation in MSME Sector in South Africa”. The objective of conference was to generate awareness amongst South African enterprises and Indian enterprises about the opportunities for business and technological alliances between the two countries in the field of Micro, Small & Medium Enterprises (MSMEs).
5.	2 <sup>nd</sup> July, 2013	Eight member delegation from Bangladesh comprising of officials from institutions & bank related to SME development in Bangladesh visited NSIC to understand its activities for the development of MSMEs in India.

6.	2 <sup>nd</sup> Sept., 2013	National Small Industries Corporation India and Small & Medium Enterprise Development Agency (SMEDA) signed a Memorandum of Understanding (MoU) for cooperation in the field of Micro, Small & Medium Enterprises. MoU was signed by CMD, NSIC and Permanent Secretary, Ministry of Business, Enterprises & Cooperatives, Government of Mauritius at New Delhi.
7.	16 <sup>th</sup> Sept., 2013	Twelve member delegation of Sr. Editors / Journalist from Bangladesh visited NSIC to know about NSIC's activities for the development of MSMEs and to understand opportunities of cooperation between the two countries in this sector. Delegation also visited NSIC Rapid Incubation Centre at New Delhi.
8.	7 <sup>th</sup> October, 2013	NSIC signed Memorandum of Understanding (MoU) for cooperation with Small & Medium Enterprises Development Organisation (KOSGEB), Turnkey in the august presence of Hon'ble President of India and Hon'ble President of Turnkey. The MoU envisage cooperation between two organizations for the development of micro & small enterprises.
9.	14-27 November, 2013	Besides the above, number of delegations visited NSIC's Techmart India. <ul style="list-style-type: none"> <li>• 25 member delegation led by Ms. Elizabeth Thabate, Dy. Minister of Trade &amp; Industry, South Africa, visited NSIC's Techmart India, 2013 and observed the various technologies and machineries displayed at Techmart which can be utilized by South African Companies.</li> <li>• 25 member delegation of Afghanistan (Govt. officials &amp; Businessmen) coordinated by High Commission of India in Afghanistan was exposed to various technologies and machineries pertaining to MSMEs. Delegation also visited NSIC's Rapid Incubation Centre at New Delhi.</li> <li>• Besides above, delegations from Ethiopia, Senegal and other countries also visited NSIC's Techmart India, 2013.</li> </ul>

10.	17-20 November, 2013	NSIC organized a 12 member delegation of Indian MSMEs to London, United Kingdom. Delegation was organized at the request of High Commission of India (HCI) in United Kingdom. HCI organised a SME conference and buyer-seller meet for the business delegation followed by Industry visit. Delegation was exposed to various business opportunities in U.K.
11.	09-19 January, 2014	Nine member delegation organised by FeMSEDA, NSIC's Partner Institute in Ethiopia visited NSIC on a study visit to understand NSIC's activities for the development of MSMEs in India.
12.	27 <sup>th</sup> Jan., to 1 <sup>st</sup> Feb., 2014	13 member delegation from Botswana visited NSIC. The objective of visit was to have first-hand overview of NSIC's Rapid Incubation Programme, which Government of Botswana wishes to establish in Botswana with assistance of NSIC & also to meet potential manufacturers of Machineries.
13.	25 <sup>th</sup> Feb., 2014	A five member delegation led by Dr. Glen Ramadharsingh, Minister, Ministry of People and Social Development, Government of Trinidad & Tabago visited NSIC to discuss areas of mutual cooperation in MSME development in Trinidad & Tabago especially through NSIC's concept of Rapid Incubation Program for creation of self-employment opportunities.
14.	11 <sup>th</sup> March, 2014	A six member delegation led by Minister of Trade & Industry, Cooperatives and Marketing Government of Lesotho visited NSIC's Rapid Incubation Centre to see opportunities for development of self-employment for unemployed.
15.	2 <sup>nd</sup> April, 2014	A five member delegation from Tunisia led by Director General of SME Promotion, Ministry of Industry, Government of Tunisia visited NSIC's Rapid Incubation Centre.
16.	25 <sup>th</sup> March, 2014	A three member delegation led Dy. Principal Secretary, Ministry of Economic Empowerment, Social Welfare, Youth, Women & Children of Revolutionary Government of Zanzibar visited NSIC's to discuss NSIC's model of Rapid Incubation of Unemployed Youth for creation of self-employment opportunities.

17.	4 <sup>th</sup> July, 2014	A six member delegation led by Minister of Women Affairs Gender & Community Development visited NSIC and had discussion on various issues of cooperation in the field of micro & small enterprises especially for women entrepreneurs. Delegation also visited NSIC's Rapid Incubation Centre at Okhla which houses various projects especially meant for women entrepreneurs.
18.	3 <sup>rd</sup> Oct., 2014	Local Enterprise Authority of Botswana invited NSIC to renew the MoU of Cooperation for MSME development in Botswana. LEA has shown keen interest in establishment of Incubation Centre at Gaborone, Botswana on NSIC's Model of Rapid Incubation. NSIC also conducted a detailed project study for the project and has identified various MSME Projects to be set up in the said centre at Botswana.
19.	14 <sup>th</sup> -27 <sup>th</sup> Nov,2014	Number of delegations from South Africa, Bangladesh, Malawi, Baharin and other African countries visited NSIC's Techmart India-2014. The Delegation from South Africa was led by Dy. Minister of Small Business MS. Elizabeth Thabathe.
20.	26 <sup>th</sup> – 28 <sup>th</sup> Dec.,2014	The Corporation in association with Tamil Nadu Small and Tiny Industry Association (TANSTIA), organized an International Level Exhibition SOUMEX 2014 at Chennai. The even was dedicated to the cause of 'Make in India' by Shri Kalraj Mishra, Hon'ble Union Cabinet Minister of MSME. In the said exhibition apart from various PSUs/ Banks/ Corporates, MSMEs displayed their technologies and products with a participation of about 204 units. Seminar & B2B meetings were also organized as a part of the event.
21.	11 <sup>th</sup> - 20 <sup>th</sup> Dec.,2014	The Corporation in association with Manipur Industries Development Council (MIDC) Manipur, organized an International level exhibition namely 2 <sup>nd</sup> Imphal Expo-2014, which is one among the biggest trade fair being organized in North-East region. During the exhibition several cultural programmes, Buyer Seller meet and campaigns were organised.

## 11.5 PARTICIPATION IN INTERNATIONAL EVENTS

**11.5.1** Under International Cooperation Scheme (details are provided in 11.3 para above), the details of participation during the year, are as under:

- Indian Printing Packaging & Allied Machinery Manufacturers Association (IPAMA), Noida organized delegation of MSMEs to participate in Printpack Arabia 2014 Exhibition at Sharjah, UAE during 7-10 April, 2014.
- Federation of Indian Chambers of Commerce and Industry (FICCI), New Delhi took delegation of MSMEs to participate in Interpack 2014 at Dusseldorf, Germany during 8-14 May, 2014.
- South India Corrugated Box Manufacturers Association (SICBMA), Chennai organized a business delegation of MSMEs to visit Interpack 2014 at Dusseldorf, Germany during 12-14 May, 2014.
- Jamnagar Factory Owners Association (JFOA), Jamnagar took delegation of MSMEs to visit Trade Fair for Metal + Metallurgy China 2014 at Beijing, China during 19-22 May, 2014.
- Gem & Jewellery Trade Council of India (GJTCI), Ahmedabad took delegation of MSMEs to participate in JCK Las Vegas in USA during 30 May – 2 June, 2014.
- Bari Brahmana Industries Association, Jammu took a delegation of MSMEs to participate in Rosupack, 19th International Exhibition for the packaging industry at Moscow, Russia during 17-20 June, 2014.
- Engineering Manufacturing Entrepreneurs Resource Group (eMERG), Bangalore organized delegation of MSMEs to participate in WBENC 2014 at Philadelphia, USA during 23-25 June, 2014.
- Auto Parts Manufacturers Association (APMA), Ludhiana organized business delegation of MSMEs to visit PACCE Automechanika at Mexico City, Mexico during 16-18 July, 2014.
- Toy Association of India (TAI), New Delhi organized 8th Toy Biz International Seminar/Conference at Pragati Maidan, New Delhi on 19 July, 2014.
- All India Federation of Master Printers (AIFMP), New Delhi took a business delegation of MSMEs to visit Print Technology Trade Fair at Kuala Lumpur, Malaysia during 14-17 August, 2014.

- Indian Industries Association (IIA), Lucknow organized a business delegation of MSMEs to visit Yangon, Myanmar during 16-22 August, 2014.
- United Cycle & Parts Mfrs. Association (UCPMA), Ludhiana organized a business delegation of MSMEs to visit Euro Bike 2014 at Friedrichshafen, Germany during 27-30 August, 2014.
- Indian Footwear Components Manufacturers Association (IFCOMA), Noida organized business delegation of MSMEs to visit Lineapelle Fiero Milano Rho at Milan, Italy during 10-12 September, 2014.
- Integrated Association of Micro, Small and Medium Enterprises of India (IMSMEI), Faridabad took a business delegation of MSMEs to visit Automechanika Fair at Frankfurt, Germany during 15-20 September, 2014.
- Shapar Veraval Industrial Association (SVIA), Veraval, Rajkot organized delegation of MSMEs to participate in Bearing China-2014 at Shanghai, China during 18-21 September, 2014.
- Central Glass & Ceramic Research Institute, Khurja organized a business delegation of MSMEs to visit CERSAI 2014 – A Ceramic Trade Fare at Italy during 22-26 September, 2014.
- Gujarat State Small Industries Federation (GSSIF), Ahmedabad organized delegation of MSMEs to participate in 17th Equiplast The International Plastics and Rubber Exhibition at Barcelona, Spain during 30 September – 3 October, 2014.
- Karnal Pharmaceutical Manufacturers Association (KPMA), Karnal organized business delegation of MSMEs to visit CPHI Pharmaceutical Expo 2014 at Paris, France during 07-09 October, 2014.
- Swayan Udyog Nari (SUN), Kolkata organized delegation of MSMEs to participate in London Durga Puja Exhibition-cum-Sale at London, UK during 02-06 October, 2014.
- Federation of Gujarat Industries (FGI), Vadodara organized a business delegation of MSMEs to visit CPHI 2014 at Paris, France during 6-11 October, 2014.
- Ankleshwar Industries Association (AIA), Ankleshwar organized a business delegation of MSMEs to visit CPHI Worldwide 2014 at Paris Nord Villepinte, France during 7-9 October, 2014.

- Salem District Small Scale & Tiny Industries (SADISSTIA), Salem organized a business delegation of MSMEs to visit Canton Fair 2014 at Guangzhou, China during 15-19 October, 2014.
- Bari Brahmana Industries Association (BBIA), Jammu organized a business delegation of MSMEs to visit 116th Canton Fair at Guangzhou, China during 15-19 October, 2014.
- Thanjavur District Small and Tiny Industries Association (TANDISTIA), Kumbakonam organized a business delegation of MSMEs to visit 116th Canton Fair at Guangzhou, China during 15-19 October, 2014.
- Tiruppur Export Knit Printers Association (TEKPA), Tiruppur organized a business delegation of MSMEs to visit SGIA Expo at Las Vegas, USA during 22-24 October, 2014.
- Marathwada Association of Small Scale Industries & Agriculture (MASSIA), Aurangabad organized a business delegation of MSMEs to visit JIMTOF 2014 at Tokyo, Japan during 30 October to 04 November, 2014.
- Ahmedabad Engineering Manufacturers' Association (AEMA), Ahmedabad organized a business delegation of MSMEs to visit Fair for Automobile Industry and Apex Education at Las Vegas, USA during 3-6 November, 2014.
- Integrated Association of Micro, Small and Medium Enterprises of India (IMSMEI), Faridabad organized a business delegation of MSMEs to visit AAPEX-2014 at Las Vegas, USA during 04-06 November, 2014.
- Mohali Industries Association (MIA), Mohali organized a business delegation of MSMEs to visit AAPEX 2014 at Las Vegas, USA during 04-07 November, 2014.
- Gandhinagar Electronics Zone Industries Association (GEZIA), Gandhinagar organized a business delegation of MSMEs to visit 26th Electronics Trade Fair – Electronica 2014 at Germany during 11-14 November, 2014.
- All India Federation of Master Printers (AIFMP), New Delhi organized business delegation of MSMEs to visit "All In Print China" at Shanghai, China during 14-17 November, 2014.
- Rajkot Engineering Association (REA), Rajkot organized a business delegation of MSMEs to visit AAPEX 2014 at Las Vegas, USA during 04-06 November, 2014.

of MSMEs to visit VINMAC EXPO at Ho Chi Minh City, Vietnam during 03-08 December, 2014.

### **11.5.2 COIR BOARD**

The details of participation by the Coir Board in international fairs and exhibitions for promotion of exports of coir and coir products during 2014-15 are given in Table below:

### **Details of exhibition/fair participated by Coir Board**

Sl. No.	Name of the Fair	Country	Period
1	Domotex Russia, Moscow	Russia	01-03 April,2014
2.	Mega Show Part I, Hong Kong	Hong Kong (China)	20-23 October,2014
3.	China Import & Export (Canton Fair), Guangzhou	China	31 October-04 November 2014



*Shri Kalraj Mishra, Hon'ble Minister MSME interacting with Hon. Wayne Martin, Administrator (Governor) of the State of Western Australia during the visit to Perth, Australia during 25th to 29th September, 2014 to participate in the IGA Perth Royal Show 2014*

# 12

## ACTIVITIES IN THE NORTH EASTERN REGION



*Shri Kalraj Mishra, Hon'ble Minister MSME distributing special award to spinners at a PMEGP exhibition in Guwahati.*

## 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/Programmes of M/o MSME, an outlay of Rs. 333.00 crore in BE 2014-15 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 O/o DC (MSME) has MSME-DIs at Gangtok (Sikkim); Guwahati (Assam); Imphal (Manipur); Agartala (Tripura) and also branch MSME-DIs at Aizwal (Mizoram); Dimapur (Nagaland); Itanagar (Arunachal Pradesh); Diphu (Assam); Silchar (Assam); Tezpur (Assam); Shillong (Meghalaya) and Tura (Meghalaya). A Tool Room and Training Centre has been setup at Guwahati to cater to the need of industries in the area of tooling and training. State Govt. of Nagaland has also been assisted to setup a Mini Tool Room & Training Centre at Dimapur, Nagaland. Tool Rooms are equipped with Hi-Tech machinery for providing common facility services to the industry; conducting various long-term and short-term training programmes such as 4 year diploma in Tool & Die Making, Computer Aided Design, Basic Workshop Technology, Turning and Milling, Engineering Drawing etc.

### **12.4 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).

**12.4.2** During the year 20 Skill Development Training Programmes were conducted for the unemployed youth of North Eastern States in various parts of North-Eastern States viz. Assam, Tripura, Manipur, Nagaland, Meghalaya, Sikkim, Arunachal Pradesh and Mizoram, which were sponsored by Guwahati Municipal Council, Indian Oil Limited. In these programmes, all together 400 trainees were trained.

**12.4.3** NSIC Guwahati also conducted 02 Entrepreneurship Orientation Programmes (EOP) for the students of different colleges in North East States. All together 97 students were trained under EOP.

**12.4.4 Promotional Activities:** Apart from the above schemes NSIC undertakes different developmental schemes especially in the North Eastern Region in order to bring awareness amongst the budding entrepreneurs & development of the small scale industries of the region.

a) **Intensive Campaign:** NSIC conducts intensive campaigns at different parts of the

region to bring awareness about various schemes of the Corporation. During the year 2014-15 NSIC, Guwahati conducted 28 campaigns in all the 8 states of North Eastern Region.

b) **Exhibitions:** Branch Office, Guwahati organised/participated in different domestic exhibitions in the country to give exposure to the entrepreneurs. During the year 2014-15, Branch Office organised / participated in 7 domestic and 2 international exhibitions upto December, 2014.

