



Annual Report *2012-13*

MSME

MICRO, SMALL & MEDIUM ENTERPRISES

सूक्ष्म, लघु एवं मध्यम उद्यम

Government of India
Ministry of Micro, Small and Medium Enterprises





Annual Report 2012-13

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Ministry of Micro, Small and Medium Enterprises
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Abbreviations Used

Abbreviation	Full Form
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 Programmeme
ESDP	Entrepreneurship-cum-Skill Development Programmeme
FFDC	Fragrance and Flavour Development Centre
FTS	Field Testing Station

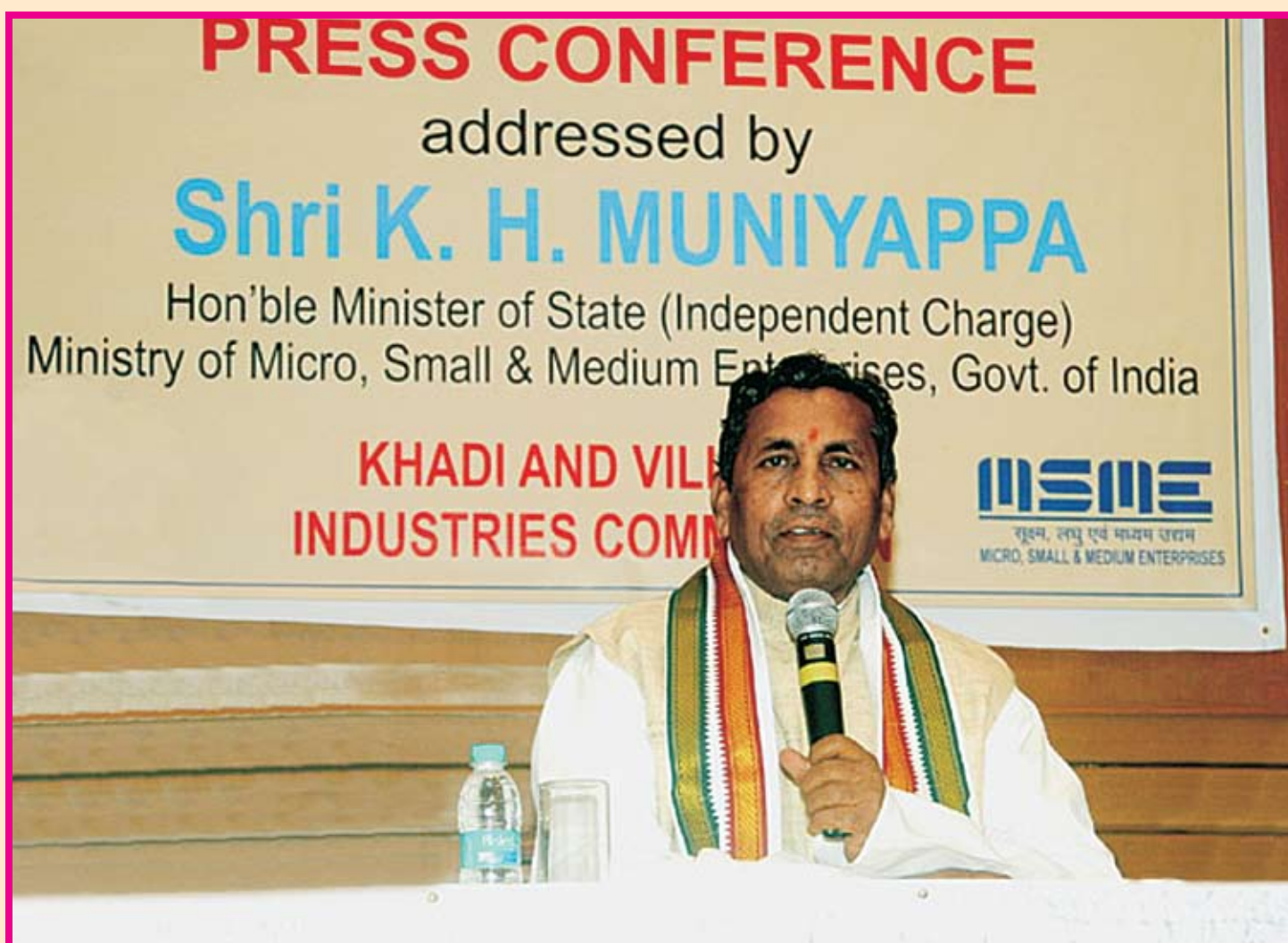
Abbreviation	Full Form
Gol	Government of India
ICT	Information and Communication Technology
IIE	Indian Institute of Entrepreneurship
IPFC	Intellectual Property Facilitation Centre
IPR	Intellectual Property Rights
KVI	Khadi and Village Industries
KVIC	Khadi and Village Industries Commission
MGIRI	Mahatma 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 Programmeme
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 Centres

Abbreviation	Full Form
MSME-TDC	Micro, Small and Medium Enterprises Technology Development Centres
MSME-TS	Micro, Small and Medium Enterprises Testing Stations
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	National Institute for Entrepreneurship and Small Business Development
NIMSME	National Institute for Micro, Small and Medium Enterprises
NMCP	National Manufacturing Competitiveness Programmeme
NSIC	National Small Industries Corporation Limited
NTSC	NSIC Technical Service Centre
O/o DC MSME	Office of Development Commissioner, Ministry of MSME
PMEGP	Prime Minister's Employment Generation Programmeme
QMS	Quality Management System

Abbreviation	Full Form
QTT	Quality Technology Tools
R&D	Research & Development
REGP	Rural Employment Generation Programmeme
REMOT	Rejuvenation, Modernisation and Technology Upgradation of the Coir Industry
RGUMY	Rajiv Gandhi Udyami Mitra Yojana
RTI	Right to Information
SDP	Skill Development Programmeme
SFURTI	Scheme of Fund for Regeneration of Traditional Industries
SME	Small & Medium Enterprises
SSI	Small Scale Industries
TDC	Technology Development Centres

1

INTRODUCTION



Minister of State (Independent Charge) for Micro, Small & Medium Enterprises, Shri K.H. Muniyappa addressing a press conference in Mumbai on October 31, 2012.

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. It 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, Orissa, West Bengal, Maharashtra, Assam, Tripura, etc. It is an export oriented industry and having 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) envision 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, 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 help 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 the 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) Division and Agro & Rural Industry (ARI) Division. The SME Division is allocated the work, inter-alia, of administration, vigilance and administrative supervision of the National Small Industries Corporation (NSIC) Ltd., a public sector enterprise and the three autonomous national level entrepreneurship development/training organisations. The Division is also responsible for implementation of the schemes relating to Performance and Credit Rating and Assistance to Training Institution, among others. SME Division 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 Division looks after the administration of two statutory bodies viz. the Khadi and Village Industries Commission (KVIC), Coir Board and a newly created organisation called Mahatma Gandhi Institute for Rural Industrialisation (MGIRI). It also supervises the implementation of the Prime Minister's Employment Generation Programmeme (PMEGP).

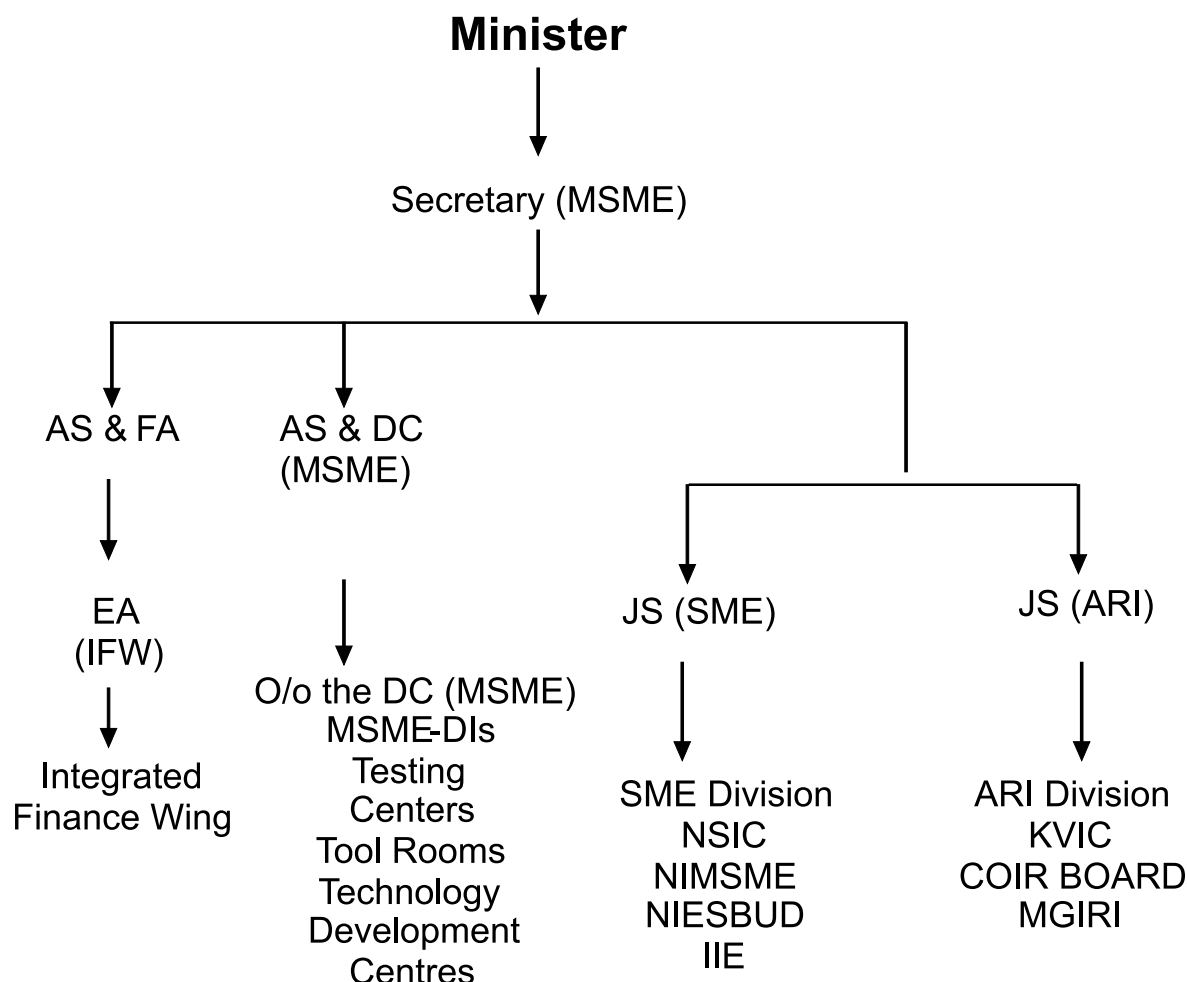
1.2.2 The Implementation of policies and various programmemes/ schemes for providing infrastructure and support services to MSME's is undertaken through its attached office, namely the Office of the Development Commissioner [(O/o DC (MSME)], National Small Industries Corporation (NSIC), Khadi and Village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

existing policies and programmes and make recommendations to the Government in formulating the policies and programmes for the growth of MSME.

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

Organisational Structure of the Ministry



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

1.3 DEVELOPMENT COMMISSIONER (MICRO, SMALL AND MEDIUM ENTERPRISES)

1.3.1 The Micro, Small and Medium Enterprises – Development Organisation (MSME-DO) [earlier known as SIDO], is headed by the Additional Secretary & Development Commissioner (MSME), being an apex body for formulating and overseeing the implementation of the policies for the development of MSME in the country, is playing a very positive and constructive role for strengthening this vital sector. It functions through a network of MSME-DI's, 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 MSME.
- 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 MSME's.
- Evolving and coordinating Policies and Programmes for development of MSME as ancillaries to large and medium scale industries.

Over the years MSME-DI's 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 number of Schemes for the MSE's sector 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 LTD (NSIC)

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 MSME 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. Details of activities of the Corporation may be found 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; National Institute for Micro, Small and Medium Enterprises (NI-MSME) (1960) at Hyderabad, the National Institute for Entrepreneurship and Small Business Development (NIESBUD) (1983) at Noida (Uttar Pradesh) 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, function and activities of the NIMSME, NIESBUD 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 MSME's involves several Departments/ Ministries and several 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 consisting of 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.



Shri Madhav Lal, Secretary (MSME) address the gathering at a National Seminar

2

[A] GROWTH AND PERFORMANCE OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES)



Minister of State (Independent Charge) for Micro, Small & Medium Enterprises, Shri K.H. Muniyappa inaugurating the Techmart-2012 in the presence of (on his right) the then Secretary (MSME) Shri Vivek Rae and Shri H.P. Kumar, CMD, NSIC at the India International Trade Fair, Pragati Maidan, in New Delhi on November 14, 2012

CHAPTER - II

(A) GROWTH AND PERFORMANCE OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES) AND (B) 4TH CENSUS OF MSME

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 Industries 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 was broadened significantly under the MSMED Act, 2006, which recognized the concept of “enterprise” and to include both manufacturing and services sector, 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 cold storage) 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 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., KVIC/ 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 Industry having investment in plant and machinery upto Rs 10 crore were considered to belong to registered sector.
- (ii) Unregistered Sector: All enterprises engaged in the activities of manufacturing or in providing/rendering of services, not registered permanently or not filed EM with State Directorates of Industries/District Industries Centers on or before 31-3-2007 are called unregistered enterprises. 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 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 enterprises for the purpose of this survey. Enterprises found forming part of registered sector as defined above were excluded from the coverage of unregistered sector.

- (iii) Small Scale Industrial Unit: 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 Rs. 100 lakhs as on 31-03-2001 is to 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 Industries Development and Regulation Act, 1951 & other enterprises engaged in production and rendering services, subject to limiting factor of investment in plant and machinery and equipment 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 Micro, Small & Medium Enterprises (MSME), the sector contributes significantly to the number of enterprises, employment and output of the country. Based on the data sets of Third and Fourth All India Census of SSI/MSME, augmented with data sets of EC, 2005 and growth rate observed during Fourth (1998) and Fifth (2005) Economic Census, the performance of SSI/MSME Sector is summarized as below: It may be noted that for both the Third and Fourth All India Census of SSI/MSME, unregistered sector was assessed by conduct of sample survey of the sector.

TABLE 2.1: PERFORMANCE OF SSI / MSME UNITS, EMPLOYMENT, INVESTMENTS AND GROSS OUTPUT

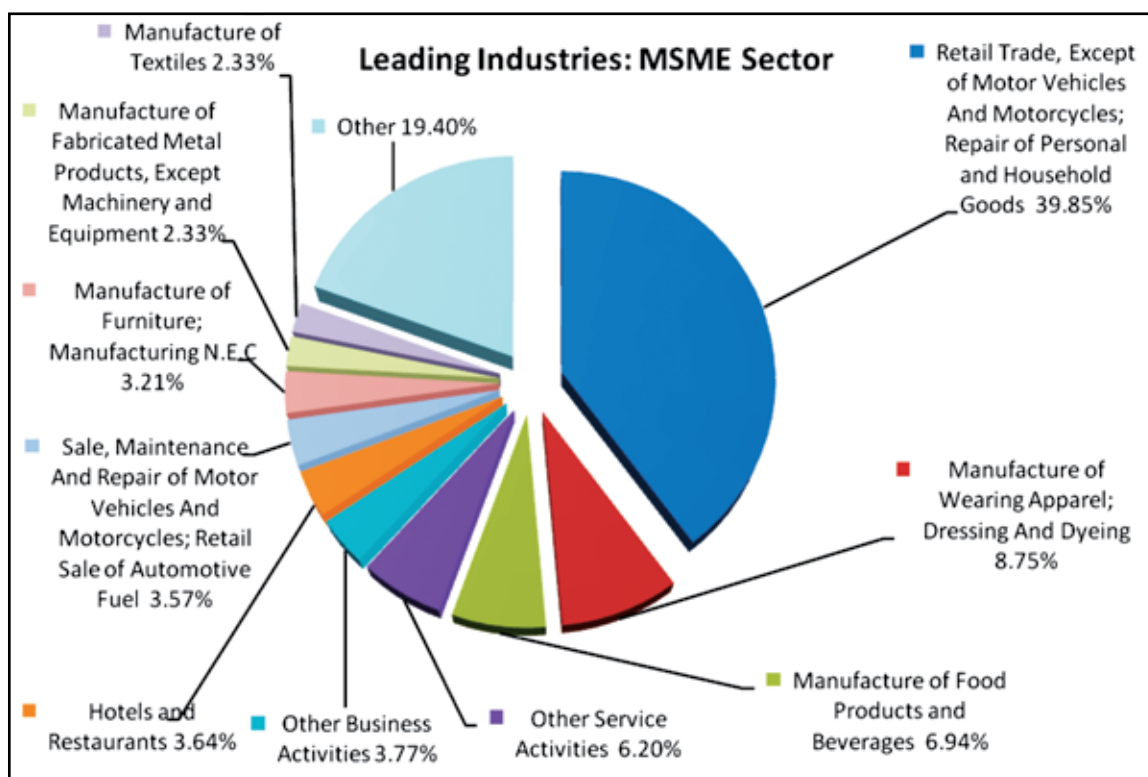
Sl. No.	Year	Total Working Enterprise (In Lakh)	Employment (In Lakh)	Market Value of Fixed Assets (In Crore)	Gross Output (In Crore)
I	II	III	IV	V	VI
1	2001-02	105.21	249.33	154349.00	282270.00

Sl. No.	Year	Total Working Enterprise (In Lakh)	Employment (In Lakh)	Market Value of Fixed Assets (In Crore)	Gross Output (In Crore)
2	2002-03	109.49	260.21	162317.00	314850.00
3	2003-04	113.95	271.42	170219.00	364547.00
4	2004-05	118.59	282.57	178699.00	429796.00
5	2005-06	123.42	294.91	188113.00	497842.00
6	2006-07	361.76†	805.23†	868543.79*	1351383.45*
7	2007-08#	377.37	842.23	917437.46	1435179.26
8	2008-09#	393.70	881.14	971407.49	1524234.83
9	2009-10#	410.82	922.19	1029331.46	1619355.53
10	2010-11#	428.77	965.69	1094893.42	1721553.42
11	2011-12#	447.73	1012.59	1176939.36	1834332.05

† 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, M/o SPI.

* 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

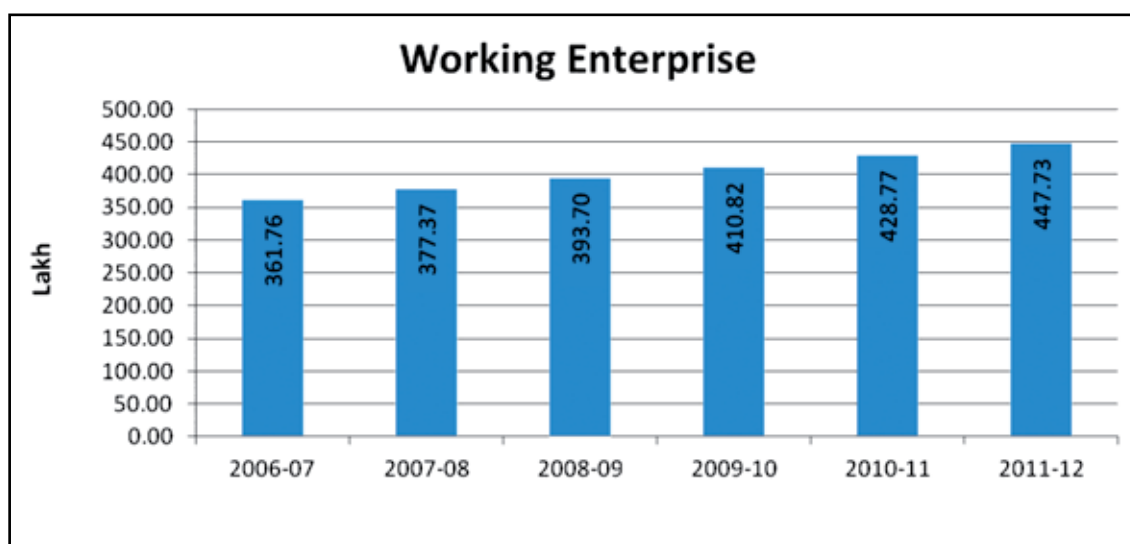
2.1.4 There are over 6000 products ranging from traditional to high-tech items, which are being manufactured by the MSME sector in addition to provide wide range of services. The leading industries with their respective shares are as depicted below:



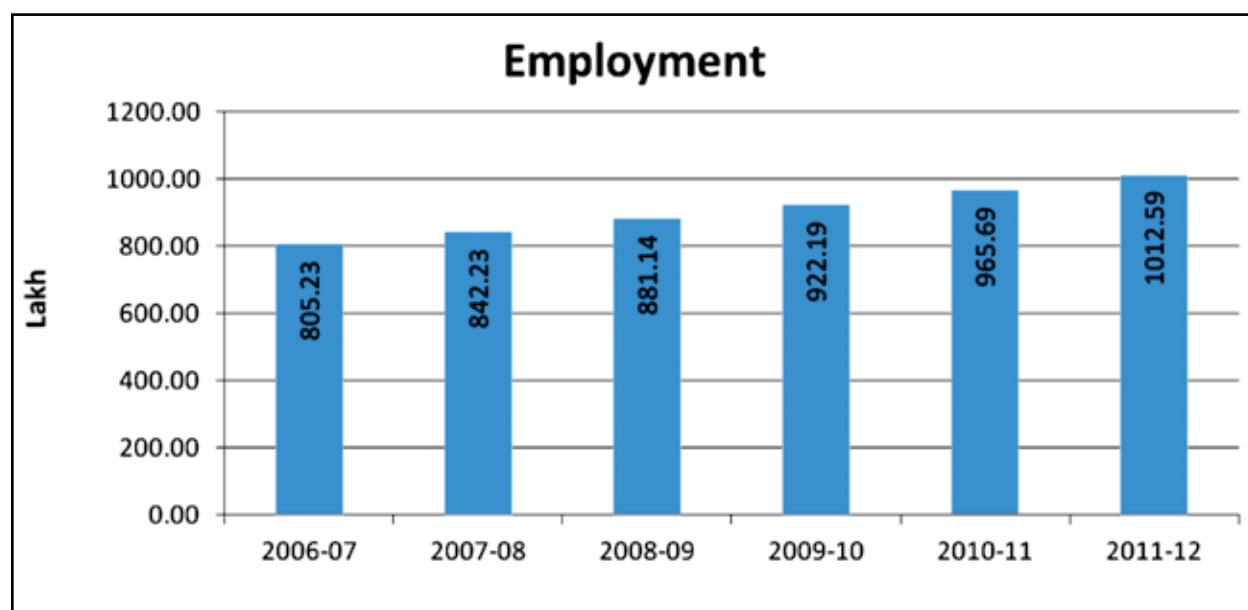
It is well known that the MSME provide the maximum opportunities for both self-employment and jobs after agriculture sector.

