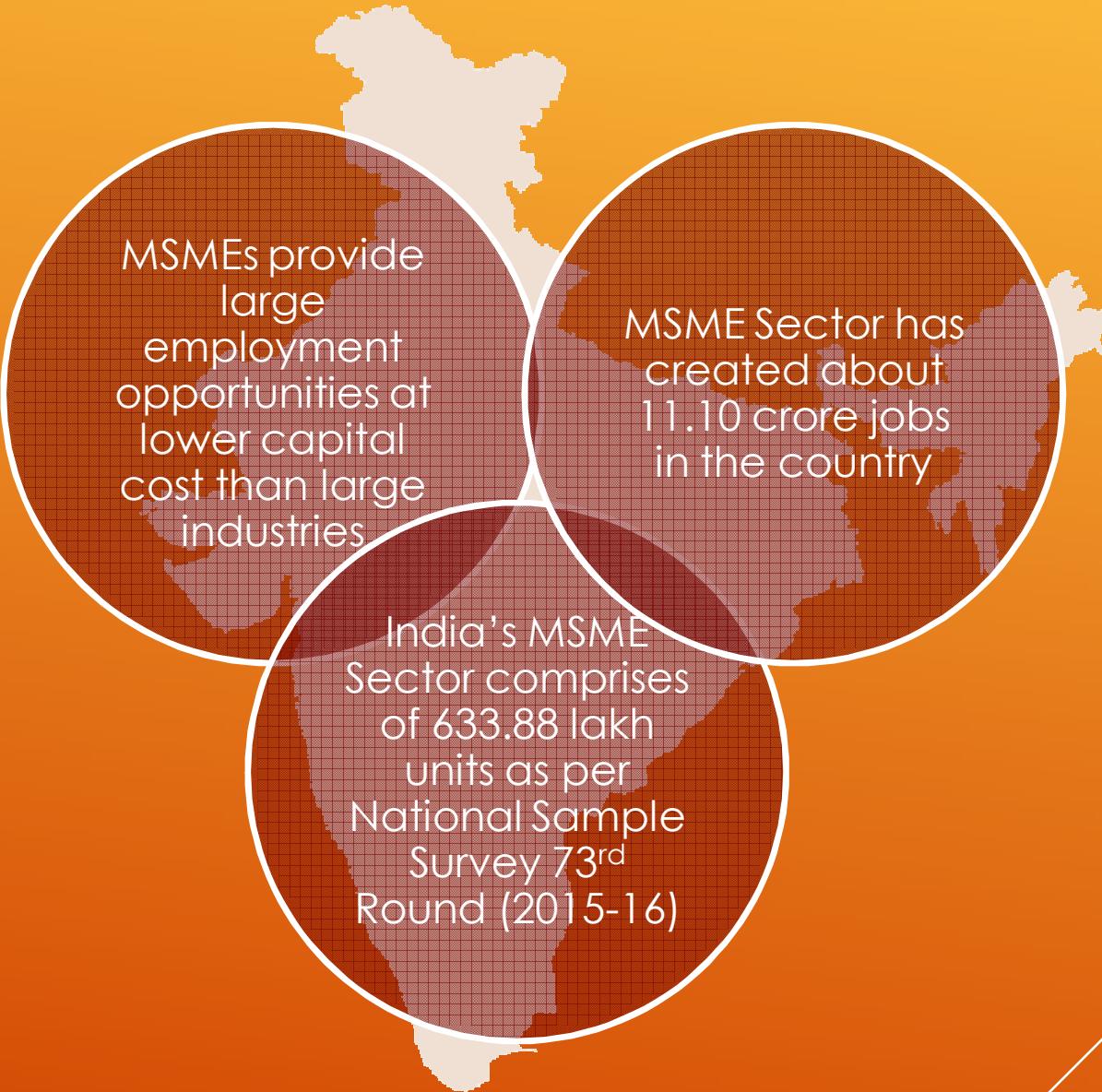


MSME Sector at a Glance 2014-18



REFLECTIONS



EMPLOYMENT GENERATION (2014-18)

Khadi & Village Industries Sector

- 1,37,79,000 jobs created

Prime Minister's Employment Generation Programme (PMEGP)

- 1,93,818 units setup providing employment to 14.75 lakh people

Credit Guarantee Fund Trust for Micro And Small Enterprises (CGTMSE)

- 51,11,026 people got employment

MSME Technology Centres

- 6,42,272 people were trained, out of which 91,634 got placement

Assistance to Training Institutions (ATI)

- 2,07,235 people trained, of which 43,761 got wage employment and 21,783 self employed

IT INITIATIVES

MyMSME

- Web based application module to submit and track online applications under various schemes of the Ministry

Udyog Aadhaar
Memorandum

- Mobile friendly application for registration of MSMEs on self-certification basis

MSME
Samadhaan

- Empowers MSMEs to resolve the issues of delayed payments
<https://samadhaan.msme.gov.in>

MSME
Sambandh

- Disseminates information on procurements by CPSEs/Government Departments
<https://sambandh.msme.gov.in>

NEW INITIATIVES

National SC/ST Hub

An initiative targeted towards developing a supporting eco-system for SC/ST entrepreneurs. The Scheme has resulted in registration of 13,211 SC and 2,704 ST enterprises on MSME databank till April, 2018

Zero Defect Zero Effect (ZED)

Scheme envisages promotion of Zero Defect and Zero Effect (ZED) manufacturing amongst MSMEs to promote adaptation of quality tools/ systems and energy efficient manufacturing.



ACCESSIBILITY TO CREDIT

**Prime Minister's
Employment
Generation
Programme (PMEGP)**

- Margin Money Assistance of Rs. 4,735.93 crore provided to 1,93,818 MSME units

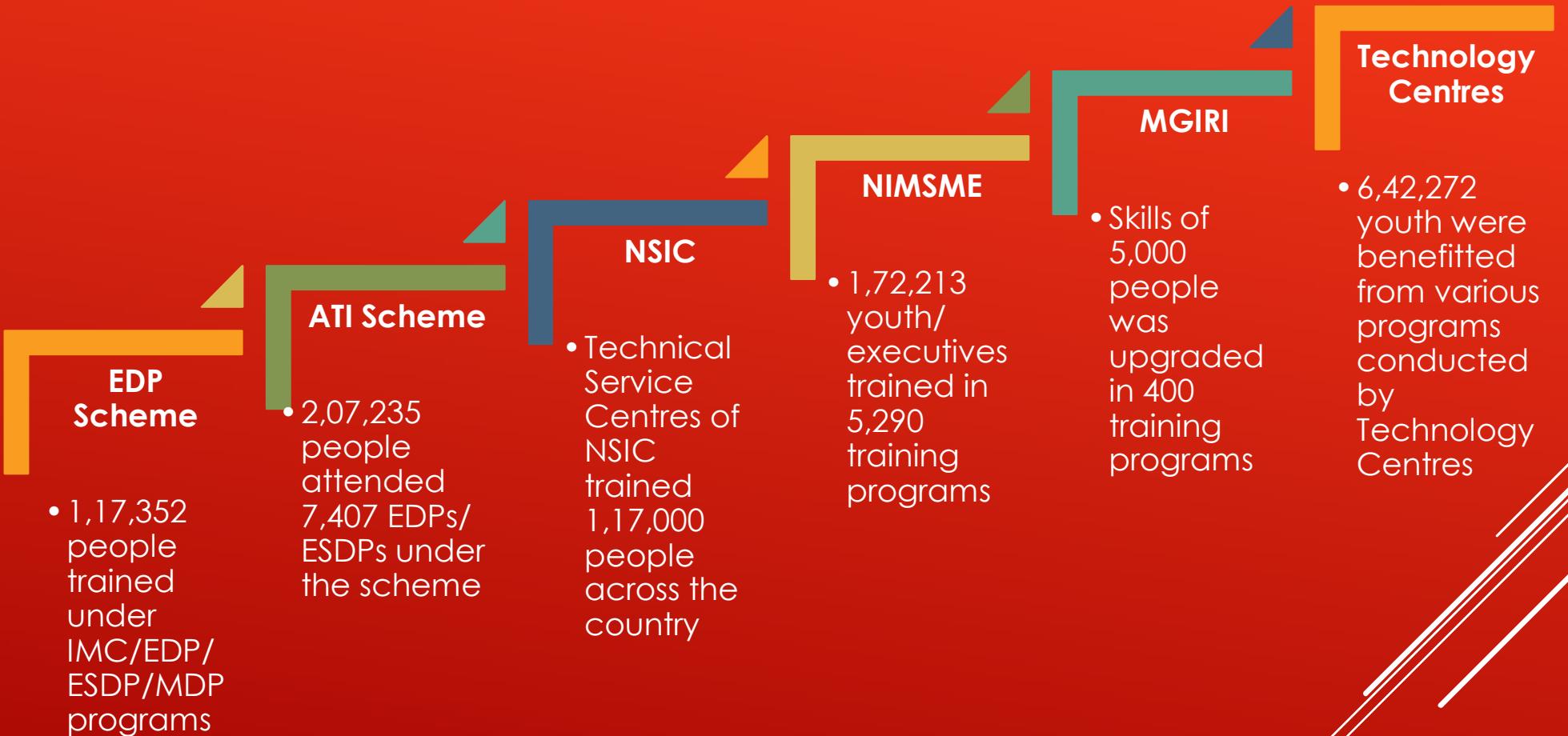
**Credit Linked Capital
Subsidy Scheme
(CLCSS)**