## 12.5 TRAINING ACTIVITIES:

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



*Skill Development Training Programme on Jewellery Designing and Making and Gemstone Cutting and Polishing at Gems and Jewellery Incubation Centre under CSLP, IIE.*

## 12.6 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.

## 12.7 BUDGETARY SUPPORT

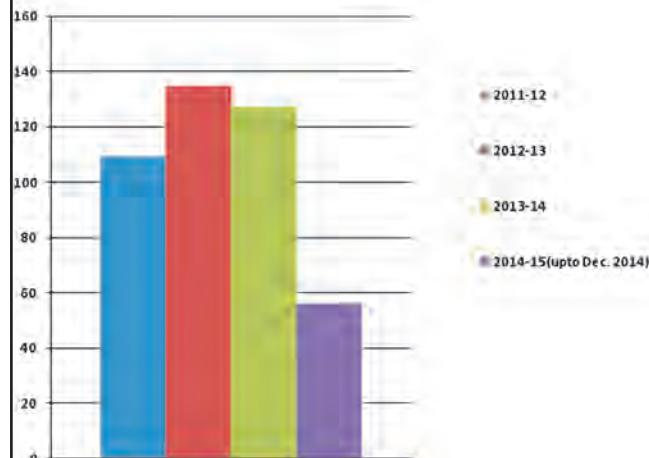
**12.7.1** As per the policy of the Government, 10 per cent of total plan budget is earmarked for NER for implementation of various Plan schemes in khadi, village industries and coir sectors. The details of the funds released by the Ministry to KVIC and Coir Board for the NER during the last three years and 2014-15 are given in the Table below:

**TABLE 12.1 RELEASE OF FUNDS FOR NER  
(Rs. crore)**

Year	Funds released		
	KVIC	Coir Board	Total
2011-12	107.68	1.52	109.20
2012-13	133.46	1.45	134.91
2013-14	126.47	0.65	127.12
2014-15*	55.52	0.62	56.14

\*upto 31 December 2014

**Funds released to KVIC and Coir Board for NER**



## 12.8 KVI PROGRAMMES

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

KVI Boards, registered institutions, cooperative societies and entrepreneurs.

**12.8.2** 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.

**12.8.3** 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.

**12.8.4** 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 2014-15 are given in the following Table:

**TABLE 12.2 KVI PRODUCTION IN NER**

(Value: Rs. lakh)

State	2011-12	2012-13	2013-14	2014-15*
Arunachal Pradesh	4714.43	5188.60	5642.5	4485.79
Assam	58500.34	64350.74	69940.57	55602.75
Manipur	10135.33	11152.66	12121.76	9636.80
Meghalaya	11987.66	13194.08	14352.91	11410.56
Mizoram	22884.20	25187.43	27391.38	21776.15
Nagaland	12577.19	13761.33	15043.20	11959.34
Sikkim	4120.14	4534.83	4931.67	3920.68
Tripura	10818.93	11907.82	12949.94	10295.20
<b>Total</b>	<b>135738.22</b>	<b>149277.49</b>	<b>162373.93</b>	<b>129087.27</b>

\*upto December 2014

**TABLE 12.3: KVI SALES IN NER**

(Value: Rs. lakh)

<b>State</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15*</b>
Arunachal Pradesh	6581.12	6833.51	7661.19	6320.48
Assam	78224.43	81234.51	91033.33	75102.50
Manipur	14197.58	14742.53	16526.29	13634.19
Meghalaya	15565.07	16161.12	18122.04	14950.68
Mizoram	33282.98	34557.37	38751.23	31969.76
Nagaland	16040.81	16656.67	18671.38	15403.89
Sikkim	5393.61	5600.29	6279.26	5180.39
Tripura	13967.26	14503.07	16259.07	13413.73
<b>Total</b>	<b>183252.86</b>	<b>190289.07</b>	<b>213303.79</b>	<b>175975.62</b>

\*upto December 2014

**TABLE 12.4: KVI EMPLOYMENT IN NER**

(In lakh persons)

<b>State</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15*</b>
Arunachal Pradesh	0.13	0.09	0.15	0.12
Assam	4.13	2.89	4.54	3.54
Manipur	0.77	0.53	0.85	0.66
Meghalaya	0.48	0.33	0.52	0.40
Mizoram	0.95	0.66	1.05	0.82
Nagaland	0.62	0.43	0.68	0.53
Sikkim	0.26	0.18	0.26	0.19
Tripura	0.71	0.49	0.79	0.62
<b>Total</b>	<b>7.87</b>	<b>5.60</b>	<b>8.84</b>	<b>6.88</b>

\*upto December 2014

**12.8.5** 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 KVBs at Roha, Marigaon (Assam); Zamabank (Mizoram) and Dimapur (Nagaland). Besides, 4 agencies have been accredited for conducting training in NE States. The beneficiaries from NE Region are provided rail fare for attending training programmes and also daily allowance during the training period. A total of 10,313 persons were trained in 2013-14 while 3705 persons have been trained in 2014-15(upto December 2014) in this Region including Sikkim.

## **12.9 SCHEMES OF KVIC BEING IMPLEMENTED IN NER**

**12.9.1 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 2014-15(upto December 2014), a total number of 2184 projects were assisted by utilizing margin money subsidy of ₹ 27.64 crore. In the current year, a total number of 2693 projects were sanctioned by banks involving margin money subsidy of ₹ 37.03 crore.

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

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.

## **12.9.2 Product Development Design Intervention and Packaging (PRODIP)**

**Scheme:** Under this scheme, grants up to ₹ 2 lakh for institution/up to ₹ 1 lakh for individual or 75 per cent of the project cost whichever is less is, provided by KVIC to improve the product quality, introducing new designs and better packaging of products.

**12.9.3 Janashree Bima Yojana:** A total of 3705 artisans have been covered under the

Janashree Bima Yojana of KVIC so far to provide insurance to the khadi artisans/weavers.

**12.9.4 State Level Artisan Welfare Fund Trust:** An artisan Welfare Fund Trust was registered at Assam in NER. As on 31 December 2014, 31 institutions have been registered as members and ₹ 5.52 lakh has been deposited in the trust for the year 2014-15.

**12.9.5 Rural Industries Service Centre (RISC):** To provide infrastructure support for individual units to upgrade their production, quality, skills, marketing, etc, financial assistance up to 90 per cent of the project cost is provided to beneficiaries from NER for projects up to ₹ 5 lakh and 75 per cent for the projects costing up to ₹ 25 lakh.

**12.9.6 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.

## 12.10 COIR BOARD IN NER

**12.10.1** 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.

**12.10.2** 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 ₹ 6.11 crore (including SFURTI) has been released to Coir Board against an allocation of ₹ 0.63 crore(inc ivities in NER upto December 2014.



Bamboo Processing by Artisans of Gandhigram Craft Processing Cluster (Tripura)

# 13

## ACTIVITIES AND PROGRAMMES FOR WOMEN



*Bamboo Craft at Gandhigram Crafts Processing Cluster (Tripura)*

## 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](http://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 NIESBUD, Noida:** In accordance with the policy directions/guidelines of the Government of India for accelerating the spread of entrepreneurial culture among women, the Institute continued with its activities having focus on this target group and encouraged women candidates for participation in its different activities like Workshops, Entrepreneurship-cum-Skill Development Programmes, Management Development Programmes etc. In this manner, the Institute provided training to 31,813 women which are almost 25% of the total participants through its different training activities during the year (upto December, 2014).

**13.2.3 NI-MSME, Hyderabad:** During the year 2014-15 (upto December, 2014), the

Institute has provided training to 2,393 women under its various training programmes.

**13.2.4 IIE, Guwahati:** During the year 2014-15(upto Decmber, 2014), the Institute has provided training to 8,226 women. These included women from rural areas and the training programmes covered all kinds of entrepreneurial development programmes.



*Workshop on Social Entrepreneurship for Young Women at IIE*

**13.2.5 NSIC:** During the year 2014-15(upto Decmber, 2014), NSIC has provided training to 25,897 women under various training programmes.

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

**13.3.1** The scheme envisages economic empowerment of women through the

development of their entrepreneurial skills in non-farm activities. There are three major components of the scheme;

- (i) Government's grant upto 30% of the Loan/credit sanctioned by banks to the Non-Government Organisations (NGOs) for promoting entrepreneurship among women for undertaking activities as envisaged in the project.
- (ii) Government's grant upto Rs.1 lakh per programme to training institutions / NGOs for imparting training to the women entrepreneurs subject to such institutions/ NGOs contribute their share to extent of minimum 25 % of the Gol grant and 10 % in case of NER.
- (iii) Need-based Government's grants upto Rs.5.00 lakh to National Entrepreneurship Development Institutions and any other institutions of repute for undertaking field surveys, research studies, evaluation studies, designing of training modules etc.

During the year 2014-15, Government of India grant of Rs. 52.05 Lakh has been given to 3 NGOs against the loan amount of Rs. 176.00 lakh sanctioned by various banks for the benefits of 2100 women for their economic empowerment/ self employment through non-farm activities.

### **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 ratts 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 31.01.2015, 72,754 projects have been assisted to women entrepreneurs under PMEGP.

### **13.6 MAHILA COIR YOJANA**

**13.6.1** It is the first women oriented self employment scheme launched in the coir industry in November 1994 which provides self employment opportunities to the rural women artisans in regions producing coir fibre. The Scheme envisages distribution of motorized ratts for spinning coir yarn to women artisans after giving training. One artisan per household is eligible to receive assistance under the scheme. Women spinners are trained for two months in spinning coir yarn on motorized ratt at the Coir Board's Training Centres. A stipend of ₹ 500/- was earlier paid to the trainees which has been raised to ₹ 750/- per month from 2009-10. Coir Board provides motorized ratts/ motorized traditional ratts at 75% cost subsidy subject to a maximum ceiling of ₹ 7,500/- for motorized ratts and ₹ 3200/- for motorized traditional ratts. The remaining 25% has to be raised by the beneficiary.

# 14

## USE OF OFFICIAL LANGUAGE



Shri S. N. Tripathi, Joint Secretary (MSME) during Prize Distribution Ceremony of Hindi Awards

## CHAPTER - XIV

# USE OF OFFICIAL LANGUAGE

**14.1 Hindi is the Official Language of the Union of India and the Government policy aims at progressively increasing the use of Hindi in official work.** Effective steps were taken during the year in the Ministry of MSME to ensure 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 SECTION 3(3) OF THE OFFICIAL LANGUAGE ACT, 1963**

All documents such as general orders, notifications, press communiqué, contract, agreement, tender forms and notices, resolution, memorandum/ office memorandum, administrative reports and official papers laid before a House or 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 94% correspondence was made in Hindi in region 'A', 94% in region 'B' and 88% in region 'C' up to the quarter ending December, 2014.

### **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 the control of Ministry of

MSME were inspected to ensure the 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 typists & stenographers have been nominated for the 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 exists in the Ministry and the action on the decisions of the Committee is being taken at appropriate levels.

**14.9.2** The Departmental Official Language Implementation Committee under the Chairmanship of the Joint Secretary (In-Charge of Hindi) in the Ministry of MSME has been constituted. Quarterly meetings of the Committee were organized regularly and

important decisions for use of Hindi in official work have been taken. Effective steps for ensuring compliance of the decisions have also been taken.

#### **14.10 HINDI MONTH**

Hindi month was celebrated from 14<sup>th</sup> September, 2014 to 13<sup>th</sup> October, 2014 in the Ministry. To encourage and motivate the employees for doing official work in Hindi, various competitions like Hindi Typing, Hindi Essay Writing, Noting and Drafting in Hindi, General Hindi, Speech in Hindi, Hindi Antyakshari, Hindi Quiz, Hindi Kavita and Hindi work in the sections etc. were organised. Hindi Workshops were also organized during this period. A large number of officers and employees participated in these events with enthusiasm. The messages of the Hon'ble Home Minister, the Cabinet Secretary and Hon'ble Minister (MSME) on the occasion of Hindi Day, 2014 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 (O/o DC (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 15<sup>th</sup> September, 2014 to 30th September, 2014 in which various Hindi competitions were conducted. The meetings of Official Language Implementation Committee were regularly held in the O/o DC (MSME). Instructions were issued to do all works in Hindi on every Tuesday and 14<sup>th</sup> of every month. Two workshops were organized on 14th August, 2014 and 11<sup>th</sup> September, 2014.

#### **14.11.2 National Small Industries Corporation (NSIC) Ltd.**

NSIC continuously strives to promote the use of Hindi in official work. A full-fledged Hindi Section with adequate staff is functioning at the corporate office of Delhi. The meetings of Official Language Implementation Committee and Hindi Workshops are regularly organized in NSIC. During the year, Hindi Month was celebrated from 8<sup>th</sup> September, 2014 to 7th October, 2014 in which various Hindi competitions were held. 4 subordinate offices were got notified under the rule 10(4) of the Official Languages Rule, 1976.

#### **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 Day was celebrated on 15th September, 2014. Hindi Fortnight was celebrated from 15<sup>th</sup> – 29<sup>th</sup> September, 2014 in which various Hindi competitions were held during the period and the winners of 8 competitions were rewarded in the Commission. 5 regional offices and 10 directorates of the headquarters were inspected to review the status of use of Hindi. The meetings of Official Language Implementation Committee and Hindi Workshops were organized regularly. The website of the commission is bilingual and is updated from time to time. The higher official of the commission participates in the meeting of Town Official Language Implementation Committee. 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. The Board got the third prize for the best

performance among the autonomous bodies during the year 2013-14. During the year, all the documents under the section 3(3) of the Official Languages Act, 1963 were issued bilingually. 6 Hindi Workshops were organized in the Board. Hindi Day was observed on 14<sup>th</sup> September, 2014. During September, 2014 Hindi Fortnight was organized. The OLIC meetings were held regularly.

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

The Annual Report of the Institute 2013-14 was published bilingually. All the reports related to Official Language were sent regularly. Hindi Week was organized from 13<sup>th</sup> September, 2014 to 19<sup>th</sup> September, 2014. During the Hindi week, various competitions such as essay writing, noting and drafting & general knowledge etc. were organized. During the period Hindi workshop was organized.

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

On the occasion of Hindi Day the Hindi Week was celebrated from 22<sup>nd</sup> September, 2014 to 26<sup>th</sup> September, 2014 in the institute. Hindi Day was observed on 14th September, 2014 in the institute. During this, Hindi competitions and

Hindi workshop were conducted. All the forms of institute were made bilingual. Mangal font was uploaded in all the computers.

#### **14.11.7 Indian Institute of Entrepreneurship (IIE)**

Utmost efforts have been made for the excellent performance in the implementation of the official language policy. The website of the office was made bilingual. Meeting of official language implementation committee and Hindi workshop were held regularly in the office. Works were done to increase the Hindi correspondence and noting in the files in Hindi as per the target prescribed by the Department of Official Language. Hindi Week was observed from 8<sup>th</sup> September, 2014 to 15<sup>th</sup> September, 2014. During the Hindi Week various competitions were organized for the officers and the employees.

#### **14.11.8 Mahatma Gandhi Institute for Rural Industrialisation (MGIRI)**

Hindi week was celebrated from 14<sup>th</sup> September, 2014 to 19<sup>th</sup> September, 2014 in the institute. During this various competitions were organized wherein the learned of Hindi delivered their lectures. The training material of entrepreneurship development was translated into Hindi.



MICRO, SMALL & MEDIUM ENTERPRISES

सूक्ष्म, लघु एवं मध्यम उद्यम

# 15

## VIGILANCE ACTIVITIES

**CHAPTER - XV****VIGILANCE ACTIVITIES**

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

**15.2** The Ministry is implementing the guidelines/instructions issued by the Department of Personnel & Training and the Central Vigilance Commission on creating greater awareness of vigilance among the users of its services. In order to bring awareness about vigilance and transparency in functioning of offices that have public inter-face, the Vigilance Awareness Week was celebrated from October 27 to November 1, 2014 starting with a Pledge Taking administered by the Secretary (MSME) on October 27, 2014.

**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.
- (iii) Safe custody of mortgage bonds/deeds.
- (iv) Vigilance clearance for administrative purposes.

**15.4 VIGILANCE SET UP OF ORGANISATIONS UNDER MINISTRY OF MSME**

**15.4.1 Office of the Development Commissioner (MSME)**

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

**15.4.1.b Complaints & Vigilance Cases**

During the financial year 2014-15, 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, appointed on the advice of CVC.

**15.4.3 Khadi & Village Industries Commission (KVIC)**

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

**15.4.4 Coir Board**

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

**15.5 NATIONAL INSTITUTE FOR ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT (NIESBUD), NOIDA**

The National Institute for Entrepreneurship and Small Business Development (NIESBUD) is an apex body under the Ministry of Micro, Small & Medium Enterprises. The Vigilance work in the Institute is looked after by a part-time Chief Vigilance Officer appointed on the advice of CVC.

**15.6 INDIAN INSTITUTE OF ENTREPRENEURSHIP (IIE), GUWAHATI**

The Indian Institute of Entrepreneurship (IIE) is an autonomous Institute under the Ministry of MSME. The Vigilance work in the Institute is looked after by a part-time Chief Vigilance Officer appointed on the advice of CVC.