2.2 CHARTS SHOWING STATISTICS OF THE SECTOR

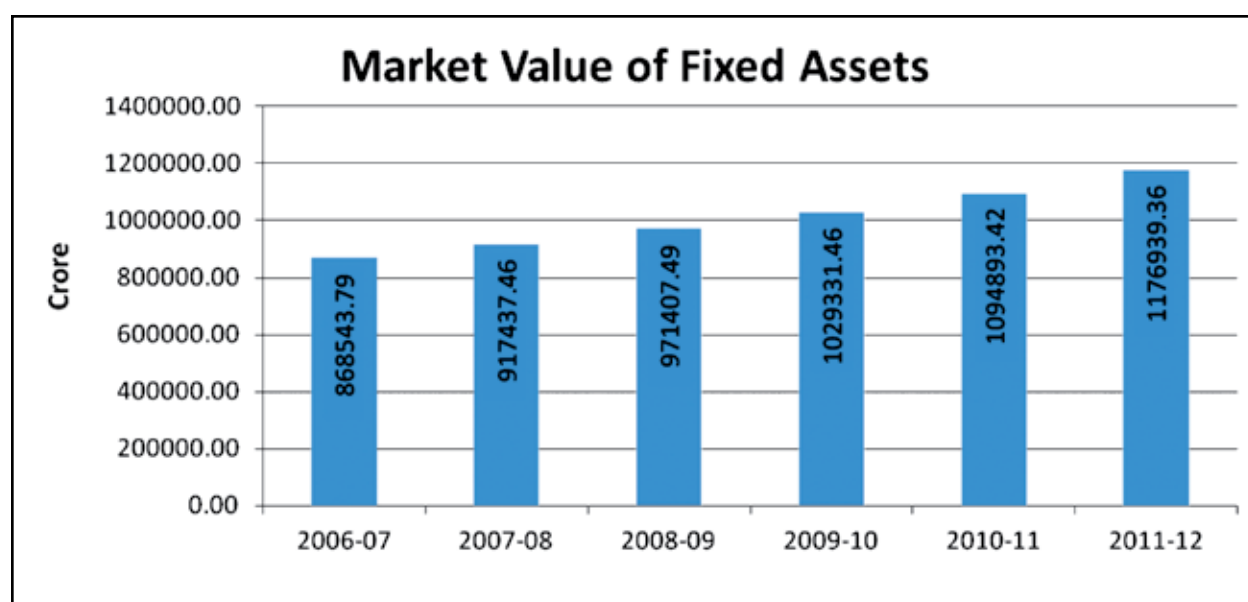
A) Number of Enterprises in MSME Sector



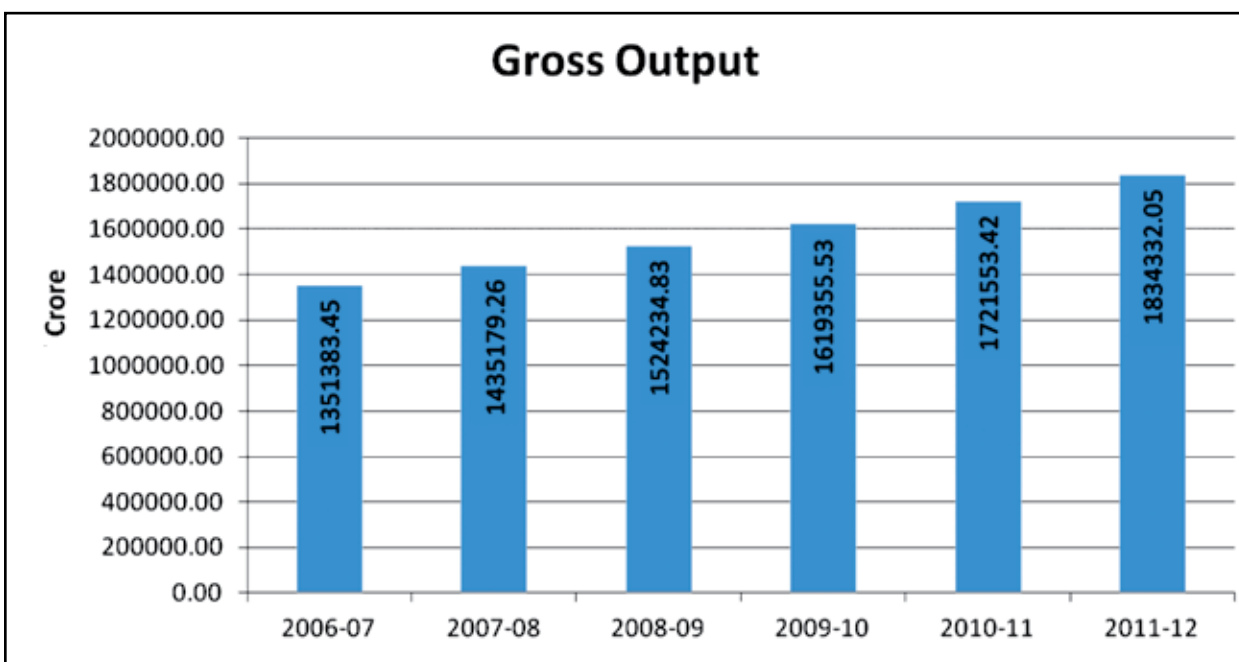
Projected data for the years 2007-08 to 2011-12.

B) EMPLOYMENT IN MSME SECTOR

Projected data for the years 2007-08 to 2011-12.

C) FIXED INVESTMENT IN MSME SECTOR

Projected data for the years 2007-08 to 2011-12.

D) GROSS OUTPUT IN MSME SECTOR

Projected data for the years 2007-08 to 2011-12.

2.3 FOURTH ALL INDIA CENSUS OF MSME

2.3.1 The latest Census conducted by O/o DC (MSME) is Fourth All India Census with reference period 2006-07 and was completed during 2011-12.

2.3.2 OBJECTIVES OF THE FOURTH ALL INDIA CENSUS:

a) 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 KVI units and Coir sector units.
- d) to estimate the size of the unregistered MSME sector, including KVI and Coir Industries through sample survey using EC, 2005 frame of CSO, M/o SPI.

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. Administration 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 Rs. one crore may be culled out. Further, 0.73 lakh KVIC/ Khadi and Village Industries Board (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 12783 sample villages were selected for survey. In urban area, out of 5170 towns, in selected villages 15 enterprises were surveyed out of the available enterprises. In case of selected towns, a minimum of 20 enterprises were surveyed. 568 towns were selected for survey.

2.3.4 RESULTS:

(i) Estimates of MSME Sector:

Total number of enterprises in MSME Sector was estimated to be 361.76 lakh with total employment of 805.24 lakh. Summary results are as given below.

Statement 2.1 Summery Results: Fourth All India Census of MSME.

Sl.No.	Characteristics	Registered Sector	Unregistered Sector	EC-2005*	Total
(1)	(2)	(3)	(4)	(5)	(6)
1	Size of Sector (lakh)	15.64	198.74	147.38	361.76
2	No. of rural units (lakh)	7.07(45.20%)	119.68(60.22%)	73.43(49.82%)	200.18(55.34%)
3	No. of Women Enterprises (lakh)	2.15(13.72%)	18.06(9.09%)	6.4(4.34%)	26.61(7.36%)
4	Total Employment (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 (Rs in lakh)	10502461	9463960	-	19966421
7	Per unit original value of Plant & Machinery (Rs in lakh)	6.72	0.48	-	-
8	Total fixed investment (Rs in lakh)	44913840	24081646	-	68995486
9	Per Unit fixed investment (Rs in lakh)	28.72	1.21	-	-
10	Total Gross Output (Rs in lakh)	70751027	36970259	-	107721286

*Economic Census 2005

- The estimated numbers of enterprises and employment, as per Fourth All India Census of MSME, have increased at an annual compound growth rate of 28.02% and 26.42% respectively as compared to third All India Census of SSI, during the period 2001-02 to 2006-07.
- 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 Industry Classification 2004 -2 digit) 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 Industry Classification 2004 -2 digit) 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 and 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).

2.3.5 STATE- WISE DETAILS ARE AS GIVEN IN STATEMENT BELOW:

Statement: 2.2 State- wise distribution of Estimated Number of Enterprises and Employment of MSME Sector

Sl. No.	State/UT	Number of Enterprises (lakh)				Employment(lakh)			
		Registered Sector	Unregistered Sector		Total	Registered Sector	Unregistered Sector		Total
			Sample	EC 2005*			Sample	EC 2005*	
1	Jammu and 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

Sl. No.	State/UT	Number of Enterprises (lakh)				Employment(lakh)			
		Registered Sector	Unregistered Sector		Total	Registered Sector	Unregistered Sector		Total
			Sample	EC 2005*			Sample	EC 2005*	
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	Dadar and 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 and Nicobar Islands	0.01	0.07	0.07	0.14	0.06	0.18	0.15	0.38
All India		15.64	198.74	147.38	361.76	93.09	408.84	303.31	805.24

**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 & Programme Implementation.*

STATEMENT 2.3: STATE- WISE DISTRIBUTION OF PRINCIPAL CHARACTERISTICS OF MSME SECTOR*

Sl. No.	State/UT	Enterprises (lakh)	Employment (lakh)	Market Value of Fixed Assets (Rs. Crore)	Gross Output (Rs. Crore)
1	Jammu and Kashmir	1.33	3.07	8475.28	16035.39
2	Himachal Pradesh	1.72	2.92	5599.25	17247.20
3	Punjab	10.14	18.31	37126.69	81625.05
4	Chandigarh	0.29	0.70	607.05	1888.55
5	Uttarakhand	2.23	4.42	6014.98	16187.64
6	Haryana	5.20	12.23	25998.80	53198.68
7	Delhi	1.78	6.52	10164.54	29672.34
8	Rajasthan	9.68	18.42	25452.90	50004.43
9	Uttar Pradesh	24.21	59.30	56161.03	111089.69
10	Bihar	7.98	17.45	8405.45	16709.30
11	Sikkim	0.07	0.57	72.16	189.76
12	Arunachal Pradesh	0.25	0.88	937.48	1101.73
13	Nagaland	0.18	1.17	1273.67	2845.03
14	Manipur	0.49	1.58	646.03	1094.70
15	Mizoram	0.13	0.56	403.14	677.21
16	Tripura	0.28	0.76	661.73	1177.84
17	Meghalaya	0.50	1.17	468.55	1150.80
18	Assam	2.34	6.58	6941.15	13403.27
19	West Bengal	21.23	58.53	39433.22	78880.05
20	Jharkhand	4.43	8.99	5020.72	10040.29
21	Odisha	9.97	23.67	12284.89	29075.42
22	Chhattisgarh	3.01	5.43	3303.41	8437.34
23	Madhya Pradesh	12.57	20.30	10530.40	34388.44
24	Gujarat	15.32	34.42	166753.68	55306.91
25	Daman & Diu	0.02	0.28	1881.53	7735.73

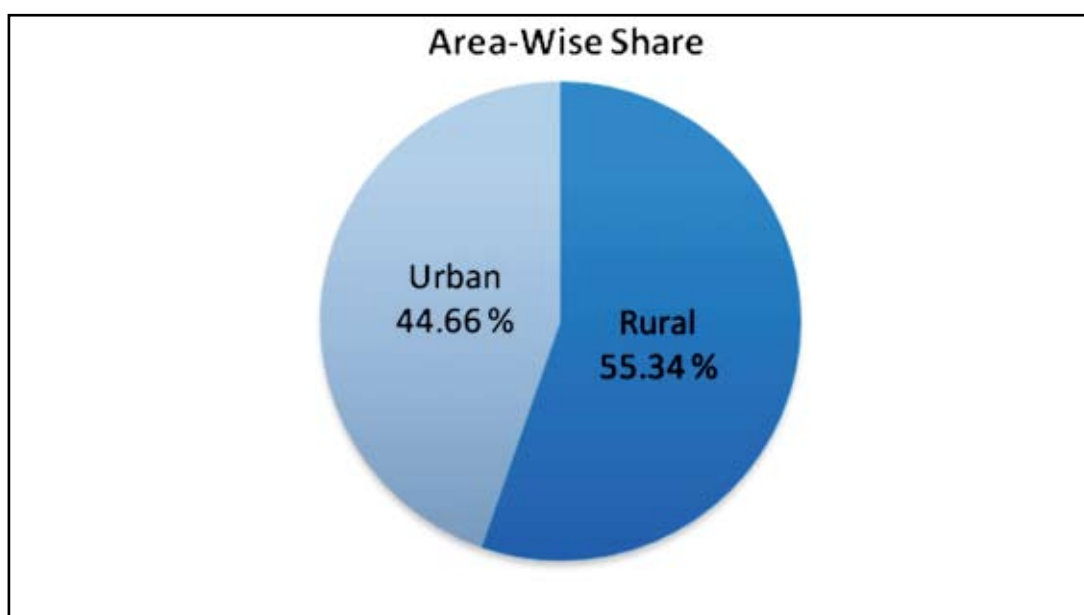
26	Dadar and Nagar Haveli	0.06	0.34	229.58	2177.43
27	Maharashtra	15.32	35.61	67941.24	126864.55
28	Andhra Pradesh	15.36	38.98	32757.63	58404.82
29	Karnataka	12.49	30.48	27161.11	56317.61
30	Goa	0.59	1.20	3820.19	8147.46
31	Lakshadweep	0.01	0.05	17.30	20.01
32	Kerala	14.44	33.20	44353.53	74821.73
33	Tamil Nadu	20.55	53.16	77824.34	105270.21
34	Puducherry	0.14	0.46	1135.29	5771.99
35	Andaman and Nicobar Islands	0.07	0.23	96.95	254.24
All India		214.38	501.93	689954.86	1077212.86

** 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

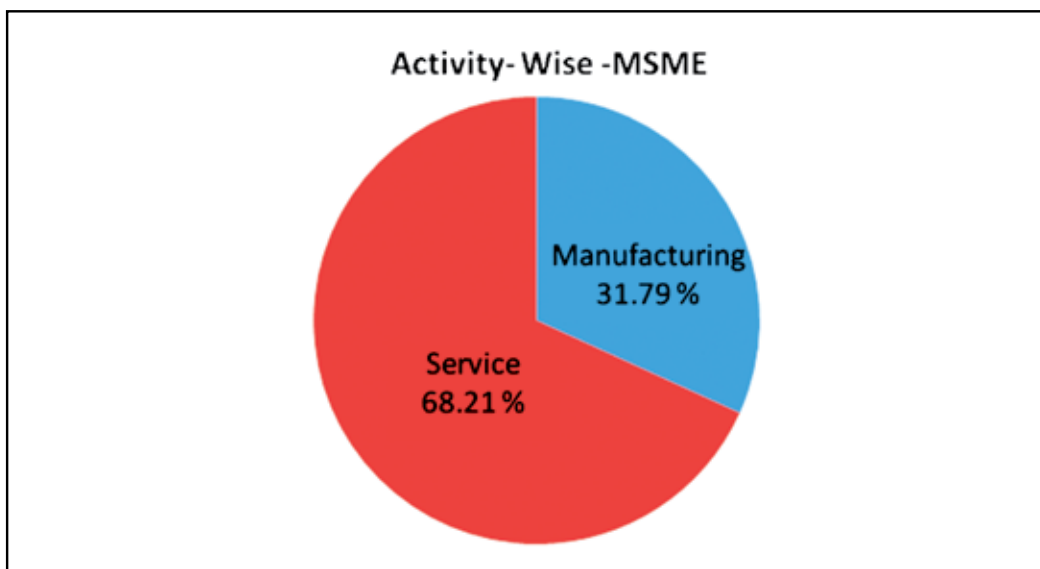
total working enterprises in MSME sector whereas urban area located 161.57 lakh working enterprises (i.e. 44.66% of the working enterprises in MSME sector).



- **Nature of activity**

31.79% of the enterprises in the MSME sector were engaged in manufacturing,

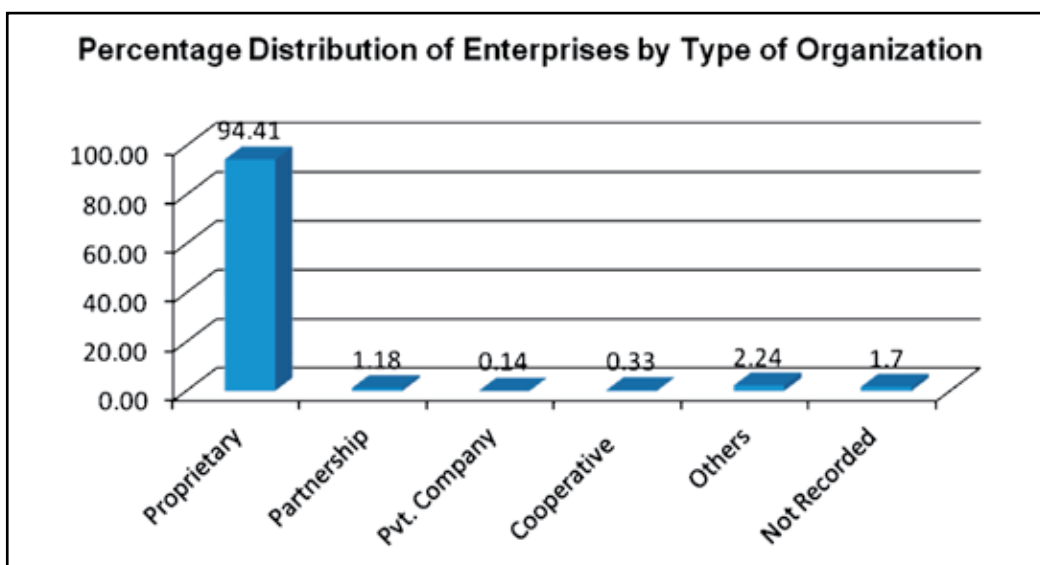
whereas 68.21% of the enterprises were engaged in the services.



- **Type of organisation**

Results shows that 94.41% of the enterprises in the MSME sector was proprietary enterprises. About 1.18% of

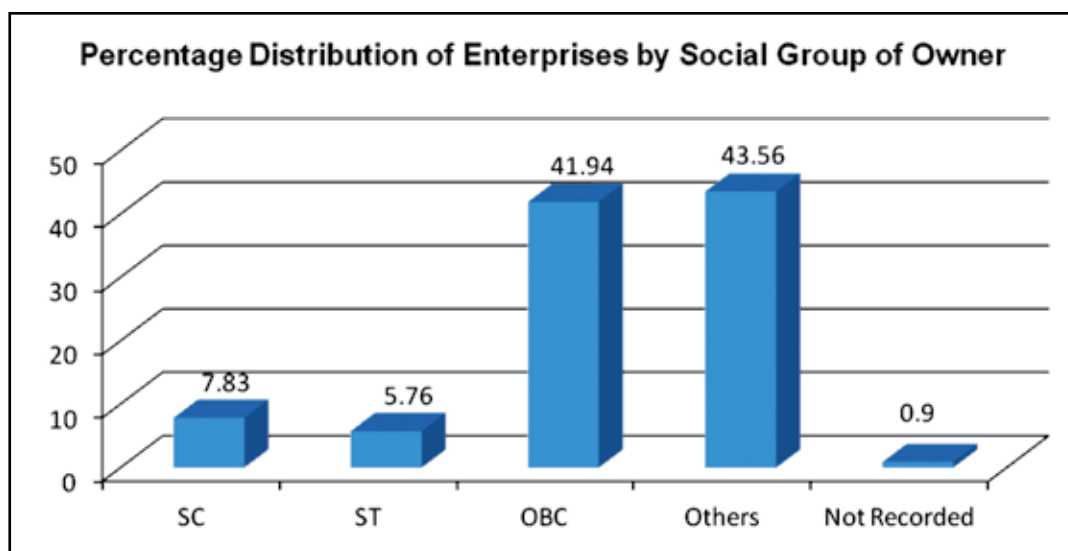
the enterprises were run by partnerships and 0.14% of the enterprises were run by private companies. The rest were owned by co-operatives/ trusts or others



- 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.