- Subsidy worth Rs. 1169.03 crore disbursed to 20,385 MSEs

**Credit Guarantee
Trust Fund for Micro
and Small Enterprises
(CGTMSE)**

- Credit Guarantee cover of Rs. 80221.59 crore approved for 16,32,722 MSEs

SKILL DEVELOPMENT & TRAINING



PERFORMANCE OF ATTACHED ORGANISATIONS (2014-18)

National Small Industries Corporation

- Corporation has achieved total business of more than Rs. 20,000 crore in last four years
- Net profit before tax is Rs.593crore(cumulative)

Khadi & Village Industries Commission

- Sale of Khadi products increased to Rs. 2,196 crore in 2017-18 from Rs. 1081 crore in 2013-14
- Sale of village industries products increased from Rs. 30,073 crore in 2013-14 to Rs. 57,943 crore (Provisional) in 2017-18

COIR BOARD

- Coir exports increased from Rs. 1,476 crores in 2013-14 to Rs. 2,400 crores (Provisional) in 2017-18
- Coir production increased from 5,42,000 MT to 5,59,400 MT (Provisional) in the last four years

Achievements in Detail

Introduction

1. The primary responsibility of promotion and development of the micro, small and medium enterprises sector lies with the State Governments. However, Government of India recognized the importance and potential of the Micro, Small and Medium Enterprises sector for the growth and development of the national economy and for generation of employment. It also perceived the need for all-India framework for policies and measures for the development and promotion of Micro, Small and Medium Enterprises and has taken keen interest in supplementing the efforts of State Governments in different ways. The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is a result of the same. After the enactment of this Act, a separate Ministry of Micro, Small and Medium Enterprises (MSME) was formed on 9.5.2007 by the merger of erstwhile Ministry of Small Scale Industry (SSI) and Ministry of Agro & Rural Industries (ARI).
2. The sector comprises of 633.88 lakh units as per National Sample Survey 73rd Round (2015-16) and has created 11.10 crore jobs.
3. M/o MSME has taken a number of steps for promoting development of micro, small and medium enterprises. These include availability of credit, schemes for technological up gradation, quality improvement and marketing support. MUDRA, Stand up India, increased coverage of Credit Guarantee Fund for Micro and Small Enterprises and higher credit limits provided by the banks to MSMEs have improved credit support to them.
4. The Ministry of MSME is also tasked with the promotion of Khadi, Coir and Village Industries. Khadi and Village Industries Commission (KVIC) not only serves the basic needs of the processed goods of the vast rural sector of the country but also provides sustainable employment to approximately 152 lakh persons in rural areas. Khadi and Village Industries Sector 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.
5. The coir industry has extended its base from Kerala to various other States including Tamil Nadu, Andhra Pradesh, Karnataka, Goa, Odisha, Maharashtra and Gujarat. This industry provides employment to more than 7.30 lakh persons and has contributed significantly in increasing



exports over the years. Use of coir has witnessed upsurge due to its environment-friendly nature. There is a great potential for value addition in coir products through technological interventions and diversification into products like coir geotextile.

- It was indeed an honour for the Ministry of Micro, Small and Medium Enterprises that Hon'ble Prime Minister Shri Narendra Modi ji inaugurated two Schemes of the Ministry namely, National Scheduled Caste / Scheduled Tribe Hub and Zero Defect Zero Effect (ZeD) Scheme on 18th October, 2016. It was for the first time after the constitution of the Ministry in the year 2007 that Hon'ble Prime Minister blessed the unveiling of the Schemes of the Ministry. The MSMEs also came into focus when the Hon'ble Prime Minister made a special mention about the same in his address to the Nation on 31st December 2016. He announced increased credit facilities for MSMEs and increased corpus for Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). It also happened for the first time that MSMEs were segregated for special focus in the Union Budget presented on 1st February 2017 where the Corporate Tax for the MSMEs having a turn-over of less than ₹ 50 cr. was brought down from 30% to 25%.



Organization Set-up

The Ministry has the following organizations: -

- ❖ Office of Development Commissioner (MSME)
- ❖ Khadi & Village Industries Commission (KVIC)
- ❖ Coir Board
- ❖ The National Small Industries Corporation Ltd. (NSIC)
- ❖ National Institute for Micro, Small and Medium Enterprises (Ni-MSME)
- ❖ Mahatma Gandhi Institute for Rural Industrialization (MGIRI)



Milestones Achieved

1. Udyog Aadhaar Memorandum (UAM):



Based on the Hon'ble Prime Minister's suggestion in his 'Mann Ki Baat', Ministry notified a simple one-page registration form 'Udyog Aadhaar Memorandum' on 18th September 2015 to enable ease of registration of MSMEs. The salient features of the Udyog Aadhaar Memorandum are: Single Page Online Registration, Mobile friendly, Self-Certification, no documents need to be attached and is free of cost.

Since its implementation in September 2015, more than 43.9 lakh MSMEs have registered on UAM portal till 31.03.2018.

2. Revival and Rehabilitation Framework under MSMEs

Ministry of MSME, on 29th May 2015, notified a 'Framework for Revival and Rehabilitation of MSMEs' so as to provide for a simpler and faster mechanism to address the stress in the MSME accounts. RBI issued guidelines to Banks on 17th March 2016, wherein Banks were asked to create a structure by 30th June 2016 for approval of Corrective Action Plan for MSMEs. Banks have received 87,062 proposals, out of which decision regarding corrective action plan has been taken in 95,107 cases (with backlog cases) by the Committee under the framework by September, 2017.

3. Grievance Monitoring

The Ministry attends to the grievances on Centralized Public Grievance Redress and Monitoring System (CPGRAMS) and the number of the pending grievances on CPGRAMS as of 31st March 2018 was 72. Further, the Ministry of MSME has become the first Ministry to have its own MSME Internet Grievance Monitoring System. Till 31.03.2018, 8,400 grievances/suggestions have been recorded on MSME-IGMS of which 8,345 have been disposed off.