**15.7 NATIONAL INSTITUTE FOR MICRO, SMALL AND MEDIUM ENTERPRISES (NI-MSME), HYDERABAD**

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

# 16

CITIZENS' CHARTER / RIGHT TO INFORMATION ACT  
(RTI) AND PERFORMANCE MONITORING, EVALUATION  
SYSTEM (PMES) AND ACTIVITIES UNDERTAKEN FOR  
THE BENEFIT OF THE PERSONS WITH DISABILITIES  
(PwDs)

## CHAPTER - XVI

# **CITIZENS' CHARTER / RIGHT TO INFORMATION ACT (RTI) AND PERFORMANCE MONITORING, EVALUATION SYSTEM (PMES) AND ACTIVITIES UNDERTAKEN FOR THE BENEFIT OF THE PERSONS WITH DISABILITIES (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](http://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.niesbud.nic.in	NIESBUD, Noida
	www.nimsme.org	NI-MSME, Hyderabad
	www.iie.nic.in	IIE, Guwahati
	www.kvic.org.in	KVIC, Mumbai
	www.coir-india.com	Coir Board, Kochi
	www.mgiri.org	MGIRI, Wardha
2. Information and Facilitation Counter, Gate No. 4, Ground Floor, Nirman Bhavan, New Delhi – 110108. Tel. No. 23062219		

## 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 2013-14, 332 applications were received by the Ministry, out of which 190 applications were transferred, 136 requests were accepted/ replied to and

2 were rejected. Ministry also received 6 appeals, all 6 appeals were accepted/ replied. 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-VII.

### **16.3 PERFORMANCE MONITORING AND EVALUATION SYSTEM (PMES)**

Government has introduced a Performance Monitoring and Evaluation System (PMES) for Ministries/Departments. As per this, Ministries/ Departments are required to prepare a Results–Framework Document (RFD). This Ministry has also prepared a Results – Framework Document (RFD) after due deliberations with Ad-hoc Task Force constituted by the Cabinet Secretariat, summarizing the main objectives and corresponding actions for the year. Due to consistent efforts made by Ministry and its organisation for the activities mentioned in RFD, the corresponding achievements and composite score was 79.13% for the year 2013-14. The RFD for 2013-14 and Achievements 2013-14 is available in Annexure VIII and IX.

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 3 EDIs namely the National Institute for Entrepreneurship and Small Business Development, Noida, National Institute for Micro, Small and Medium Enterprises, Hyderabad and Indian Institute of Entrepreneurship, Guwahati are providing necessary reservation/preference for the training in different fields of entrepreneurship development and related training modules.

During the year 2014-15 (upto December, 2014), the NSIC has provided training to 179 Physically Handicapped persons under its various training programmes.

### **16.4 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),



MICRO, SMALL & MEDIUM ENTERPRISES

सूक्ष्म, लघु एवं मध्यम उद्यम

# ANNEXURES

**ANNEXURE - 1**

**SUMMARY OF EXPENDITURE AND PHYSICAL PROGRESS DURING THE YEAR 2013-14  
IN RESPECT OF SME WING**

(Rs. crore)

<b>Scheme</b>	<b>BE 2013-14</b>	<b>RE 2013-14</b>	<b>Exp. 2013-14</b>	<b>Physical Progress 2013-14</b>
Performance & Credit Rating Scheme	70.00	62.00	57.98	24886 units rated
Marketing Assistance scheme	14.00	14.00	10.88	Participated in Int. Exbt.s - 14 Organised Int. level Exbt. including Techmart - 09 Participated in domestic Exhbt. – 153 Exhbt. Co-sponsored - 18 Buyer Seller Meets organized - 84 Intensive Campaigns & Marketing Promotion events – 743
International Cooperation Scheme	5.00	5.00	4.44	Assistance provided for 56 events and 700 entrepreneurs has been taken parts in these events.
Assistance to Training Institution	102.00	142.00	117.48	89,382 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	1.00	1.00	0.54	10 studies awarded.
Rajiv Gandhi Udyami Mitra Yojana	3.00	2.83	2.31	9,088 New Udyamis registered for handholding support

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

Scheme	BE 2014-15	RE 2014-15	Exp. 2014-15 (upto Dec.2014)	Physical Progress 2014-15 (upto Dec.2014)
Performance & Credit Rating Scheme	70.00	90.00	63.48	20,231 units rated
Marketing Assistance scheme	14.00	14.00	9.58	Participated in Int. Exhbts - 11 Organised Int. level Exhbts including Techmart - 04 Participated in domestic Exhbts – 106 Exhbts Co-sponsored - 01 Buyer Seller Meets organized - 12 Intensive Campaigns & Marketing Promotion events – 174
International Cooperation Scheme	5.00	5.00	3.39	48 events were approved for providing assistance under the scheme and it is expected that 1,012 entrepreneurs would take part.
Assistance to Training Institution	132.00	87.00	46.84	60,591 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	0.35	8 studies have been awarded.
Rajiv Gandhi Udyami Mitra Yojana	3.00	3.00	1.56	2,827 New Udyamis registered for handholding support

**ARI DIVISION**  
**Khadi & Village Industries Commission (KVIC)**

**I. KVIC**

Sl. No	Head	BE 2013-14	RE 2013-14	Exp. 2013-14	Physical Progress/ Achievement	BE 2014-15	RE 2014-15	Quantifiable/ Deliverable/Physical Output
1	2	3.	4.	5	6	7.	8.	10.
1.	Khadi Grant (including MDA)	118.90	150.60		(i) <u>Khadi</u> Prod.: Rs.811.08 crore Sales: Rs 1081.04 crore Employment (cumulative): 10.98 lakh persons  (ii) <u>MDA Scheme</u> ₹ 177.29 crore provided towards MDA by KVIC.  (iii) <u>ISEC</u> : Rs 21.85 crore provided towards subsidy	93.31	183.31	<u>Khadi</u>  Prod.: ₹ 924.00 crore Sales: ₹ 1200.00 crore Employment(cumulative): 11.53 lakh persons
2	S&T(Khadi)	1.25	0.81		22 units assisted for establishment of in-house test laboratories	1.25	0.41	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		This is book adjustment only towards subsidy on interest on loans provided in the past.	0.10	0.10	This is book adjustment only towards subsidy on interest on loans provided in the past.
5	V.I Grant	74.84	56.01		(i) <u>Village Industry</u> Prod.: Rs. 25298.00 crore Sales: Rs. 30073.16 crore Employment (cumulative): 119.40 lakh persons  (iv) <u>Training</u> : 91500 persons  (v) <u>Exhibitions</u> - exhibitions/ organised 257 events	69.84	59.84	<u>Village Industry</u>  Prod.: ₹ 28769 crore Sales: ₹ 34520.00 crore Employment(cumulative): 139.70 lakh persons  <u>Training</u> : 97147 persons
6	S&T (V.I)	1.25	1.24		16 projects assisted	1.25	0.41	30 projects to be sanctioned.

7	V.I Loan	0.00	0.00		Loan will be provided to the institutions located in NER.	0.00	-	-
8	Interest Subsidy (V.I)	0.10	0.10		This is only book adjustment towards subsidy on interest on loans provided in the past.	0.10	0.10	This is only book adjustment towards subsidy on interest on loans provided in the past.
9	PMEGP	1418.28	1176.12		No of projects assisted: 50493 Margin money utilised: Rs. 1076.44 crore Estimated employment opportunities generated: 3.79 lakh.	1418.28	1108.06	No. of projects: - 103107 Margin money subsidy: Rs1418.28 crore Creation of employment opportunities 8.25 lakh persons
10	Workshed Scheme for Khadi Artisans:	20.00	8.23		Assistance has been provided to 4585 artisans during the year.	20.00	15.24	-.
11	Scheme for enhancing productivity & compete-tiveness of Khadi Industry and artisans	15.00	0.10		-	0.46	-	-
12	Scheme for Strengthening of Infrastruc-ture of existing Weak Khadi Institutions and Assistance for Marketing Infrastructure	7.50	1.72		-	7.50	5.70	-
13.	Khadi Reform Programme	50.00	0.00		-	50.00	28.00	The proposed Khadi Reform Programme will be initiated in 300 selected Khadi Institutions willing to undertake the identified reforms.
14.	Interest Subsidy Eligibility Certificate for khadi and polyvastra	0.04	0.02		-	40.63	40.63	-
15.	Janashree Bima Yojana for khadi artisans(inclusive of new component of health insurance)	0.04	0.02		-	0.04	0.04	-
16.	SFURTI (inclusive of 5 existing schemes subsumed therein)(KVI)	0.04	0.02		-	0.04	-	-

17.	Khadi/VI S&T and Scheme for Promotion of Khadi as an Exclusive Heritage and Green product (SPOKE) (new component)	0.04	0.02		-	0.04	0.04	-
18.	Market Promotion (including Export Promotion) & Publicity (inclusive of new component of marketing complexes/ plazas) and Modified MDA	0.04	0.02		-	0.04	0.04	-
19.	Development of Infrastructure and Skill set in KVI Sector (DISK)	0.04	0.02		-	0.04	0.04	-
20.	Promotion of VI and Development of Existing Weak VI Institutions ( P R O V I D E ) (inclusive of new component for revival of weak VI institutions)	0.04	0.02		-	0.04	0.04	-
21.	India Innovation Entrepreneurship & Agro Industries	0.00	0.00			200.00	10.00	-
	<b>Sub-Total(KVIC)</b>	<b>1707.50</b>	<b>1395.17</b>			<b>1902.96</b>	<b>1452.00</b>	
II	<b>Mahatma Gandhi Institute for Rural Industrialisation</b>	11.00	11.00		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.	11.00	4.10	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.	Heads	BE 2013-14	RE 2013-14	Exp. 2013-14	Physical performance under main schemes	BE 2014-15	RE 2014-15	Quantifiable/Deliverable/Physical Output
1	2	3.	4.	5	6	7.	8.	10.
1	Plan – S&T	7.00	7.00		Modernization of Traditional Looms- 1No. Technology transfer to Industry: -28 Nos. Versatile spinning units developed 05 Nos. Production of Natural Dyes13.5 kg.	7.00	5.30	New machines developed 11 nos. Technology transfer to Industry: 18 Nos. Versatile spinning units developed- 30 nos. Field demonstration of technology - 541 Nos.
2	Plan (General), Training Extension, quality Improvement, Mahila Coir Yojana & Welfare Measures	45.00	40.91		<u>Coir</u> Prod.: 536185 M.T. Export: Rs. 1476.04 crore Empl.: 713450 lakh	45.00	29.30	<u>Coir</u> Prod.: 406441 M.T. Export: Rs. 935.04 crore Empl.: 715210 lakh
					<u>Skill Upgradation &amp; Quality Improvement:</u> --- 10335 persons trained for manufacturing value added products.			<u>Skill Upgradation &amp; Quality Improvement:</u> Training of 6905 persons for manufacturing value added products.
					Mahila Coir Yojana: 8386 beneficiaries trained and 274 ratts distributed.			Mahila Coir Yojana:- Spinning equipments provided 200
					<u>Development of Production Infrastructure:</u> 23 coir units assisted.			<u>Domestic Market Promotion:</u> Participation in domestic exhibition: 78 nos.
					<u>Domestic Market Promotion:</u> participated in 154 domestic exhibitions			<u>Export Market Promotion (EMP):</u> Participation in 03 international exhibitions.
					<u>Export Market Promotion (EMP):</u> Participated in 11 international exhibitions.			
3	Rejuvenation, Modernization and Technology Upgradation of the Coir Sector.	16.00	9.14		480 units assisted. (spinning units 212 and tiny household 268)	16.00	7.30	177 units to be assisted.

<b>New/ Modified Schemes*</b>								
4.	SFURTI(Coir)	0.04	0.02		-	0.04	-	
	<b>Sub-Total (Coir Board)</b>	<b>68.04</b>	<b>57.07</b>			<b>68.04</b>	<b>41.90</b>	
<b>IV</b>	<b>SFURTI</b>	55.46	0.50		101 Khadi, Village Industries and Coir clusters have become functional. There is an improvement in the earnings of artisans/ workers.	60.00	2.00	-
	<b>Sub-Total for ARI Division</b>	<b>1842.00</b>	<b>1463.74</b>			<b>2042.00</b>	<b>1500.00</b>	

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

**STATEMENT SHOWING BE, RE, Actual Exp. and Physical Progress of 2013-14  
O/O DC(MSME), M/O MSME**

(Rs. Crore)

Sr. No		BE 2013-14	RE 2013-14	Actual Exp. 2013-14	<b>Physical Progress</b>	
	<b>DC(MSME)</b>					
A	Central Sector Schemes					
I	Quality of Technology Support Institutions & Programmes					
1	<b>NMCP</b>					
a.	Lean Manufacturing Competitiveness Scheme	15.00	5.00	4.12	Intervention of LM techniques in 59 Mini clusters On pilot phase completed. Scheme upscaled for 500 Mini clusters with a total project cost of 241.04 crores for 12 <sup>th</sup> Five year plan.	
B	Promotion of ICT Tools in MSME Sector	18.00	0.80	0.09		
C	Technology Upgradation and Quality Certification Support to MSMEs	20.50	2.70	2.38	i. MSMEs assisted for EETs-113 nos. ii. Product Certificate Reimbursed-40 nos. iii. Awareness Programme-23 nos.	
D	Support for Entrepreneurial and Managerial Development of SMEs through Incubators	10.50	3.00	2.44	Selection of 16 institutes as business incubators and support to 53 innovative business ideas.	
E	Design Clinics Scheme for MSME Sector	14.00	10.00	8.01	I total Design Awareness Seminar completed: 10 II. Total Design Awareness Programme organized: 23 III. Total Orientation Programme conducted: 2 IV. 18 nos. Design Projects approved V. 2 nos. of PMAC meeting organized. VI. Regional Centres setup: 5 (North/South/West/East/North-East)	
F	Enabling manufacturing Sector to be competitive through Quality Management Standards and Quality Technology Tools	10.00	1.00	0.77	1. Awareness Campaign – 91 Nos. 2. (i) Implementation of QMS/QTT Tools in 100 units of 10 identified clusters- Units identified & DSR under Preparation by the expert / Implementation agency. 2 (ii) Implementation of QMS/QTT Tools in 100 units of 10 identified clusters- DSR Prepared Interim report received Final status yet to be received from the expert/ Implementation agency 3. International Study Mission- 1	

2	ISO 9000/14001 Reimbursement	12.00	9.00	4.33	948 units benefitted.
3	Credit Linked Capital Subsidy Scheme	387.75	436.73	438.27	6279 units
	<b>Sub Total</b>	<b>478.75</b>	<b>468.23</b>	<b>460.41</b>	
<b>II</b>	<b>Promotional Services Institutions &amp; Programmes</b>				
1	DC (MSME) Officers' Training Programme	1.00	1.00	1.00	purchase of New Machines in respect of 42 nos of Common Facility Centre (Workshops) attached to MSME-DIs/Br. DIs and repairing of buildings in respect of 71 nos. of MSME-DIs/Br. DIs/TCs/TCs/TIs
2	Provision for Workshops/ Trg.	15.00	15.00	14.09	
3	MDP/EDP/Skill Development	23.00	23.00	21.69	74959 people motivated & 30743 persons trained.
4	TREAD	2.50	2.50	2.34	5535 women benefited through 20 NGOs.
5	MSME-Dis	9.50	9.50	7.91	To meet Salary and establishment related expenditure of MSME-DIs (16 Institutes).
	<b>Sub Total</b>	<b>51.00</b>	<b>51.00</b>	<b>47.03</b>	<b>Infrastructure Development and Capacity Building (erstwhile MSME Cluster Development Programme &amp; Growth Poles)</b>
<b>III</b>	<b>Infrastructure Development and Capacity Building</b>				
1	Tool Rooms & Tech. Institutions	101.30	91.00	86.28	(i) Training of 117819 trainees NER Training of 2491 trainees (ii) Benefiting 30964 units NER Benefiting 571 units
3	Mini Tool Rooms	5.20	0.00	0.00	Scheme not extended beyond 11 <sup>th</sup> Plan.
4	MSME - Cluster Development Programme	53.00	68.50	41.41	i) CFCs commissioned – 12 Nos. (ii) Approval of new Infrastructure Development Centres – 05 Nos. (iii) New MSEs units setup – 200 Nos.
	<b>Sub Total</b>	<b>159.50</b>	<b>159.50</b>	<b>127.69</b>	
<b>IV</b>	<b>CREDIT SUPPORT PROGRAMME</b>				
1	Credit Guarantee Scheme	74.99	74.99	74.99	Number of proposals) ONER -326810 SCSP - 16484 TSP - 8488 NER - 21665 (Total - 373447)
2	Augmentation of Portfolio Risk Fund under MFP	0.01	0.01	0.01	(Number of beneficiaries) Total - 183926
	<b>Sub Total</b>	<b>75.00</b>	<b>75.00</b>	<b>74.99</b>	