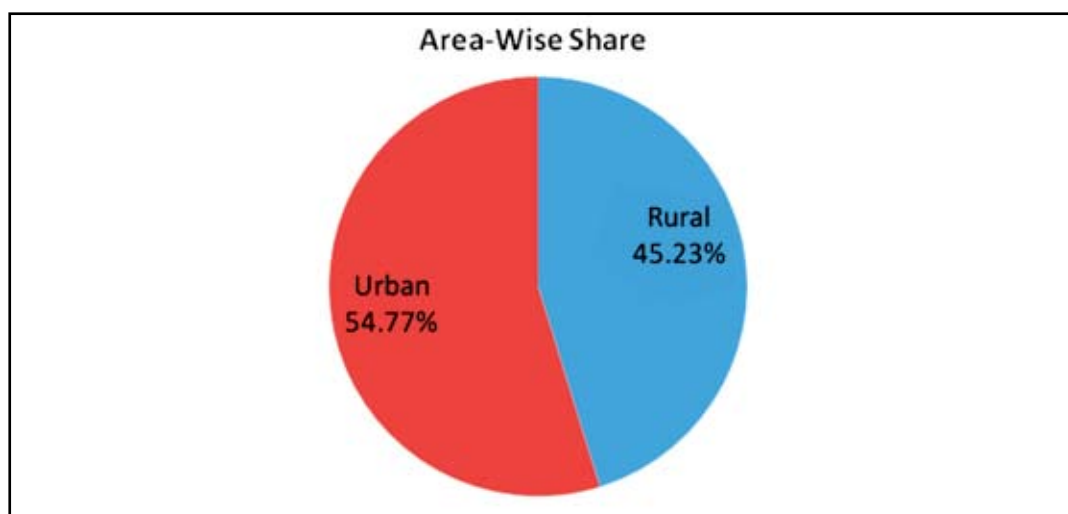


(ii) Estimates of Registered Sector:

- Distribution of Working Enterprises by Area**

Urban area with 8.57 lakh of working

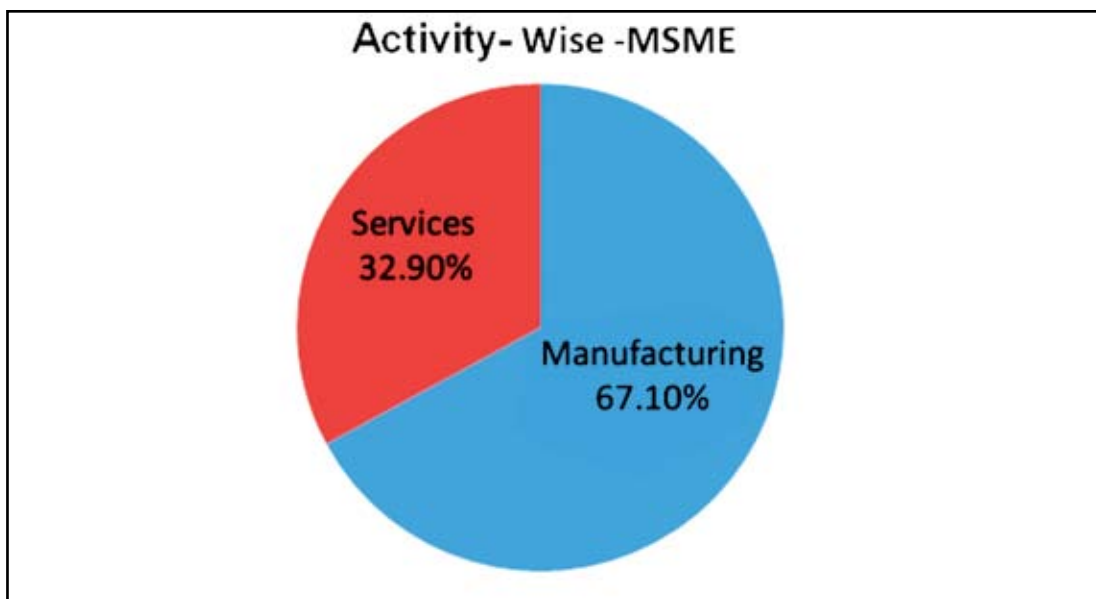
enterprises accounted for 54.77% of the total working enterprises in Registered MSME sector whereas rural area located 7.07 lakh working enterprises (45.23% of the working enterprises).



- Nature of activity**

67.10% of the enterprises in the Registered MSME sector were engaged

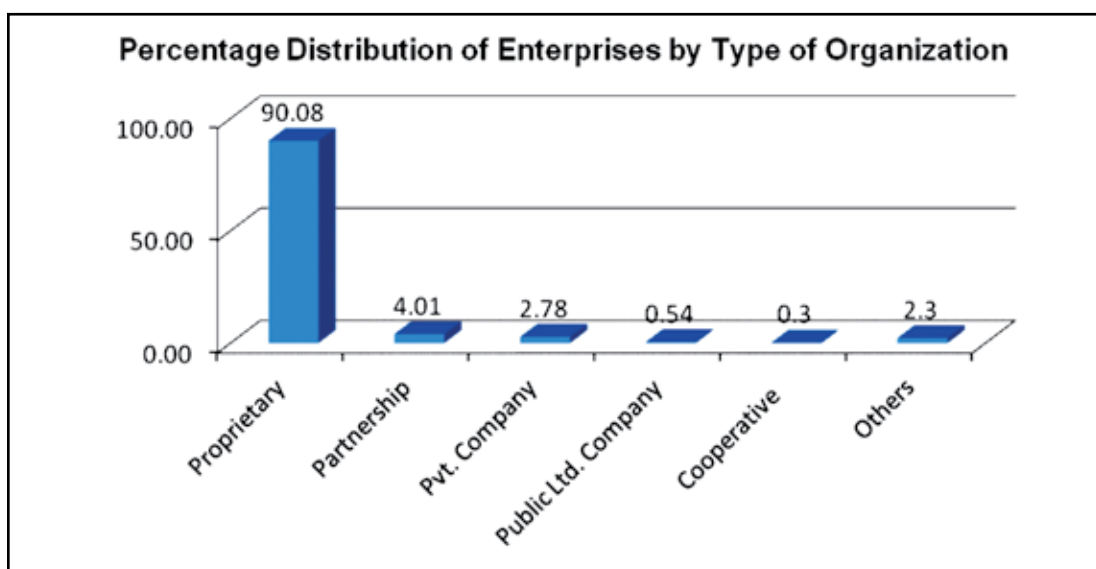
in manufacturing, whereas 32.90% of the enterprises were engaged in the services activities.



- Type of organisation**

90.08% of the enterprises in the Registered MSME sector was proprietary enterprises.

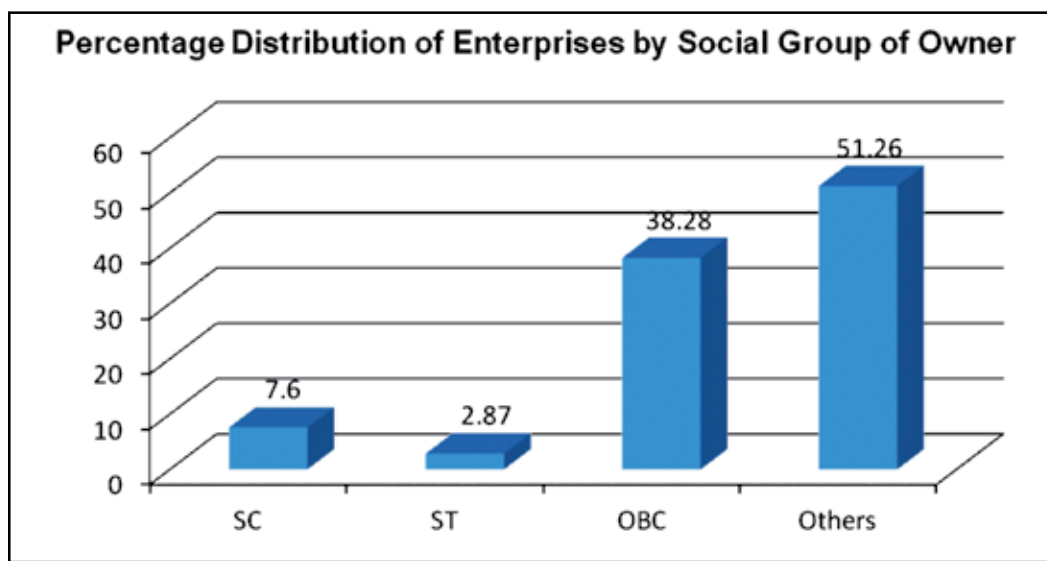
About 4.01% of the enterprises were run by partnerships and 2.78% of the enterprises were run by private companies



- 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.

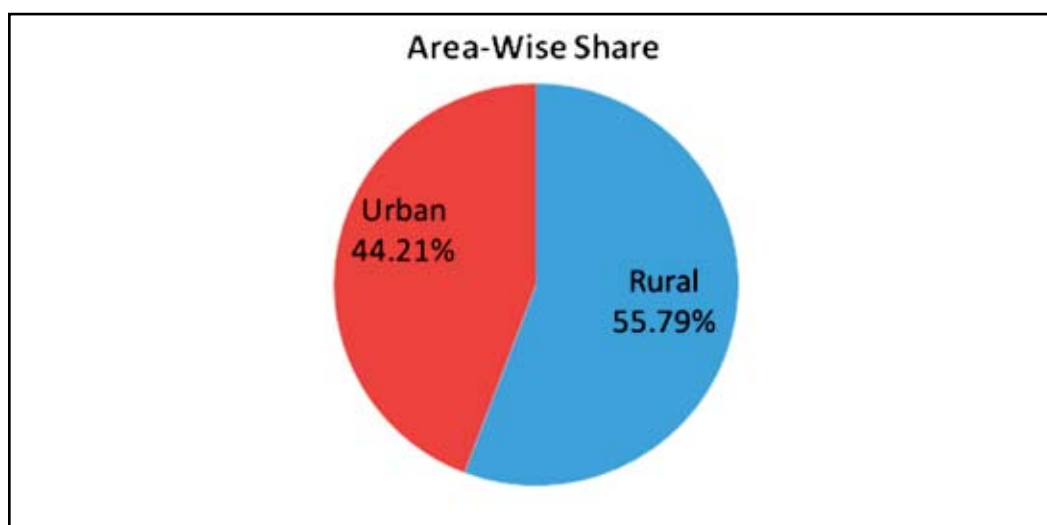


(iii) Estimates of Unregistered Sector:

- Distribution of Working Enterprises by Area**

Rural area with 193.12 lakh of working

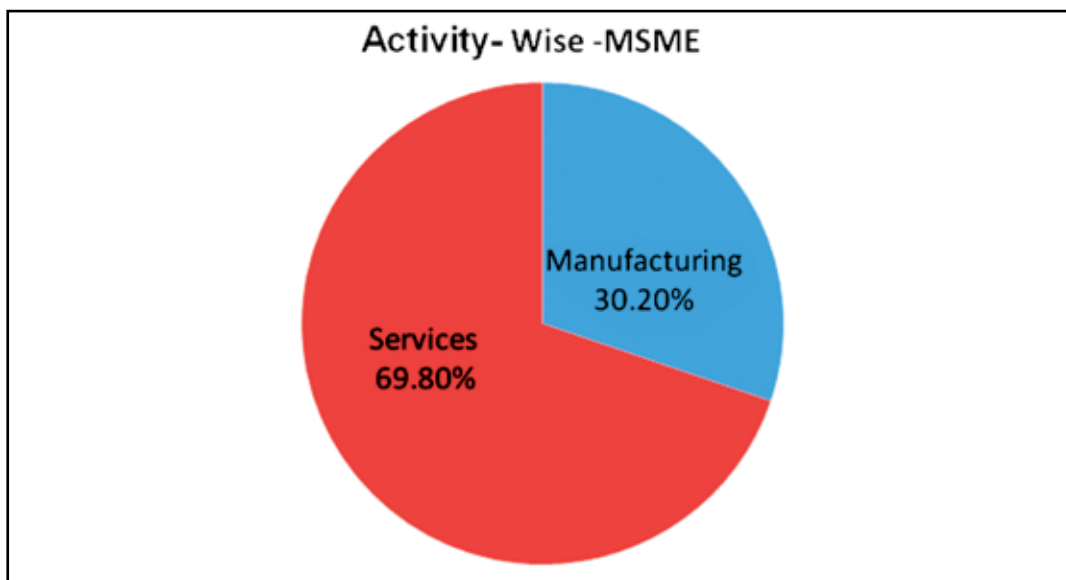
enterprises accounted for 55.79% of the total working enterprises in Unregistered MSME sector whereas urban areas located 153 lakh working enterprises (44.21% of the working enterprises).



- Nature of activity**

69.80% of the enterprises in the Unregistered MSME sector were engaged in services,

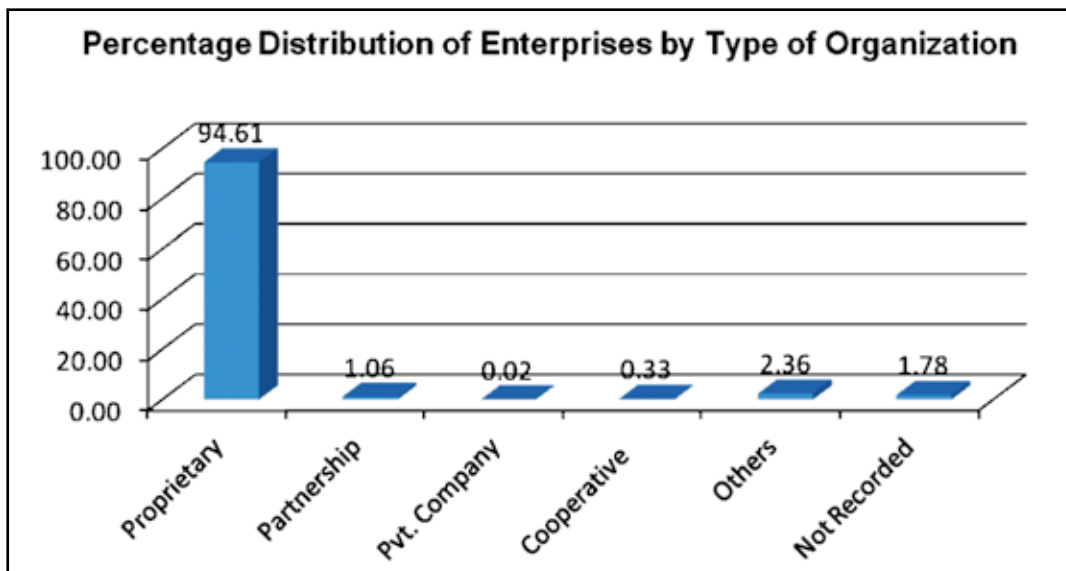
whereas 30.20% of the enterprises were engaged in the manufacturing activities



- Type of organisation**

94.61% of the enterprises in the Unregistered MSME sector were proprietary enterprises.

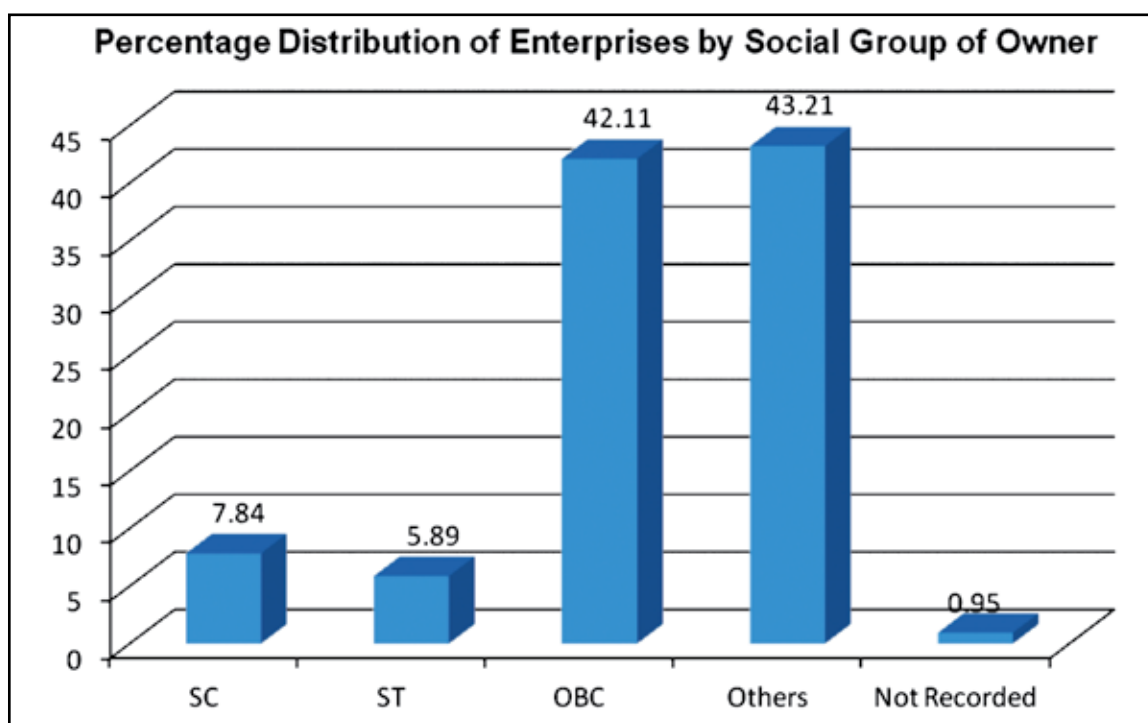
About 1.06% of the enterprises were run by partnerships and 0.02% of the enterprises were run by private companies.



- 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.



TRENDS IN REGISTERED SECTOR AS PER DATASET ON ENTREPRENEUR MEMORANDUM (PART- II) 2007-08 TO 2011-12

2.4 INTRODUCTION

ENTREPRENEURS MEMORANDUM (EM-II)

TO from October 2006, filing of Entrepreneurs Memorandum (EM-II) came into vogue.

2.4.1 Subsequent to the implementation of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 with effect

2.4.2 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.

2.4.3 The information on number of EM-II filed by MSMEs at DICs was collected from states/UTs Commissionerate/Directorates of Industries (SDIs) to assess the trends in growth of MSMEs during 2007-08 to 2011-12 in the country.