4. A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE)

The Ministry has introduced a new scheme named ASPIRE, in March 2015. A total of 100 Livelihood Business Incubators (LBIs) and 20 Technology Business Incubators (TBIs) are envisaged to be set up. Till 31st March 2018, 62 LBIs have been approved of which 33 commenced incubation. Out of 17000 incubatees who have completed incubation, 30% have set up their own enterprises or engaged in productive employment. Further, 8 TBIs have been approved and 55 compelling ideas have been received from these TBIs. The 'Fund of Funds' has been enhanced to ₹ 310 crore. As on 31.3.2018, an amount of ₹ 100 crore has been released to SIDBI for investment in start-ups in agro-based industries.

5. International Cooperation

Government of India enters into long-term Agreements/Memorandum of Understanding (MoUs) with various countries for promoting cooperation in the field of MSMEs in the broad areas of capacity building, industrial surveys and feasibility studies, enterprise to enterprise collaboration, participation in exhibitions and trade fairs, exchanging business missions, technology transfer etc.

The Ministry of MSME has so far entered into 19 long term agreements, Memorandum of Understanding/Joint Action Plan for cooperation in MSME sector with foreign



Achievements 2014-18

countries. During 2014-2018, the Ministry has signed two MoUs at Government to Government level with Sweden (2015) and United Arab Emirates (2017).

During the above period, bilateral meetings were also held in India with the delegations of Canada, Ethiopia, Iran, Jordan, Republic of Korea, Kyrgyzstan, Mauritius, Papua New Guinea, Poland, Romania, Slovak Republic, South Africa, Sudan, San Marino, Sweden and Taiwan. Shri Kalraj Mishra, the then Minister of Micro, Small and Medium Enterprises (MSME), led an official delegation to Dubai, United Arab Emirates (UAE) during 12-13 April, 2016, to attend second "Indian Ocean Rim Association (IORA) Ministerial Economic and Business Conference (EBC-II)". He also led an official delegation to Mauritius during 12-14 May 2017, and held Joint Committee Meeting (JCM) with Mauritius side for implementation of signed MoU on cooperation in MSME sector.

It was the first time that the Ministry of MSME organized an International Workshop to negotiate an MoU concerning cooperation in MSME sector among Indian Ocean Rim Association (IORA) States on 19-20 January, 2017 at New Delhi in which 29 delegates from 17 member countries participated. The event was very successful.



It is also for the first time that the Ministry of MSME has organized an International SME Convention-cum-Expo in association with India SME Forum and other global industry organizations at New Delhi during 22-24 April, 2018 with an objective to provide a global platform for intense business discussion between international entrepreneurs and selected high-performing entrepreneurs from all over India. In this international event, about 150 foreign delegates from 39 countries, and more than 400 domestic entrepreneurs, along with representatives of Central Ministries and State Governments, have participated.

In addition to the above, National Small Industries Corporation (NSIC) has also signed MoUs during 2014 to 2018 with 4 counterpart organizations from Botswana, South Africa, Tanzania and Malaysia for cooperation in MSME sector. NSIC has also established Vocational Training Centres/Rapid Incubation Centres under India Africa Forum Summit (IAFS-I) in seven countries namely: Burundi, Burkina Faso, Egypt, Ethiopia, Rwanda, Gambia and Zimbabwe. Establishment of Vocational Training Centre in Mozambique is in progress.

6. Credit Guarantee Trust Fund for Micro and Small Enterprises (CGT-MSE)

Credit Guarantee Scheme has been set up to strengthen credit delivery system and to enable flow of credit to the sector by facilitating loan to the tune of ₹ 2 crore without collateral or third-party guarantee. Government of India is now fully contributing to the corpus of CGTMSE. Consequent to approval of the proposal of Ministry of MSME on 'Package for supporting Micro and Small Enterprises (MSEs)', Government had approved the augmentation of the corpus of the Trust from ₹ 2,500 crore to ₹ 7,500 crore in December 2016. The increase of the corpus by ₹ 5,000 crore was entirely contributed by Government of India. Non-Banking Finance companies (NBFCs) have also been included under the Credit Guarantee Scheme for disbursing loans being extended to micro and small enterprises.

During 2014-18, contribution ₹ 5165.76 crore was made towards augmentation of the corpus of CGTMSE. During 2017-18, an amount of ₹ 3002.00 crores of contribution has been made to CGTMSE, which is the highest ever contribution in a single year since inception of the Scheme. During 2014-18, 1632722 number of guarantee applications involving guarantee coverage of ₹ 80221.59 crore were approved, against 1134993 guarantee applications involving guarantee coverage of ₹ 60623.80 crore during 2010-14.

7. Technology Centre Systems Programme (TCSP)

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

Achievements 2014-18

The work on 10 Technology Centres at Rohtak, Bhiwadi, Baddi, Bengaluru, Durg, Puducherry, Vishakhapatnam, Sitarganj, Bhopal and Kanpur have already started. The contract for Technology Centres at Ernakulam and Imphal has been signed in the month of March, 2018. Construction work has started for up-gradation of 3 existing TCs - Bhubaneswar, Mumbai and Aurangabad.

For development of North Eastern Region (NER), a special scheme has been framed under which setting up of Technology Centres at Tinsukia (Assam), Dimapur (Nagaland) and Agartala (Tripura) have been approved, and the work is in progress.

8. Partnership with Industry

The Office of Development Commissioner (MSME) has signed an MoU with Samsung Electronics for setting up of 10 MSME Samsung Technology Schools for providing skills to youth regarding repair and maintenance of Samsung Products. In these schools, by the end of 31 March 2018, 2175 persons were trained, of which 1538 persons have been employed. Further, two more MSME Samsung Technical Schools, one each at Jamshedpur and Bengaluru, have been approved and would be functional soon. Apart from Samsung, Ministry has also signed an MOU with SAP India in June 2017 for conducting employment oriented training on SAP B1 at 5 Technology Centres. Till 31st March, 2018, 195 trainees have attended SAP B1 programme.

NSIC has also taken employment-oriented training initiatives in collaboration with private industries like ASEA Brown Boveri (ABB), Adroitec Information Systems Pvt. Ltd, Schneider Electric India and Carl Zeiss India in fields of Robotics, 3D printing for prototype development, electrician and solar training and Coordinate Measuring Machines (CMM)

9. MSME Data Bank

For facilitating promotion and development of MSMEs and enhancing their competitiveness, Ministry of MSME, on 29th July 2016, notified the MSME Development (Furnishing of Information) Rules, 2016, under which all MSMEs have to furnish information about themselves online. This Databank enables the Ministry of MSME to streamline and monitor the schemes and pass on the benefits directly to MSMEs. It also provides real-time information about the status of MSMEs under various parameters. Data Bank is also helpful to MSME units, as they can now update their enterprises' information as and when required without visiting any government office, and also update



information about their products/service, which can be accessed by government departments for procurement under Public Procurement Policy of Government of India. Till date, more than 1.32 lakh units have enrolled on the portal.

10. MyMSME

The Office of Development Commissioner, MSME, has launched a web-based application module, named 'MyMSME', to facilitate enterprises to avail benefits of various schemes being implemented by the Ministry. This has also been converted into a mobile application. Entrepreneurs can apply online and track the application on their mobile. This is in conformity with the desire of the Hon'ble Prime Minister who wants the administration not only to be in digital mode but also mobile friendly.