<b>MDA Programme</b>					
1	MDA Scheme	6.00	4.05	3.72	131 nos. MSEs benefitted.
2	Marketing Assistance and Technology Upgradation Scheme for MSMEs	5.00	0.64	0.39	MSME units participated in 53 fairs. In total 581 MSME units benefitted.
3	Export Promotion	0.25	0.00	0.00	Nil
4	Building Awareness on Intellectual Property Rights for MSMEs (NMCP)	3.00	2.00	1.62	IPFC- 02 nos sanctioned.
5	Vendor Development Programme for Ancillarisation	5.00	4.21	3.75	i) NVDP – 50 nos. ii) SVDP – 299 nos.
<b>Sub Total</b>					
<b>Up-gradation of Data Base</b>					
1	Collection of Statistics	1.25	1.33	1.09	Achievement cannot be quantified.
2	Quinquennial Census	1.00	0.97	0.97	Final Report of Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Unregistered Sector, Release of Unit level data.
3	National Award (Entrepreneur & Quality)	2.50	2.00	1.96	43 awards to MSMEs and banks. Participation of 90 MSMEs in MSME – Expo in IITF for market development
4	DC(MSME) Library	0.50	0.50	0.50	
5	SENET Project	3.00	2.50	2.50	Website contents (HQ and all MSME-DIs, are updated regularly. Connectivity is provided to all MSME-DIs software developed for web application and office automation are maintained sharing of information with associations, field offices.
6	Publicity & Exhibition	0.50	0.50	0.21	5 Officers are deputed from O/o DC(MSME
7	Advertising & Publicity	3.00	3.00	2.96	Inform the public at large of the schemes/ Programmes activities and facilities of this office.
8	MSME TCs/MSME TSs	7.75	6.00	6.00	i) To purchases of capital goods/office equipment/Calibration/AMC/Repairing of Test Equipments/Machines, NABL/BIS Expenses/ Training (04 TCs) (ii) To purchase of capital goods/Calibration/AMC/Repairing of Test Equipment/Machines. NABL/BIS Expenses/ Training and to meet salary & establishment related expenses of (7 nos.) MSME-TSs
<b>Sub Total</b>					

<b>VI</b>	<b>Special Scheme for MSME (New Initiative)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
	<b>Sub Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	To purchase of land and construction of new building for 07 field offices
	India Inclusive Innovation Fund	50.00	50.00	16.00	
	<b>Capital Outlay</b>	<b>8.00</b>	<b>8.00</b>	<b>7.74</b>	
	<b>Grand Total</b>	<b>870.00</b>	<b>839.43</b>	<b>759.53</b>	

<b>STATEMENT SHOWING BE, RE, AND PHYSICAL OUTPUT OF 2014-15 O/o DC(MSME)</b> <b>(Rs. in crores)</b>				
<b>S.No</b>	<b>Name of the Scheme/ Programme</b>	<b>BE 2014-15</b>	<b>RE 2014-15</b>	<b>Quantifiable/ Deliverables/Physical Output 2014-15 .</b>
1	2	3	4	5
<b>I</b>	<b>Quality of Technology support institution &amp; Programme</b>			
1	Lean Manufacturing Competitiveness Scheme for MSMEs	15.00	14.85	Intervention of LM techniques in 17 Mini clusters On pilot phase completed.
2	Promotion of ICT Tools in MSME Sector	18.00	0.70	
3	Technology Upgradation and Quality Certification Support to MSMEs	20.50	3.00	67 nos. of Product Certification reimbursements have been made. Further 56 nos. of units have been approved by the Scheme Committee (SSC) for assistance towards implementing energy efficient technology during the financial year.
4	Support for Entrepreneurial and Management Development of SMEs through Incubators	10.50	2.50	Selection of 20 institutes as Business incubators and support to 95 innovative business ideas.
5	Design Clinics Scheme for MSME sector.	14.00	9.60	347 nos. of Design Seminars organized. 200 nos. of Design Awareness workshop conducted. 29 nos. of orientation Programme organized. 75 nos. of Student Design. 278 nos. of Professional Design Projects.
6	Enabling Manufacturing Sector to be competitive through Quality Management Standards/ Quality Technology Tools (QMS/ QTT) scheme for MSMEs	10.00	1.50	1. Awareness Campaign – 578 Nos. 2. Implementation of QMS/QTT Tools in 200 units of 20 identified clusters- DSR Prepared Interim report received Final status yet to be received from the expert/ Implementation agency 3. International Study Mission- 2
7	ISO-9000/14001 Reimbursement Scheme	12.00	7.00	125 units benefitted.
8	Credit Linked Capital Subsidy Scheme (CLCSS)	387.75	394.77	2445 units benefitted
	<b>Total</b>	<b>487.75</b>	<b>433.92</b>	
<b>II</b>				
1	DC (MSME) officers' Training Programme	1.00	1.00	192 Officers (including 13 officers from NE region and 7 women officers).
2	Provision for Workshops /Trg.	15.00	12.00	
3	EDP Programme (IMC /EDP/ESDP/MDP) Scheme	23.00	15.00	
4	TREAD	2.50	3.00	2100 women benefited through 3 NGOs.

5	MSME-DIs	9.50	10.00	
	<b>Total</b>	<b>51.00</b>	<b>41.00</b>	
<b>III</b>	<b>Infrastructure Development and Capacity Building (erstwhile MSME Cluster Development Programme &amp; Growth Poles)</b>			
1	Tool Rooms & Technical institutions	104.50	109.58	(i) Training of 113897 trainees. NER Training of 2335 trainees (ii) Benefitting 24320 units NER Benefitting 494 units.
2.	Technology Centre Systems Programme (TCSP)-New Scheme	150.00	20.00	
3	MSE-Cluster Development Programme	93.00	84.60	New Clusters undertaken for Diagnostic Study Reports (DSRs) - 27nos. Clusters undertaken for soft interventions -12 nos. New Common Facility Centre (CFCs)-final approval accorded-4 nos. New Infrastructural Development (ID) & up gradation of ID Centres approved -1 no. Monitor and sanction of funds in the earlier approved CFCs & IDs-30 nos. In-principle approval for CFCs-2 nos. In-principle approval for infrastructural Development-4 nos.
	<b>Total</b>	<b>347.50</b>	<b>214.18</b>	
<b>IV</b>	<b>Credit Support Programme</b>			
1	Capital Outlay on Public Works	8.00	8.00	
2.	Credit Guarantee Scheme	74.99	74.99	No. of proposals: ONER- 289175 SCSP - 13637 TSP - 8739 NER- 18620 Total - 307435.
2	Augmentation of Portfolio Risk Fund Under MFP	0.01	0.01	Total - 86770
	<b>Total</b>	<b>75.00</b>	<b>75.00</b>	
<b>V</b>	<b>MDA Programme</b>			
1	MDA Scheme	6.00	6.00	195 MSEs benefitted.

2	Marketing Assistance and Technology Upgradation	5.00	0.70	Technology up gradation in packaging, skill upgradation/development for modern marketing techniques, special component for North East Region (3 units benefited), identification of new markets through state/district levels local exhibition/trade fairs (459 units benefited), Corporate Governance practices (18 units benefited), Marketing hubs and reimbursement to ISO 18000/22000/27000 (19 units benefited).
3	Export Promotion	0.25	0.20	
4	Building awareness on Intellectual Property Rights (IPR) for MSME.	3.00	1.00	GOI assistance to 1 Indian Patent.
5	Vendor Development Programme for Ancillarization	5.00	4.00	NVDP- 20 nos. SVDP- 57 nos.
	<b>Total</b>	<b>19.25</b>	<b>11.90</b>	
<b>VI</b>	<b>Up gradation of Data Base :</b>			
1.	Collection of Statistics	2.71	2.70	
2	Quinquennial Census	1.54	0.45	
3	National Award (Entrepreneur & Quality)	2.50	1.75	
4	DC(MSME) Library	0.50	0.50	
5	SENET PROJECT	3.00	0.90	All websites of offices are maintained and the Data Bank on MSME has been continuously updated with latest IT equipments and internet connectivity.
6	Publicity & Exhibition	0.50	0.50	9 Officers deputed from the Office of DC (MSME).
7	Advertising & Publicity	3.00	4.20	Inform the public at large of the schemes/ Programmes activities and facilities of this office.
8	MSMETCs / MSMETSS	5.75	5.00	(i) To purchases of capital goods/office equipment/Calibration/AMC/Repairing of Test Equipments/Machines, NABL/BIS Expenses/ Training (04 TCs) (ii) To purchase of capital goods/Calibration/AMC/Repairing of Test Equipment/Machines. NABL/BIS Expenses/ Training and to meet salary & establishment related expenses of (7 nos.) MSME-TSs.
	<b>Total</b>	<b>19.50</b>	<b>16.00</b>	
<b>VII</b>	<b>India Inclusive Innovation Fund (Erstwhile National Innovation Fund)</b>	<b>50.00</b>	<b>0.00</b>	
	<b>Total</b>	<b>1058.00</b>	<b>800.00</b>	

**ANNEXURE II****PLAN ALLOCATION AND EXPENDITURE DURING 2012-13, 2013-14 AND 2014-15**

(Rs. in crore)

<b>Items</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
<b>A. SME DIVISION (NSIC, EDCs)</b>			
BE	265.00	265.00	227.00
RE	237.00	296.83	200.00
EXPENDITURE	205.34	263.63	125.20**
<b>B. ARI DIVISION (KVIC, COIR BOARD, MGIRI &amp; SFURTI)</b>			
BE	1700.00	1842.00	2042.00
RE	1588.30	1463.74	1500.00
EXPENDITURE	1488.59	1257.99	1180.78**
<b>C. O/o. DC (MSME)</b>			
BE	870.00	870.00	1058.00
RE	716.65	839.43	800.00
EXPENDITURE	542.53	759.53*	603.00**
<b>TOTAL BE</b>	<b>2835.00</b>	<b>2977.00</b>	<b>3327.00</b>
<b>TOTAL RE</b>	<b>2541.95</b>	<b>2600.00</b>	<b>2500.00</b>
<b>TOTAL EXPENDITURE</b>	<b>2236.46</b>	<b>2281.15</b>	<b>1908.98**</b>

\* Provisional

\*\* Upto December, 2014.

**ANNEXURE III****STATE-WISE DETAILS: UNITS ASSISTED, MARGIN MONEY UTILISED AND ESTIMATED EMPLOYMENT GENERATION DURING 2014-15 (UPTO 31 DECEMBER 2014) UNDER PMEGP**

<b>Sr. No.</b>	<b>State/UT</b>	<b>Number of units assisted</b>	<b>Margin Money subsidy utilised (₹ in lakh)</b>	<b>Estimated Employment opportunities created (No. of persons)</b>
1.	Jammu& Kashmir	638	1064.75	4013
2	Himachal Pradesh	524	1032.68	2697
3	Punjab	743	2102.95	4422
4	UT Chandigarh	27	35.45	135
5	Uttarakhand	547	886.74	2991
6	Haryana	608	1620.06	3040
7	Delhi	39	43	312
8	Rajasthan	1012	2494.86	8410
9	Uttar Pradesh	1883	6071.01	18844
10	Bihar	157	412.91	1192
11	Sikkim	0	0	0
12	Arunachal Pradesh	0	0	0
13	Nagaland	213	413.37	1604
14	Manipur	107	270.16	575
15	Mizoram	107	116.42	782
16	Tripura	162	204.79	1140
17	Meghalaya	171	473.75	1368
18	Assam	1424	1285.64	3922
19	West Bengal	1242	2131.57	11737
20	Jharkhand	826	1532.02	4130
21	Odisha	962	1731.42	5443
22	Chhattisgarh	130	251.31	483
23	Madhya Pradesh	907	2982.97	7256
24	Gujarat*	756	3873.70	7467
25	Maharashtra **	1014	2573.46	7936
26	Andhra Pradesh	253	986.57	3328
27	Telangana	228	633.44	2242
28	Karnataka	1027	2389.67	8676
29	Goa	78	141.76	406
30	Lakshadweep	31	28.61	93
31	Kerala	878	1670.92	6296
32	Tamilnadu	1379	3308.46	17608
33	Puducherry	4	6.94	23
34	Andaman & Nicobar Islands	64	36.61	157
	<b>Total</b>	<b>18141</b>	<b>42807.97</b>	<b>138728</b>

\* including Daman & Diu.

\*\* including Dadra & Nagar Haveli

**ANNEXURE IV (A)****Summary Results of Fourth All India Census of Micro, Small and Medium Enterprise sector**

(Lakh)

<b>Sl. No.</b>	<b>Characteristics</b>	<b>Registered Sector</b>	<b>Unregistered Sector *</b>	<b>Total</b>
1	<b>Total number of working enterprises</b>	15.64	346.12	361.76
	Manufacturing	10.5	104.51	115.01
	Services	5.14	241.61	246.75
2	<b>Number of rural enterprises</b>	7.07	193.12	200.19
3	<b>Number of urban enterprises</b>	8.57	153	161.57
4	<b>Number of women enterprises</b>	2.15	24.46	26.6
5	<b>Number of enterprises running perennially</b>	15.14	189.13	204.27
6	<b>Employment</b>	93.09	712.14	805.24
	Manufacturing	80.84	239.23	320.07
	Services	12.26	472.91	485.17
7	<b>Employment</b>	93.09	712.14	805.24
	Male	74.05	610.62	684.68
	Female	19.04	101.52	120.56
8	<b>Enterprises by type of social category</b>	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

**ANNEXURE IV (A)****Summary Results of Fourth All India Census of Micro, Small and Medium Enterprise sector**

(Lakh)

<b>Sl. No.</b>	<b>Characteristics</b>	<b>Registered Sector</b>	<b>Unregistered Sector *</b>	<b>Total</b>
9	<b>Enterprises by type of organization</b>	<b>15.64</b>	<b>346.12</b>	<b>361.76</b>
	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	<b>Enterprises by main Source of power</b>	<b>15.64</b>	<b>346.12</b>	<b>361.76</b>
	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.

**ANNEXURE IV (B)****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%

Sl. No.	Characteristics		Number	Percentage
9	Number of Enterprises by type of Social Category: (Lakh)	SC	1.19	7.60%
		ST	0.45	2.87%
		OBC	5.99	38.28%
		Others	8.01	51.26%
10	Number of Enterprises by Religion of Owner: (Lakh)	Hindu	12.7	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.

**ANNEXURE IV (C)****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)]

<b>Sl. No.</b>	<b>Characteristics</b>		<b>Number</b>	<b>Percentage</b>
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
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	

## ANNEXURE IV (D)

### 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. <sup>1</sup>	Unregd. <sup>2</sup>	Total	Regd. <sup>1</sup>	Unregd. <sup>2</sup>	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
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

Sl. No.	NIC 2004	Characteristics/ Industry	Number of Enterprises (Lakh)			Employment (Lakh)		
			Regd. <sup>1</sup>	Unregd. <sup>2</sup>	Total	Regd. <sup>1</sup>	Unregd. <sup>2</sup>	Total
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
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
<b>All India</b>			<b>15.64</b>	<b>346.12</b>	<b>361.76</b>	<b>93.09</b>	<b>712.14</b>	<b>805.24</b>

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 2013-14 (*Provisional*)

Sl. No.	NIC 2004	Description	Number of EM-II filed						
			2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
1	01	Agriculture, Hunting and Related Service Activities	1,937	1,744	1,582	2,049	2,997	3,478	3,875
2	02	Forestry, Logging and Related Service Activities	739	749	1,316	1,539	1,327	2,038	1,442
3	05	Fishing, Aquaculture and Service Activities Incidental to Fishing	31	14	39	18	29	90	108
4	10	Mining of Coal and Lignite; Extraction of Peat	54	54	63	84	59	51	72
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
6	12	Mining of Uranium and Thorium Ores	131	1,003	88	94	66	60	100
7	13	Mining of Metal Ores	151	216	185	170	277	303	280
8	14	Other Mining and Quarrying	1,500	2,099	2,516	2,001	2,193	2,171	2,354
9	15	Mfg of Food Products and Beverages	20,401	20,236	23,284	23,682	23,324	25,992	31,075
10	16	Mfg of Tobacco Products	497	480	439	892	360	267	286
11	17	Mfg of Textiles	16,429	21,156	22,405	26,311	31,555	31,465	36,663
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
13	19	Mfg of Leather & Leather Product	3,795	3,874	3,622	4,194	3,745	4,828	5,076
14	20	Mfg of Wood And Wood Products	7,405	8,706	7,787	7,807	8,778	8,411	9,236
15	21	Mfg of Paper And Paper Products	3,429	3,562	4,485	6,120	3,049	4,781	4,967
16	22	Publishing, Printing & Reproduction of Recorded Media	2,611	3,723	2,567	2,646	6,177	8,121	9,320
17	23	Mfg of Coke & Refined Petroleum Products and Nuclear Fuel	568	505	564	626	476	554	635
18	24	Mfg of Chemicals and Chemical Products	6,692	7,045	6,926	6,508	6,169	6,696	8,158
19	25	Mfg of Rubber and Plastics Products	6,327	6,306	5,989	6,812	7,124	8,070	7,987
20	26	Mfg of Other Non-Metallic Mineral Products	9,525	10,005	11,472	10,221	12,391	12,734	12,821
21	27	Mfg of Basic Metals	4,353	4,965	3,879	4,467	4,722	5,734	5,802