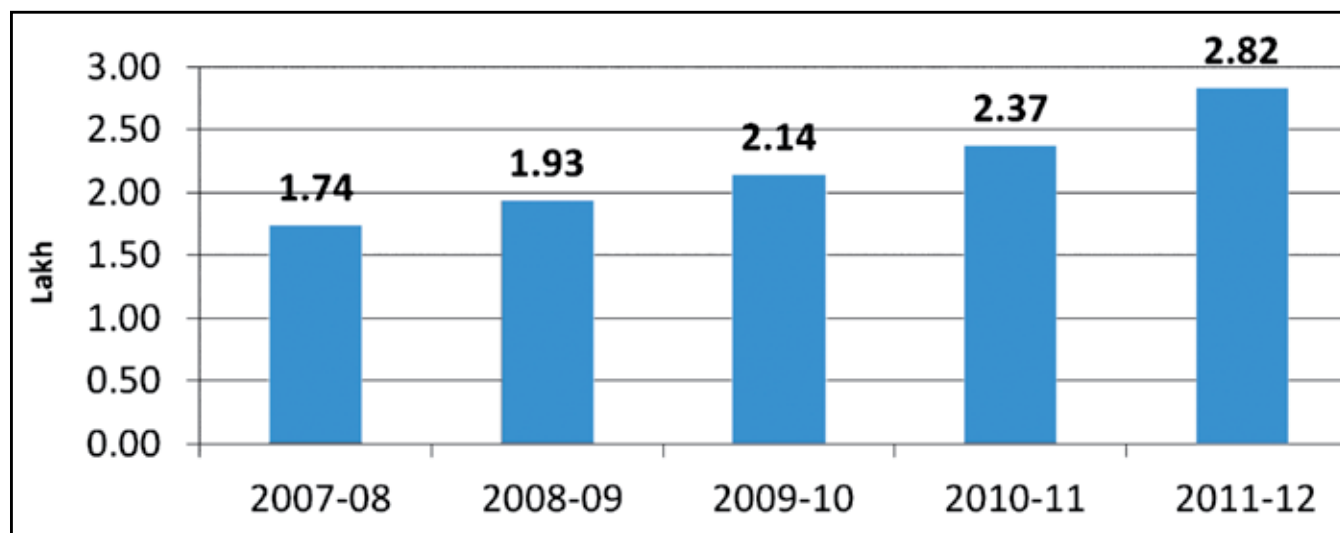
2.5 TRENDS IN MSME GROWTH (FILING

Chart 2.5.1: Number of EM-II issued to the MSMEs by the DICs under the various State/UT Commissionerates/Directorates of

OF EM (PART-II) DURING 2007-08 TO 2011-12)

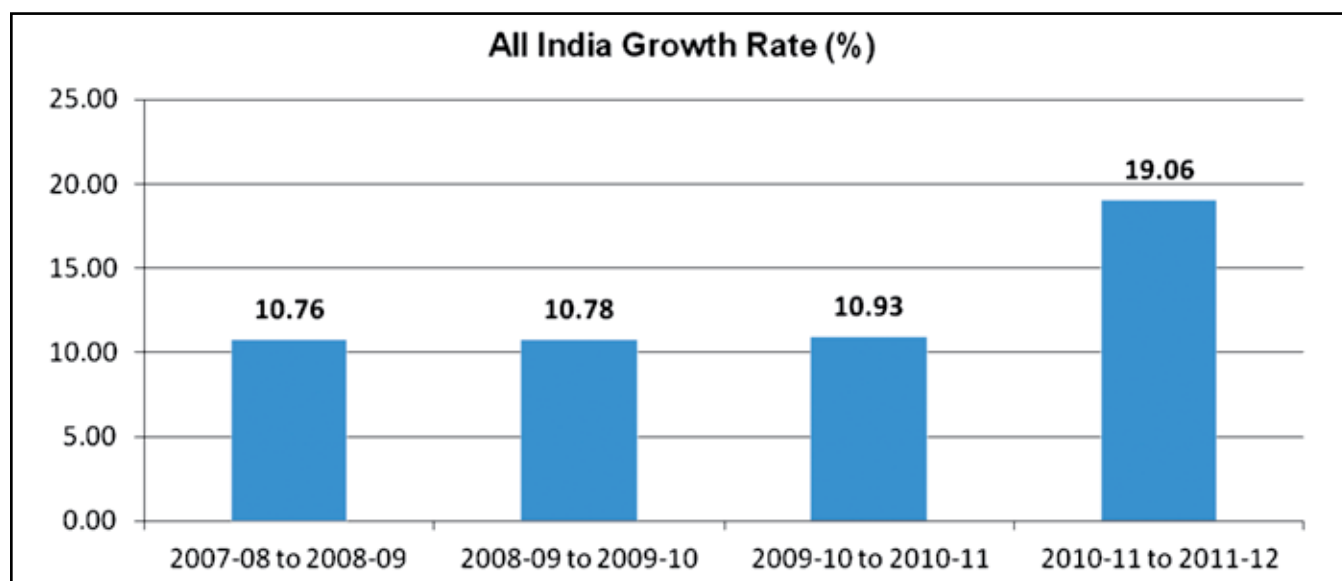
MSME have shown consistent growth in terms of number of EM-II filed every year. Number of EM-II filed during 2007-08 in the District Industries Centres across the country was 1.74 lakh which increased to 1.93, 2.14, 2.37 and 2.82 lakh during 2008-09, 2009-10 and 2010-11 respectively. (Chart 2.5.1)

Industries during 1st April, 2007 up to 31st March, 2012.



2.5.2 MSMEs has shown constant growth rate of more than 10% every year till 2010-11, whereas in year 2011-12 growth rate was 19%

which is approximately twice of the growth rate recorded for previous years. (Chart 2.5.2)

CHART 2.5.2: ANNUAL GROWTH RATE

2.6 STATE WISE DISTRIBUTION OF NUMBER OF EM-II FILED DURING 1ST APRIL, 2007 UP TO 31ST MARCH, 2012. (STATEMENT 2.6.1)

STATEMENT 2.6.1: STATE WISE DISTRIBUTION OF NUMBER OF EM-II FILLED BY MSMEs AT THE DICs UNDER THE VARIOUS STATE/UT COMMISSIONERATES/DIRECTORATES OF INDUSTRIES DURING 1ST APRIL, 2007 UP TO 31ST MARCH, 2012.

Sl. No.	Name of the State/ Union Territory:	Number of EM-II				
		2007-08	2008-09	2009-10	2010-11	2011-12
1	Andaman & Nicobar	50	60	68	77	82
2	Andhra Pradesh	4,478	4,726	9,144	9,204	9,260
3	Arunachal Pradesh	63	107	111	50	36 ⁽¹⁾
4	Assam	1,811	1,711	1,678	1,506	1,218
5	Bihar	2,855	3,134	4,010	4,302	4,108
6	Chandigarh	32	161	255	174	259
7	Chhattisgarh	1,335	1,291	1,089	1,206	1,741
8	Dadra & Nagar Haveli	307	143	104	74	106
9	Daman & Diu	164	247	107	126	83

Sl. No.	Name of the State/ Union Territory:	Number of EM-II				
		2007-08	2008-09	2009-10	2010-11	2011-12
10	Delhi	131	70	165	199	345
11	Goa	57	76	112	88	97
12	Gujarat	13,185	17,866	19,992	27,939	51,781
13	Haryana	2,489	2,599	2,357	2,707	2,759
14	Himachal Pradesh	832	925	1,053	942	856
15	Jammu & Kashmir	1,044	971	1,192	914	1,170
16	Jharkhand	940	1,051	669	690	939
17	Karnataka	14,984	15,705	17,195	18,434	21,021
18	Kerala	11,068	15,935	12,013	10,194	10,020
19	Lakshadweep	5	14	23	24	8
20	Madhya Pradesh	12,319	14,183	19,748	19,704	20,104
21	Maharashtra	11,396	12,148	11,896	14,496	15,606
22	Manipur	54	139	81	122	120
23	Meghalaya	403	397	1,040	748	573
24	Mizoram	226	478	500	198	131
25	Nagaland	687	2,498	1,445	141 ⁽²⁾	-
26	Odisha	1,515	1,588	1,758	1,657	2,155
27	Puducherry	144	214	200	186	120
28	Punjab	932	1,272	2,189	2,988	3,087
29	Rajasthan	13,873	14,609	14,630	14,904	14,678
30	Sikkim	14	71	18	40	30
31	Tamil Nadu	27,209	32,049	41,799	57,902	70,639

32	Tripura	156	236	218	218	205
33	Uttar Pradesh	30,443	31,629	33,479	33,027	33,568 ⁽³⁾
34	Uttarakhand	1,500	1,346	1,871	1,973	2,121
35	West Bengal	17,618	13,428	11,685	10,109	13,470
All-India		1,74,319	1,93,077	2,13,894	2,37,263	2,82,496

SOURCE: - The States/UTs Commissioners/Directorates of Industries.

NOTE: (1) - Information from five DIC, awaited, (2) - Information from six DIC, awaited and (3) - Information from five DIC, awaited.

2.7 NUMBERS OF EM-II FILED DURING 2007-08 TO 2011-12 BY TYPE OF ENTERPRISES ARE AS GIVEN IN THE FOLLOWING STATEMENT (2.7.1)

STATEMENT 2.7.1: NUMBERS OF EM-II FILLED BY TYPE OF ENTERPRISES

Year	Numbers of EM-II			
	Micro	Small	Medium	Total
2007-08	1,56,051	17,777	491	1,74,319
2008-09	1,71,031	18,757	690	1,93,077
2009-10	1,86,126	23,999	1,412	2,13,894
2010-11	2,04,064	29,101	1,260	2,37,263
2011-12	2,42,606	34,192	2,939	2,82,496

Source: - The States/UTs Commissioners/Directorates of Industries.

Note: (P) - Provisional, since figures from some of the States/UTs is awaited.

The main findings of the Fourth All India Census 2011-12 are given as Annexure IV(a), IV(b), of MSME, Registered & Unregistered Sectors IV(c), IV(d) and IV(e). separately and EM-II filed during 2007-08 to



The then Minister for Micro, Small and Medium Enterprises, Shri Virbhadra Singh inaugurating the MSME building at Solan, Himachal Pradesh on June 18, 2012. On his left is Shri R.K. Mathur, the then Secretary (MSME)

CHAPTER - III

POLICY INITIATIVES

3.1 IMPLEMENTATION OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) 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 for Authority for receiving Memoranda for Micro and Small Enterprises (MSEs):** All States & UTs except Mizoram 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, Manipur and Mizoram, 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 Sikkim 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 enterprise sector is enclosed. (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. The 10 components of the Programme dealing with the firm level competitiveness are being implemented in the Public-Private-Partnership (PPP) mode. The 10 components of NMCP address the entire gamut of manufacturing in the sector. The details of the components of the Programme and the status of their implementation are shown in the following

Table: -

TABLE 3.1: COMPONENTS OF NMCP

Sl. No.	Component with Short Name
1.	Marketing Support / Assistance to MSMEs (BAR CODE)
2.	Support for Entrepreneurial and Managerial Development of SMEs through incubator (INCUBATOR)
3.	Setting up Mini Tool Room & Training Centres (MTR)
4.	Building Awareness on Intellectual Property Rights (IPR)
5.	National Programme for Application of Lean Manufacturing (LEAN)
6.	Enabling Manufacturing Sector to be Competitive through Quality Management Standards and Quality Technology Tools (QMS/QTT)
7.	Technology Upgradation and Quality Certification Support to SMEs (TEQUP)
8.	Marketing Assistance for SMEs and Technology Upgradation Activities (MARKETING)
9.	Design Clinic Scheme to bring Design expertise to the Manufacturing sector (DESIGN)
10.	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, then Principal Secretary to Prime Minister was constituted on 2nd 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 MSME associations.

3.4.2 The detailed recommendations cover 6 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 is 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 RAJIV GANDHI UDYAMI MITRA YOJANA

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 Training Programme (EDP) / Skill Development Training Programme (SDP)/ Entrepreneurship-cum-Skill Development Training Programme (ESDP) / Vocational Training Programmes (VT), through the selected lead agencies i.e. 'Udyami Mitras', in the establishment and management of the new enterprise, in dealing with various procedural and legal hurdles and in completion of various formalities required for setting up and running of the enterprise.

An 'Udyami Helpline' (a Call Centre for MSMEs) with a toll free No. 1800-180-6763 is functioning under the Scheme which provides information, support, guidance and assistance to first generation entrepreneurs as well as other existing entrepreneurs. The Udyami Helpline provides information about various promotional schemes of the Government, procedural formalities required for setting up and running the enterprise and how to access credit from Banks etc.

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

3.6.1 In exercise of the powers conferred in section 11 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, the Government of India has notified [No.S.O.581(E)] Public Procurement Policy for goods produced and services rendered by Micro & Small Enterprises (MSEs) Order, 2012 which is applicable for every Central Ministries/ Departments and PSUs for effective implementation.

3.6.2 The policy mandates for achieving an overall procurement of minimum 20 per cent of total annual purchases of products produced/ services rendered by MSEs within a period of three years. With effect from 1.4.2015, overall procurement goal of minimum 20% are to be made mandatory by every Central Ministry / Departments / PSU. Policy has also earmarked a sub target 4% procurement of goods & services, out of the 20% from MSEs owned by

SC/ST Enterprise.

3.6.3 Every Central Ministry/ Department/ PSU have to report the goals set with respect to procurement to be met from MSEs and the achievement made thereto in their respective Annual Reports. They have also to 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.

3.6.4 The policy will held 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.



4

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



Minister of State (Independent Charge) for Micro, Small & Medium Enterprises, Shri K.H. Muniyappa at a function organised by Indian Leather Products Association (ILPA), at Kolkata on January 09, 2013. Shri Amarendra Sinha, Additional Secretary and Development Commissioner, MSME (left) was also present .

CHAPTER - IV

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

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 organisations 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 organisations. 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 Organisation into that of catalyst of growth of small enterprises in the country. The major functions of the Organisation 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-DI's):

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 institutions 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 Ancillarisation
- Quality Control & Upgradation
- Export Promotion
- Ancillary Development
- Common Facility Workshop/Lab.
- Preparation of Directory of Specific Industry
- Intensive Technical Assistance
- Coordination with DICs
- Linkage with State Government Functionaries
- Market Surveys
- Promotion of handholding programme called Rajiv Gandhi Udyami Mitira Yojana (RGUMY) for micro & small entrepreneurs.
- Other Action Plan Activities assigned by Headquarter.

4.1.5 MSME Tool Rooms (MSME-TRs): The 10 MSME-TRs set up under the Indo-German and Indo-Danish collaborations assist MSMEs in technical upgradation and provide good quality tooling through designing and producing tools, moulds, jigs & fixtures, components etc. These also provide training and consultancy in the area of tool and die making.

4.1.6 MSME Technology Development Centres (MSME-TDCs) are product-specific Centres for addressing product specific problems and rendering technical services, developing and upgrading technologies and manpower development & training in respective product groups like Foundry & Forging; Electronics; Fragrance & Flavour; Sport Shoes; Electrical Measuring Instruments and Glass.

4.1.7 MSME Testing Centres (MSME-TCs) at Chennai, Delhi, Kolkata and Mumbai have facilities for quality upgradation, training/ consultancy in testing, quality control, quality management, process quality control systems, etc. The 7 Field Testing Stations (MSME-TSs) provide focused testing services in the cities of Bangalore, Bhopal, Ettumanur, Jaipur, Hyderabad, Kolhapur and Puducherry which have significant concentration of MSMEs.

4.1.8 MSME – Technology Development Centres (Central Footwear Training

Institutes) (MSME-TDC-CFTI) at Agra and Chennai are engaged in developing designs and development of footwear and also providing training for skill development footwear industry.

4.1.9 MSME - Training-cum-Product Development Centres (TPDCs)

Four Training-cum-Product Development Centres (TPDCs) are being set up for Agro and Food Processing Industries in the campus of MSME - Development Institutes at Ludhiana, Kanpur, Indore and Guwahati within a total cost of Rs. 4.57 crore.

4.2 MSME TOOL ROOMS (MSME-TRS)

4.2.1 The 10 MSME-TRs set up under the Indo-German and Indo-Danish collaborations, assist MSMEs in technological upgradation. These tool rooms provide good quality tooling through design and production of tools, moulds, jigs & fixtures, components etc. These Tool Rooms also provide training and consultancy in the area of tool engineering.

The name and location of different Tool Rooms are as under:-

- i) MSME-Tool Room (Central Tool Room), Ludhiana;

- ii) MSME-Tool Room (Indo German Tool Room) , Ahmedabad

- iii) MSME-Tool Room (Indo German Tool Room), Indore;

- iv) MSME-Tool Room (Indo German Tool Room), Aurangabad;

- v) MSME-Tool Room (Central Tool Room & Training Centre), Kolkata;

- vi) MSME-Tool Room (Central Tool Room & Training Centre), Bhubaneshwar;

- vii) MSME-Tool Room (Indo Danish Tool Room), Jamshedpur;

- viii) MSME-Tool Room (Central Institute of Hand Tools), Jalandhar;

- ix) MSME-Tool Room (Central Institute of Tool Design), Hyderabad and

- x) MSME-Tool Room (Tool Room & Training Centre), Guwahati

4.2.2 These Tool Rooms & Training Centres provide production, training and consultancy services in the areas of tool engineering i.e. facilities for production of tools, moulds, dies, jigs & fixtures, etc. and providing skilled manpower to industry. These services help the industry become more productive and competitive.

4.2.3 These Tool Rooms apart from conducting various short term courses and vocational training programmes for school dropouts, also organise different long-term courses such as 'Post-graduate Diploma in Tool Design and CAD CAM'. They have achieved nearly 100%

placement for the trainees of their long-term courses in different industries.

4.2.4 The achievements of these Tool Rooms are as under:-





ACHIEVEMENTS OF MSME TOOL ROOMS DURING 2012-13 (UP TO 31ST DECEMBER 2012) ARE AS UNDER:

(i)	Revenue Target 2012-13 (Rs in lakh)	12461
(ii)	Revenue Earned (`Rs in lakh)	8112
(iii)	No. of Units Serviced	11197
(iv)	No. of Trainees (Long Term)	12106
(v)	No. of Trainees (Short Term)	38258
(vi)	No. of SC/ST Trainees	13294
(vii)	No. of OBC Trainees	7925
(viii)	No. of Minority Trainees	1598
(ix)	No. of Women Trainees	4894
(x)	No. of Physically Handicapped Trainees	22

4.3 MSME TECHNOLOGY DEVELOPMENT CENTRES (MSME TDCs) and render technical services, develop and upgrade technologies & manpower development and training in specific product

4.3.1 MSME Technology Development groups like Foundry & Forging, Electronics, Centres (MSME TDCs) are product specific Fragrance & Flavour, Sport Shoes, Electrical Centres to look into MSME's specific problems Measuring Instruments and Glass, etc. MSME

TDCs include the Electronics Service & Training Centre (ESTC), Ramnagar; Institute for Design of Electrical Measuring Instruments (IDEMI), Mumbai and Process and Product Development Centre (PPDC), Agra. 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.

4.3.2 The main objective of these Technology Development Centres is to develop human 4.3.3 The achievements of these TDCs are as under:-

Table 4.2: Achievements of MSME Technology Development Centres viz. ESTC, Ramnagar, IDEMI, Mumbai and PPDC, Agra **2012-13 (up to 31st December 2012)**

(i)	Revenue Target 2012-13 (Rs in lakh)	1942
(ii)	Revenue Earned (Rs in lakh)	1233
(iii)	No. of Units Serviced	3618
(iv)	No. of Trainees (Long Term)	1161
(v)	No. of Trainees (Short Term)	6469
(vi)	No. of SC/ST Trainees	2460
(vii)	No. of OBC Trainees	873
(viii)	No. of Minority Trainees	31
(ix)	No. of Women Trainees	935
(x)	No. of Physically Handicapped Trainees	5

4.4 MSME TESTING CENTRES (TCS) AND MSME TESTING STATIONS (TSS)

4.4.1 MSME -TESTING CENTRES(TCS)

O/o 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 equipment 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 FTSSs) at Jaipur, Bhopal, Kolhapur, Hyderabad,

Bangalore, Puducherry and Ettumanur. These Testing Stations extend facilities for testing of various products viz. chemicals, dye-stuffs, lamps, rubber products, castings and forgings, paints and varnishes, domestic electrical appliances, general engineering etc.

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

For the year 2012-13, an amount of Rs 765.00 lakh has been allocated for day to day functioning and modernization of MSME -Testing Centres / Stations.

The performance of MSME- TCs/TSs upto 31st December, 2012 are as follows:

Year	Revenue earned (Rs.lakhs)		Recurring Expenditure (Rs.lakhs)		No. of jobs completed		No. of MSME Benefited	
	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*	312.79	176.65	620.31	170.33	10934	12814	4038	6404

*(upto December 2012)

4.5 MSME-DEVELOPMENT INSTITUTES (MSME-DIs)

4.5.1 MSME-DIs are providing techno managerial consultancy assistance and rendering necessary assistance to MSMEs by conducting various programmes like Seminars, Industrial Motivational Campaigns, Feasibility Reports, Area Survey Reports. They also provide Common Facility services, In-plant Studies, EDPs to MSMEs.

4.5.2 Under the scheme, 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 equipment, 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 To provide the best possible common facility services to MSEs, there is a need to replace these old machines with new ones, preferably hi-tech machines, as the services provided by the modernized workshops to MSEs is excellent. Further, to keep pace with the technological requirement, the MSEs are in the need of specialized services including CAD/CAM facilities.

4.5.4 On these machines training is provided to the workers sponsored by MSMEs and unemployed youths. After getting the training, these trainees are absorbed by the large units/ MSMEs. Many trainees take up the training to upgrade their skills and set up their own unit.

4.6 MSME – TRAINING INSTITUTES

4.6.1 MSME – Technology Development Centre (Central Footwear Training Institutes) at Agra and Chennai respectively are involved

primarily in human resource development for footwear and allied industry by conducting various training programmes and related activities. One of its premier courses is two Year Diploma in “Footwear Manufacturing and Design” which is accredited with Textile Institute U.K. The Institutes also extend

Common Facility Services to the local MSMEs with their well equipped infrastructural facilities and render consultancy services in the field of footwear & allied industries.

4.6.2 The Achievements of these Institutes as on 31st December 2012 are given below:

	MSME-Training Institutes	Achievements as on 31st Dec. 2012
(i)	Revenue Target 2012-13 (<i>Rs. Lakh</i>)	713
(ii)	Revenue Earned (<i>Rs. Lakh</i>)	250.31
(iii)	No. of Units Serviced	795
(iv)	No. of Trainees (<i>Long Term</i>)	300
(v)	No. of Trainees (<i>Short Term</i>)	5962
(vi)	No. of SC/ST Trainees	3029
(vii)	No. of OBC Trainees	174
(viii)	No. of Minority Trainees	243
(ix)	No. of Women Trainees	2441
(x)	No. of Physically Handicapped Trainees	2

CFTIs have started “PG Diploma in Footwear Technology” with an objective to develop techno managers for the shoe industry. CFTIs have also conducted skilled development training programmes for footwear artisans in different locations of Uttar Pradesh, Tamil Nadu, Assam, Rajasthan, Madhya Pradesh and Tripura.

4.7 CREDIT LINKED CAPITAL SUBSIDY SCHEME (CLCSS)

4.7.1. The M/oMSME 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 upgradation 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, 884 technologies under 48 products/sub-sectors have been approved under the scheme. Since inception of the scheme, 19,985 units have availed subsidy of Rs. 1,074.00 crores till 31.10.2012.

4.8 CREDIT GUARANTEE FUND SCHEME FOR MICRO AND SMALL ENTERPRISES

4.8.1 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.

