

**No.S-14/6/2024-EDI**  
**Government of India**  
**Ministry of Micro, Small and Medium Enterprises**  
**EDI Section**

Udyog Bhawan, New Delhi- 110 011  
Dated the 25<sup>th</sup> April, 2025

To

1. Secretary to all Ministries/Departments, Government of India.
2. Chief Secretaries of all State Governments/Union Territories.
3. Principal Secretaries (Industry/MSME) of all State Governments/UTs.
4. Development Commissioner (MSME), M/o MSME.
5. CMD, NSIC.
6. CEO, KVIC.
7. Secretary, Coir Board.
8. GM, CTRL.
9. Director General, ni-msme.
10. Director, MGIRI.

**Sub: Circulation of Revised guideline of ongoing Central Sector Scheme "Assistance to Training Institutions (ATI)" of Ministry of MSME - regarding.**

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Sir/Madam,

I am directed to inform that Ministry of Micro, Small and Medium Enterprises under Assistance to Training Institutions (ATI) Scheme (a Centre Sector Scheme) provides training and capacity building to existing and aspiring entrepreneurs/candidates and also support upgradation of physical infrastructure of various National level Institutions under Ministry of MSME.

2. In order to widen the scope of the scheme, the existing guidelines of ATI Scheme have been slightly amended, as under:
  - (i) Financial assistance may be provided to existing State Level EDIs (Entrepreneurship Development Institutes) i.e. owned or controlled or promoted by State Govt/UT for creation or strengthening/expansion of their infrastructure.
  - (ii) Financial assistance may also be provided to State Government owned training Institutes including Districts Industries Centers (DICs) located in Eastern Region and NER, for strengthening of its infrastructure for training activities in the field of MSME and to conduct skill/training programs in their premises.
3. A copy of the revised guidelines is hereby enclosed for information and necessary action. The guidelines are also available on the website of this Ministry [www.msme.gov.in](http://www.msme.gov.in).

Yours faithfully,

Encl: a/a.

  
(N. Raja Swamy)

Under Secretary to the Government of India

☎ : 2306 3293

✉ : [nraja.swamy@nic.in](mailto:nraja.swamy@nic.in)

**Copy to:**

1. PS to Minister of MSME
2. PS to Minister of State (I/c) for MSME.
3. Secretary (MSME).
4. SS&FA.
5. JS(AFI)/JS(ARI)/JS(SME)/EA(IFW)
6. All Directors/DSs of the Ministry.

**Copy also to Sr. Technical Director, NIC(MSME):** *with a request for uploading the revised scheme guidelines on the website of the Ministry of MSME.*

*N. Raja Swamy*  
(N. Raja Swamy) *25/4/2025*

Under Secretary to the Government of India

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## **GUIDELINES OF “ASSISTANCE TO TRAINING INSTITUTIONS” (ATI) SCHEME**

### **1. BACKGROUND**

**1.1.** The Micro, Small and Medium Enterprises (MSMEs) sector is highly vibrant and dynamic sector of the Indian economy. MSMEs not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. MSMEs are complementary to large industries as ancillary units and contribute enormously to the socio-economic development of the country.

**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. In order to promote establishment of new enterprises and creation of new entrepreneurs M/o MSME has been implementing various schemes and programmes.

**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.

**1.4.** In order to ensure that young entrepreneurs are encouraged and suitably equipped to go into new ventures, the Government has been providing assistance for establishment of Training Institutions/ Entrepreneurship Development Institutes (EDIs) for imparting entrepreneurship and skill development training. These institutions have been providing entrepreneurship and skill development training to the first-generation entrepreneurs and helping and supporting them in the establishment of their enterprises. Government makes consistent and concerted efforts to accelerate and promote entrepreneurship by providing support for strengthening of training infrastructure as well as programme support.

**1.5** M/o MSME has a vast network of institutions to undertake the task of training for skill development on a regular basis such as, National Institute for Micro, Small and Medium Enterprises (ni-msme), Hyderabad, Mahatma Gandhi Institute for Rural Industrialization (MGIRI), Training cum Incubator Centers (TICs) of National Small Industries Corporation (NSIC), Central Tool Rooms (Technology Centers), training centers of MSME Development Institutes, Khadi and Village Industries Commission (KVIC) and Coir Board.

### **2. OBJECTIVE**

The objective of the ATI Scheme is to strengthen capacity for training for Skill Development, entrepreneurship, providing training to staff of DICs and related Government institutions dealing with MSMEs and strengthening overall capacity of National Institutions under Ministry of MSME to undertake these trainings. Under Skill India Programme, skill training is being given in accordance with the modules approved by the National Skill Qualification Framework (NSQF). Major objective of the scheme is upgradation of physical infrastructure and training skills of Trainers in National Level Institutions under Ministry of MSME. The scheme also proposes to improve capacity of staff working in District Industries Centers and Industries Departments in States.