Sl. No.	NIC 2004	Description	Number of EM-II filed						
			2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
22	28	Mfg of Fabricated Metal Products	17,625	18,437	20,001	19,188	23,805	21,739	25,739
23	29	Mfg of Machinery and Equipment n.e.c.	8,055	8,053	10,169	9,982	12,069	13,475	15,536
24	30	Mfg of Office, Accounting & Computing Machinery	253	259	436	551	640	897	1,424
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
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
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
28	34	Mfg of Motor Vehicles, Trailers and Semi-Trailers	598	685	911	826	1,589	1,619	2,190
29	35	Mfg of Other Transport Equipment	782	986	1,255	1,360	1,362	1,526	1,531
30	36	Mfg of Furniture; Manufacturing n.e.c.	7,747	9,149	8,550	8,339	12,362	12,990	15,253
31	37	Recycling	75	150	99	66	286	338	514
32	40	Electricity, Gas, Steam and Hot Water Supply	128	134	131	158	717	770	590
33	41	Collection, Purification and Distribution of Water	68	103	60	137	615	735	1,343
34	45	Construction	318	399	553	613	1,193	2,238	2,613
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
36	51	Wholesale of Trade and Commission Trade	289	459	328	3,042	11,186	18,232	16,735
37	52	Repair & Maintenance of Personal & Household Goods; Retail Trade	6,679	6,738	6,431	8,878	11,505	12,901	13,550
38	55	Hotels and Restaurants	188	295	297	459	1,092	2,620	3,495
39	60	Land Transport; Transport via Pipelines	31	93	197	343	2,660	2,931	3,255
40	61	Water Transport	6	22	2	11	75	216	46
41	62	Air Transport	36	32	34	57	18	32	58
42	63	Supporting & Auxiliary Transport & Travel Agents Activities	292	242	339	882	711	1,207	1,420
43	64	Post and Telecommunications	676	621	571	759	684	784	958
44	65	Financial Intermediation, Except Insurance & Pension Funding	9	14	19	55	204	402	848
45	66	Insurance and Pension Funding, Except Compulsory Social Security	3	3	5	66	11	16	23

Sl. No.	NIC 2004	Description	Number of EM-II filed						
			2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
46	67	Activities Auxiliary to Financial Intermediation	82	39	30	66	198	203	160
47	70	Real Estate Activities	29	13	6	26	55	271	799
48	71	Renting of Machinery & Equipment Without Operator & of Personal & Household Goods	224	214	274	262	579	720	805
49	72	Computer and Related Activities	2,715	2,907	3,056	3,226	9,620	11,021	13,162
50	73	Research and Development	112	164	162	163	158	475	411
51	74	Other Business Activities	2,685	3,390	3,953	4,965	12,439	16,729	24,332
52	75	Public Administration and Defence; Compulsory Social Security	44	57	25	48	65	174	142
53	80	Education	65	100	214	261	376	565	969
54	85	Health and Social Work	94	158	134	135	393	558	1,105
55	90	Sewage and Refuse Disposal, Sanitation and Similar Activities	3	8	27	19	53	91	110
56	91	Activities of Membership Organization n.e.c.	22	19	34	12	67	77	87
57	92	Recreational, Cultural and Sporting Activities	645	228	276	260	679	2,197	2,287
58	93	Other Service Activities	8,931	14,120	24,367	31,858	18,765	17,755	15,704
59	95	Activities of Private Households as Employers of Domestic Staff	110	151	151	171	171	214	313
60	96	Undifferentiated Goods - Producing Activities of Private Households for Own Use	218	164	156	235	358	670	404
61	97	Undifferentiated Service - Producing Activities of Private Households for Own Use	371	434	251	158	1,202	1,603	1,910
62	99	Extra Territorial Organization and Bodies	461	508	377	637	647	441	487
63	-	NIC Description Not Reported	243	215	654	383	449	125	29
<b>TOTAL:</b>			<b>172,703</b>	<b>193,026</b>	<b>213,206</b>	<b>238,429</b>	<b>282,428</b>	<b>322,818</b>	<b>362,991</b>

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

**LIST OF ITEMS RESERVED FOR EXCLUSIVE MANUFACTURE  
BY MICRO AND SMALL ENTERPRISE SECTOR**

	<b>S.No. (As per Gazette Notification)</b>	<b>Product Code</b>	<b>Name of the Product</b>
		<b>20-21</b>	<b>FOOD AND ALLIED INDUSTRIES</b>
1	3	202501	Pickles & chutneys
2	7	205101	Bread
3	11	21100102	Mustard Oil (except solvent extracted)
4	13	21100104	Ground nut oil (except solvent extracted)
		<b>27</b>	<b>WOOD AND WOOD PRODUCTS</b>
5	47	276001	Wooden furniture and fixtures
		<b>28</b>	<b>PAPER PRODUCTS</b>
6	79	285002	Exercise books and registers
		<b>30-31</b>	<b>OTHER CHEMICALS AND CHEMICAL PRODUCTS</b>
7	253	305301	Wax candles
8	308	314201	Laundry soap
9	313	317001	Safety matches
10	314	318401	Fire works
11	319	319902	Agarbatties
		<b>32</b>	<b>GLASS AND CERAMICS</b>
12	335	321701	Glass bangles
		<b>34</b>	<b>MECHANICAL ENGG. EXCLUDING TRANSPORT EQUIPMENT</b>
13	364	340101	Steel almirah
14	394	341004	Rolling shutters
15	402	34200602	Steel chairs-All types
16	404	34200702	Steel tables-All other types
17	409	342099	Steel furniture-All other types
18	428	343302	Padlocks
19	447A	345207	Stainless steel utensils
20	474	345202	Domestic utensils-Aluminium

**ANNEXURE VI****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)	3,64,012# (42.1)
2011 Provisional	3,76,625 (35.3)	87,857 (36.1)	21,461 (1.9)	4,85,943 (33.5)
2012	3,96,343 (5.24)	1,10,514 (25.79)	(21,760) (1.05)	(5,28,617) (8.77)
2013	5,02,459 (26.71)	154732 (40.01)	30020 (37.95)	687209 (30.00)
2014	615976 (22.59)	200138 (29.35)	30020 (0.01)	864135 (23.13)

Source: Reserve Bank of India.

Note:

Figures in parentheses indicate year-on-year growth.

The high growth witnessed during 2008 is on account of re-classification of MSEs as per MSMED Act, 2006. Firstly, the investment limit of small (manufacturing) was raised from Rs.1 crore to Rs.5 crore and small (services) was added to include enterprises with investment limit between Rs.10 lakh to Rs.2 crore. Secondly, the coverage of service enterprises were broadened to include small road and water transport operators, small business, professional and self-employed and all other service enterprises as per definition provided under MSMED Act, 2006.

Vide circular RPCD.CO.Plan. BC.24/04.09.01/2009-10 dated September 18, 2009, retail trade (Credit limit not exceeding Rs.20 lakh) has also been included under the ambit of MSE Sector

## ANNEXURE VII

## 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 Section Officer, M/o MSME, Udyog Bhavan, New Delhi. 23063288	Jithesh John, Joint Director 23063198	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 <a href="http://www.msme.gov.in">www.msme.gov.in</a>
2.	R.C. Tully Director, Office of the DC (MSME), Nirman Bhavan, New Delhi.	M.P. Singh, Addl. Development Commissioner, Office of the DC(MSME), Nirman Bhavan, New Delhi. 011-23061277	Distribution of all the RTI applications related to Office of the Development Commissioner (MSME) among the concerned CPIOs. The subject-wise list of CPIOs are available on website <a href="http://www.dcmsme.gov.in">www.dcmsme.gov.in</a>
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 <a href="http://www.nsic.co.in">www.nsic.co.in</a>
4.	Mukesh Kumar Gupta, Joint Director (BDM) & Admn. Officer, National Institute for Entrepreneurship and Small Business Development (NIESBUD), A-23-24, Sector-62, Institutional Area, Phase- II, NOIDA-201301, Uttar Pradesh 0120-2403057	A.K. Jha, Director General, National Institute for Entrepreneurship and Small Business Development (NIESBUD), A-23-24, Sector-62, Institutional Area, Phase-II, NOIDA- 201301, Uttar Pradesh 0120-2403057	All the matters related to NIESBUD. The details of CPIOs are available on website <a href="http://www.niesbud.nic.in">www.niesbud.nic.in</a>

5.	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 <a href="http://www.nimsme.org">www.nimsme.org</a>
6.	A.K. Baruah, Associate Faculty Member, Indian Institute of Entrepreneurship (IIE), 37, NH Bypass, Lalmati, Basistha Chariali, Guwahati-781 029, Assam 0361-6021188	A.K. Jha, Director Indian Institute of Entrepreneurship (IIE), 37, NH Bypass, Lalmati, Basistha Chariali, Guwahati – 781 029, Assam 0361-2300123	All the matters related to IIE. The details of CPIOs available on website <a href="http://www.iie.nic.in">www.iie.nic.in</a>
7.	Ravi Prakash, Deputy Director, KVIC, 3 Irla Road, Ville Parle (West), Mumbai 022-26711037	P.R. Brahmane, 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 <a href="http://www.kvic.org.in">www.kvic.org.in</a>
8.	Smt. Anita Jacob, Deputy Director, Coir Board, Coir House, M.G. Road, Kochi-682016	P.R. Ajit Kumar Senior 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 <a href="http://www.coirboard.gov.in">www.coirboard.gov.in</a>
9.	R. Srinivasan Deputy Director Mahatama Gandhi Institute for Rural Industrialisation, 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 <a href="http://www.mgiri.org">www.mgiri.org</a>

**ANNEXURE VIII**



Government of India

**R F D**

(Results-Framework Document)  
for

Ministry of Micro, Small and Medium  
(2013-2014)

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises-(2013-2014)

## Section 1: Vision, Mission, Objectives and Functions

### Vision

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

### Mission

Promote growth and development of Micro, Small and Medium Enterprises, including Khadi, Village and Coir industries, 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.

### Objectives

- 1 Growth and development of existing MSMEs
- 2 Creation of new enterprises
- 3 Enhancing manufacturing base
- 4 Skill and entrepreneurship development for MSMEs
- 5 Growth and development of Khadi, Village and Coir industries
- 6 Improving performance of PSU and Responsibility Centres

### Functions

- 1 Facilitation of credit flow to MSMEs
- 2 Improving competitiveness of MSMEs
- 3 Improve manufacturing base through upgradation of technology
- 4 Promotion of MSMEs through cluster based approach
- 5 Marketing support to MSMEs
- 6 Skill development and entrepreneurship development training
- 7 Creation of new Micro Enterprises through Prime Minister's Employment Generation Program (PMEGP)
- 8 Growth and development of Khadi and Village Industries (KVI) sector
- 9 Growth and development of Coir Industry

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

## Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value					
						Excellent 100%	Very Good 90%	Good 80%	Fair 70%	Poor 60%	
[1] Growth and development of existing MSMEs	43.00	[1.1] Facilitation of credit flow to MSMEs	[1.1.1] Credit provided with guarantee under Credit Guarantee Scheme	Rs. in crore	4.00	17500	16500	16000	15500	15000	
			[1.1.2] No. of MSE units awarded Performance & Credit rating	Number of units	4.00	20000	18000	16000	14000	12000	
			[1.2] Improving competitiveness of MSMEs	Number of units for technological up-gradation through GLCSS	4.00	5000	4500	4000	3500	3000	
	14.00	[1.3] Promotion of MSMEs through cluster based approach	[1.2.1] Term loan facilitated for technological up-gradation through GLCSS	Number of new units	3.00	1300	1250	1200	1150	1100	
			[1.2.2] Enhancing competitiveness of MSMEs with Lean Manufacturing techniques	Number of clusters	1.00	05	04	03	02	01	
			[1.3.1] Implementation of Integrated Programme in a cluster	Number of clusters	3.00	12	10	09	08	07	
	11.00		[1.3.2] CFCs commissioned under MSE- CDP	Number of new clusters	2.00	50	45	40	35	30	
			[1.3.3] SFURTI Clusters which have registered increase in production during the year	Number of clusters							

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

## Section 2: Intersc Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value			
						Excellent 100%	Good 90%	Very Good 80%	Fair 70%
[1.4] Technological upgradation	[1.3.4] Identification of potential clusters for development under SFURTI		Number of clusters	1.00	51	46	41	36	31
			%	1.00	10	09	08	07	06
	[1.3.5] Increasing earnings of village industry artisans in clusters over the previous year		Number of new units	2.00	100	90	80	70	60
			Number of new units	3.00	80	70	60	50	40
	[1.4.1] Quality improvement through QMSQIT		Number of new units	2.00	125	115	110	100	90
			Number of new units	2.00	55	50	45	40	35
[1.5] Marketing support to MSMEs	[1.4.2] Introducing new product process designs in MSEs		Number of new units	2.00	1.00	31/12/2013	15/01/2014	31/01/2014	15/02/2014
			Date						28/02/2014
	[1.4.3] Increasing energy efficiency in MSEs		Number of new units	2.00	90	80	70	60	50
			Number of ideas	2.00					
	[1.4.5] Incubation of new business ideas		Date	1.00					
			Rooms						
[1.5.1] Entrepreneurs provided support for participation in International Fairs/ Exhibitions			Number of participants	2.00	1000	950	900	850	800
			Exhibitions						
[1.5.2] Number of Domestic Fairs & Exhibitions			Number of fairs	1.00	650	600	550	500	450
			Fairs & Exhibitions						

**Section 2:**  
**Inter se Priorities among Key Objectives, Success indicators and Targets**

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
			Exhibitions organized/ co-sponsored							
[1.5.3]			Design Information & Monitoring System for implementation of procurement policy	Date	0.00	01/12/2013	15/12/2013	31/12/2013	01/01/2014	15/01/2014
[1.5.4]			No. of National vendor development programmes to be conducted to sensitize both vendors and public sector about procurement policy	Number of programmes	1.00	50	45	40	35	30
[1.6]		National Testing Centre	[1.6.1] Implementation of recommendations of the study conducted on Testing Centres	Date	1.00	28/02/2014	15/03/2014	22/03/2014	26/03/2014	31/03/2014
[1.7]		Evaluation Study of MSME Tool Rooms	[1.7.1] Implementation of recommendations of the Evaluation Study of Tool Rooms	Date	1.00	28/02/2014	15/03/2014	22/03/2014	26/03/2014	31/03/2014
[1.8]		Evaluation and restructuring of existing delivery mechanism	[1.8.1] Implementation of recommendations of the study on MSME-DIs for	Date	1.00	28/02/2014	15/03/2014	22/03/2014	26/03/2014	31/03/2014

## Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

## Section 2: Intersc Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value			
						Excellent	Very Good	Good	Fair
			assisted during 2013-14		100%	90%	80%	70%	60%
			[2.1.6] Employment generated by units assisted during the year 2013-14	lakh persons	3.00	3.71	3.34	2.97	2.60
			[2.2] Handholding support to first generation entrepreneurs under Rajiv Gandhi Udyami Mitra Yojana (RGU MY)	Number of Udyamis registered under the scheme	2.00	7500	7300	7100	6900
			[2.2.1]		Date	01/09/2013	15/09/2013	01/10/2013	15/10/2013
			[2.2.2]	Formulation of a revamped RGU MY Scheme					31/10/2013
			[3.1]	New Units set up under Infrastructure Development Programme	Number of new units	2.00	200	150	100
	3.00		[3.1.1]	Enhance manufacturing base through upgradation of technology and infrastructure	Number of new clusters made functional	1.00	05	04	03
			[3.1.2]	New Upgraded Industrial Estates	In Lakh	2.00	4.50	4.25	4.00
			[4.1.1]	Number of persons trained					01
	5.00	[4.1]	SDP / EDP training	[4.1.2]	No. of women trained out of the above	In lakh	1.00	0.68	0.64
				[4.1.3]	Number of persons trained in NER and difficult areas	In Lakh	1.00	0.50	0.45
								0.40	0.35
									0.30