4.8.2 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 with an incremental guarantee of 50% of the credit facility above Rs.50 lakh and up to Rs.100 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). One time guarantee fee of 1.5% of the credit facility sanctioned (0.75% for NER including Sikkim) and Annual Service Fee of 0.75% is collected from the MLIs. The scheme is being operated by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) set up jointly by the Government of India and SIDBI. The corpus of CGTMSE is contributed by the Government of India and SIDBI in the ratio of 4:1. The corpus of CGTMSE has been enhanced to Rs. 2201.56 crore with the contribution of Rs.1761.25 crore from the GoI and Rs. 440.31 crore from SIDBI. This includes Rs. 35.00 crore released as Government of India contribution during 2012-13.

4.8.3 As on 31st December 2012, there were 131 eligible lending institutions registered as MLIs of the Trust comprising of 27 Public

Sector banks, 19 Private Sector Banks, 73 Regional Rural Banks (RRBs), 4 foreign banks and 8 other Institutions viz National Small Industries Corporation (NSIC), North Eastern Development Finance Corporation Ltd. (NEDFi), Delhi Financial Corporation, Kerala Financial Corporation, Tamilnadu Industrial Investment Corporation Ltd., Jammu & Kashmir Development Finance Corporation Ltd. (JKDFC), Export Import Bank of India (EXIM Bank) and Small Industries Development Bank of India (SIDBI).

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.

4.8.4 As on 31st December 2012, cumulatively 9,85,122 proposals have been approved for guarantee cover for a total sanctioned loan amount of Rs 47622.13 crore.

4.9 SCHEME OF MICRO FINANCE PROGRAMMEME

4.9.1 The Ministry has been operating a Scheme of Micro Finance Programmeme since 2003-04 which has been tied up with the existing Micro Credit Scheme of SIDBI. Under the Scheme, the Government of India provide 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

4.9.2 During 2011-12, the Government has released an amount of Rs.16.10 crore towards 'Portfolio Risk Fund' (PRF). As on 31st December 2012, cumulative loan amount provided to MFIs/NGOs under the Scheme stood at Rs 1637.72 crore covering approximately 23.47 lakh persons. Of this, it has been estimated that the share of women beneficiaries under the Scheme is more than 80%.

4.10 MICRO & SMALL ENTERPRISES CLUSTER DEVELOPMENT PROGRAMME (MSE-CDP)

4.10.1 The Micro and Small Enterprises – Cluster Development Programmeme (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, organising 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 Government of India 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.

4.10.2 PROGRESS UNDER THE COMPONENTS OF MSE-CDP

- (a) **Cluster Development:** A total of 733 interventions in various clusters spread over 28 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 (1st April 2012 to 30th November, 2012)

- New clusters undertaken for Diagnostic Study Reports (DSRs) – 45 Nos.
- Cluster undertaken for soft interventions - 37 Nos.
- New Common Facility Centre (CFC) - final approval accorded - 16 Nos.
- New Infrastructure Development (ID) & upgradation of ID centres approved - 13 No.
- Monitor and sanction of funds in the earlier approved CFCs & IDs – 10 Nos.
- In-principle approval for CFCs - 42 Nos.
- In-principle approval for Infrastructure Development - 05No.

(c) Infrastructure Development: Under ID component, till 30th November 2012, 107 new ID Centres (including 1 in the current financial year – up to November 2012) have been sanctioned since inception of the scheme. Out of the above sanctioned centers, 83 new ID Centres have been completed. A total of 11646 plots have been allotted to small and tiny

units and 4271 units established. The scheme has generated employment to 60166 persons so far.

(d) Financial Progress: Sanctions of Rs. 9.47 cr. have been issued till 30th November, 2012 during the current financial year under MSE-CDP.

4.11 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. An amount of Rs.682 crore has been allocated during the 11th Plan period for NMCP. There are ten components under the NMCP targeted at enhancing the entire value chain of the MSME sector. The six components are described below:-

4.11.1 SCHEME FOR PROVIDING SUPPORT FOR “ENTREPRENEURIAL AND MANAGERIAL DEVELOPMENT OF SMEs THROUGH INCUBATORS”

The scheme "**Support for Entrepreneurial Development of SME's Through Incubators**" is operational since April 2008. This is one of the components of National Manufacturing Competitiveness Programmeme (NMCP) which Provides support for entrepreneurial development of SME's through incubators. In fact Govt. launched National Manufacturing Competitiveness Programmeme (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 O/o DC(MSME) has selected 102 Business incubators for implementing the above scheme and released Rs. 10.676 crore so far. Year wise progress of Scheme till 31.12.2012 is given below.

Year	No of Incubator selected/approved for implementing Scheme	No of Innovative Ideas selected/approved for financial assistance	Total Govt of India funds provided / released till 31.12.2012 (Rs. in Crore)
2008-09	25	18	-
2009-10	29	164	1.906
2010-11	22	95	5.76
2011-12	-	49	2.06
2012-13	26	09	0.95
Total	102	335	10.676

During current Financial year BE= Rs. 12.00 Crore

Expenditure Till 31.12.2012 = Rs 0.95 Crore

Proposals Under process = Rs. 1.20 Crore

4.11.2 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 11th 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 2012-13. Progress upto 31st December 2012, in this context, includes (i) setting up of 25 Intellectual Property Facilitation Centres (IPFCs), (ii) Organised 205 Awareness/ Sensitisation Programmes, (iii) 61 Workshops / Seminars, (iv) 7 Short Term

Training Programmes and (v) 3 Two-days Workshops with association of International Agencies, (vi) One Pilot Study was conducted on Cane and Bamboo and (vii) Financial assistance was released to one unit for Grant of Patent.

4.11.3 LEAN MANUFACTURING COMPETITIVENESS SCHEME FOR MSMEs:

(a) Under the Lean Manufacturing Competitiveness Programme (LMP), MSMEs are being assisted in reducing their manufacturing costs, through proper personnel management, better space utilization, scientific inventory management, improved process flows, reduced engineering time and so on. LMP also brings improvement in the quality of products and lowers costs, which are essential for competing in national and international markets. The broad activities planned under the scheme include Total Productive Maintenance (TPM), 5S, Visual Control, Standard Operating Procedures, Just in Time, Kanban System, Cellular Layout, Poka Yoke, TPM, etc. The scheme is initially approved for 100 mini clusters on pilot basis.

Present Status: The scheme is being implemented through National Productivity

Council (NCP), New Delhi which is working as a nodal agency. 112 Special Purpose Vehicles (SPVs) formed in clusters and 94 Lean Consultants deployed for the implementation of Lean Techniques. 89 Tripartite agreements also signed. Lean Manufacturing Techniques have been implemented in 29 clusters.

(b) Promotion of Informataion & Communication Tools (ICT) in MSME Sector:

The main objective of the scheme is to encourage and assist the potential MSME clusters to adopt ICT tools and applications in their production & business processes, with a view to improve their productivity and competetiveness in national and international markets. The broad activity under this component includes identifying the potential MSME manufacturing clusters for ICT intervention, setting up of e-readiness centre, developing web portals for cluster, skill development of MSME unit staff, preparation of local software solutions for MSME to enhance their competetiveness, etc. and networking MSME cluster portals on the National Level Portals in order to outreach MSMEs into global markets. The scheme is being implemented in 100 clusters.

Present Status: The scheme is under modification as “Modified ICT scheme” for inclusion of Cloud Computing approach in the

scheme. SFC note has been prepared and same is submitted for consideration.

4.11.4 ENABLING MANUFACTURING SECTOR TO BE COMPETITIVE THROUGH QUALITY MANAGEMENT STANDARDS (QMS) AND QUALITY TECHNOLOGY TOOLS (QTT):

The scheme, “Enabling Manufacturing Sector be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT)” is aimed to improve the quality of the products in the MSME sector and inculcate the quality consciousness in enterprises in this sector. The major activities are:

- (i) Introduction of Appropriate Modules for Technical Institutions;
- (ii) Organising Awareness Campaigns for MSEs;
- (iii) Organising 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: Draft course material for

polytechnics is being prepared by QCI and sent to Ministry of HRD for their approval. 100 nos. of Awareness Programmeme has been awarded to various implementing agencies during 2012-13. M/s Mott Mc Donald, Noida has been shortlisted for carrying out the Evaluation study.

4.11.5 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: 25 Nos. of awareness programmemes have been organised on Product Certification and 80 Nos. of Product Certification reimbursements have been made.

4.11.6 MARKETING ASSISTANCE AND TECHNOLOGY UPGRADATION SCHEME FOR MSMEs:

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

Present Status: Targets have been allotted to MSME-DIs for participation of MSME units in the domestic exhibitions/fairs, reimbursement for ISO 18000/22000/27000 certification and for Corporate Governance Practices. 1091 MSME units benefitted under the scheme so far.

4.11.7 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; organising 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 organised 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.

4.11.8 PROMOTION OF INFORMATION & COMMUNICATION TOOLS (ICT) IN MSME SECTOR

The main objective of the scheme is to encourage and assist the potential MSME clusters to adopt ICT tools and applications in their production & business processes, with a view to improve their productivity and competitiveness in national and international markets. The broad activity under this component includes identifying the potential MSME manufacturing clusters for

ICT intervention, setting up of e-readiness centre, developing web portals for cluster, skill development of MSME unit staff, preparation of local software solutions for MSME to enhance their competitiveness, etc. and networking MSME cluster portals on the National Level Portals in order to outreach MSMEs into global markets. The scheme is being implemented in 100 clusters.

Present Status: Planning Commission has given in-principle approval for the ICT scheme for cloud computing.

4.12 ISO-9000/ISO - 14001/HACCP CERTIFICATION REIMBURSEMENT SCHEME

4.12.1 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 a maximum of Rs.75000/- in total. Total 22,936 units amounting to Rs.118.12 crore have been reimbursed since inception till 31st March, 2012. During 2011-12, about 1047 units amounting to Rs.5.95 crore have been reimbursed up to 31st December, 2012.

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

4.14.1 MSME-DIs is 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, is organised 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 organise the maximum number of programmes in rural/remote areas particularly for weaker sections of the society. 998 IMCs have been conducted up to December, 2012 to motivate 74959 persons.
- (ii) Entrepreneurship Development Programmes (EDPs): Entrepreneurship Development Programmes are being organised 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 equipment, 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 organise special programmes in rural areas particularly for weaker sections of the society. This year 6124 persons have participated in 275

EDPs conducted for providing training, up to December, 2012.

- (iii) Entrepreneurship Skill Development Programmeme (ESDPs): Comprehensive training programmemes are organised to upgrade existing skills and to create new skills in workers and technicians of existing units and educated unemployed youth by organising 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 organise maximum programmemes in rural areas particularly for weaker sections of society.

Programmemes so far organised, 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 programmemes. 715 ESDPs have been conducted for providing training to 16471 persons up to December, 2012.

- (iv) Management Development Programmemes (MDPs): The basic objective of imparting training in management subjects is to improve the MSMEs in decision-making and 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. 3886 persons have been benefited through 183 programmemes conducted up to December, 2012.

4.13.2 OFFICER'S 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 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.

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. During the year 2012-13 (till 31st December 2012) 160 officers were sent for various training courses including 7 officials from NE region and 5 women officers. The total amount of sanction issued till date is Rs. 34.96 Lac.

4.13.3 EXPORT PROMOTION (TRAINING PROGRAMMEME ON PACKAGING FOR EXPORTS):

To educate MSE Entrepreneurs about the scientific packaging techniques, latest design of packaging technology and improve their packaging standards and to highlight the importance of packaging in marketing, this office has been organising specialized training

programmeme 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 Programmeme is being organised for one, two and three days duration as per the need and concentration of MSMEs.

4.13.4 During the year 2011-12, 32 such programmemes were organised benefiting 1118 MSE entrepreneurs. A budget of Rs.15.00 lakh has been provided during 2012-13 and it is planned to organise 23 one-day training programmemes on packaging for exports through MSME-DIs. Women, SC&ST and Physically Handicapped participants are exempted from payment of participation fee for attending these training programmemes on packaging for exports. All existing and potential entrepreneurs from Micro Small & Medium Enterprises are eligible for training under this scheme. Besides, one training programmeme on Export Procedures & Documentation for the MSME-DO officers at NIESBUD, Noida and another similar programmeme for SMEs at NITIE, Mumbai are proposed to be organised during current financial year.

4.14 VENDOR DEVELOPMENT PROGRAMMEME (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 large public sector institutions to interact with each other with a view to identify emerging demands of the buyer organisations, while simultaneously providing an opportunity for displaying the capabilities of the MSEs 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 number of products which hitherto have been imported at high cost. Two types of VDPs are being organised by MSME-DIs- National Level VDPs-cum-Exhibitions and State Level VDPs.

MSME-DIs under the M/o MSME, Government of India, provides Technical and Techno Managerial Consultancy services for development and healthy growth of small scale industries in the country. Areas where much attention is given are ancillarisation, sub-contracting and Vendor Development, Modernization and Technology Upgradation, Quality control and Standardization, etc.

In view of public procurement policy, VDPs are being re-oriented to achieve objective of faster and inclusive growth, expanding production in a

regionally balanced manner and in generating widely dispersed employment.

4.15 SSI-MDA SCHEME: PARTICIPATION IN OVERSEAS INTERNATIONAL TRADE FAIRS/EXHIBITIONS

(i) Participation in International Exhibition / Fair: The scheme envisages participation by manufacturing Small & Micro Enterprises in International Trade Fairs/ Exhibitions under MSME, India stall including sector specific market studies by Industry Associations/ Export Promotion Councils/ Federation of Indian Export Organisation.

(ii) Financial Assistance on Bar code scheme – The Micro Enterprises are eligible for reimbursement of 75% of one time registration fees (recurring) (w.e.f. 1st January 2002) and 75% of Annual recurring fee (w.e.f. 1st June 2007) paid to GS1, India under the scheme.

PRESENT STATUS

INTERNATIONAL TRADE FAIR

During 2012-13 O/o DC MSME has participated in 8 International Trade Fairs in which 172 units participated. Total expenditure till 31.12.2012 is Rs. 1.21 crores.

4.16 BAR CODE SCHEME

SSI-MDA Scheme has the provision for 75% reimbursement of one-time registration fees and annual recurring fees (for first three years) paid by Micro and Small Enterprises (MSEs) to GS1 India for use of Bar Code. However, the funding towards reimbursement of one time registration fee only is provided under SSI-MDA Scheme. This scheme aims to enhance marketing competitiveness of MSEs. Financial assistance of Rs.12.11 lakhs has been provided to 106 MSEs upto 31st December, 2012 for reimbursement of one-time registration fees.

4.17 SENET (SMALL ENTERPRISE NETWORK)

4.17.1 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 enterprises 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 AMC of computers, Servers, Printers, UPS, Networking Equipment,

Facility Management, lease line/broad band connection etc, up gradation/ replacement of Computers of the Hardware available in the HQrs and it's 30(thirty) field MSMEDIs.

- ii. The maintenance of the website of O/o DC (MSME), the website of 30 MSME development institutes (formerly called SISIs) providing connectivity through leased lines/broadband in Nirman Bhawan, AGCR building and the MSME development institutes etc.
- iii. There, of course are certain additions for facilitation of MSMEs in these establishments. Further more, e-Governance guidelines issued by DAREG, guidelines of CVC for placement of tenders on the website, guidelines of RTI Act 2005 etc. and basic transparency requirement are other services provided by SENET. The SENET Schemes also provides for maintaining a communication link between the Associations; State Govt. and other Stakeholders.

4.18 NATIONAL AWARDS

The M/o MSME with a view to recognize the efforts and contribution of MSMEs gives National Award annually to the selected entrepreneurs and enterprises under the scheme of National Award.

The awards are given for various categories in (i) Research and Development Efforts, (ii) Outstanding Efforts in Entrepreneurship and (iii) Quality Products. The First, Second and Third National Award carry a cash prize of Rs.1,00,000/-, Rs.75,000/- and Rs.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. Besides awards to the Entrepreneurs, awards are also given to banks for excellence in lending to MSEs.

Under the scheme, an exhibition is also organised for MSMEs during the India International Trade Fair (IITF) at Pragati Maidan to exhibit products manufactured by MSMEs / National Awardees.

4.18.1 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, two awards each for Micro and Small Enterprises and

for Medium Enterprises are conferred upon deserving registered MSMEs which may be in continuous production for the last 3 years. The first and second award carry a cash prize of Rs.1,00,000/- and Rs.75,000/- respectively, besides a Certificate and a Trophy.

A Special Recognition Award in the form of cash prize of Rs.20,000/- each, a Certificate and a Trophy are given to the deserving MSMEs.

4.18.2 OUTSTANDING ENTREPRENEURSHIP EFFORTS IN MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs)

Under the Scheme, three National Awards are given to MSMEs engaged in manufacturing Sector and two awards for MSMEs rendering Services. Besides a Trophy and a Certificate, the First Award carries a cash prize of Rs.1,00,000/-, the Second and the Third Awards carry cash prizes of Rs.75,000/- and Rs.50,000/- respectively. Special Award to Outstanding Women Entrepreneurs, SC/ST Entrepreneurs and Entrepreneurs from NER at par with 1st National Award in each category is also given. The First National Award for Micro and Small Enterprises for 2010 have been given jointly to entrepreneurs from Karnataka and Punjab, second National Award joint to entrepreneurs from Uttar Pradesh and Punjab and Third

National Award to entrepreneurs from Delhi. A women entrepreneur from Himachal Pradesh has won the Special Award under the category of women entrepreneurs and special award for SC/ST entrepreneur has gone to Gujarat. An entrepreneur from Assam has won the Special Award for NER. The First and Second National Awards for Medium Enterprises have been awarded to entrepreneurs from Rajasthan and Andhra Pradesh respectively. The First National Award for Micro & Small enterprises rendering services has been awarded to entrepreneurs from Rajasthan and second National Award jointly to entrepreneurs from Haryana and Odisha.

4.18.3 NATIONAL AWARD FOR QUALITY PRODUCTS IN MICRO & SMALL ENTERPRISES (MSES)

Under the “National Awards for Quality Products in Micro and Small Enterprises” certain products are selected for conferring the Awards every year. One National Award is given for each category of the selected products. The award carries a Trophy, a Certificate and a Cash prize of Rs.1,00,000/-. A Special Recognition Award in the form of cash prize of Rs.20, 000/- each, a Certificate and a Trophy are given to the deserving MSMEs.

4.18.4 NATIONAL AWARD 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 being conferred upon the Banks in recognition of their outstanding performance in financing the Micro and Small enterprises.

4.19 ADVERTISING & PUBLICITY

The Advertising & Publicity Division of the DC(MSME) is creating awareness amongst the people through Print & Electronic Media about the policies, programmes and activities of the M/o MSME for the development of MSMEs in India.

Advertisements: During the year (till December, 2012), more than 900 advertisements were released on EDPs/SDPs/MDPs and other training programmes etc. conducted by MSME-DIs, designed and released in the national and local newspapers in Hindi, English and other vernacular languages in different parts of the country through DAVP. Apart from these regular advertisements, display advertisements were also released on

the occasion of MSME Expo, National Awards Function and Death Anniversary of Shri Rajiv Gandhi.

Clipping of leading Newspapers/Magazines:

The Division is scanning news/articles/features pertaining to MSME Sector in more than 25 newspapers on daily basis.

During the year, number of messages have been prepared on several occasions and coordinated with PIB for speedy information and media coverage. Press Conference was organised during the MSME Expo and background material in Hindi and English was distributed among media persons and visitors.

4.20 LAGHU UDYOG SAMACHAR AND OTHER PUBLICATIONS

Laghu Udyog Samachar, a monthly journal in Hindi and English(bilingual) of MSME is published to disseminate the updated information for the benefit of the prospective and existing entrepreneurs. Laghu Udyog Samachar is an important window in print form for the MSMEs, providing access to the latest information on a variety of topics relating to MSMEs. It creates awareness and disseminates information on policies and programmes of the Central and the State Governments. It also provides

useful information about field activities and carries statistical and economic information as well as articles on various issues pertaining to the MSMEs. During the year, more than 30 Advertisements were first time booked from the different stakeholders across the country for being published in Laghu Udyog Samachar which are under publication. A number of important articles/features/other write-ups in Hindi and English were arranged for the special issue of Laghu Udyog Samachar.

The distributions of different motivational booklets, folders, brochures were carried away during the year.

4.21 INFORMATION & FACILITATION COUNTER (IFC)

The Information and Facilitation Counter (IFC) located in Nirman Bhawan is nodal office for the M/o MSME and its organisations. It provides speedy and easy access to information to the public on the services and activities of M/o MSME and its organisations. 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 and information related to enterprise;

- (ii) Disseminating information on technical schemes, project report and details of various programmes implemented by the M/o MSME and O/o 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 Micro, Small and Medium Enterprises, technical and marketing aspects concerning MSMEs and Reservation/De-reservation in MSME, etc.

IFC is a nodal office for accepting the applications under RTI Act and forwarding the same to the concerned Division/Section of the Ministry for further necessary action.

4.22 MODERNISATION OF MSME LIBRARIES

The O/o 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 use the libraries and also the entrepreneurs of the areas know about the new development-taking place in the different segments of industrial and business environment.

The libraries are maintaining technical books, journals, reports, project profiles, 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.