11. Market Promotion and Development Assistance (MPDA)

Market Development Assistance Scheme has been modified as Market Promotion Development Assistance (MPDA) by amalgamating existing Market Development Assistance on production (Khadi & Poly) Scheme and additional components of Publicity, Marketing and Market promotion (including Export Promotion) and a new component of Infrastructure creation by setting up of Marketing Complexes/Khadi Plaza. Under the Modified MDA (MMDA), financial assistance at 30% of the Prime Cost is distributed amongst Producing Institutions (40%), Selling Institutions (20%) and Artisans (40%). Under this scheme, Establishment of Marketing Complexes/Plazas is envisaged under Market Promotion & Development Assistance for which financial assistance (upto ₹ 10 crore per project) is provided.



12. E-governance / Digitization of the Schemes

To bring in transparency almost all the schemes of the Ministry have been made on-line. Prime Minister's Employment Generation Programme (PMEGP), which has been made on-line from 1st July 2016, has resulted into direct transfer of subsidy into the bank account of the beneficiaries. It also resulted into record utilization of margin money of ₹ 1312.40 crore during the year 2017-18.

Similarly, other Schemes such as SFURTI, ASPIRE and the Schemes of the Office of Development Commissioner (MSME), Khadi and Village Industries Commission and Coir Board have also been brought on-line.

13. Micro and Small Enterprises Facilitation Council (MSEFC)

The Micro, Small and Medium Enterprises Development Act, 2006, empowers State Governments to establish one or more Micro and Small Enterprises Facilitation Councils (MSEFCs) for resolution of delayed payment disputes. All States have set up MSEFCs. Some of the States have set up more than one council. As of now, there are 49 councils across States/Union Territories. MSEFC Rules, which had not been revised for a long time, were revised in consultation with various stakeholders and were circulated to States as an advisory for consideration and adoption in September 2016.

A web portal of MSEFC at national level has been developed which enables the States/UTs to monitor delayed payment cases filed under the provisions of MSMED Act, 2006. Till date, 5087 delayed payment cases have been uploaded onto this portal by States/Union Territories, which are at various stages of resolution.

14. Finance Facilitation Centres for MSMEs

The NSIC has established 'Finance Facilitation Centres (FFCs)' and also an online web-portal www.nsicffconline.in, with facility to operate as a nodal point for aggregating various financing options of MSMEs, speedy disposal of credit proposals thus saving time & cost of MSMEs, to facilitate larger number of MSMEs who are desirous of availing credit and to provide handholding support to MSMEs. The MSMEs are facilitated by NSIC offices in submitting their proposals for credit support to the banks either through online FFC Portal or through offline. NSIC has presently set up eight finance facilitation centres at Jalandhar, Peenya, Guwahati, Ludhiana, Hyderabad, Jaipur, Chennai and Kanpur. The consolidated performance of FFCs up to 31.03.2018 is summarized below:

- 133 proposals valued at ₹ 421.59 crore have been mobilized under FFCs.
- 46 proposals valued at ₹ 210.57 crore are under process with various banks on FFC portal.
- 52 proposals valued ₹ 42.20 crore have been sanctioned by various banks on FFC portal.

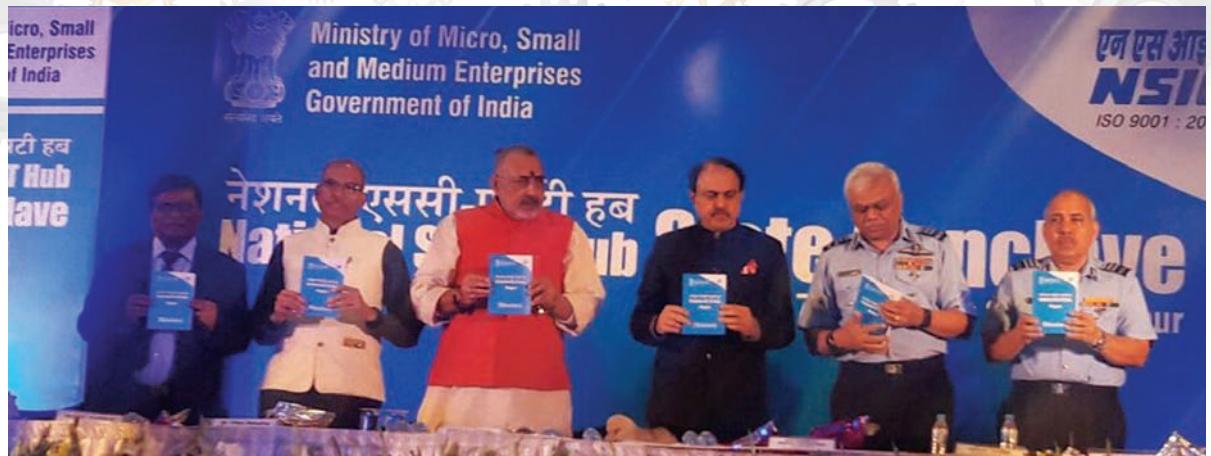
In addition to the existing locations, NSIC proposes to setup Finance Facilitation Centres at Mumbai, Delhi, Ahmedabad and Lucknow.

15. Indian Enterprises Development Service (IEDS)

Government of India, on 21st December 2016, approved the creation of Indian Enterprise Development Service (IEDS) in the Ministry of MSME. This Service has been created by absorbing 11 trades, recruitment to which were being done differently following different Recruitment Rules. IEDS, to start with, will have cadre strength of 617 officers.

16. National Scheduled Caste and Scheduled Tribe Hub

The National Scheduled Caste/Scheduled Tribe Hub is an initiative of Government of India targeted towards developing a supporting ecosystem for SC/ST entrepreneurs and the same was launched by Hon'ble Prime Minister on 18th October, 2016. The Scheme has resulted in registration of 13,211 SC and 2,704 ST enterprises on MSME Databank by 19.04.2018. 98 Vendor Development Programmes have been conducted to support SC/ST entrepreneurs as suppliers to the various Central Public Sector Undertakings (CPSUs).



17. Financial Support to MSMEs in ZED (Zero Defect Zero Effect) Certification Scheme

ZED Scheme was launched by Hon'ble Prime Minister in October, 2016. The scheme envisages promotion of Zero Defect and Zero Effect (ZED) manufacturing amongst MSMEs, and ZED Assessment for their certification with the following objectives:

- To develop an ecosystem for Zero Defect Manufacturing in MSMEs
- To promote adaptation of Quality tools/ systems and energy efficient manufacturing
- To enable MSMEs for manufacturing of quality products
- To encourage MSMEs to constantly upgrade their quality standards in products and processes
- To drive manufacturing with adoption of Zero Defect production processes and without impacting the environment
- To develop professionals in the area of ZED manufacturing and certification

The scheme is an extensive drive to create proper awareness in MSMEs about ZED manufacturing and to motivate them for assessment of their enterprise for ZED and support them. After ZED assessment, MSMEs can reduce wastages substantially, increase productivity, expand their market as IOPs, become vendors to CPSUs, have more IPRs, develop new products and processes etc.

18. MSME Policy

Ministry of MSME has decided to have a comprehensive policy for the MSME sector. Accordingly, a proposal for amendment to the Micro, Small and Medium Enterprises Development Act, 2006 to change the criteria of classification of MSMEs and to withdraw the MSMED (Amendment) Bill, 2015, has been approved by the Union Cabinet.

19. Public Procurement Order

Public Procurement Order has made it mandatory from 1st April 2015 for Central Ministries and Central Public Sector Enterprises (CPSEs) to procure 20% of goods and services from MSEs. 4% out of the 20% are reserved for SC/ST-owned MSEs. Various vendor development initiatives have also been taken up.

Ministry of Defence has brought out Defence Procurement Policy, 2016, under which Government-funded projects with estimated cost of prototype development phase not exceeding ₹ 10 crores, and Industry-funded projects with estimated cost of prototype development phase not exceeding ₹ 3 crores have been earmarked for MSMEs.