**Section 2:**  
**Intersc Priorities among Key Objectives, Success indicators and Targets**

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value			
						100%	90%	Very Good	Good
[5] Growth and development of Khadi, Village and Coir industries	13.00	[5.1] Growth and development of KVI sector	[4.1.4] No. of women trained in NIER and difficult areas out of the above	In lakh	1.00	0.08	0.07	0.06	0.05
			[5.1.1] Gross sales of khadi	Rs. in crore	3.00	1100	990	880	770
			[5.1.2] Annual gross sale of khadi as against production value of khadi	%	2.00	140	125	110	100
			[5.1.3] Increase in village industries production	%	1.00	11	10	09	08
			[5.2] Growth and development of coir industry	Coir units assisted under REMOT	Number of new units	1.00	900	810	720
			[5.2.2] Continuation of REMOT scheme	Date	1.00	01/08/2013	15/08/2013	01/09/2013	15/09/2013
			[5.2.3] Export of Coir and Coir products	Rs in crore	2.00	1000	900	800	700
			[5.2.4] Development/popularisation of versatile coir processing equipments	Number	1.00	05	04	03	02
			[5.2.5] Demonstration of new technology through R&D intervention	Numbers	1.00	230	210	180	160
			[5.3] Development of innovative technology	Support to incubatees	Number	1.00	55	50	45

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

## Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value			
						Excellent	Very Good	Good	Fair
					100%	90%	80%	70%	60%
[6] Improving performance of PSU and Responsibility Centres	2.00	[6.1] Improving performance of NSIC and preparation of Subsidiary RFDs of Responsibility Centres	[6.1.1] Number of MSME units supported by NSIC under its various schemes	Number of Units in lakhs	1.00	1.02	0.99	0.97	0.95
			[6.1.2] Signing of subsidiary RFDs with Responsibility Centres by 31.5.2013	Number of Responsibility Centres	1.00	18	17	16	15
* Efficient Functioning of the RFD System	3.00	Timely submission of Draft RFD 2014-15 for Approval	On-time submission	Date	2.0	05/03/2014	06/03/2014	07/03/2014	08/03/2014
* Improving Internal Efficiency/Responsiveness/ Transparency/Service delivery of Ministry/Department	6.00	Timely submission of Results for 2012-13	On-time submission	Date	1.0	01/05/2013	02/05/2013	03/05/2013	04/05/2013
		Independent Audit of implementation of Citizens' Clients' Charter (CCC)	% of implementation	%	2.0	100	95	90	85
		Independent Audit of implementation of Public Grievance Redressal System	% of implementation	%	2.0	100	95	90	85
* Administrative Reforms	6.00	Update departmental strategy to align with 12th Plan priorities	Timely updation of the strategy	Date	2.0	10/09/2013	17/09/2013	24/09/2013	01/10/2013
		Implement mitigating strategies for reducing potential risk of corruption	% of implementation	%	1.0	100	95	90	85

\* Mandatory Objective(s)

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

## Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent 100%	Very Good 90%	Good 80%	Fair 70%	Poor 60%
		Implement ISO 9001 as per the approved action plan	% of implementation	%	2.0	100	95	90	85	80
		Implement Innovation Action Plan (IAP)	% of milestones achieved	%	2.0	100	95	90	85	80
		Identification of core and non-core activities of the Ministry/Department as per 2nd ARC recommendations	Timely submission	Date	1.0	27/01/2014	28/01/2014	29/01/2014	30/01/2014	31/01/2014

\* Mandatory Objective(s)

**Section 3:**  
**Trend Values of the Success Indicators**

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
[1] Growth and development of existing MSMEs	[1.1] Facilitation of credit flow to MSMEs	[1.1.1] Credit provided with Guarantee under Credit Guarantee Scheme	Rs. in crore	13784	16062.50	16500	17000	17500
		[1.1.2] No. of MSE units awarded Performance & Credit rating	Number of units	13300	19100	18000	19000	20000
	[1.2] Improving competitiveness of MSMEs	[1.2.1] Term loan facilitated for technological up-gradation through CLCSS	Number of units	2288	2550	4500	4800	5000
		[1.2.2] Enhancing competitiveness of MSMEs with Lean Manufacturing techniques	Number of new units	623	897	1250	1300	1350
	[1.3] Promotion of MSMEs through cluster based approach	[1.3.1] Implementation of Integrated Programme in a cluster	Number of clusters	--	03	04	05	06
		[1.3.2] CFCS commissioned under MSE- CDP	Number of new clusters	8	5	10	12	14
		[1.3.3] SFURTI Clusters which have registered increase in production during the year	Number of clusters	75	58	45	50	55
		[1.3.4] Identification of potential clusters for development	Number of clusters	--	--	46	48	50

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
		under SFURTI						
[1.3.5]	Increasing earnings of village industry artisans in clusters over the previous year	%	--	--	--	09	10	11
[1.4] Technological upgradation	[1.4.1] Quality improvement through QMS/QTT	Number of new units	113	25	90	100	110	
	[1.4.2] Introducing new product/ process designs in MSEs	Number of new units	62	34	70	80	90	
	[1.4.3] Increasing energy efficiency in MSMEs	Number of new units	113	113	115	120	125	
	[1.4.4] ICT adoption in MSME clusters	Number of new units	60	0	50	55	60	
	[1.4.5] Incubation of new business ideas	Number of ideas	49	46	80	90	100	
	[1.4.6] Preparation of DPRs for 15 New Tool Rooms	Date	--	--	15/07/2014	--	--	
[1.5] Marketing support to MSMEs	[1.5.1] Entrepreneurs provided support for participation in International Fairs/ Exhibitions	Number of participants	1733	3218	950	1000	1050	
	[1.5.2] Number of Domestic Fairs & Exhibitions organized/ co-	Number of fairs	532	940	600	650	700	

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
		sponsored		--	--	31/12/2012	15/12/2013	--
	[1.5.3] Design Information & Monitoring System for implementation of procurement policy	Date						--
	[1.5.4] No. of National vendor programmes to be conducted to sensitize both vendors and public sector about procurement policy	Number of programme s		--	--	45	50	55
[1.6] National Testing Centre	[1.6.1] Implementation of recommendations of the study conducted on Testing Centres	Date	--	--	--	15/03/2014	--	--
[1.7] Evaluation Study of MSME Tool Rooms	[1.7.1] Implementation of recommendations of the Evaluation Study of Tool Rooms	Date	--	--	--	15/03/2014	--	--
[1.8] Evaluation and restructuring of existing delivery mechanism	[1.8.1] Implementation of recommendations of the study on MSME-DIs for reorganizing and restructuring	Date	--	--	--	15/03/2014	--	--
	[1.8.2] Obtaining approval of the Competent Authority of all Schemes of the ARI	Date	--	--	--	15/12/2013	--	--

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
		Sector on the basis of evaluation						
[2] Creation of new enterprises	[2.1] Creation of new micro Enterprises through Prime Minister's Employment Generation Program (PMEGP)	[2.1.1] New units sanctioned in 2013-14	Number of units	--	--	54000	--	--
		[2.1.2] New units sanctioned in 2013-14 in NER	Number of units	5327	3672	5400	5700	6000
		[2.1.3] Physical verification of the PMEGP units in which subsidy has been transferred to beneficiary accounts during 2009-10 or earlier	%	70	0	90	95	100
		[2.1.4] PMEGP units in which subsidy is transferred to beneficiary's account during 2013-14	Number of Units	--	--	50400	--	--
		[2.1.5] PMEGP units where women entrepreneurs assisted during 2013-14	Number of Units	--	--	12600	--	--
		[2.1.6] Employment generated by units assisted during the year 2013-14	lakh persons	4.96	1.72	3.34	3.60	4.00

**Section 3:**  
**Trend Values of the Success Indicators**

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
[3] Enhancing manufacturing base	[2.2] Handholding support to first generation entrepreneurs under Rajiv Gandhi Udyami Mitra Yojana (RGUMY)	[2.2.1] Udyamis registered under the scheme	Number of Udyamis	6399	11635	7300	7500	7700
	[2.2.2] Formulation of a revamped RGUMY Scheme	Date	--	--	--	15/09/2013	--	--
[4] Skill and entrepreneurship development for MSMEs	[3.1] Enhance manufacturing base through upgradation of technology and infrastructure	[3.1.1] New Units set up under Infrastructural Development Programme	Number of new units	450	110	150	175	200
	[3.1.2] New/upgraded Industrial Estates made functional	Number of new clusters	--	--	03	04	05	06
	[4.1.1] SDP / EDP training	[4.1.1] Number of persons trained	In Lakh	3.66	5.23	4.25	4.50	4.75
[5] Growth and development of Khadi, Village and Coir industries	[4.1.2] No. of women trained out of the above	In lakh	--	--	0.64	--	--	--
	[4.1.3] Number of persons trained in NER and difficult areas	In Lakh	0.42	0.42	0.45	0.50	0.55	0.55
	[4.1.4] No. of women trained in NER and difficult areas out of the above	In lakh	--	--	0.07	--	--	--
	[5.1.1] Gross sales of khadi	Rs. in crore	974.57	1021	935	950	965	965

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
		[5.1.2] Annual gross sale of khadi as against production value of khadi	%	139	139	125	130	135
		[5.1.3] Increase in village industries production	%	--	--	10	11	12
[5.2] Growth and development of coir industry	[5.2.1] Coir units assisted under REMOT	Number of new units	510	934	810	850	900	
	[5.2.2] Continuation of REMOT scheme	Date	--	--	15/03/2013	--	--	
	[5.2.3] Export of Coir and Coir products	Rs in crore	771	1025	900	950	1000	
	[5.2.4] Development/popularisation of versatile coir processing equipments	Number	--	5	4	5	6	
	[5.2.5] Demonstration of new technology through R&D intervention	Numbers	--	485	210	230	250	
[5.3] Development of innovative technology applications in rural industrial sector by MGR!	[5.3.1] Support to incubatees	Number	65	59	50	55	60	
[6] Improving performance of PSU and Responsibility Centres	[6.1] Improving performance of NSIC and preparation of Subsidiary R&Ds of Responsibility Centres	Number of MSME units supported by NSIC under its various schemes	--	--	0.99	--	--	

**Section 3:**  
**Trend Values of the Success Indicators**

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
* Efficient Functioning of the RFD System	Timely submission of Draft RFD 2014-15 for Approval	On-time submission	Date	--	--	17	--	--
* Improving Internal Efficiency/Responsiveness/ Transparency/Service delivery of Ministry/Department	Timely submission of Results for 2012-13	On-time submission	Date	--	--	06/03/2014	--	--
	Independent Audit of implementation of Citizens' Charter	% of implementation	%	--	--	02/03/2013	--	--
	Independent Audit of implementation of Public Grievance Redressal System	% of implementation	%	--	--	95	--	--
* Administrative Reforms	Update departmental strategy to align with 12th Plan priorities	Timely updation of the strategy	Date	--	--	17/03/2013	--	--
	Implement mitigating strategies for reducing potential risk of corruption	% of implementation	%	--	--	95	--	--
	Implement ISO 9001 as per the approved action plan	% of implementation	%	--	--	95	--	--
	Implement Innovation Action Plan (IAP)	% of milestones achieved	%	--	--	95	--	--
	Identification of core and non-core activities of the	Timely submission	Date	--	--	15/10/2013	--	--

\* Mandatory Objective(s)

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

### **Section 3: Trend Values of the Success Indicators**

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
	Ministry/Department as per 2nd ARC recommendations							

\* Mandatory Objective(s)

**Section 4:  
Acronym**

S.I.No	Acronym	Description
1	ADB	Asian Development Bank
2	CCEA	Cabinet Committee on Economic Affairs
3	CFC	Common Facility Centres
4	CGTMSE	Credit Guarantee Trust Fund for Micro and Small Enterprises
5	CLCSS	Credit Linked Capital Subsidy Scheme
6	DIC	District Industries Centre

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

#### **Section 4: Acronym**

S.I.No	Acronym	Description
7	EDP	Entrepreneurship Development Programme
8	ESDP	Entrepreneurship-cum-Skill Development Programme
9	GM	General Manager
10	ICT	Information and Communication Technology
11	IPFC	Intellectual Property Facilitation Centre
12	IPR	Intellectual Property Rights

**Section 4:  
Acronym**

Sl.No	Acronym	Description
13	KRDP	Khadi Reforms and Development Programme
14	KVI	Khadi and Village Industries
15	KVIC	Khadi and Village Industries Commission
16	MGRI	Mahatma Gandhi Institute for Rural Industrialization
17	MSE	Micro and Small Enterprises
18	MSE-CDP	Micro and Small Enterprises – Cluster Development Programme

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

#### **Section 4: Acronym**

Sl.No	Acronym	Description
19	MSME	Micro, Small and Medium Enterprises
20	MSME-DI	Micro, Small and Medium Enterprises- Development Institute
21	NMCP	National Manufacturing Competitiveness Programme
22	NSIC	National Small Industries Corporation
23	PMEGP	Prime Minister's Employment Generation Programme
24	QMS	Quality Management System

**Section 4:  
Acronym**

Sl.No	Acronym	Description
25	QTT	Quality Technology Tools
26	R and D	Research and Development
27	REGP	Rural Employment Generation Programme
28	REMOT	Rejuvenation, Modernisation and Technology Upgradation of the Coir Industry
29	RGUMY	Rajiv Gandhi Udyami Mitra Yojana
30	SDP	Skill Development Programme

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

**Section 4:  
Acronym**

Sl.No	Acronym	Description
31	SFURTI	Scheme of Fund for Regeneration of Traditional Industries

**Section 4:**  
**Description and Definition of Success Indicators and Proposed Measurement Methodology**

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
1	[1.1.1] Credit provided with guarantee under Credit Guarantee Scheme	This is for facilitation of credit flow to MSMEs. Loans are covered under Credit Guarantee Scheme	Amount of loan cover under Credit Guarantee Scheme	Success will be measured by the amount of loan cover under Credit Guarantee Scheme	The scheme is implemented by DC(MSME)
2	[1.1.2] No. of MSE units awarded Performance & Credit rating	Receipt of credit rating certificate from the empanelled Rating agency.	No. of MSE units awarded Performance & Credit Rating	Success will be measured by receipt of credit rating certificate from the empanelled Rating agency.	The scheme is implemented through NSIC.
3	[1.2.1] Term loan facilitated for technological upgradation through CLCSS	Improving competitiveness of MSMEs. Subsidy is disbursed to MSMEs through banks after availing term loan	Disbursement of subsidy to MSMEs through banks after availing term loan	Success will be measured by Number of MSE units that have been disbursed subsidy.	The scheme is implemented by DC (MSME)
4	[1.2.2] Enhancing competitiveness of MSMEs with Lean Manufacturing techniques	Increase in productivity of MSMEs after one year.	Increase in productivity of MSMEs after one year.	Success will be measured by number of new units that have registered increase in productivity after one year.	The Scheme is implemented by DC, MSME
5	[1.3.1] Implementation of Integrated Programme in a cluster	Number of clusters where at least 3 NMCP programmes are implemented	Number of clusters where at least 3 NMCP programmes are implemented	Success will be measured by the number of clusters where at least 3 NMCP programmes are implemented	The Scheme is implemented by DC, MSME

**Section 4:**  
**Description and Definition of Success Indicators and Proposed Measurement Methodology**

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
6	[1.3.2] CFCs commissioned under MSE- CDP	Complete Common Facility Centres in all respect and dedicated to entrepreneurs.	Complete Common Facility Centres in all respect and dedicated to entrepreneurs	Success will be measured by the number of new clusters in which Common Facility Centres have been completed in all respect and dedicated to entrepreneurs	This is implemented by DC, MSME
7	[1.3.3] SFURTI Clusters which have registered increase in production during the year	KVI & Coir clusters are developed under the Scheme. It is expected that production in these clusters as a result of these interventions.	The number of clusters which have registered an increase in value of production during the year	Success will be measured by the number of clusters which have registered an increase in value of production during the year.	The Scheme is implemented by KVIC and Coir Board as nodal agencies.
8	[1.3.4] Identification of potential clusters for development under SFURTI	Potential KVI & Coir clusters will be identified by KVIC & Coir Board and will be approved by the Steering Committee of the Ministry.	Potential clusters are to be identified by KVIC & Coir Board for the development under SFURTI	Success will be measured by the number of potential clusters identified for the development under SFURTI	The scheme will be revamped for implementation during 12th Plan period.
9	[1.3.5] Increasing earnings of village industry artisans in clusters over the previous year	Interventions under SFURT are expected to enhance the earnings of the village industry artisans in clusters.	Percentage increase in average earning (over the previous year) of Village Industry artisans in clusters already developed under SFURTI	Success will be measured by the percentage increase in average earning (over the previous year) of Village Industry artisans in clusters already developed under SFURTI	Clusters are developed under SFURTI by KVIC & Coir Board
10	[1.4.1] Quality improvement through QMS/QTT	Increase in quality of processes/ products of MSMEs	Increase in quality of processes/ products of MSMEs	Number of new units	The Scheme is being implemented by O/o DC (MSME)