4.23 COLLECTION OF STATISTICS OF MSMEs

4.23.1 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 MSME under the centrally sponsored scheme of "Collection of Statistics". Based on the primary data collected through census and sample surveys, the time-series estimates on above economic parameters are maintained for use in the policy formulation and planning.

4.23.2 The scheme was started during Fifth Five Year Plan period in 1975 with the prime objective of providing infrastructure in terms of man-power and computers & peripherals to the Directorate of Industries and District Industries Centres (DICs) of the States/UTs for facilitating activities like collection, compilation and dissemination of statistical data/information on MSMEs. Conduct of census, sample survey, collection of Index of Industrial Production (IIP) data, wholesale price index data and updation of frame (details of enterprises registered and/or entrepreneurs memorandum filed) are covered under the scheme.





5

KHADI AND VILLAGE INDUSTRIES COMMISSION (KVIC)



Minister of State (Independent Charge) (MSME) with Members of KVIC at India International Trade Fair.

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 organisation under the aegis of the M/o MSME, engaged in promoting and developing khadi and village industries (KVI) 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

& 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.



Mahatma Gandhi

opportunities in rural areas at a low per capita investment. It undertakes activities like skill improvement; transfer of technology; research

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

5.3 FUNCTIONS

- (i) To plan and organise training of persons employed or desirous of seeking employment in KVI;
- (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 KVI 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 KVI, 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 on the problems of KVI;
- (vii) To provide financial assistance directly or through specified agencies to institutions or persons engaged in the development and operation of KVI 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 KVI;
- (ix) To establish and maintain separate organisations 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 KVI 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 M/o MSME, 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 36 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, implement of 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 7,050 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

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 highly 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 KVI under Scheme of Fund

for Regeneration of Traditional Industries (SFURTI) as a Nodal Agency.

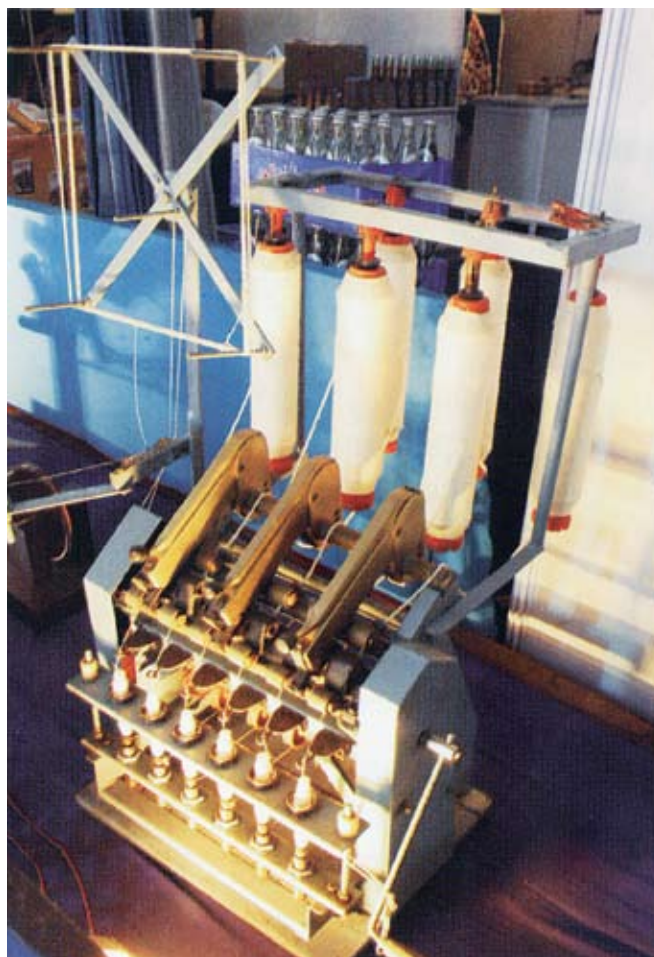
5.6 GROUPING OF INDUSTRIES

5.6.1 While the Khadi Programmemes comprise hand spun and hand woven cotton, woollen, muslin and silk varieties, the Village Industries (VI) Programmemes 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 Textiles 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 are against the Gandhian ideology and ethos.



5.7 BUDGETARY SUPPORT TO KVIC

5.7.1 The Union Government through the M/o 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 2012-13 are given in the following Table:

TABLE 5.1: Budgetary Support to KVIC

(Rs. crore)

Year	Allocation (RE)		Funds Released	
	Plan	Non- Plan	Plan*	Non- Plan
2009-10	919.20	192.41	836.00	192.38
2010-11	1543.96	172.64	1452.46	171.64
2011-12	1494.22	185.22	1258.46	184.72
2012-13(BE)	1607.11	195.58	1008.05@	117.00@

* including SFURTI

@as on 31 December 2012

5.8 PHYSICAL PERFORMANCE

5.8.1 KVI sector has registered a growth of around 9.96 % in 2011-12 over the performance of previous year. The total KVI production during 2012-13(up to 31 December 2012) is estimated at Rs. 18,017.61 crore (Khadi Rs.

569.30 crore and V.I. Rs. 17,448.31 crore) as against Rs. 21,852.04 crore (Khadi Rs. 716.98 crore and V.I. Rs. 21,135.06 crore) in 2011-12. Similarly, estimated sales of KVI products up to 31 December 2012 also increased to Rs. 21,111.51 crore (Khadi Rs. 790.78 crore and V.I. Rs. 20,320.73 crore) in 2012-13 as against

Rs. 26,797.13 crore (Khadi Rs. 967.87 crore and V.I. Rs. 25,829.26 crore) of the previous year (up to 31 December 2011).

as against 119.10 lakh persons (10.45 lakh in Khadi and 108.65 lakh in V.I.) of corresponding period of previous year.

5.8.2 The total cumulative employment in the KVI sector is estimated to have also increased to 121.73 lakh persons (10.69 lakh in Khadi and 111.04 lakh in V.I.) by 31 December, 2012

5.8.3 The performance of KVI sector in respect of production, sales and employment during the last three years and in 2012-13 is shown in the following Table:

TABLE 5.2: Performance of KVI Sector

YEAR	PRODUCTION (Value in Rs. crore)		SALES (Value in Rs.crore)		CUMULATIVE EM- PLOYMENT (in lakh persons)	
	KHADI	V. I.	KHADI	V. I.	KHADI	V. I.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2009-10	628.98	17508.00	867.01	23254.53	9.81	98.72
2010-11	673.01	19198.85	917.26	24875.73	10.15	103.65
2011-12	716.98	21135.06	967.87	25829.26	10.45	108.65
2012-13*	569.30	17448.31	790.78	20320.73	10.69	111.04

*up to 31 December 2012

5.9 MAJOR SCHEMES BEING IMPLEMENTED BY KVIC

5.9.1 Prime Minister's Employment Generation Programmeme (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 Programmeme (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)	Rs. 45,000/- or 75% of the cost of the workshed, whichever is less.
Group Worksheds (for a group of minimum 5 and maximum 15 khadi artisans)	15 Square meters per beneficiary (approximately)	Rs. 30,000/- per beneficiary of the group or 75% of the total cost of the project, whichever is less.

Under this Scheme, more than 38,000 Worksheds are targeted to be constructed at a total cost of Rs. 127 crore (approx.), involving financial assistance of Rs. 95 crore as grant to KVIC from the Government's budgetary sources. Assistance to 4444 artisans have been provided during 2011-12. Against the target of

providing assistance to 4444 artisans during 2012-13, assistance to 3557 artisans could be provided up to 31 December, 2012. Keeping in view the past experience, it is expected that the target would be achieved by the end of the year.

5.9.3 Scheme for Enhancing Productivity & Competitiveness of Khadi Industry and Artisans:

The Scheme aims at making khadi industry more competitive with more market-driven production and sustained employment for khadi artisans and related service providers through replacement of obsolete and old machinery and equipment and repair /renovation of existing/operational machinery/ equipment. The Ministry has introduced the 'Scheme for Enhancing Productivity and Competitiveness of Khadi Industries and Artisans' through KVIC with effect from July 2008. The Scheme would provide financial assistance to 200 of the 'A+' and 'A' category khadi institutions of which 50 institutions would be those which are managed by beneficiaries belonging to Scheduled Castes (SCs)/ Scheduled Tribes (STs), at a total cost of Rs. 84.00 crore involving financial assistance of Rs. 71.14 crore as grant to KVIC from the Government's budgetary sources between 2008-09 to 2011-12. A total of 59 khadi institutions were selected for assistance during 2011-12. The target for assisting 43 khadi institutions in 2012-13 has been fixed.

5.9.4 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 Rs. 9.90 lakh (capital expenditure - Rs. 3.50 lakh, working capital - Rs. 6.15 lakh and Rs. 0.25 lakh towards conducting detailed study report). For renovation of sales outlets, the ceiling of financial assistance is Rs. 25 lakh for Departmental Sales outlets of KVIC, Rs. 21.25 lakh for Departmental Sales outlets of State KVIBs, Rs. 18.75 lakh for institutional outlets located in metro cities and Rs. 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. The target for assisting 45 institutions in 2012-13 has been fixed.

5.9.5 Khadi Reform and Development Programmeme(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 Programmeme 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 programmeme will be implemented in 300 khadi institutions keeping in mind the needs of regional balance, geographical spread and inclusion of backward areas.

5.9.6 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 2012-13 is depicted in the following Table:

TABLE 5.3: Credit Flow under ISEC Scheme

Year	Credit Flow to Khadi and Polyvastra Institutions	Subsidy Provided by KVIC
2009-10	279.02	25.00
2010-11	275.52	29.09
2011-12	305.03	35.56
2012-13*	305.08	10.46

**up to 31 December 2012*

5.9.7 Market Development Assistance (MDA)

For promoting sale of khadi and polyvastra, Government of India through the 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, unattractive look of the outlets and inadequate marketing support, etc. To rectify these deficiencies, the Government after extensive consultation with khadi institutions and other stakeholders 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 Rs. 345.05 crore (Rs. 159.65 crore for 2010-11 & Rs. 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 Rs. 119.53 crore has been disbursed by KVIC towards MDA (Khadi) in 2011-12. Rs. 26.39 crore has been disbursed by KVIC towards MDA (Khadi) in 2012-13 (upto 31 December 2012).

5.9.8 Product Development, Design Intervention and Packaging (PRODIP)

The Product Development, Design Intervention and Packaging (PRODIP) Scheme was launched in November 2002 as a small intervention with a view to selectively improving

the quality of khadi products and also to diversify into new products. It also seeks to improve the marketability of khadi by enlisting the support of professional designers approved by the National Institute of Design (NID).

Under this Scheme, financial assistance is provided to the institutions or entrepreneurs affiliated to the KVIC or State KVIBs up to Rs. 2 lakh per project per year or 75 per cent of the project cost whichever is less. In the case of individual entrepreneurs, the quantum of assistance is up to Rs. 1 lakh or 75 per cent of the project cost, whichever is less. The internal studies conducted by KVIC have indicated that production and sales have increased approximately by 13 per cent and 21 per cent, respectively, in the case of the projects taken up under PRODIP. The progress made under this scheme during the last three years is given in the following Table:

TABLE 5.5: Progress under PRODIP

Year	Total No. of KVI Projects Assisted
2009-10	169
2010-11	175
2011-12	122

5.9.9 Rural Industries Service Centres (RISC):

KVIC has also taken up another small intervention called “Rural Industries Service Centers (RISC)” Scheme from 2004-05 onwards for providing infrastructural support and services to the selected units with a view to upgrading their production capacity; skill upgradation and market promotion. RISC, inter alia, provides testing facilities by establishing laboratories for ensuring quality of products; improved machinery/equipment to be utilised as common facilities by nearby units /artisans for enhancing production capacity or value addition of the product; attractive and appropriate packaging facilities and machinery to the local units/artisans for better marketing of their products; training facilities for upgrading artisans’ skills in order to increase

their earnings and new designs and diversified products in consultation with experts /agencies for value addition of rural manufacturing units. This Scheme is being implemented through KVIC/KVIBs; National level/ State level Khadi and VI Federations; Khadi and VI Institutions affiliated to KVIC and KVIBs and NGOs which have already worked for the implementation of the programmes relating to rural industries. Under this scheme, financial assistance for establishing smaller projects costing up to Rs. 5 lakh each is provided to KVI units while in bigger projects, such assistance is up to Rs. 25 lakh. Each project costing up to Rs. 5 lakh is expected to provide benefit to at least 25 individuals.

The number of projects assisted under this programme during the last three years is given in the Table below:

TABLE 5.6: Number of Projects Assisted – RISC

Year	Total No. of KVI Projects Assisted
2009-10	18
2010-11	18
2011-12	10

5.9.10 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 Rs. 200/- per beneficiary. The Commission has prevailed upon LIC to reduce the premium to Rs. 100/- from 2005-06 which is shared as " Rs. 50/- by the Central Government from Social Security Fund, Rs. 25/- by Khadi Institution and Rs. 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	:	Rs. 30,000/-
In case of accidental death:		Rs. 75,000/-
In case of full permanent disability due to accident	:	Rs. 75,000/-
In case of part permanent disability due to accident	:	Rs. 37,500/-

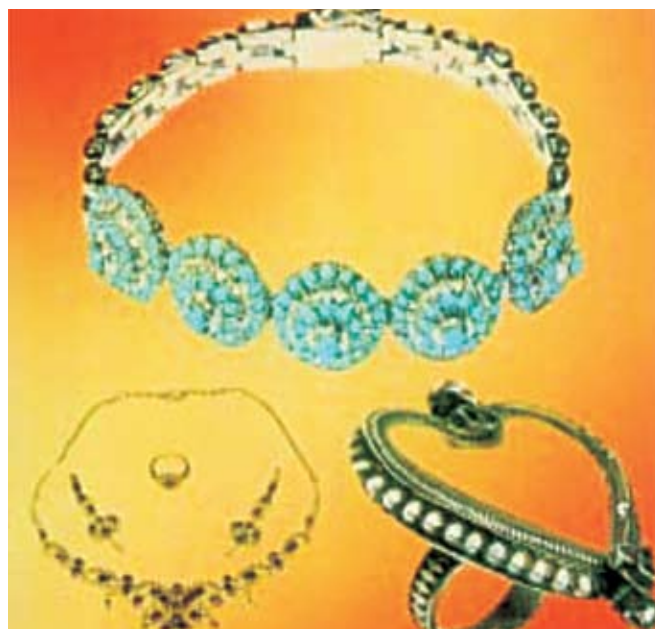
As an 'add-on' benefit without any additional premium, up to two school-going children of insured artisans studying in Class Nine to Twelve are eligible for a scholarship of Rs. 100/- each per month.

More than 2.74 lakh khadi artisans have already been covered under this Scheme so far.

5.9.11 Exhibitions:

Besides promoting sale of products of KVI 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 28 exhibitions/events were organised in various parts of the country in 2011-12. During 2012-13, 13 exhibitions/events have already been organised till 31 December 2012. The pace is expected to pick up in the months of January to March 2013.

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, organisation 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. 880 units have since been registered with KVIC.



5.9.12 Quality Control and Brand Promotion:

KVIC has made arrangements with the National Institute of Design (NID), Ahmedabad; 'Dastakar', Andhra Pradesh; IIT, Delhi and Textiles Committee, Mumbai. A Memorandum of Understanding (MoU) signed between KVIC and the Textiles Committee, a statutory body under the Ministry of Textiles. Under the MoU, facilities of 13 laboratories situated across the country are being used by KVIC for testing the quality of khadi and polyvastra so as to provide a fillip and thus further increase the marketability of their products. A number of khadi institutions took benefit of this arrangement and cloth samples were tested on cost sharing basis (75 per cent of the testing charges being borne by the KVIC and 25 per cent by the khadi

institutions) during the year.

5.9.13 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 (AIRTM), Nashik;

Kumarappa National Handmade Paper Institute (KNHPI), Sangner, 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:

In order to streamline the payment of MDA, release of interest subsidy, supply of raw materials, etc., khadi institutions are categorized as A+, A, B, C and D on the basis of their performance in production, sales, marketing, etc. As on March 31, 2012, the details of 2299 categorised khadi institutions are given in the Table below:

TABLE 5.4: Categorization of Khadi Institutions

S.No.	Type	A+	A	B	C	D	Total
1.	Affiliated to KVIC	107	288	322	469	260	1446
2.	Affiliated to State Boards	31	177	224	340	81	853
Grand Total		138	465	546	809	341	2299

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" (earthen 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 2012-13 is given in the Table below:

TABLE 5.9: KVIC Supplies to Governmental Agencies

Year	Amount of Government Supplies
2009-10	21.36
2010-11	30.28
2011-12	29.94
2012-13*	19.69

**up to 31 December 2012*

5.10.3 Registration of New Khadi Institutions

KVIC has directly enlisted/ registered institutions with a view to enhance production. 72 such new khadi institutions were registered with KVIC and KVIBs in 2012-13 (up to 31 December 2012).

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 1797 khadi institutions have become its members as on March 31, 2012, accounting for remittance to the tune of Rs. 23.06 crore and refund of Rs. 11.09 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 Rs. 51.10 lakh. The National Flag Production Unit was awarded BIS certification on February 17, 2006. The Unit has also installed the dyeing, processing and finishing equipment envisaged in the second phase of the programme of National Flag Production Centre. The Unit has the capacity to produce around 5000 National Flags of different sizes per day.



5.10.6 Khadi ‘Ready-to-Use Mission’:

KVIC has initiated a “Ready-to-Use” Mission during 2005-06 for khadi products. Under this project, a major khadi institution works as a lead institution where facilities for production 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 programmemes 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 2012-13 are given in the Table below:

TABLE 5.10: Performance of the CSPs*(Quantity: lakh kg, Value: Rs. crore)*

Year	Production		Supply	
	Quantity	Value	Quantity	Value
2009-10	35.27	35.70	35.46	35.82
2010-11	32.98	42.88	34.17	41.14
2011-12	29.63	48.81	24.98	42.76
2012-13*	14.42	22.20	18.96	29.60

*up to 31 December 2012

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 2012-13. The following 8 local raw material godowns provided the above services during the year:

- (i) Dausa – Rajasthan
- (ii) Surendranagar – Gujarat
- (iii) Bijour - 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 13 PEP events in 2011-12 at the field level. Besides dissemination

of the policies and schemes of KVIC on rural industrialization, essay competitions; debates and seminars drew a good deal of participation from academic institutions, students, Panchayati Raj Institutions, NGOs, etc. on issues of topical interest concerning KVI. KVIC provides financial assistance for the purpose through its budgetary allocation.

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

The Credit Guarantee Trust Fund for Micro and Small Enterprises (CGT-MSE) 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:

KVIC initiated a system of Concurrent Monitoring and Evaluation for better implementation of PMEGP.

6

MAHATMA GANDHI INSTITUTE FOR RURAL INDUSTRIALISATION (MGIRI)



Dr. P.B. Kale, Director-MGIRI briefing Minister of State (Independent Charge) for Micro Small and Medium Enterprises Shri K.H. Muniyappa at India International Trade Fair 2012, Khadi & Village Industries Commission Pavilion on 14 November, 2012.

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 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 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 KVI. 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 M/o 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 KVI 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.

6.1.5 MGIRI has a General Council(GC) which has a maximum of 35 members and the President of the GC is the Minister in charge, M/o MSME, Govt. of India and an Executive Council(EC), comprising of not more than 15 members with Secretary, M/o MSME, Government 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 programmemes, resource survey, etc.

6.3 BUDGETARY SUPPORT

6.3.1 The Union Government through M/o MSME provides funds to MGIRI for undertaking its various activities. The details of funds provided during the last three years and in 2012-13 to MGIRI are as under:

Table: 6.1 Funds released to MGIRI

(Rs in crore)		
Year	Budget allocation (RE)	Funds released
2009-10	3.00	3.00
2010-11	6.00	5.86
2011-12	7.00	3.98
2012-13(BE)	11.00	1.53*

**up to 31 December 2012*

6.4 FUNCTIONS

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

(i) **Chemical Industries Division:** The main focus of this division is to promote quality consciousness and consistency in the area of food processing, organic foods and other products of rural chemical industries. It also provides a comprehensive quality testing support and is working towards developing field worthy kits, techniques and technologies to facilitate the cottage and small scale units in this area.

(ii) **Khadi and Textiles Division:** The activities mainly carried out by this division are to improve the productivity, value addition and quality of products manufactured in Khadi institutions by introducing new

technologies and by providing quality assurance support. It also works towards facilitating eco-friendly products and methods.

(iii) **Bio-processing and Herbal Division:**

This division of MGIRI prepares technology package and simple quality assurance methods to facilitate production and utilization of organic manures, bio-fertilizers and bio-pesticides to promote rural entrepreneurs. This section is also making efforts to develop new formulations using 'Panchagavya' and their quality assurance procedures and facilities.

(iv) **Rural Energy and Infrastructure**

Division: This division has been mandated to develop user-friendly and cost-effective technologies utilizing commonly available renewable resources of energy to facilitate rural industries and also to carry out audit

of traditional rural industries so as to make them energy efficient.

(v) Rural Crafts and Engineering Division:

This Division is to help upgrade the skills, creativity and productivity of rural artisans and to 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 COURSE OF THE YEAR 2012-13:

Some of the significant ones are as follows:

1. In order to increase the earnings of the weavers, concept of double dobby has been developed in Khadi field for weaving value added handloom fabrics. Buti and border intricate designs can be simultaneously woven on the fabric and time can be saved.
2. Field trial of solar single passenger tri-cycle was developed by MGIRI carried out in association with the students of Agnihotri Engg. College, Wardha.