MSME Samadhaan (<http://samadhaan.msme.gov.in>)

In order to facilitate implementation of the delayed payments provision of MSMED Act, 2006, and to assist MSMEs in overcoming the issue of delayed payments, the Ministry of MSME has launched a Delayed Payments Portal i.e. "MSME SAMADHAAN" on 30th October, 2017. The portal assists officers of the Ministry of MSME, Central Ministries, State Governments, and CPSEs in monitoring the cases of Delayed Payment. The salient features of the portal are as follows:

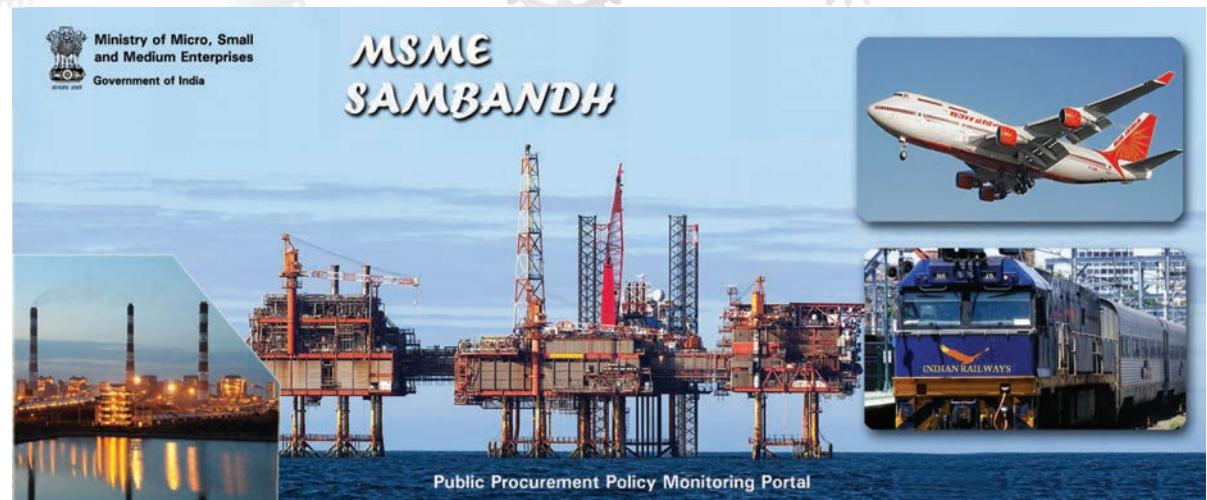
- MSMEs can directly file their delayed payment related grievances on the portal
- The grievances filed will be communicated through email and SMS to the parties involved
- Online notice will be generated to concerned parties
- Councils in States have dashboard for case monitoring with complete workflow implementation

From the date of launch of the portal, MSEs have filed 5243 applications related to delayed payments involving an amount of ₹ 1316.29 Crore. This portal has also helped in getting the delayed payments settled mutually between seller and buyer. 254 mutual settlements have been done amounting to ₹ 31.78 Crore. Applications are getting converted to cases by MSE-Facilitation Councils in States. 800 applications have been converted to cases till now.

MSME Sambandh (<http://sambandh.msme.gov.in>)

In order to increase the participation of MSEs in Government Procurement in a transparent way, the Ministry of MSME has launched the Public Procurement Portal titled “MSME SAMBANDH” on 08.12.2017. The portal will help in monitoring the procurement by CPSEs and to share the list of required products/services with MSEs. The following features are available on the portal:

- Annual Targets for Procurements by CPSEs are made available in public domain on MSME SAMBANDH Portal.
- Monthly Update of Procurement by Ministries, Departments and CPSEs from MSEs, and with special focus on MSEs owned by SC/ST.
- Details of Items purchased by CPSEs are made available on portal.
- MIS and Reports for monitoring by heads of Ministries, Departments and CPSEs.
- Items purchased by CPSEs - Hyperlinks to CPSEs' web page from MSME SAMBANDH Portal.



170 CPSEs have uploaded their annual procurement target till now. These CPSEs have reported an annual procurement target of Rs 1,23,435.46 Crores. 161 CPSEs have reported their actual procurement amounting to ₹ 1,11,466.19 Crore. The share of purchases from all MSEs amounts to ₹ 25,445.79 Crore. The amount of purchases from SC/ST-owned MSEs is reported to be ₹ 537.31 Crore. It is also reported by CPSEs that 83,437 MSEs have contributed to these procurements. 2,159 MSEs are owned by SC/STs in these procurements.

20. Extensive Consultations with stakeholders

During the last four years, Ministry of MSME has had continuous dialogues and deliberations with various stakeholders. To popularize the schemes at State level and to involve the State Governments, three Regional Conclaves were held, one each at Chandigarh (for Northern States), Dimapur (for North-Eastern States) and Ahmedabad (for Western States). These Conclaves have brought extensive improvements in the schemes. Discussions have also been held on different issues including GST with various MSME associations. Extensive discussions were held with these associations and other stakeholders before designing the portal for Micro and Small Enterprises Facilitation Council (MSEFCs).



Other Achievements

1. Prime Minister Employment Generation Program (PMEGP)

The Scheme is implemented by Khadi and Village Industries Commission (KVIC) at the National level and implemented through the State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs), District Industries Centers (DICs) and Banks at the State level. Maximum cost of the project/unit admissible under manufacturing sector is ₹ 25 lakhs and under business/service sector is ₹ 10 lakhs. Government subsidy under this scheme is routed by KVIC through identified banks for distribution to the beneficiaries/entrepreneurs in their respective bank accounts. During the period 2014-18, 1,93,818 units were setup, which provided employment to about 14.75 lakh persons. The total margin money assistance given was ₹ 4,735.93 crores. Instructions have been issued to the concerned agencies for implementation of the concept of one nodal branch of each Public Sector Bank in each State.



Following Initiatives have been undertaken to make further improvements in the Scheme and streamline the implementation:

- a) An online PMEGP-e portal was introduced from 1st July 2016. Entire process is online.
- b) MoU signed with Rural Self Employment Training Institutes (RSETIs) for speedy and effective Entrepreneurship Development Training (EDP); on-line EDP training was also introduced.
- c) An additional component namely, Upgrading the Existing Unit is added, wherein the units already set up under PMEGP and performing very well would be selected for upgradation through 2nd loan.
- d) In order to expand the scope of PMEGP, negative list guidelines have been amended. Under the modified guidelines, the following activities have now also been allowed:
 - Processing of pashmina wool and other products like hand spinning and hand weaving.
 - All rural and urban transport activities.
 - Value added products for tea, coffee, rubber, sericulture, horticulture and floriculture.
 - Serving/selling non-vegetarian food at Hotels/Dhabas will be allowed to units setup under PMEGP. Units dealing with Off Farm/Farm Linked activities in connection with sericulture, horticulture, floriculture etc. will also be allowed under PMEGP.

2. Scheme of Fund for Up-gradation and Regeneration of Traditional Industries (SFURTI)

The scheme aims at organization of traditional industries and artisans into clusters in order to make them competitive and sustainable in the long term. It also helps in enhancing the marketability of the products of the micro and small enterprises clusters with design interventions, improved packaging and infrastructure. The scheme was revamped during 2014 with an outlay of ₹ 149.44 crores for developing 71 clusters (including coir) with coverage of 44,500 artisans in the first phase. During the period 2015-18, 72 Detailed Project Reports of clusters have been approved providing employment to over 60,000 artisans with funding commitment of ₹ 140 crores. As on 31.3.2018, out of 72 clusters, 35 have been completed. Continuation of the scheme with a corpus of ₹ 350 crores sanctioned to set up 100 additional clusters in Khadi, Village Industries and Coir Sectors.