**Section 4:**  
**Description and Definition of Success Indicators and Proposed Measurement Methodology**

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
11	[1.4.2] Introducing new product/ process designs in MSMEs	Increase in sales of new products or improved products.	Increase in sales of new products or improved products.	Number of new units	The Scheme is being implemented by O/o DC (MSME)
12	[1.4.3] Increasing energy efficiency in MSMEs	Savings in energy cost to MSMEs.	Savings in energy cost to MSMEs	Number of new units	The Scheme is being implemented by O/o DC (MSME)
13	[1.4.4] ICT adoption in MSME clusters	ICT adoption by units for efficiency and competitiveness.	ICT adoption by units for efficiency and competitiveness	Number of new units	The Scheme is being implemented by O/o DC (MSME)
14	[1.4.5] Incubation of new business ideas	New business ideas facilitated for commercialization	New business ideas facilitated for commercialization	Number of new ideas	The Scheme is being implemented by O/o DC (MSME)
15	[1.5.1] Entrepreneurs provided support for participation in International Fairs/ Exhibitions	Participation by Entrepreneurs/ units in international trade fairs/exhibitions	Participation by Entrepreneurs/ units in international trade fairs/exhibitions	Number of entrepreneurs	The Scheme is being implemented by O/o DC (MSME)

## Section 4: Description and Definition of Success Indicators and Proposed Measurement Methodology

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
16	[1.5.2] Number of Domestic Fairs & Exhibitions organized/ co-sponsored	Organization or co-sponsoring of domestic trade fairs and exhibitions for MSMEs	Organizing or co-sponsoring of domestic trade fairs and exhibitions for MSMEs	Number of domestic fairs/exhibitions	The Scheme is being implemented by O/o DC (MSME)
17	[1.5.3] Design Information & Monitoring System for implementation of procurement policy	Putting in place a system for monitoring implementation of procurement policy	Putting in place a system for monitoring implementation of procurement policy	Preparing a road map for implementation/monitoring	The Scheme is being implemented by O/o DC (MSME)
18	[2.1.1] New units sanctioned in 2013-14	Banks sanction cases recommended under PMEGP by District level Task Force for extending credit.	New units are sanctioned by banks after being recommended by District level Task Force.	Success will be measured by the new units for which loan is sanctioned by banks after being recommended by District level Task Force.	PMEGP is implemented by KVIC State Offices, State KVI Boards and DICs
19	[2.1.2] New units sanctioned in 2013-14 in NER	New units are sanctioned by banks on the basis of recommendations of District level Task Force.	New units are sanctioned loans by banks after being recommended by District level Task Force.	Success will be measured by the new units for which loan is sanctioned by banks after being recommended by District level Task Force.	PMEGP is implemented by KVIC State Offices, State KVI Boards and DICs
20	[2.1.3] Physical verification of the PMEGP units in which subsidy has been transferred to beneficiary accounts during 2009-10 or earlier	Physical verification of 3 year old cases are carried out by KVIC through outsourced agencies.	Percentage of units in which subsidy has been transferred to beneficiary accounts under PMEGP during 2009-10 or earlier that have been physically verified	Success will be measured by the percentage of units (in which subsidy has been transferred to beneficiary accounts under PMEGP during 2009-10 or earlier) that have been physically verified	PMEGP is implemented by KVIC State Offices, State KVI Boards and DICs.

**Section 4:**  
**Description and Definition of Success Indicators and Proposed Measurement Methodology**

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
20	[2.1.3] Physical verification of the PMEGP units in which subsidy has been transferred to beneficiary accounts during 2009-10 or earlier	Physical verification of 3 year old cases are carried out by KVIC through outsourced agencies.	Percentage of units in which subsidy has been transferred to beneficiary accounts under PMEGP during 2009-10 or earlier that have been physically verified	verified	PMEGP is implemented by KVIC State Offices, State KVIC Boards and DICs.
21	[2.1.4] PMEGP units in which subsidy is transferred to beneficiary's account during 2013-14	After the recommendation of the District Level Task Force, Banks sanction loans against the units. Beneficiary undergo EDP training and first disbursement is made by Banks after which subsidy claims are sent to Nodal branches. Nodal Branches then settle the claims and the amount is transferred to financing branch and kept as TDR in Beneficiary's account.	Number of units in which subsidy has been transferred to beneficiary accounts under PMEGP during 2013-14	Success will be measured by the number of units (in which subsidy has been transferred to beneficiary accounts under PMEGP during 2013-14)	The Scheme is implemented by KVIC as Nodal agency.
22	[2.1.5] PMEGP units where women entrepreneurs assisted during 2013-14	Women entrepreneurs enjoy benefits under special category under PMEGP with higher subsidy and lower beneficiary contribution as compared to general category.	Number of units in which subsidy has been transferred to beneficiary accounts under PMEGP during 2013-14	Success will be measured by the number of units (in which subsidy has been transferred to beneficiary accounts under PMEGP during 2013-14)	KVIC, State KVIC Boards and DICs. KVIC is the national level nodal agency.
23	[2.1.6] Employment generated by units assisted during the year 2013-14	PMEGP creates employment in the non-farm sector by providing assistance to unemployed youth and artisans to set up micro enterprises.	Number of employment opportunities created in units against which margin money subsidy had been transferred to beneficiaries accounts	Success will be measured by the number of employment opportunities created in units against which margin money	The Scheme is implemented by KVIC as Nodal agency

## Section 4: Description and Definition of Success Indicators and Proposed Measurement Methodology

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
23	[2.1.6] Employment generated by units assisted during the year 2013-14	PMEGP creates employment in the non-farm sector by providing assistance to unemployed youth and artisans to set up micro enterprises.	during the year	subsidy had been transferred to beneficiaries accounts during the year	The Scheme is implemented by KVIC as Nodal agency
24	[2.2.1] Udyamis registered under the scheme	The prospective Udyamis get registered for handholding by Udyami Mitras. For this purpose the Udyami Mitras are provided handholding charges at prescribed rates.	Registration of Udyamis by Udyami Mitras.	Number of Udyamis registered by Udyami Mitras for providing handholding support	The Scheme would facilitate creation of new enterprises
25	[3.1.1] New Units set up under Infrastructural Development Programme	New MSMEs set up by entrepreneurs which have started production.	New MSMEs set up by entrepreneurs which have started production.	Number of new units	The Scheme is being implemented by O/o DC (MSME)
26	[3.1.2] New/upgraded Industrial Estates made functional	New/upgraded clusters that have started functioning	New/upgraded clusters that have started functioning	Number of new clusters	The Scheme is being implemented by O/o DC (MSME)
27	[4.1.1] Number of persons trained	The three national EDIs and their PIs , Tool Rooms under O/o DC (MSME), NSIC, KVIC, Cor Board provide skill development and entrepreneur skill development training through out the country	Training through programmes in skill development and entrepreneur skill development	The number of persons targeted for training and actual successful completion of training by the trainees	The skill development and entrepreneur skill development training equip the trainees with skill/enhanced skill for self-employment as well as wage-employment

**Section 4:**  
**Description and Definition of Success Indicators and Proposed Measurement Methodology**

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
28	[4.1.3] Number of persons trained in NER and difficult areas	To equip the youth in the states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, Sikkim, J&K and Naxalite affected states through skill development and entrepreneurship skill development programmes to enable them to become self-employed/wage-employed.	Training of youth in the North Eastern Region in skill development and entrepreneur skill development programmes	The number of persons successfully completed training in the states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, Sikkim, J&K and Naxalite affected states	The North Eastern Region is given special emphasis for training as many number of people as possible by providing requisite budgetary provisions
29	[5.1.1] Gross sales of khadi	Sale of Khadi during the financial year as reported by KVIC.	Gross sale of Khadi during the financial year as reported by KVIC.	Success will be measured by value of sale of Khadi during the financial year as reported by KVIC.	This will be based upon figures reported by KVIC
30	[5.1.2] Annual gross sale of khadi as against production value of khadi	This will inter-alia indicate the extent of value that has been added to Khadi production	Sale of khadi during the year expressed as a Percentage of production value of khadi during the financial year.	Success will be measured by value of gross sale of khadi during the year expressed as a Percentage of production value of Khadi during the financial year.	This will be based upon figures supplied by KVIC
31	[5.1.3] Increase in village industries production	The Schemes and interventions through KVIC are expected to enhance the Village Industry production as compared to the previous year.	The percentage increase in Village Industry production as compared to the previous year.	Success will be measured by the percentage increase in Village Industry production as compared to the previous year.	This will be on the basis of data compiled by KVIC

**Section 4:**  
**Description and Definition of Success Indicators and Proposed Measurement Methodology**

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
32	[5.2.1] Coir units assisted under REMOT	Tiny/household units are provided subsidy assistance under the scheme of Rejuvenation, Modernization and Technology Upgradation(REMOT) of Coir Industry.	Units which have been sanctioned loans by banks under REMOT	Number of units which have been sanctioned loans by banks under REMOT	The scheme is implemented by Coir Board
33	[5.2.3] Export of Coir and Coir products	This will capture the progress on export of all coir products by coir Industry.	Export of all coir products by coir industry.	Success will be measured by the value of Export of all coir products by coir industry.	This will be on the basis of data compiled by Coir Board
34	[5.2.4] Development/popularisation of versatile coir processing equipments	Central Coir Research Institute is an R&D Institute under Coir Board who develop equipments	new versatile coir processing equipments that have been developed/popularized by Coir Board.	Success will be measured by the number of new versatile coir processing equipments that have been developed/popularized by Coir Board.	The technology developed by Central Coir Research Institute will be popularized by the Coir Board
35	[5.2.5] Demonstration of new technology through R&D intervention	Demonstrations of new technology/ products developed through R&D intervention.	successful demonstrations of new technology/ products developed through R&D intervention.	Success will be measured by the number of successful demonstrations of new technology/ products developed through R&D intervention.	This will be done by the Coir Board
36	[5.3.1] Support to incubatees	Incubatees are provided with technical support and handholding from MGIRI.	Incubatees that have been provided with technical support and handholding from MGIRI.	Success will be measured by the number of incubatees that have been provided with technical support and handholding from MGIRI.	MGIRI is a national level institute engaged in the task of accelerating the process of rural industrialisation

**Section 4:**  
**Description and Definition of Success Indicators and Proposed Measurement Methodology**

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
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Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises - (2013-2014)

### Section 5 : Specific Performance Requirements from other Departments

Location Type	State	Organisation Type	Organisation Name	Relevant Success Indicator	What is your requirement from this organisation	Justification for this requirement	Please quantify your requirement from this Organisation	What happens if your requirement is not met.
Central Government		Ministry	Ministry of Finance	[1.1.1] Credit provided with guarantee under Credit Guarantee Scheme  [2.1.1] New units sanctioned in 2013-14  [2.1.2] New units sanctioned in NER	Credit is to be provided by the bank  Directions to Banks to sanction loans to PMEGP applicants on priority	New Micro Enterprises cannot be created without sanction of loan from the Banks.	To earmark 10% of net bank credit to Micro sector under priority sector without collateral security  As per requirements of the PMEGP beneficiaries.	The target would not be achieved  Targets would not be achieved
State Government	Assam	Public Sector units (PSUs)	State Departments	[1.3.1] Implementation of Integrated Programme in a cluster  [1.3.2] CFCs commissioned under MSE- CDP	Provide necessary infrastructure support. With regard to CFCs active participation in project implementation and their upfront contribution.	Provision of infrastructural facilities like power, roads and water are the responsibility of the State Governments. Delay in upfront contribution and participation projects are delayed.	As per the requirement of clusters/CFCs	As per the requirement of REMOT beneficiaries.
		Others		[1.3.1] Implementation of Integrated Programme in a	Directions to District Collectors/DMs and GM-DIC and State KVIIs for timely	Applications under PMEGP are to be gathered and processed by the GM-DIC/State KVIIs and	Full cooperation and support from the State Government including monitoring at senior	The targets would not be achieved

**Section 5 :**  
**Specific Performance Requirements from other Departments**

Location Type	State	Organisation Type	Organisation Name	Relevant Success Indicator	What is your requirement from this organisation	Justification for this requirement	Please quantify your requirement from this Organisation	What happens if your requirement is not met.
Others		cluster	[1.3.2] CFCs commissioned under MSE- CDP [1.3.1] Implementation of Integrated Programme in a cluster	processing approval of Applications.	approved by Task Force under District Collector/DM	As per the requirement of clusters/CFCs Provision of infrastructural facilities like power, roads and water are the responsibility of the State Governments. Delay in upfront contribution and participation projects are delayed.	level	The Targets would not be achieved

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2013-2014)

## Section 6: Outcome/Impact of Department/Ministry

Outcome/Impact of Department/Ministry	Jointly responsible for influencing this outcome/ impact with the following department (s) / ministry(ies)	Success Indicator	Unit	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
1 Strengthening the entrepreneurial bases in the country in micro enterprises sector	KVIC, State Industries Department, State KVI Boards and banks	Number of new entrepreneurs provided margin money subsidy to set up micro enterprises	Number	55135	20374	54000	60000	65000
2 The existing units would improve their competitiveness globally.	M/o Commerce, Export Promotion Councils	Increase in exports	%	15	15	15	15	15
3 Growth in Khadi and Village Industries production	KVIC and Khadi institutions	Estimated production figures (Value in Rs. crore)	Rs. in Crore	21852	18012	28695	31500	34500
4 Increasing production and export of Coir products	Coir Board, and Coir Exporters	Coir fibre production (quantity in lakh MT)	Lakh MT	5.32	6.10	6.71	6.71	7.00
5 Increasing production and export of Coir products	Coir Board, and Coir Exporters	Coir Exports	Rs. crore	1053	831	900	950	1000
6 Increasing earnings of Village Industry artisans in clusters	KVIC, State Industries Department, State KVI Boards	Increase in wage earnings of Village industry artisans w.r.t base year 2008-09 (%)	%	40	45	50	55	60
7 Making available skilled manpower to the MSME Sector for increase in productivity and self/ wage employment	Three National level EDIs & their Pls, Toot Rooms of O/o DC, MSME, KVIC, Cor Board & NSIC	No. of persons trained	Number in Lakh	4.08	4.43	4.70	5.00	5.30

## Performance Evaluation Report

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value			Achiev- ment Score	Performance Raw Weigh- ted Score
						100%	90%	80%		
1 Growth and development of existing MSMEs	43.00	Facilitation of credit flow to MSMEs	Credit provided with Credit guarantee under Credit Guarantee Scheme	Rs. in crore	4.00	17500	16500	16000	15500	15000
		No. of MSE units awarded Performance & Credit rating	Number of units		4.00	20000	18000	16000	14000	12000
		Improving competitiveness of MSMEs	Term loan facilitated for technological up-gradation through CLCSS	Number of units	4.00	5000	4500	4000	3500	3000
	25.00	Enhancing competitiveness of MSMEs with Lean Manufacturing techniques	Number of new units		3.00	1300	1250	1200	1150	1100
		Promotion of MSMEs through cluster based approach	CFCs commissioned under MSE- CDP	Number of new clusters	3.00	12	10	09	08	07
		SFURTI Clusters which have registered increase in production during the year	Number of clusters		2.00	50	45	40	35	30
		Implementation of Integrated Programme in a cluster	Number of clusters		1.00	05	04	03	02	01
		Identification of potential clusters for development under SFURTI	Number of clusters		1.00	51	46	41	36	31
		Increasing earnings of village industry artisans in clusters over the previous year	%		1.00	10	09	08	07	06
		Marketing support to MSMEs	Entrepreneurs provided support for participation in	Number of particip	2.00	1000	950	900	850	800

## Performance Evaluation Report

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				Achiev- ment	Raw Score	Weigh- ted Score
						Excellent	Very Good	Good	Poor			
					100%	90%	80%	70%	60%			
International Fairs/ Exhibitions			ants									
Number of Domestic Fairs & Exhibitions organized/ co-sponsored	1.00		650	600	550	500	450	400	300	100.0	1.0	
Design Information & Monitoring System for implementation of procurement policy	0.00	01/12/2013	15/12/2013	31/12/2013	01/01/2014	15/01/2014	15/01/2014	15/01/2014	15/01/2014	100.0	0.0	
No. of National vendor development programmes to be conducted to sensitize both vendors and public sector about procurement policy	1.00		50	45	40	35	30	30	30	100.0	1.0	
Quality improvement through QMSIQT	2.00		100	90	80	70	60	60	60	91.0	1.82	
Technological upgradation			Number of new units	3.00	80	70	60	50	40	89	100.0	
Introducing new product/ process designs in MSEs			Number of new units	2.00	125	115	110	100	90	125	100.0	2.0
Increasing energy efficiency in MSMEs			Number of new units	2.00	55	50	45	40	35	0	0.0	
ICT adoption in MSME clusters			Number of new units	2.00	90	80	70	60	50	53	63.0	1.26
Incubation of new business ideas			Number of ideas	1.00	31/12/2013	15/01/2014	31/01/2014	15/02/2014	28/02/2014	31/12/2013	100.0	1.0
Preparation of DPRs for 15 New Tool Rooms			Date	1.00	28/02/2014	15/03/2014	22/03/2014	26/03/2014	31/03/2014	28/02/2014	100.0	1.0
National Testing Centre			Implementation of recommendations of the study conducted on									