### **3. ASSISTANCE UNDER THE SCHEME**

#### **3.1 Assistance to Training Institutions of Ministry of MSME**

##### **3.1.1 Eligibility**

Assistance may be provided under the scheme for creation or strengthening/expansion of infrastructure, including opening of new branches/centers to training institutions of Ministry of MSME and for meeting revenue deficit, if any, of National Institute for Micro, Small and Medium Enterprises (ni-msme).

##### **3.1.2 Scale of assistance**

Amount of assistance will not exceed the actual amount required for creation or strengthening/expansion of the infrastructure of the training institution and meeting the revenue deficit, etc. of ni-msme.

#### **3.2 Assistance to State Level EDIs**

##### **3.2.1 Eligibility**

- (i) Assistance may be provided under the scheme to existing State Level EDIs (Entrepreneurship Development Institutes) i.e. owned or controlled or promoted by a State Government/UT for creation or strengthening/expansion of their infrastructure.
- (ii) Financial assistance may also be provided to State Government's owned training Institutes including Districts Industries Centers (DICs) located in Eastern Region and NER, for strengthening of its infrastructure for training related activities in the field of MSME.
- (iii) The financial assistance will be for specific needs of each case 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. would not qualify for calculation of grant from the Central Government.
- (iv) Financial assistance under the scheme will not be available, henceforth, for setting up of a new EDI. However, the proposals approved or committed earlier would be processed for financial assistance in accordance with the pre-revised guidelines.

##### **3.2.2 Scale of assistance**

- (i) The maximum assistance under the scheme to the eligible State level EDIs/Institutions/DICs will be restricted to Rs.3.00 Crore in each case. This grant would be utilized for development of physical infrastructure, equipment, faculty training and development of capability for imparting skill development trainings related to MSME sector. This grant would be over and above the grant, if any, received by that institution earlier under the ATI scheme.
- (ii) For the purpose of grant under this category, the State level EDIs/Institutions/DICs would be selected as per the recommendation by the respective State/UT Government.

##### **3.2.3 Other Conditions**

- (i) All the proposals would be routed through the State/UT Government and would require recommendation of the State/UT Government.
- (ii) The assisted EDIs/Institutions/DICs shall be required to complete the construction within the given time- frame and shall have to furnish the utilization certificate of the assistance

sanctioned within the period prescribed in the sanction letter. In the event of delay in completion of the project, extension of time limit will have to be obtained from Ministry of MSME with justifications.

- (iii) The assisted EDIs/Institutions/DICs shall not dispose of or lease out or create any charge over the assets created by utilizing the assistance provided under this scheme, without written permission from the M/o MSME.
- (iv) The assisted EDIs/Institutions/DICs shall not change the form or the basic character of the EDI, without prior approval of M/o MSME. The charter of the assisted EDIs/Institutions/DICs indicating its objects, shall not be amended without written permission of the Ministry of MSME.
- (v) The assisted EDIs/Institutions/DICs shall get its account audited every year and shall be required to submit annual report along with financial statement to the M/o MSME, at least for a period of five years after receipt of the financial assistance. The annual reports on implementation of the scheme would include the details of construction activity, procurement of machinery/ equipment etc. during the period under report. The annual reports must contain details of the activities undertaken by the Institute during the period under report, along with the audited accounts. The report would also include the details of participants/trainees undergoing training, as well as the details of successful entrepreneurs who have set up their enterprises.
- (vi) The assisted EDIs/Institutions/DICs shall be required to maintain a fixed assets register of assets/equipments procured by utilizing grant funds for verification by Ministry of MSME at any time.
- (vii) In case of failure to utilize the sanctioned funds within time or its misuse, misappropriation or diversion or violation of any one or more of the conditions mentioned above, the Government will be entitled to recover the entire assistance amount with interest, in addition to taking such other legal and/or penal action, as deemed necessary.
- (viii) Central Government may also prescribe such other conditions, as deemed necessary, before sanction/release of assistance.

### **3.3 Assistance for Training Programmes**

#### **3.3.1 Eligibility**

- (i) Assistance may be provided under the scheme to conduct training programmes in the areas of Skill Development to the following Training Institutions: -
  - (a) ni-msme; (b) NSIC; (c) KVIC; (d) Coir Board; (e) Tool Rooms/Technology Centers; (f) MGIRI and (g) State Government owned training Institutes including Districts Industries Centers (DICs) located in Eastern Region and NER may conduct skill/training programs related in the field of MSMEs in their premises only.
- (ii) The financial assistance under this scheme would be of revenue nature.
- (iii) Central Government may prescribe such other conditions, as necessary, before sanction/release of assistance.

#### **3.3.2 Scale of assistance**

- (i) Assistance for skill development programmes under the scheme would be provided based on the duration of the NSQF compliant/exempted training programmes (number of hours of

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training inputs). The cost of a training programme would be determined as per the following base rates notified by Ministry of Skill Development and Entrepreneurship vide Notification No.H-22011/2/2014-SDE-I dated 15.07.2015 as amended from time to time:-

Category I Courses: Rs.38.50 per head per hour of training.