3. Performance & Credit Rating Scheme

NSIC is implementing the scheme on behalf of Ministry of MSME. The scheme aims to create awareness amongst micro and small enterprises about the strengths and weaknesses of their existing operations and to provide them an opportunity to enhance their organizational strengths and credit worthiness. The rating under the scheme serves as a trusted third party opinion on the capabilities and creditworthiness of the small enterprises. An independent rating by an accredited rating agency has good acceptance from the Banks/Financial Institutions, Customers/ Buyers and Vendors. Under this Scheme, 75% rating fee payable by the micro and small enterprises is subsidized subject to maximum of 15,000/-, 30,000/- and 40,000/- depending on turnover of a unit. A sum of ₹ 182.92 crore has been released under the scheme during 2014-18, and 51,348 units have been rated in the same period. The scheme is under review.

4. Marketing Assistance Scheme

The scheme aims to enhance the marketing competitiveness of MSMEs and to provide them a platform for interaction for redressing their problems. MSMEs are supported under the scheme for capturing new market opportunities through organizing/participating in various domestic and international exhibitions/trade fairs at the subsidized rates to exhibit and market their products. A sum of ₹ 53.16 crores was disbursed during 2014-18 and assisted around 22,337 MSMEs to participate in 848 exhibitions (both domestic & international and buyer seller meets) during the same period.

5. Scheme for International Cooperation

The International Cooperation Scheme is being implemented to have long term sustainable cooperation between MSMEs of India and other countries. Under the Scheme, MSMEs Business delegations have been facilitated to participate in International Exhibitions/Trade Fairs held abroad and also to participate in International Conferences/Seminars held in India. An amount of ₹ 16.60 Crore was spent to support 3303 entrepreneurs to participate in 234 events during 2014-18.

6. Assistance to Training Institutions (ATI) Scheme

The objective of the ATI Scheme is to strengthen the capacity for training on Skill Development and Entrepreneurship and strengthening overall capacity of National Institutions under Ministry of MSME to undertake these trainings. The scheme also provides assistance for capacity building - both physical infrastructure and Human Resource (HR) - in National-level Institutions under Ministry of MSME to undertake skill development. During 2014-18, an amount of ₹ 174.55 Crores was spent for organizing 7,407 Entrepreneurship Development Programmes (EDP)/Entrepreneurship Skill Development Programmes (ESDP) benefiting 2,07,235 participants. In addition, financial assistance of ₹ 27.43 Crores was released during 2014-18 for creation/strengthening of infrastructure of training institutions.



7. Coir Sector

The Ministry has been focusing on the development of Coir Sector for the last four years by allocating more funds and streamlining the schemes being implemented through Coir Board. During this time, coir production has increased from 5,42,000 MT to 5,59,400 MT (Provisional). Export of coir and coir products increased from ₹ 1630 crores during 2014-15 to ₹ 2400 crores (Provisional) in 2017-18. Shri C.P. Radhakrishnan, Ex-Member of Parliament, is the Chairman of the Coir Board. The coir industry has also expanded in States other than Kerala, and towns such



as Pollachi in Tamil Nadu have become coir towns. Coir Industry is an agro-based rural industry currently employing over 7.30 lakh workers in major coconut producing states of the country.

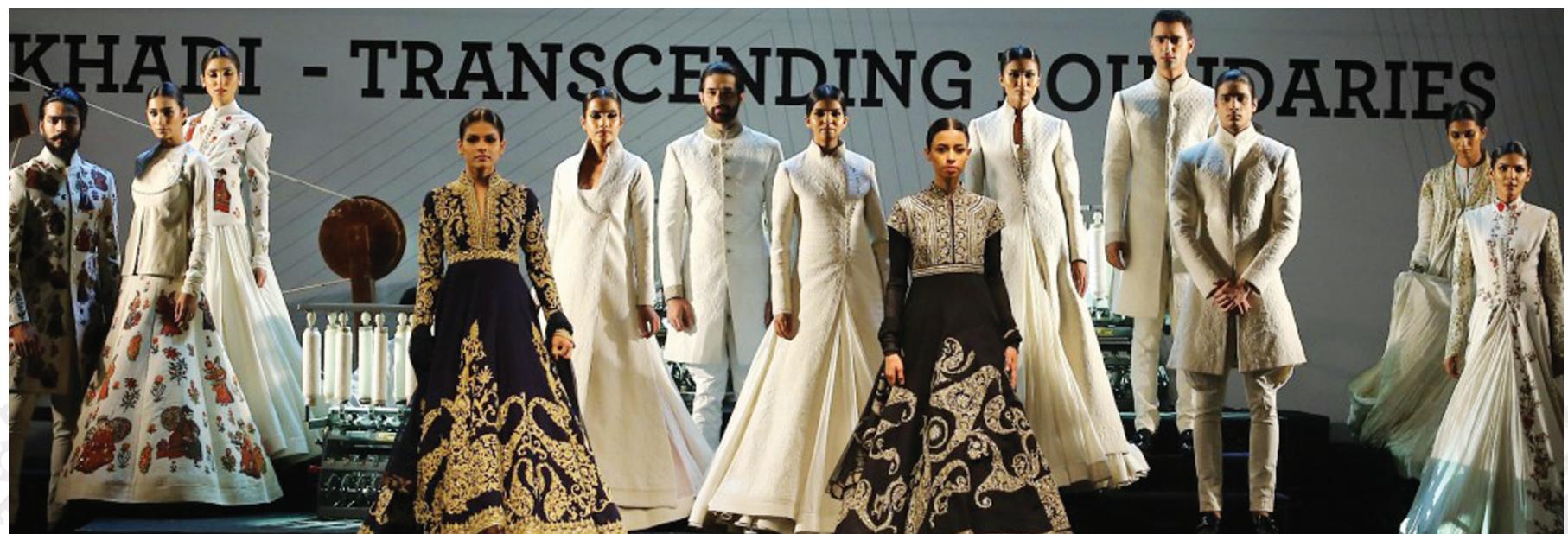
7.1 Skill Upgradation & Mahila Coir Yojana

Under the programme of Skill Upgradation, regular training programmes, EDPs, Workshops, Exposure Tours, Seminars etc. are organised. Women artisans are given training with a stipend of ₹ 3000 per month under the training programme of Mahila Coir Yojana. The trained women are eligible for seeking financial assistance for setting up of coir units with a project cost up to ₹ 25 lakhs under the Prime Minister Employment Generation Programme (PMEGP) w.e.f 1st March 2018.

7.2 Coir Industry Technology Upgradation Scheme (CITUS)

In order to provide financial assistance for setting up units with modern infrastructure facilities, the new scheme has been introduced w.e.f 1st March 2018 replacing the erstwhile Development of Production Infrastructure (DPI). The financial assistance under the scheme shall be 25% of the cost of admissible items of Plant and Machinery procured with an upper ceiling of ₹ 2.50 crores per coir unit/project.

The erstwhile Coir Udyami Yojana (CUY) has been merged with the PMEGP w.e.f 1st March 2018 for widening the reach of the scheme with an enhanced amount of financial assistance.



8. Khadi and Village Industries

Khadi and Village Industries are National Heritage sectors of India. These sectors have helped the country in providing employment to a large number of persons. Shri V. K. Saxena took over as Chairman of KVIC on 27th October 2015. For the last four years, employment in these two sectors has increased by more than 7.41 lakh persons. The total employment in these sectors as on 31.03.2018 stands at 137.79 lakh persons.

The total production in these sectors has increased by around ₹ 22711.83 crores during the last four years, taking the total to ₹ 48820.91 crores (approx.).