Performance Evaluation Report for Ministry of Micro, Small and Medium Enterprises [Achievement Submitted] (2013-2014)

## Performance Evaluation Report

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value			Achievement	Raw Score	Performance Weighted Score
						Excellent	Very Good	Good			
			Testing Centres		100%	90%	80%	70%	60%		
		Evaluation Study of MSME Tool Rooms	Implementation of recommendations of the Evaluation Study of Tool Rooms	Date	1.00	28/02/2014	15/03/2014	22/03/2014	26/03/2014	31/03/2014	28/02/2014
		Evaluation and restructuring of existing delivery mechanism	Implementation of recommendations of the study on MSME-DI for reorganizing and restructuring	Date	1.00	28/02/2014	15/03/2014	22/03/2014	26/03/2014	31/03/2014	28/02/2014
			Obtaining approval of the Competent Authority of all Schemes of the ARI Sector on the basis of evaluation	Date	1.00	01/01/2013	15/12/2013	31/12/2013	15/01/2014	31/01/2014	N/A
2	Growth and development of Khadi, Village and Coir industries	Growth and development of KVI sector	Gross sales of khadi	Rs. in crore	3.00	1100	990	880	770	660	1078.24
			Annual gross sale of khadi as against production value of khadi	%	2.00	140	125	110	100	80	137
			Increase in village industries production	%	1.00	11	10	09	08	07	11
		Growth and development of coir industry	Coir units assisted under REMOT	Number of new units	1.00	900	810	720	630	540	449
			Continuation of REMOT scheme	Date	1.00	01/08/2013	15/08/2013	01/09/2013	15/09/2013	01/10/2013	N/A
			Export of Coir and Coir products	Rs in crore	2.00	1000	900	800	700	600	1285.31
											2.0

Performance Evaluation Report for Ministry of Micro, Small and Medium Enterprises [Achievement Submitted] (2013-2014)

## Performance Evaluation Report

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				Achiev- ement	Raw Score	Performan- ce Weigh- ted Score	
						100%	90%	80%	70%				
			Development/popularisation of versatile coir processing equipments	Number	1.00	05	04	03	02	01	14	100.0	
			Demonstration of new technology through R&D intervention	Numbers	1.00	230	210	180	160	140	726	100.0	
			Support to incubatees	Number	1.00	55	50	45	40	35	61	100.0	
			Development of innovative technology applications in rural industrial sector by MGIRI									1.0	
3 Improving performance of PSU and Responsibility Centres	2.00		Improving performance of NSIC and preparation of Subsidiary RFDs of Responsibility Centres by 31.5.2013	Number of MSME units supported by NSIC under its various schemes	1.00	1.02	0.99	0.97	0.95	0.92	114282	100.0	
				Signing of subsidiary RFDs with Responsibility Centres by 31.5.2013	Number	1.00	18	17	16	15	14	18	100.0
4 Creation of new enterprises	19.00		Creation of new micro Enterprises through Prime Minister's Employment Generation Program (PMEGP)	New units sanctioned in 2013-14	Number of units	7.00	60000	54000	48000	42000	36000	55124	91.87
				New units sanctioned in 2013-14 in NER	Number of units	2.00	6000	5400	4800	4200	3600	11682	100.0
				Physical verification of the PMEGP units in which subsidy has been transferred to beneficiary accounts during 2009-10 or earlier	%	2.00	100	90	80	70	60	89.00	89.0
				Employment generated by units assisted during the year 2013-14	lakh persons	3.00	3.71	3.34	2.97	2.60	2.21	1.75	0.0

## Performance Evaluation Report

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				Achievement	Performance Raw Score	Performance Weighted Score
						Excellent	Very Good	Good	Fair			
			PMEGP units in which subsidy is transferred to beneficiary's account during 2013-14	Number of Units	1.00	56000	50400	44800	39200	33600	22773	0.0
			PMEGP units where women entrepreneurs assisted during 2013-14	Number of Units	1.00	14000	12600	11200	9800	8400	3692	0.0
			Handholding support to first generation entrepreneurs under Raiky Gandhi Uyami Mitra Yojana (RGUMY)	Uydamis registered under the scheme	2.00	7500	7300	7100	6900	6700	9038	100.0
			Formulation of a revamped RGUMY Scheme	Date	1.00	01/09/2013	15/09/2013	01/10/2013	15/10/2013	31/10/2013	N/A	N/A
5 Skill and entrepreneurship development for MSMEs	5.00	SDP / EDP training	Number of persons trained	In Lakh	2.00	4.50	4.25	4.00	3.75	3.50	6.06	100.0
			Number of persons trained in NER and difficult areas	In Lakh	1.00	0.50	0.45	0.40	0.35	0.30	0.46	92.0
			No. of women trained out of the above	In lakh	1.00	0.68	0.64	0.60	0.56	0.52	1.92	100.0
			No. of women trained in NER and difficult areas out of the above	In lakh	1.00	0.08	0.07	0.06	0.05	0.04	0.21	100.0
			New Units set up under Infrastructural Development Programme	Number of new units	2.00	200	150	100	80	70	1061	100.0
6 Enhancing manufacturing base	3.00	Enhance manufacturing base through upgradation of technology and infrastructure	New/upgraded Industrial Estates made functional	Number of new clusters	1.00	05	04	03	02	01	5	100.0

Performance Evaluation Report for Ministry of Micro, Small and Medium Enterprises [Achievement Submitted] (2013-2014)

## Performance Evaluation Report

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value			Achiev- ment	Performance Raw Score	Performance Weigh- ted Score
						Excellent	Very Good	Fair			
* Efficient Functioning of the RFD System	3.00	Timely submission of Draft RFD 2014-15 for Approval	On-time submission	Date	2.0	05/03/2014	06/03/2014	07/03/2014	08/03/2014	11/03/2014	04/03/2014
* Transparency/Service delivery Ministry/Department	3.00	Timely submission of Results for 2012-13	On-time submission	Date	1.0	01/05/2013	02/05/2013	03/05/2013	06/05/2013	07/05/2013	30/04/2013
* Administrative Reforms	6.00	Independent Audit of implementation of Citizens' Charter (CCC)	% of implementation	%	2.0	100	90	80	70	60	35
		Independent Audit of implementation of Public Grievance Redressal System	% of implementation	%	1.0	100	90	80	70	60	56.2
		Implement mitigating strategies for reducing potential risk of corruption	% of implementation	%	1.0	100	95	90	85	80	100
		Implement ISO 9001 as per the approved action plan	% of implementation	%	2.0	100	95	90	85	80	100
		Identify, design and Implement major innovations.	Timely submission of Action Plan for enabling innovation	Date	2.0	15/05/2014	16/05/2014	19/05/2014	20/05/2014	21/05/2014	15/05/2014
		Identification of core and non-core activities of the Ministry/Department as per 2nd ARC recommendations	Timely submission	Date	1.0	24/03/2014	25/03/2014	26/03/2014	27/03/2014	28/03/2014	N/A
* Improving Internal Efficiency/Responsiveness.	2.00	Update departmental strategy to align with 12th Plan priorities	Timely updation of the strategy	Date	2.0	10/09/2013	17/09/2013	24/09/2013	01/10/2013	08/10/2013	10/09/2013
* Ensuring compliance to the Financial Accountability Framework	1.00	Timely submission of ATNs on Audit paras of C&AG	Percentage of ATNs submitted within due date (4 months) from date of presentation of	%	0.25	100	90	80	70	60	100

\* Mandatory Objective(s)

Performance Evaluation Report for Ministry of Micro, Small and Medium Enterprises [Achievement Submitted] (2013-2014)

## Performance Evaluation Report

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value			Achievement	Performance Raw Score	Performance Weighted Score
						100%	90%	80%			
			Report to Parliament by CAG during the year.								
			Timely submission of ATRs to the PAC Sectt. on PAC Reports.	%	0.25	100	90	80	70	60	100.0 0.25
			Early disposal of pending ATNs on Audit Papers of C&AG Reports presented to Parliament before 31.3.2013.	%	0.25	100	90	80	70	60	100.0 0.25
			Early disposal of pending ATRs on PAC Reports presented to Parliament before 31.3.2013	%	0.25	100	90	80	70	60	100.0 0.25

\* Mandatory Objective(s)

Total Composite Score : 79.13

**ANNEXURE-X****CONTACT ADDRESSES****MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES**

S. No.	Name and Address of the organisation	Website	E-mail	Telephone	Fax
1	Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 107	www.msme.gov.in	min-msme@nic.in	011- 23063800 23063802-06	011- 23062315 23061726 23061068
2	Office of Development Commissioner (MSME), 7 <sup>th</sup> Floor, A-Wing, Nirman Bhavan, New Delhi – 110 108	www.dcmsme.gov.in; www.laghu-udyog.com; www.smallindustry.com	dc-msme@nic.in	011- 23063800 23063802-06	011- 23062315 23061726 23061068
3	Khadi and Village Industries Commission, (KVIC), "Gramodaya" 3, Irla Road, Vile Parle (West), Mumbai - 400056, Maharashtra	www.kvic.org.in	kvichq@bom3.vsnl.net.in, ditkvic@bom3.vsnl.net.in, dit@kvic.gov.in	022-26714320- 25/ 26716323/ 26712324/ 26713527-9/ 26711073/ 26713675	022-26711003
4	Coir Board, "Coir House", M.G. Road, Ernakulam, Kochi-682016, Kerala	www.coirboard.nic.in, www.coirboard.gov.in	coir@md2.vsnl.net.in, coirboard@vsnl.com	0484- 2351807, 2351788, 2351954, 2354397	0484- 2370034
5	National Small Industries Corporation Limited (NSIC), NSIC Bhawan, Okhla Industrial Estate, New Delhi – 110 020	www.nsic.co.in	info@nsic.co.in, pro@nsic.co.in	011- 26926275 26910910 26926370  Toll Free 1-800-111955	011- 26932075 26311109
6	National Institute for Entrepreneurship and Small Business Development (NIESBUD), A-23-24, Sector-62, Institutional Area, Phase-II, NOIDA-201301, Uttar Pradesh	www.niesbud.nic.in	info.niesbud@nic.in, rrsingh04@yahoo.com,	0120- 2403051-54	0120- 2403057 2403062

7	National Institute for Micro, Small and Medium Enterprises (NI-MSME), Yousuf Gauda, Hyderabad – 500 045	www.nimsme.org	registrar@nimsme.org	040- 23608544-46 23608316-19	040- 23608547 23608956 23541260
8	Indian Institute of Entrepreneurship (IIE), 37, NH Bypass, Lalmati, Basistha Chariali, Guwahati – 781 029, Assam	www.iie.nic.in	iieindia1@sancharnet.in, iieindia1@bsnl.in	0361- 2302646 2300994 2300123 2300840	0361- 2300325
9	Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001	www.mgiri.org	director.mgiri@gmail.com	0752-253512	0752-240328

**CONTACT ADDRESSES OF AUTONOMOUS INSTITUTIONS  
UNDER OFFICE OF THE DEVELOPMENT COMMISSIONER (MSME)  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES**

<b>S. No.</b>	<b>Name and Address of the Autonomous Body</b>	<b>Website</b>	<b>E-mail</b>	<b>Telephone</b>	<b>Fax</b>
1.	Managing Director, MSME-Tool Room (Indo German Tool Room), P-31, MIDC, Chikalthana Indl. Area, Aurangabad 431 006	www.igtr-aur.org	gm@igtr-aur.org	0240 - 2480578 - 2486832 - 2482593 - 2470541	0240- 2484028
2.	General Manager MSME-Tool Room (Indo German Tool Room) Plot-5003, Phase-IV, GIDC Vatva Mehmedabad Road, Ahmedabad 382 445 (Gujarat)	www.igtrahd.com	gm@igtrahd.com marketing@igtrahd. com	079 - 25840964 25840966	079 - 25841962
3.	General Manager MSME-Tool Room (Indo German Tool Room) Plot No.291/B, 302/A, Sector-E, Sanwer Road, Industrial Area, Indore 452 015 (MP)	www.igtr-indore.com	indigr@sancharnet.in igtrindore-mp@nic.in	0731 - 4210755 4210700, 4210704	0731- 2720353
4.	General Manager MSME-Tool Room (Central Tool Room) A-5, Focal Point Ludhiana 141 010 (Punjab)	www.ctrludhiana.com	info@ctrludhiana.com centool@jla.vsnl.net.in	0161 - 2670058 - 2676166	0161- 2674746
5.	Principal Director MSME-Tool Room (Central Institute of Tool Design) A-1 to A-8 APIE, Balanagar Hyderabad 500 037 (A.P.)	www.citdindia.org	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. msmetoolroomkolkata. com	cttc@cal.vsnl.net.in	033 - 25770576 - 25771492 - 25771068	033- 25772494
7.	Managing Director MSME-Tool Room (Central Tool Room & Training Centre) B-36, Chandka Indl. Area P.O. Patia Bhubaneswar 751 024 (Orissa)	www.cttc.gov.in	cttcecttc.gov.in	0674 - 2742100 - 3011700	0674- 2743061

8.	General Manager MSME-Tool Room (Indo Danish Tool Room) M-4 (Part) Phase-VI, Tata Kandra Road, Gamharia Jamshedpur 832 108 (Jharkhand)	www.idtrjamshedpur. com	reach@ idtrjamshedpur.com	0657 - 2201261 - 62	0657- 2202723
9.	Project Manager MSME-Tool Room (Tool Room & Training Centre) Amingaon Industrial Area, North Guwahati Road, Amingaon, Guwahati 781 031	www.trtcguwahati.org	trteghy@hotmail.com	0361 - 2655542 - 2654042	0361- 2654042
10.	Principal Director MSME-Tool Room (Central Institute of Hand Tools) G.T. Road, Bye Pass, Jalandhar-144008 (Punjab)	www.ciht.in	institute_jld@dataone. in bathla_ashok@yahoo. com	0181 - 2290225 - 26 - 2290196	0181- 2290457
11.	Principal Director MSME-Tech. Development Centre (Institute for Design of Electrical Measuring Instruments) S.T. Tope Marg, Chunabhatti Sion,P.O. Mumbai-400 022	www.idemi.org www. msmetdcmumbai.org	info@idemi.org idemi@mtnl.net.in	022 - 24056239 - 24050301 - 04	022- 24050016
12.	Principal Director MSME-Technology Development Centre (Electronics Service & Training Centre) Kaniya, Ramnagar Dist. Nainital-244715 Uttarakhand	www.estcindia.com	pd.estc@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.pfdcmeerut.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
15.	Director MSME-Technology Development Centre (Central Footwear Training Institute) C – 41& 42, Site ‘C’ Sikandra, Industrial Area Agra-282007 (U.P.)	www.cftiagra.org.in	info@cftiagra.org.in	0562 -2642004- 05	0562- 2640502 2642004
16.	Director MSME-Technology Development Centre (Central Footwear Training Institute ) 65/1, G.S.T. Road, Guindy Chennai-600032	www.cftichennai.in	cfti_chennai@vsnl.net cfti@vsnl.net	044-22501529	044- 22500876
17.	Principal Director MSME-Technology Development Centre (Fragrance & Flavour Development Centre), Industrial Estate GT Road, P.O. Makrand Nagar Kannauj -209726 (U.P.)	www.ffdcindia.org	ffdcknj@sancharnet.in	05694-234465 -234791	05694- 235242
18.	Principal Director MSME-Technology Development Centre (Centre for the Development of Glass Industry), A-1/1, Industrial Area, Jalesar Road, P.O. Muiddinpur Firozabad-283203 (U.P.)	www.cdgiindia.com	cdgizbd@gmail.com contact@cdgiindia. com	05612- 232293	05612- 232447

ANNEXURE-XI**Definition of Micro, Small and Medium Enterprises in India**

Micro, small and medium enterprises as per MSMED Act, 2006 are defined based on their investment in plant and machinery (for manufacturing enterprise) and on equipment for enterprises providing or rendering services. **The present ceilings on investment for enterprises to be classified as micro, small and medium enterprises are as follows:**

<b>Classification</b>	<b>Manufacturing Enterprises*</b>	<b>Service Enterprises**</b>
Micro	Rs. 2.5 million / Rs. 25 lakh (US\$ 50,000)	Rs. 1 million / Rs. 10 lakh (US\$ 20000)
Small	Rs.50 million / Rs. 5 crore (US\$ 1 million)	Rs. 20 million / Rs 2 crore (US\$ 0.4 million)
Medium	Rs 100 million / Rs 10 crore (US\$ 2 million)	Rs. 50 million / Rs 5 crore (US\$ 1 million)

\* Investment limit in Plant & Machinery

\*\* Investment limit in equipment

\*\*\* Rs 50 = 1 US\$

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