Entrepreneur taking training for Henna Paste formulation (21-23 August, 2012)



Hank dyeing machine in Magan Sanghralhalaya Samiti, Wardha on field trial

3. Solar biomass drier of capacity 1MT/h as an attachment on the MGIRI's innovative biomass mixture for briquetting unit started functioning in Raman Udyog, MIDC, Deoli.
4. Developing a process of using soap stock solution, a waste from edible oil industry and converting into a marketable product as liquid hand wash.
5. A process of preparing sugar-free soya-milk for diabetic patients has been developed.
6. Developed Panchagavya based disinfectant product with natural ingredients such as cow-urine and Neem Oil.
7. Science, technology and management support was provided to entrepreneurs in terms of quality guidance, preparation of project reports, in guiding aspirant entrepreneurs on machineries and equipment and understanding the technical problems, etc.
8. Hands-on technical training on the process of preparation of products, testing provided to 65 Entrepreneurs/NGO's/ Institutional trainers.
9. Awareness creation of technology applications through Expos and Exhibitions was carried out.



Shri Tiruchi Siva Chairman, Department related Parliamentary Standing Committee on Industry appreciating KVI Products



Minister of State (Independent Charge) Shri K.H. Muniyappa reviews schemes & programmes of KVIC at Mumbai. Shri Devendrakumar R. Desai, Chairman, KVIC is also present (right).

7

COIR BOARD



Shri Jagadish Shettar, Chief Minister of Karnataka, Shri K.H. Muniyappa, Minister of State (Independent Charge) for MSME, Prof. G. Balachandran, Chairman, Coir Board and Members of the Coir Board during the Karnataka Coir Expo-2013 at Bangalore.

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 otherwise is 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 ratts which requires repeated walking, forward and backward. The total production of coir fibre in the country during the year 2011-12 was 5,31,500 M.T. The fibre production anticipated during 2012-13 is 6,10,000 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 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 2012-13 are given in the Table below:-

TABLE 7.1: Details of budgetary support to the Coir Board*(Rs.Crore)*

YEAR	ALLOCATION (RE)	FUNDS RELEASED
	Plan**	Plan**
2009-10	42.00	38.73
2010-11	49.10	46.33
2011-12	36.46	26.55
2012-13(BE)	81.90	17.76*

up to 31 December 2012** including SFURTI*

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

popularizing coir and coir products by way of publicity, organising exhibitions in different parts of the country, through audio and visual media, sales campaign, press advertisements and through pamphlets, hoardings etc. The Coir Board has participated in /organised 114 exhibitions during 2011-12 for popularisation of coir and coir products in the domestic markets.

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

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 2012-13 (up to 31 December, 2012) are as under:

(Rs. Lakh)

2009-10	2010-11	2011-12	2012-13*
1406.75	1311.30	1462.46	1139.00

* up to 31 December 2012

7.7 EXPORT MARKET PROMOTION

shows, extending external market development assistance to exporters etc.

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

7.7.2 With the efforts of the Coir Board, the export of coir and coir products reached a level of Rs. 1052.62 crore during 2011-12 recording a growth around 30 per cent in value terms in the previous year. The details of exports of coir and coir products made during the last three years and in 2012-13 are given in the Table below:-

TABLE 7.2: Exports of Coir & Coir Products

Year	Quantity (Metric Tonnes)	Value (Rs. crore)
2009-10	294508	804.05
2010-11	321016	807.07
2011-12	410854	1052.62
2012-13*	316566	844.72

*up to 31 December 2012 (provisional),

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 2012-13 (up to 31 December 2012) 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	National Hardware Show, Las Vegas	USA	1-3 May, 2012
2.	GIFTEX World 2012, Tokyo	Japan	4-6 July, 2012
3.	Singapore Garden Festival 2012, Singapore	Singapore	7-15 July, 2012
4.	Textile House South America, Sao Paulo	Brazil	25-18 August, 2012
5.	InterBuild Jordan Fair 2012, Amman	Jordan	11-14 September, 2012
6.	International Garden Leisure & Pet Care Exhibition, Birmingham	UK	17-19 September, 2012
7.	Inspire (Index) Exhibition, Dubai	UAE	24-27 September, 2012
8.	International Fair of Horticulture, Belgrade	Serbia	25-30 September, 2012
9.	Domotex Russia, Moscow	Russia	26-28 September, 2012
10	International Horti Fair, Amsterdam	Netherlands	30 October – 2 November, 2012

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 2012-13 are given in the Table below:-

TABLE 7.4: Details of assistance towards Development of Production Infrastructure

Year	Amount (Rs. Lakh)	Number of Units
2009-10	20.74	26
2010-11	30.46	22
2011-12	54.45	21
2012-13*	60.04	19

** up to 31 December 2012*

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 2012-13 is given in the Table below:

TABLE 7.5: Number of persons trained

Year	Number of Persons Trained
2009-10	9007
2010-11	13853
2011-12	19811
2012-13*	9349

**up-to 31 December 2012*

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 2012-13 are given in the Table below:

TABLE 7.6: Details of assistance under Mahila Coir Yojana

Year	No. of ratts distributed	Assistance sanctioned (Rs. lakh)
2009-10	264	9.62
2010-11	380	25.58
2011-12	466	14.72
2012-13*	144	4.04

**up to 31 December 2012*

7.9.4 Quality Improvement Programmeme (QIP): The Coir Board organises Quality Improvement Programmemes (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 Programmeme (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 Insurance Scheme was renewed with the United Insurance Company, Ernakulam w.e.f. 01.12.2010. 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 2012-13 an amount of Rs.2,70,000/- 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)*

	2009-2010	2010-11	2011-12	2012-13
Quantity	1,47,557	1,13,000	1,34,000	79,856
Value	247.90	266.17	355.47	218.00

**up to 31 December 2012*

7.11 REJUVENATION, MODERNISATION AND TECHNOLOGY UPGRADATION (REMOT):

243 crore consisting of Government grant of Rs. 99 crore; beneficiary contribution of Rs. 12 crore and the remaining Rs. 132 crore as a term loan from Banks. The two categories of beneficiaries, viz; Spinner and the Tiny Household Producers which are the most vulnerable lot in the Coir sector are covered under the Scheme as per details given below:

7.11.1 A new central sector scheme named "Rejuvenation, Modernisation and Technology Upgradation of the Coir industry" was launched during March, 2008 with a total outlay of Rs.

TABLE 7.9: Details of Rejuvenation, Modernisation and Technology Upgradation Scheme

(Amount: Rs crore)

S I . No	Category	Coverage (units)	No. of Persons to be employed	Investment	Term Loan	Grant	Total
1.	Spinning	4000	32000	4	44	32	80
2.	Tiny/Household	3200	28800	8	88	64	160
4.	Survey, Evaluation & Monitoring, MIS	--	--	--	--	3	3
5.	Total	7200	60800	12	132	99	243

Under this Scheme, a provision of Rs.16 crore has been made in BE 2012-13.

8

NATIONAL SMALL INDUSTRIES CORPORATION LIMITED (NSIC)



Hon'ble President of India, Shri Pranab Mukherjee conferred "Silver Plate Award" to National Small Industries Corporation Ltd., (NSIC) for Corporate Social Responsibility (CSR) initiatives undertaken with Help Age India during the year 2011-12. Shri H.P. Kumar, CMD, NSIC accepting the award from the Hon'ble President.

CHAPTER - VIII

NATIONAL SMALL INDUSTRIES CORPORATION LIMITED (NSIC)

8.1 INTRODUCTION

National Small Industries Corporation (NSIC) Ltd., an ISO 9001 certified Company, was established by the Government of India in 1955. NSIC is a self sustaining dividend paying company having a business turnover of Rs.11137 crore during the financial year 2011-12. Further, the Corporation has achieved business turnover of Rs. 9395 crores during the current financial year (upto December, 2012). NSIC has been helping the MSMEs for over last five decades in capacity building of the existing units and Incubation of the new enterprises. To enhance the competitiveness of MSMEs, NSIC provides integrated support services under Marketing, Finance, Technology and other Support Services through countrywide network of 150 offices and Technical Centres in the Country. To manage operations in African countries, NSIC operates from its office in Johannesburg, South Africa.

8.2 ORGANISATIONAL SET-UP

The policy guidelines to the Corporation are provided by the Board of Directors consisting of a full time Chairman-cum-Managing Director; two Functional Directors; two Government Nominee Directors, and seven Non-official Part-time Directors. The Corporation has a dedicated team of professionals at all levels and operates through 150 offices located all over India and one office located at Johannesburg (South Africa).

8.3 PERFORMANCE HIGHLIGHTS

8.3.1 During the year 2011-12, NSIC's performance in-terms of physical and financial outcomes in almost all parameters exceeded the targets set for the year. This could be possible due to all-round expansion of services by reaching out to larger number of MSMEs in the country. NSIC is addressing all the needs of the MSMEs in an integrated manner - comprising of stimulation, support, sustenance and growth of MSMEs. In line with the current economic changes, the Corporation introduced many new

schemes from time to time for the development of the sector. NSIC is continuing to play an important role in assisting members of MSMEs under its schemes, which are designed to suit the requirement of the sector in the changed economic scenario. All the schemes operated by the Corporation for the MSMEs are receiving good response from MSME sector and the demand for these schemes has been rising which clearly shows their attractiveness in terms of their utility, pricing and the quality of service delivery. NSIC has been continuously striving to improve the customers' satisfaction by laying greater emphasis on the quality of service delivery. Highlights of achievements for the year 2011-12 and during the year 2012-13 (upto December, 2012) are briefly mentioned below.

8.3.2 The major highlights of achievements made by the Corporation during the financial year 2011-12 are as under:

- (i) The business turnover of the Company for the year 2011-12 went up to Rs.11,137 crore as compared to Rs. 7,979 crore in the previous year registering a growth of 40%. Further, the Corporation has achieved business turnover of Rs. 9395 crores during the current financial year (upto December, 2012).
- (ii) The gross margin and profit before & after tax earned by the Company during 2011-12 vis-à-vis 2010-11 is depicted in the table below:

(Rs. in Lakh)

Particulars	2010-11	2011-12	2012-13 (upto Dec.2012)
Gross Margin	8165.00	15,333.00	15987
Net Profit before Tax	3,516.92	6,021.14	6138
Less : Provision for Tax	538.50	1,900.00	1992
Net Profit after tax	2,978.42	4,121.14	4146
Earning Per Share (Rs.)	12.78	17.50	9.73

- (iii) Amongst the diverse requirements of MSMEs, steady and timely availability of raw material assumes great significance.

Accordingly, in the various support services rendered by the Corporation, while providing 'Marketing Support', Raw

Material Distribution has been given top priority. Raw Material assistance to MSMEs at competitive rates, quality and in time 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. Raw materials distribution, in quantitative terms, grew up by 31% to 6,84,976 MTs in 2011-12 from 5,24,534 MTs in 2010-11. During the current financial year 2012-13 (upto December, 2012), 555712 MTs of Raw Material was distributed to MSMEs. During the year seven new godowns were opened in different parts of the country. The Portfolio of Raw Material Assistance against Bank Guarantee reached Rs. 1573 crore on 31st March, 2012. The portfolio further reached to the level of Rs. 1875 crore on 31st December, 2012.

- (iv) Credit facilitation by NSIC during the year 2011-12 to Micro, Small & Medium Enterprises increased to Rs. 3824 crore from Rs. 2349 crore in the previous year, registering a growth of 63%. Further, the

credit facilitation to MSME was extended to the tune of Rs. 2842 crore during the current financial year (upto December, 2012). As on 31.03.2012 Corporation had Tie-up arrangements with 16 Banks for providing Credit Facilitation to the MSME sector. During the year 2012-13 (upto December, 2012) agreements were signed with 6 more Banks i.e. Corporation Bank, State Bank of Travancore, Allahabad Bank, Indian Bank, Punjab & Sind Bank and Indian Overseas Bank for credit facilitation to this sector.

- (v) The Revenue from Single Point Registration Scheme (SPRS) and B2B Portal increased to Rs. 10.89 crore from Rs. 5.94 crore in the previous year thereby posting a growth of 84% over the previous year. During the current financial year 2012-13 (upto December, 2012), revenue of Rs. 8.68 crores was generated from these schemes.
- (vi) Financial year 2011-12 continued to be another year for the Technical Centres when all seven technical centres operated without getting any grants to meet their administrative cost. This could be possible through the Technical Centres beginning to undertake "Techno-Commercial Activity". The aggregate income of technical services

increased to Rs.23.99 crore registering a growth of 32% over the previous financial year. During the current financial year 2012-13 (upto December, 2012), technical centres generated income of Rs. 22.80 crore.

- (vii) For the financial year 2011-12, NSIC continued to implement two schemes on behalf of the Government of India namely Performance & Credit Rating Scheme and Marketing Assistance Scheme. Under the Performance & Credit Rating Scheme, 13,547 units were rated during the year as against 10,327 in 2010-11 posting an increase of 31% over previous year. Under the Marketing Assistance Scheme, the Corporation could conduct various events namely Exhibitions in India & abroad, Buyer Seller Meets, Intensive Campaigns etc. The total number of events held was 888, which included 6 international level exhibitions organised during the year to support marketing efforts of MSMEs.

8.4 DIVIDEND

In view of the improved performance, NSIC for the sixth year in a row paid dividend. Dividend of Rs. 8.24 crore (i.e. @ 20% of the Net Profit) for the financial year 2011-12 to the Government.

8.5 SCHEMES OF THE CORPORATION

To enhance the competitiveness of MSMEs, NSIC provides integrated support services in the areas of Marketing, Technology, Finance, etc. NSIC is implementing the schemes of Marketing Assistance and Performance & Credit Rating on behalf of the M/o MSME.

8.5.1 Marketing Support to MSMEs

Marketing has been identified as one of the most important tools 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:-

- a) **Raw Material Distribution:** In this direction, the Corporation has signed agreements / MoUs with the major bulk producers i.e. NALCO BALCO - for Aluminium, SAIL RINL - for Iron Steel, CPCL - for Paraffin Wax, CIL - for Coal and IOCL - for Polymer products etc. These arrangements facilitate MSMEs in getting material at the manufacturer's price with the priority of dispatch. This results into reduction in the cost of production and

making the products of MSMEs competitive in the domestic as well as international markets. These efforts of the Corporation supplement the programmes of the Government aimed in making Indian MSMEs globally competitive. The financial assistance is also extended to MSMEs for procurement of raw material against Bank Guarantee. During previous year (upto December, 2012), raw material to the tune of Rs. 212243.65 lakh was provided to MSMEs. During the current financial year (upto December, 2012) facilitation to the tune of Rs. 274155.67 lakh has been extended to MSMEs.

b) Consortia and Tender Marketing:

Micro & Small Enterprises (MSEs) in their individual capacity face problems to procure and execute large orders, which deny them a level-playing field *vis-à-vis* large enterprises. NSIC, accordingly forms consortia of micro & small units manufacturing the same products, thereby pooling in their capacity which provides comfort level to MSEs as suppliers and also to buyers. The Corporation applies for Tenders on behalf of consortia of MSEs and secures orders for bulk quantities. These orders are then distributed amongst MSEs in tune with their production capacity. During the financial year 2012-13 (upto 31st December, 2012) Corporation participated in the Tenders valuing

Rs. 735 crore and value of tenders executed was Rs. 27.70 crore.

c) Single Point Registration for Government Purchase: NSIC operates a Single Point Registration Scheme under the Government Purchase Programme. The MSEs registered under this Scheme get the following facilities:-

- i) Issue of Tenders free of cost.
- ii) Advance intimation of Tenders issued by DGS&D.
- iii) Exemption from payment of earnest money deposit.
- iv) Price matching option to the MSEs quoting price band of L-1 plus 15%. (where L1 is non-MSE); and
- v) Issue of competency certificate.

During the financial year 2011-12, 2207 units were registered under the scheme (upto 31st December, 2011). The units registered under this scheme during the current financial year (upto 31st December, 2012) are 2478. The revenue generated during the current financial year (upto 31st December, 2012) is Rs.706.48 lac as against Rs. 597.72 lac (upto 31st December, 2011).

d) Exhibitions: To showcase the competencies

of Indian MSMEs, NSIC facilitates MSMEs participations in International Exhibitions, Fairs, etc. on concessional terms under the Marketing Assistance Scheme of the M/o MSME by partially meeting the cost towards rent of stall as well as air fare. Participation in these events exposes MSMEs to international practices and enhances their business prowess. Through participation in these events, MSMEs are also facilitated to capture new markets



The Minister of State (Independent Charge) for Micro, Small & Medium Enterprises, Shri K.H. Muniyappa visiting stalls after inaugurating the NSIC Techmart-2012, at the India International Trade Fair, Pragati Maidan, in New Delhi on November 14, 2012.

making them globally competitive. During the financial year 2012-13 (upto 31st December, 2012), Corporation participated / organised 94 domestic / international exhibitions.

e) **Buyer – Seller Meets:** Large and institutional buyers such as Railways, Defence, Communication Departments and large companies are invited to participate in buyer-seller meets to enrich MSEs knowledge regarding terms and conditions, quality standards etc. required by the buyers. These meets are aimed at vendor development from MSEs for the bulk manufacturers. The Corporation organised /participated in 374 Marketing Workshops and Buyer Seller Meets upto 31st December, 2012.

f) **Marketing Assistance Scheme:** This is an ongoing scheme for providing marketing support to MSMEs. The scheme is being implemented through National Small Industries Corporation (NSIC) Limited. Marketing, a strategic tool for business development, is critical for the growth and survival of MSMEs in today's intensely competitive market. One of the major challenges before the MSME sector is to market their products/ services. The main objectives of the scheme is to enhance the marketing competitiveness of MSMEs; to

provide them a platform for interaction with the individual/institutional buyers; to update them with prevalent market scenario and to provide them a form for redressing their problems. MSMEs are supported under the Scheme for capturing the new market opportunities through organising/ participating in various domestic & international exhibitions/ trade fairs, Buyer-Seller meets intensive-campaigns and other marketing events.

8.5.2 Technology Support

a) Technology is the key to enhance a company's competitive advantage in today's dynamic information age. MSMEs need to develop and implement a technology strategy in addition to financial, marketing and operational strategies and adopt the one that helps in integrating their operations with their environment, customers and suppliers.

b) NSIC offers MSMEs the following support services through its Technical Services Centres and Extension Centres:

- (i) Material testing facilities through accredited laboratories;
- (ii) Product design including CAD;
- (iii) Common facility support in machining, EDM, CNC, etc.;

(iv) Energy and environment services at selected Centres; and

(v) Practical training for skill upgradation

c) During 2012-13, upto 31st December, 2012, 5415 units were served under common services facilities.

8.5.3 Credit Support to MSMEs

The Corporation is providing Credit Facilitation to MSMEs through its various schemes. During 2011-12, total credit facilitation of Rs.3824 crore was provided & upto 31st December, 2012 credit facilitation of Rs. 2842 crore was provided as against Rs. 2191 crore for the corresponding period. 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. During the year 2012 so far Agreements have been signed with 6 more

Banks i.e. Corporation Bank, State Bank of Travancore, Allahabad Bank, Indian Bank, Punjab & Sind Bank and Indian Overseas Bank for credit facilitation to this sector, making the total number of banks 21 with whom these arrangements have been entered.

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 MSMEs

c) Performance & Credit Rating Scheme for Small Enterprises

On behalf of the M/o MSME, NSIC is implementing "Performance & Credit Rating Scheme" for Micro and Small Enterprises (MSEs). 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 is very popular among MSMEs and getting good response from them. 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, 13,547 units were rated in 2011-12 as against 10,327 in 2010-11 posting an increase of 31% over previous year. In 2012-13, the units rated upto 31st December, 2012 are 13734 as against 8495 for the corresponding period of previous year.

8.5.4 Support Services to MSMEs

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. In order to give a boost to MSMEs,

NSIC has taken step forward by taking judicious decision to set up the following projects:

a) Construction of 'Marketing Development-cum-Business Park' (MDBP) at NSIC Complex, Okhla Industrial Estate, New Delhi.