9. Interest Subsidy Eligibility Certificate (ISEC) Scheme

The Interest Subsidy Eligibility Certificate (ISEC) Scheme is an important mechanism of funding khadi programme of khadi institutions. It was introduced in May 1977 to mobilize funds from banking institutions for filling the gap between the actual fund requirements and availability of funds from budgetary sources.

Under ISEC Scheme, credit at concessional rate of interest is made available through Banks as per the requirement of Khadi institutions. The institutions are required to pay interest of only 4%, and any interest charged by banks over 4% will be paid by Government of India through KVIC to the banks.

10. Aam Admi Bima Yojana

KVIC, in association with Life Insurance Corporation of India (LIC), implements a group insurance scheme named 'Aam Admi Bima Yojana', earlier known as Khadi Karigar 'Janshree Bima Yojana', which was merged with Aam Admi Bima Yojana w.e.f. 1.1.2013 to provide insurance cover to khadi artisans against normal and accidental death and disability. The existing Aam Admi Bima Yojana has been converged to PMJJBY/ PMJSBY w.e.f. 01.06.2017.

11. Credit Linked Capital Subsidy Scheme (CLCSS)

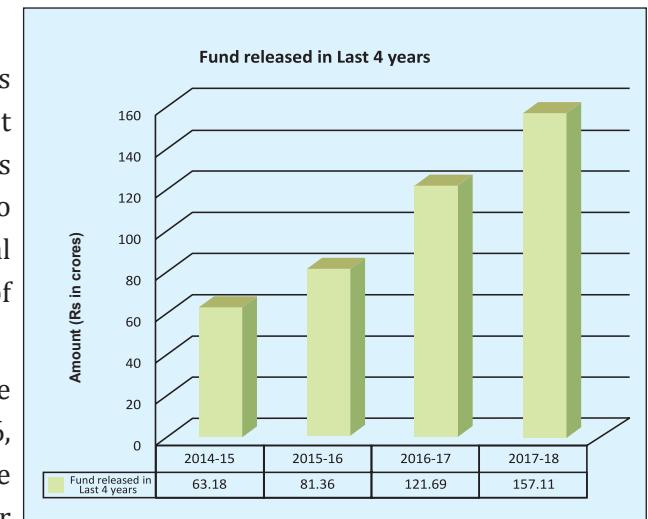
Credit Linked Capital Subsidy Scheme (CLCSS) is implemented to facilitate technology up-gradation of new and existing Micro and Small Enterprises (MSEs) by providing capital subsidy of 15 per cent (Limited to maximum of ₹ 15.00 lakhs) on institutional finance availed by them for induction of well-established and improved technology in the specified 51 sub-sectors/products approved under the scheme. Maximum limit of eligible loan for calculation of subsidy under the Scheme is ₹ 100.00 lakhs. Presently, the scheme is under revision for its continuation beyond 12th five-year plan.

Under the CLCSS scheme, subsidy worth ₹ 1169.03 crores has been disbursed to 20,385 MSEs during the period of 2014-18.

12. Micro and Small Enterprises Cluster Development Program (MSE-CDP)

MSE-CDP Program is being implemented to support the sustainability and growth of MSEs by addressing common issues such as improvement of technology, skills, quality and market access, and to create/upgrade infrastructure facilities in the existing industrial areas/clusters of MSEs. It aims to address the needs of the industry through well-defined clusters to meet the diverse requirement of MSEs in terms of both geographical location and sectoral composition. This will enable achievement of economies of scale in terms of deployment of resources as well as focus on the specific needs of similar industries.

During FY 2014-15, 5 new proposals were approved, 11 earlier approved projects were completed with release of ₹ 63.18 crore of Government of India grant. During FY 2015-16, 14 new proposals were approved, 4 earlier approved projects were completed with release of ₹ 81.36 crore of GoI grant. During FY 2016-17, 9 new proposals were approved, 10 earlier approved projects were completed with release of ₹ 121.69 crore of GoI grant. During FY 2017-18, 21 new proposals were approved, 24 earlier approved project were completed with release of ₹ 157.11 crore of GoI grant.



13. Design Clinic Scheme

The Design Clinic Scheme was implemented under the umbrella of National Manufacturing Competitiveness Programme (NMCP) in order to create sustainable design eco-system and to bring the industrial design fraternity closer to the MSME sector. During 2014-18, 12666 MSMEs benefited with a sum of ₹ 17.21 crores under this scheme. The number of Individual/Group of MSMEs and Students Design Projects benefitted under the scheme was 285.

14. Lean Manufacturing Competitiveness Scheme (LMCS)

LMCS is the most popular intervention under the National Manufacturing Competitiveness Programme (NMCP). It is a business initiative that enhances competitiveness of the manufacturing sector by assimilating a culture of continuous improvement and good management system resulting in increased overall productivity, improved quality of product, process improvement, cost reduction, scientific inventory management, and improved process flows, and reduced engineering time. These goals are accomplished 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, Poke Yoke, Single Minutes Exchange of Dies (SMED), Total Productive Maintenance, Kaizen Blitz, etc.

Details of progress for the four-year period 2014-18 is as indicated below:

S.No	Component/Activities	2014-18
1	Awareness Programme	658
2	National Workshop	8
3	SPVs/DPGs/SGs formed	456
4	Lean Manufacturing Consultant selected in the SPVs for Lean intervention	361
5	Completed Clusters	94
6	Expenditure	₹ 52.38 Crore

15. Intellectual Property Rights (IPR)

A scheme was implemented under the National Manufacturing Competitiveness Programme to enhance the competitiveness of the MSME sector for building awareness on IPRS for the MSMEs. The scheme objective is to create awareness and to protect the ideas and business strategies through effective utilization of IPR tools. During the three-year period between FY 2014-15 and FY 2017-18, 14192 units attended the awareness programme and an expenditure of ₹ 5.52 crores has been incurred under the scheme.

16. Incubation Scheme

The Incubation Scheme has been started by the Ministry to endorse the technological knowledge based innovative ventures and to promote untapped potential of individual innovators. There has been cogent progress in the off-take under the scheme during the period 2014-17. The number of approved Host Institutes/Business Incubators has expanded from 98 (2011-14) to 183 (2014-17). Similarly, the number of ideas approved increased from 319 to 504, and the expenditure under the scheme rose from ₹ 12.02 crores to ₹ 18.12 crores.

17. Skill Mapping/Skill Gap Survey

District Industrial Profiles of 658 districts have been used to compile district-wise Skill Development Needs. The District-wise Skill Development Needs have been assessed taking into account the Industry Clusters situated in the respective Districts. On the basis of Industry Clusters, the type of Skills required to produce products, and subsequently the need of training programs to be conducted for skilling un employed youth have been identified. Twenty nine column-forms for skill mapping on each district on the basis of industry clusters have been developed to cover all possible information including name of the technical institutions (ITIs, Polytechnics, and Engineering Colleges with the facilities).

18. Technology and Quality Up-gradation (TEQUP)

479 units were financially assisted under the scheme for adoption of Energy Efficient Technology during 2014-17 as against only 23 units in the corresponding period earlier.

Note: The TEQUP Scheme has been proposed to be submerged/ merged with CLCSS.



19. Achievements of Eighteen Technology Centres

Technology Centres located in different parts of the country conducted various programmes in technology up-gradation benefitting 6,42,272 youth and 1,41,656 existing MSMEs during 2014-18, as against corresponding figures of 3,55,587 youth and 1,04,089 existing MSMEs during 2010-14. 76 courses of long & medium term duration conducted by Technology Centres have been made NSQF Compliant.