Category II Courses: Rs.33.00 per head per hour of training.

Category III Courses: Rs.27.50 per head per hour of training.

- (ii) The first installment of the grant would be released in advance. The subsequent installments would be released based on the progress of utilization of funds already released.
- (iii) Assistance for Training of Trainers (ToTs) programmes would be provided @ Rs.60 per trainee per hour (or, the rate prescribed under the common norm/NSQF, whichever is less).
- (iv) Assistance for other types of training programmes would be decided based on actual requirement in each case.
- (v) The total amount of assistance to be considered for release as per the above rate will include the cost of overheads such as, motivation camps for selection of eligible trainees, charges towards hiring of space and equipment (if any), electricity/water, stationary, man hour cost of deployment of project personnel, post training follow-up activities, etc.
- (vi) The trainees would be expected to make their own arrangement for travel and stay during the training period. In case the residential facility is provided by the Training Institution, it may charge the same from the trainee (subject to common norms/NSQF). It would be permissible to dovetail the assistance under this scheme with facilities/benefits available under schemes of other Ministries/Departments/State/UT Governments etc. for reimbursement of travel, boarding and lodging expenses and stipend etc. However, it would be the responsibility of the Training Institution to ensure that there is no duplication and assistance for the same purpose is not claimed under more than one scheme.

### **3.3.3 Other conditions**

- (i) The national level training institutions of M/o MSME will submit their proposals directly to the Ministry. State Government's owned Institutions/DICs located in Eastern Region and NER will submit their proposals through Department of Commerce/Industries/MSME. The Screening Committee shall consider the proposal(s), keeping in mind suitability of the proposal, competency, capacity and experience/past performance of the Training Institution, availability of funds etc. and forward the proposals, along with its recommendations to Secretary (MSME) for approval.
- (ii) After approval, the Ministry shall place the required funds with the beneficiary institutions as per extant procedure. On successful completion of the training programme(s), the concerned institution shall furnish the Utilization Certificate to the Ministry. The concerned institution shall also be responsible for ensuring the quality of inputs as well as certifying the actual participation of trainees in the training programme.
- (iii) The Screening Committee shall also lay down the criteria for examining the competency, capacity and experience of the applicant Training Institution.
- (iv) Central Government and/or the concerned national level institutions/DICs located in Eastern Region and NER may also conduct such further checks or verifications through its own offices or through an independent agency, as deemed necessary.

(v) In case it is found subsequently that assistance has been claimed falsely or fraudulently or assistance for the same item/activity has been claimed under some other scheme also, the Government will be entitled to recover the entire assistance amount with interest, in addition to taking such other legal and/or penal action, as deemed necessary.

### 3.4. Miscellaneous

**3.4.1** An online mechanism for maintaining the details related to beneficiaries is already in place @ [www.ati.msme.gov.in](http://www.ati.msme.gov.in). To meet the expenditure related to Aadhaar authentication services and maintenance/development of online software and other miscellaneous/administrative expenses related to Scheme will be met from the budget provision (General Head) under the Scheme.

## 4. APPLICATION PROCEDURE

The scheme envisages consideration of proposals under Paras 3.1 to 3.3 above from national and state level EDIs, training institutions of M/o MSME and State Government's owned Institutions /DICs located in Eastern Region & NER etc. The proposals for grant of financial assistance under the scheme shall be submitted to the Deputy Secretary/Director (EDI), M/o MSME, Udyog Bhawan, New Delhi 110011. The proposals for assistance under paras 3.1 to 3.3 above shall be processed for submission to the Screening Committee, set up under para 5 below, for consideration. The Screening Committee shall examine all the proposals received under the scheme and submit its recommendations to Secretary (MSME). After approval of Secretary (MSME), administrative approval shall be conveyed to the applicant organization and admissible financial assistance shall be released in accordance with the approval letter. It is clarified that private training institutions/NGOs are not covered under the scheme for assistance for infrastructure support and training programmes.

## 5. SCREENING COMMITTEE

The composition of the Screening Committee referred in Para (4) above will be as under: -

- (i) Joint Secretary (SME), Ministry of MSME – **Chairman**.
- (ii) Economic Adviser (Finance) or his representative, M/o MSME.
- (iii) Representative of Development Commissioner (MSME).
- (iv) Deputy Secretary/Director (EDI Section), M/o MSME.
- (v) Deputy Secretary/Director of the Division concerned with the proposal in Ministry of MSME/Office of Development Commissioner (MSME).
- (vi) Under Secretary (EDI Section), M/o MSME - **Member Secretary**.

The Screening Committee may also invite representatives of Organizations/Institutes concerned with proposals as *Special Invitee*.

## 6. MONITORING AND EVALUATION

The progress of the scheme shall be regularly monitored by the Screening Committee/ Secretary (MSME) from time to time. An online mechanism for maintaining the details related to beneficiaries is also in place. The overall impact of the scheme shall be got evaluated by an independent agency at the end of the Fifteenth Finance Commission Cycle i.e. 2025-26.

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