20. National Small Industries Corporation (NSIC)

The National Small Industries Corporation (NSIC), a CPSE of the Ministry, which is engaged in providing integrated support services to MSMEs pertaining to Marketing, Technology, Finance and other Support services. The total business of the Corporation has been more than ₹ 20,000 crores in all four years 2014-15, 2015-16, 2016-17 and 2017-18. The Corporation has earned profit before tax of ₹ 593 crore in last four years (2014-2018) as compared to ₹ 302 crore in preceding four years (2010-11 to 2013-14).

Achievements 2014-18

NSIC facilitates MSMEs in procurement of raw materials at competitive price and as per required quantity. In the last four years, NSIC provided raw material support of more than 42.50 lac metric tons to around 24,000 units. It also provided credit support of around ₹ 25,800 crores to MSMEs during 2014-2018.

In order to build the capacities of MSEs for participation in Government tenders and for contributing in Government Public Procurement processes, NSIC supports MSEs through single point registration for Government purchase. During the last four years, more than 18,500 MSEs became new members under this scheme. MSEs registered with NSIC are eligible to participate in tenders of Government departments / institutions through consortia and tender marketing scheme of the Corporation. NSIC's marketing portal provides e-marketing platform to MSMEs to enhance their business through MSME Global Mart Web Portal (www.msmemart.com). During last four years, 24,400 MSMEs have been facilitated through this portal.



NSIC, through its Technical Service Centres, facilitates skill development by imparting training according to requirements of industries by linking them so as to strengthen ongoing training programmes through up-dated knowledge from the industries. NSIC, through rapid incubation centres, provides hands-on training on working projects along with hand-holding support to the prospective entrepreneurs and start-up companies to establish their enterprise. During last four years, more than 1,17,000 trainees passed out from the seven Technical Service Centres of the Corporation. During the last four years, 87 incubation centres have been opened under PPP mode, besides 6 owned incubation centres opened by NSIC. In addition to this, 7 LBI (Livelihood Business Incubation) Centres have also been opened under ASPIRE Scheme of the Ministry.

21. National Institute for Micro, Small and Medium Enterprises (ni-msme)

Efforts have been made during the last four years to make ni-msme as one of the premier National Institutes of India. The Institute has conducted 5,290 Training Programmes in various states across the country resulting in training of 1,72,213 youth/executives and 26,630 grounded units. ni-msme also organized several 'job melas' in various states, in which 44,449 persons were selected for wage employment. Ni-msme also brought out 40 publications on various topics.

Under ITEC scheme of MEA, ni-msme has organized 49 International Executive Development Programmes and trained 1,026 Executives from 86 countries. In 2017, ni-msme very proudly completed its 50 years of service to International Executives under ITEC. On international business platform, ni-msme has, for the first time, implemented training for trainers in Bhutan, Sri Lanka and Bangladesh.

Consultancy Projects: Under the SFURTI scheme, ni-msme worked as Nodal Agency for 8 Clusters located in various states of the country, provided technical services to six other clusters and currently assessing the potential for another eleven clusters.

Establishment of LBI: Hon'ble Union Minister of MSME had inaugurated the Livelihood Business Incubation (LBI) in the campus on 27th December, 2016 under ASPIRE. The Ministry has financed ₹ 87.47 lakh with respect to nine trades under which 351 potential entrepreneurs were incubated.

Establishment of GST (Goods & Services Tax) Cell: ni-msme has established a separate cell to impart training programs on GST and was empanelled by National Academy of Customs Excise & Narcotics (NACEN) as Accredited Training Partner.

Research Fellowships: Eight research fellowships were granted for pursuing projects of six months' duration.

Digital Initiatives: ni-msme has conducted 21 programmes in Digital Transactions by the end of 31st March, 2017. Under e-learning platform, ni-msme has developed a dedicated portal for different modules targeting mainly women entrepreneurs for their career progress from home. Under this initiative, around 5901 entrepreneurs have enrolled in 17 trades up to 31/03/2017.

Achievements 2014-18

ni-msme has launched two 'Mobile Apps' exclusively for 'MSME Schemes' and 'MSME project profiles'. ni-msme has also developed knowledge portal www.msmeinfo.in for dissemination of information related to MSMEs.

ni-msme has also prepared Video Modules which were released by Secretary, MSME, on 3rd April, 2017 in Udyog Bhavan, New Delhi.

- Business communication basics
- Giving positive feedback
- Managing difficult conversations
- Effective presentation skills

22. Mahatma Gandhi Institute for Rural Industrialization (MGIRI), Wardha

MGIRI was developed by the collaborative efforts of KVIC and Indian Institute of Technology (IIT), Delhi, under the Ministry of MSME. During 2014-18, this institute accelerated its activities in providing science and technology support for rural industrialization. It came up with a number of technologies, a few of which are listed below:

- (i) Waste human hair and cow urine based Amino acids mixture, a plant growth promoter.
- (ii) Panchgavya based various products.
- (iii) Herbal neutraceuticals and Aloe-vera based cosmetics.
- (iv) Flavored Soya milk, calcium rich tophu and Probiotic honey.
- (v) 10 Spindle and 12-spindles Solar Charkha
- (vi) Several low cost and energy efficient prototype machines suitable for SME sector.
- (vii) Lavender oil based soaps, and Floor cleaner (liquid disinfectants) commonly known as white and black phenyl.
- (viii) Potter's wheel, blunger machine and Ponduru tool
- (ix) Soft and stiff finish technology.
- (x) Two dedicated websites were put in place: <http://www.ruralhaat.com> and <http://www.udayamisahayak.com>

MGIRI benefitted more than 5000 persons by organizing more than 400 entrepreneurship development and skill up-gradation training programmes. MGIRI has developed 150 enterprises during the last four years. MGIRI has filed 29 patents on various technologies and published 50 research papers in reputed national and international journals.

23. Direct Benefit Transfer (DBT)

All welfare and subsidy schemes of Govt. of India have been brought under Direct Benefit Transfer (DBT) with the aim of reforming Govt. delivery system to ensure accurate targeting of the beneficiaries for simpler and faster flow of funds. In 2017-18, all the 22 Direct Benefit Transfer Schemes of this Ministry of MSME were on-boarded on DBT Bharat Portal of the Cabinet Secretariat out of which 1 scheme (i.e. TREAD scheme) has subsequently been wound up.

The Ministry made remarkable progress in terms of key performance indicators of this initiative viz. complete Aadhaar seeding of end beneficiaries, electronic fund transfer using PFMS, creation of scheme-specific MIS and their integration with DBT Bharat portal etc. Accordingly, the score of the Ministry in the DBT Mission scorecard has improved significantly to 74 (out of 100) during the FY 2017-18. Out of the 18 Schemes that have completed the MIS integration with DBT Bharat portal, 6 schemes belong to Ministry of MSME.

24. Digital Payment

Promotion of digital payments has been accorded highest priority by Government of India to bring each and every segment of our country under the formal fold of digital payment services. As a partner in the Digidhan Mission, Ministry of MSME has taken numerous initiatives to digitally enable the entire MSME ecosystem. In line with the recommendations of Committee of Secretaries (CoS) on Digital Payments and the guidelines of MeitY, a Committee on Digital Payments has been constituted in the Ministry to oversee the successful implementation of the Mission. Some of the major achievements were:

- All the offices of Ministry including its attached offices have been digitally enabled
- Targets on digital transactions were set for KVIC and Coir Board outlets
- Promotional material on ease and benefits of transacting through various digital payment modes were communicated through e-mails to all the MSMEs registered under Udyog Aadhaar Memorandum (UAM)
- For the attached offices of the Ministry (KVIC, Coir Board, NSIC, MGIRI, NIMSME) 93% of the bulk transactions were made digitally during the current FY (up to February' 18).
- Regular periodic reporting was made on the performance of the Ministry in terms of digital transactions and the actions taken thereof.