NSIC is establishing "Marketing Development-cum-Business Park" (MDBP) at Okhla, New Delhi. MDBP will be a state-of-the-art building having a total covered area of approx. 37,000 sqm.

b) Marketing Intelligence Cell

Hon'ble Prime Minister's Task Force set up to consider various issues relating to Micro, Small & Medium Enterprises Sector in its report had suggested various measures which inter-alia included setting up of a "Marketing Intelligence Cell". Accordingly, NSIC 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 has created an in-house data base of SME buyer departments and products for use of MSMEs. The data base of industry associations, exporters and sector-wise industry profiles have been created. Hyperlinks

have been provided with Government / PSUs for scanning tenders and other related information. The linkages have also been established with Indian Embassies abroad for providing market information about changing patterns in the international markets to help MSMEs in planning their marketing strategies. The Marketing Intelligence Cell is running a web portal for disseminating marketing intelligence to the MSME sector in the country and it stands out as one-stop-shop for MSMEs in the context of accessing Marketing Information.

c) Promoting International Trade through NSIC's B2B & B2C Web Portal

NSIC has enhanced its existing B2B Web Portal into an Integrated Web Portal *www.msmemart.com* with its endeavor to facilitate Marketing Services effectively to MSMEs across the country. The new portal provides an online platform for B2B (Business to Business) and B2C (Business to Customer) marketing activities. MSMEs can join this portal to market their products and services globally. Major features of the portal are interactive and sector specific large databases of MEMEs, Online global and national tender notices and alerts, self web development tool and B2B facilities, payment gateway for membership subscription, global trade leads from trusted

international sources, online buying / selling, multi product cart, multiple payment options, MSME's web store, multiple language support etc. Rolling of new web portal is being carried out currently and the information is being disseminated to MSMEs across the country and related institutions including MSMEs Associations to avail the benefits of the web portal.

d) NSIC-Training-cum-Incubation Centres (NSIC-TICs) for creating new entrepreneurship

Training Cum Incubation Centres were started by NSIC with an objective to create self-employment opportunities by imparting training in entrepreneurship building to the unemployed people who want to set up new small business enterprises in any of the manufacturing/services sectors or seek employment opportunities. The Scheme is being operated under PPP [Private Public Partnership] mode where the private partner is associated with NSIC and NSIC offers technical & other support services to associate unit with a view to achieve the objectives of the centre. NSIC Training-cum-Incubation Centres provide an opportunity to first generation entrepreneurs to acquire skill for enterprise building and also 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 development, identification of appropriate technology, hands on experience on working projects, project / product selection, opportunity guidance including commercial aspects of business. In addition, low cost project technologies required for setting up new small business enterprises are being displayed in working condition. In the year 2011-12, fourteen new centres were started and with the addition of these centres, 45 centres were operational as on 31.03.2012 covering 18 states i.e. Delhi, Uttar Pradesh, Haryana, Punjab, Himachal Pradesh, Uttarakhand,

8.6. INTERNATIONAL CO-OPERATION ACTIVITIES

NSIC facilitates sustainable international partnerships. The emphasis is on sustainable business relations. Since its inception, NSIC has contributed to strengthen enterprise-to-enterprise cooperation and sharing best practices and experiences with other developing countries, especially those in African, Asian and Pacific regions. 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-operations;
- 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 branches at Guwahati, Tinsukia (Assam), and sub-offices at Imphal (Manipur); Dimapur (Nagaland); Itanagar (Arunachal Pradesh); Shillong (Meghalaya) and Agartala (Tripura). During the year 2011-12, 20 skill development training programmes and 19 Entrepreneurship Orientation 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 NEC, Ministry of DoNER, Government of India, Minority Development Commission

and Government of Assam Guwahati, Jorhat Engineering College, Jorhat, Assam Agriculture University, Jorhat & number of Colleges of Tripura & Manipur. During the year, 2123 trainees were trained under these programmes. NSIC Incubation Centre at Guwahati has taken a new initiative of conducting programmes in joint collaboration with other universities. It has entered into an agreement with Indira Gandhi National Open University (IGNOU) during this year.

8.8 RECOGNITIONS

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

8.8.1 “Award of Excellence”: Presented by Northern India Regional Council of ICWAI for his outstanding contribution in the development of profession of Cost & Management Accountancy.

8.8.2 “India Pride Awards 2011”: CMD, NSIC was awarded Gold Medal at the India Pride Awards, 2011 (a Dainik Bhaskar initiative) for excellence in creating impact in the Indian Economy and Society from Shri Montek Singh Ahluwalia, Deputy Chairman, Planning Commission.

8.8.3 “Council of Arab League Award”: Council of Arab League, an organisation of Arab States in North and Northeast Africa and Southwest Asia (Middle East) comprising of 22 countries conferred “Council of Arab league Award” to CMD, NSIC for his outstanding contribution in the field of MSME sector in the region especially for his innovative Rapid Incubation Programme for creation of self-employment opportunities. This has been found very useful in many countries of Africa.

8.8.4 Laghu Udyog Ratan Award” Global SMB Chamber awarded Dr. H.P.Kumar, CMD, NSIC for his meritorious services in the field of MSME’s development on 1st August, 2012.

8.8.5 Hon’ble President of India, Shri Pranab Mukherjee conferred “Silver Plate Award” to National Small Industries Corporation Ltd., (NSIC) for its Corporate Social Responsibility initiatives undertaken alongwith HelpAge India during the year 2011-12.

8.9 Signing of Memorandum of Understanding (MoU) with the Government

NSIC signed a MoU with the M/o MSME for the year 2012-13. The Company’s rating based on the audited results for the year 2011-12 is “Excellent”.

8.10 CORPORATE RESPONSIBILITY (CSR)

NSIC has always been conscious of its responsibilities and duties towards the society. It has been in the forefront in conducting various CSR initiatives for the benefit of the weaker sections of the society in different parts of the country. In continuation of these objectives, the Board of Directors had decided to implement the DPE guidelines regarding funds to be allocated towards Corporate Social Responsibility initiatives. During the year 2011-12, Corporation took up the following initiatives under CSR activities:

- Health care facilities for weaker sections of the society through health camps;
- Fully equipped Mobile Medical Unit (MMU) was launched for providing health care facilities at the doorsteps of urban poor,
- Computer centres were set up for providing computer education to the under privileged girls and visually challenged persons;
- Education for under privileged children in selected slum areas for pre-school going children and school going children in form of getting their home work done and extra studies in form of bridge education;
- Vocational training to physically challenged persons to equip them with the required skill set to enable them to take up employment or set up their own small enterprises;

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- Integrated development of selected slum clusters by taking up special programme(s) for upliftment of girl children and women;
- Provided training in solar lanterns assembly and distribution in the selected areas where there is no electricity;
- Provided day care facilities and medicines for disabled persons.

During 2012-13, following CSR initiatives are being taken:-

- Camps for Oral Dental health care.
- Specialized health camps.
- Running Cost of Mobile Medical Unit (MMU) funded earlier by NSIC.
- Setting up of Vocational Training Centre in Computer Skills at New Delhi, Pondicherry and Thanjavur.
- Training in assembly of solar lanterns and distribution of solar lanterns in West Bengal and North East.
- Entrepreneur Development Programmes, on IT.
- Providing artificial limbs, wheel chairs, calipers, etc to the physically challenged persons.
- Providing books, shoes and clothes to SC,ST girls.
- Medical services programme for the

mentally challenged persons by providing one Ambulance Van and running cost for one year.

- Vocational Training Centre for mentally challenged persons by providing mini sanitary napkin making machine.
- School Van for transportation to school of mentally challenged children.
- Training for drafting, cutting & stitching of ladies garments and providing sewing machines to women & BPL Youth.
- To provide education for Visually Impaired children with Braille writing slate, text books, papers, private coaching and coaching by special teachers for one year.
- Ophthalmic screening camps for providing services at the doorstep of the poor in Delhi/ NCR.
- To provide education to underprivileged children in Delhi & NCR.
- Empowering girl child & women by improving health and healthy behaviour practices in the community from low social economic strata of the society by organising & conducting workshops on reproductive and child health services, to facilitate adolescent girls as change agents in Delhi & NCR.
- Setting up of computer training centre providing books and stationary to physically & visually challenge.
- Providing Braille Box Braille Embosser & Duxbury Braille Translator for the visually challenged.



A MoU with Ministry of MSME for the year 2012-13 was signed by Dr. H.P. Kumar, CMD, NSIC with Shri R.K. Mathur, the then Secretary, MSME. Present on the occasion were Shri Amarendra Sinha, AS & DC, MSME, Shri Ravindra Nath, Director (Finance), NSIC and Shri P. Udayakumar, Director (P & M), NSIC.

9

TRAINING, ENTREPRENEURSHIP DEVELOPMENT AND OTHER SCHEMES



Minister of State (Independent Charge) for MSME Shri K. H. Muniyappa chaired the 6th meeting of Governing Council of NI-MSME held on 15th December, 2012 on his left is then Secretary (MSME) Shri Vivek Rae and Shri Vijay S. Madan, AS & FA and on his right is Shri C.K. Mishra, Joint Secretary (MSME).

CHAPTER - IX

TRAINING, ENTREPRENEURSHIP DEVELOPMENT AND OTHER SCHEMES

9.1 BACKGROUND

9.1.1 The Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. 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 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 The National Institute for Entrepreneurship and Small Business Development (NIESBUD), NOIDA, National Institute for Micro, Small and Medium Enterprises (NI-MSME), Hyderabad 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 Organisations (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 enterprises.

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 organisations, 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/equipment, office equipment, 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 Centers of NSIC,
- (d) Training cum Incubation Centers (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.

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/-
Others	
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 NATIONAL INSTITUTE FOR ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT (NIESBUD), NOIDA, UP.

9.3.1 National Institute for Entrepreneurship & Small Business Development (NIESBUD) is a premier Institute established in 1983, for coordinating and overseeing the activities of various institutions, agencies engaged in developing entrepreneurship, primarily in small industry, small business and human resources development. The Institute has been actively engaged in organising national/international training programmes, which have benefited MSMEs throughout India and abroad.

9.3.2 The major activities of the Institute include identifying requirements and conducting training programmes aimed at entrepreneurship development for different target groups including members of various Government and NGOs engaged in supporting and promoting entrepreneurship; evolving and standardising field tested strategies and methodologies of developing entrepreneurship to suit the respective locations and target groups and clusters; gathering, analyzing and processing information needed for formulation of policies and implementing programmes related

to self-employment, entrepreneurship and industrial development; offering consultancy services needed for improving management efficiency, productivity and technology adopted by existing entrepreneurs; undertaking documentation and disseminating information related to entrepreneurship/ enterprise development; preparing and publishing literature and information materials related to entrepreneurship/ enterprise development; providing forum for interaction and exchange of views/experiences for different groups mainly through seminars, workshops, conferences etc; studying problems and conducting researches/ review studies etc. for generating knowledge for accelerating the process of entrepreneurship development culminating into establishment of new economic ventures; evolving, designing and helping use of various media for promoting the culture of entrepreneurship among different strata of society.

9.3.3 During the year 2012-13, the Institute has organised 1470 training activities for different target groups with 36,864 participants as on 31st December, 2012. The category-wise details of the training programmes thus organised during the year, are given in Table 9.1: -

Table 9.1: Performance of NIESBUD during 2011-12 and during 2012-13

Sl. No.	Category of the Programme	2011-12 (upto Dec. 31, 11)		2012-13 (upto Dec. 31, 12)	
		No. of Progs.	No. of Part.	No. of Progs.	No. of Part.
1.	Trainers/ Promoters Training & Small Business Opportunities Programmes	25	532	16	275
2.	Entrepreneurship Development Programmes (EDPs)	63	1,684	x	x
3.	Management Development Programmes (MDPs)	16	163	16	168
4.	Entrepreneurship-cum-Skill Development Programmes (ESDPs) – ATI	849	21,160	1,338	34,136
5.	Entrepreneurship-cum-Skill Development Programmes/ ESDPs – Non-ATI	x	x	86	1,672
6.	International Training Programmes	5	89	8	132
7.	Seminars, Workshops & Conferences etc.	3	80	6	481
	Total	961	23,708	1,470	36,864

The training programmes conducted are in comparison to 961 programmes with 23,708 participants organised by the Institute during the corresponding period of the year 2011-12. This represents growth of 53% in terms of training programmes and 56% in terms of the participants, during the year 2012-13 over 2011-12.

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

i) The majority of the training programmes

were organised under the Scheme of “Assistance to Training Institutions” (ATI) of the M/o MSME largely in the States of Delhi, Odisha, Haryana, Rajasthan, Bihar, Himachal Pradesh, Uttar Pradesh and West Bengal.

ii) The period saw the Institute maintaining its emphasis on organising of Trainers/ Promoters Orientation Training Programmes and Need-based market-driven paid programmes, the fees in majority of these cases being paid by the participants themselves. These included two newly introduced Management

Development Programmes on Project Management Certification and series of training programmes on Import-Export Procedure & Documentation organised for MSMEs owners, senior executives, consultants etc.

- iii) The Institute organised two one-week Trainers' Capacity Building Programmes under its Memorandum of Understanding (MOU) with the International Finance Corporation (IFC).
- iv) A series of 05 Capacity Building Programmes for the Principals & Senior Faculty of Industrial Training Institutes (ITIs), was organised for 96 beneficiaries drawn from the States of Jammu & Kashmir; Uttar Pradesh; Haryana and Arunachal Pradesh under the auspices of the Ministry of Labour and Employment, Government of India's Scheme of "Up-gradation of 1396 Government ITIs through Public Private Partnership".
- v) The Monitoring Mechanism earlier designed by the Institute for assessing and ensuring effective supervision of the off-campus training activities, has been further strengthened through introduction of the system of sending four SMSs to each participant during the currency of the programme, for obtaining their feedback on certain identified aspects of organising of the training programmes and effecting the desired modifications after analyzing the responses received from the participants and introduction of web-based Video Conferencing through 'SKYPE'.
- vi) In accordance with an understanding reached with the Directorate General of Resettlement (DGR), Ministry of Defence, the Institute, organised first of the programmes, in a series of such programmes on Small/Rural Entrepreneurship.
- vii) Following its Memorandum of Understanding (MOU) with GIZ aimed at capacity building of Business Membership Organisations (BMOs) in India under the MSME Umbrella Programme being implemented jointly by GIZ GmbH - Deutsche Gesellschaft fur Internationale Zusammenarbeit (German Society for International Cooperation), O/o DC (MSME), Government of India and SIDBI, the Institute, in active association with *sequa GmbH*, organised two activities at its Campus for office bearers of the identified BMOs.
- viii) The Village Level Action Plan for Vaishali, Hazipur, Bihar, earlier prepared by the Institute at the instance of the M/o MSME

got started with commencement of Entrepreneurship-cum-Skill Development Programmes (ESDPs) for the identified youth of the area.

- ix) The eight International Training Programmes organised by the Institute during the period were attended by 132 participants hailing from 39 different countries. The programmes included 03 new training programmes which were organised by the Institute for the first time.
- x) The Institute collaborated with GIZ & Central Board of Secondary Education (CBSE) in organising a 3-days' Induction Training Programme for CBSE – NIESBUD – GIZ Sanitation & Knowledge Development Cell.
- xi) A series of 05 Orientation Programmes for 73 promoters/officials under the Rajiv Gandhi Udyami Mitra Yojana (RGUMY) was organised under the auspices of the M/o MSME.

9.3.5 The Institute played host to a 03-days' Training of Trainers Programme on Intellectual Property Asset Management by MSMEs, organised by the O/o DC (MSME). The residential programme organised, in active association with the World Intellectual Property Organisation (WIPO), Geneva, was attended by 24 Officials of the O/o DC (MSME), drawn from

its field organisations and the Headquarters.

9.3.6 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 SCs/ STs/OBCs etc. The Entrepreneurship-cum-Skill Development Programmes and those organised by the Training-cum-Incubation Centre: Garment Manufacturing, were largely attended by the participants from these sections of the Society. Besides, the participation to other training programmes, by the persons belonging to these target groups, was also encouraged through publicity, etc.

9.3.7 The Institute also assists the participants of its ESDPs/SDPs in getting gainful wage-employment after the training. While the objective is to ensure that at least 25-30% of the participants are absorbed in different units, the actual achievement has been below the desired threshold limit. During the year 2012-13 (upto Nov.), the Institute was in position to secure wage-employment to 17.65% for participants of training programmes. Besides, 2.56% beneficiaries of the training activities were assisted in setting-up their own units.

9.3.8 The Institute is looking after different works in various Clusters. The broad outlines

of the work executed by the Institute during the current year in these Clusters are given below:-

- i) The Detailed Project Reports (DPRs) prepared by the Institute recommending for establishment of Common Facility Centre (CFC) in the Textile Printing Cluster, Pilakhua, Ghaziabad and Ingot Making Brass Cluster, Moradabad, were approved by Steering Committee of MSE-CDP.
- ii) The Institute provided an opportunity to the units of different Clusters to showcase their products through putting up the stalls during the India International Trade Fair, 2012.
- iii) The Institute published the advertisement inviting Tenders for procurement of Machinery etc. towards setting up of the CFC in Scissors Cluster, Meerut. A total of 5 Tenders have been received which are being examined by a Sub-Committee for formulation of recommendations for putting up to the Purchase Committee.

9.3.9 The Institute in accordance under the scheme of Entrepreneurship Development Centre (EDC) through Partner Institutions, for extending the outreach of the training activities, has empanelled a total of 42 eligible and competent organisations/agencies as

its Partner Institutions covering a total of 12 States. A total of 223 training programmes for 5575 participants are to be conducted during the year 2012-13 through these agencies under the Ministry's Scheme of Assistance to Training Institutions.

9.3.10 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) and Entrepreneurship Development Programmes (EDPs). In this manner, the Institute provided training to 2,786 women participants through its different training activities during the period.

9.3.11 The Institute played host to the following delegations/ visits to its campus during the period: -

- A high level 17 member delegation from Malawi visited the Institute on April 11, 2012 for exploring the possibility of collaboration with the Institute for promotion of entrepreneurship and development of MSMEs in Malawi.

- A team of 10 senior officials from the Kandahar Provincial Government, Afghanistan visited the Institute on April 12, 2012. The team which was on an exploratory visit to India for understanding the contemporary developments in India in entrepreneurship development particularly in the area of small industry and small business, evinced keen interest in the programmes/activities of the Institute especially in utilizing the services of the Institute in carrying out the Industrial Potential Survey of Kandhar and establishment of an Entrepreneurship Development Centre in the Province.
- A three-member Study Team from the Empowerment and Enterprise Development Division of the DTI (EEDD), Government of South Africa, visited the Institute on May 22, 2012. The team held discussions on a wide range of subjects/issues covering policy framework for the informal sector; the regulatory environment; support programme including marketing, incentives and training etc; Federal Government support to provincial agencies and private sectors etc.; technology, economic intelligence and incentives etc.; chambers support; support of exclusive financial institutions and support mechanism.
- A two-member team from Social Development Unit of the World Bank visited the Institute on July 20, 2012 for holding discussions in the process of identifying probable area/project relating to women entrepreneurship which could be financed by it under the auspices of the Government of India. The team expressed desire to also associate the Institute in its future activities specially those pertaining to the capacity building of the functionaries engaged in promotion of entrepreneurship among different sections of the society.
- A nine member delegation consisting of the officials from the government and private sector of Kenya accompanied by two officials of JICA, Japan, visited the Institute on September 13, 2012. The members of the delegation represented the officials of Kenyan Institute of Business Training (KIBT); Export Promotion Council (EPC) of Kenya and MSMEs and LSEs. The delegation was found keen to explore the possibility of the Institute assisting it in organising orientation programme for faculty and senior officials of the KIBT; development of course curriculum for different categories and faculty exchange programme between the two.
- A high-level team from South Africa headed

by Mrs. Elizabeth Thabethe, the Deputy Minister of Trade and Industry (DTI) accompanied by senior officials and the Minister Counsellor and Senior Economic Advisor, South African High Commission visited the Institute on November 15, 2012 for holding discussions about the skill development activities of the Institute and the likely possible cooperation of the Institute with South Africa in the area of development of skills.

- The Institute offered to organise customized/ tailor-made training programmes for particular sections of their societies either in India or in their respective countries. The provision of Training of Trainers was also offered so that training activities are taken up in their respective countries on sustainable basis. The delegations were requested to send the specific proposals, if any, in this regard, for taking further concrete action in the matter.

9.3.12 Details of deputation of Faculty abroad during the period is as under:-

- Shri Arun Kumar Jha, Director General of the Institute, at the invitation of the Republic of Uzbekistan, attended the International

Conference on “Role and Importance of Small Business and Entrepreneurship in Implementation of Socio-economic Policy in Uzbekistan”, organised at Tashkent during September 12 – 14, 2012. The Conference was attended inter-alia by the representatives of a number of prominent international organisations and multi-lateral financial institutions including the United Nations, the World Bank, the International Finance Corporation, the Asian Development Bank, the Islamic Development Bank and the leading experts and business people from more than 45 countries.

- Mrs. Rita Sengupta, Director (B/S) of the Institute participated in the Conference “India-UK Skills and Training Partnership” organised by the High Commission of India, London on May 28, 2012. The Conference which was organised with the basic objective of providing a joint platform to Indian Universities and Skills providing Institutions to meet the Universities and Educational Institutions in UK to discuss and identify possible partnerships with UK institutions, was attended by more than 150 delegates both from India and UK.

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) was established in 1960 and was known as National Institute of Small Industry Extension Training (NISIET). The academic activities are organised 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.

9.4.2 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 Upgradation & Transfer, Policy Issues, NGO Networking, Environment Concerns, Cluster Development, Management Consultancy, Quality Management Services, Financial Services, and Information Services.

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 During the year 2011-12, the Institute had organised 772 programmes for target groups with 25,079 participants while during the year 2012-13 the actual up to end of December, 2012 and the committed for the period from 1st January, 2013 to 31st March,

2013 the programmes/projects are 1704 from the said Table that there is 120% increase for target groups with 56088 participants as in the programmes/projects while increase in indicated in the Table 9.2. It may be noticed the participants is 123% compared to 2011-12.



Shri C.K. Mishra, Joint Secretary (MSME) addressing the trainees of Entrepreneurship and Skill Development Programmes (ESDPs) conducted by NI-MSME under ATI Scheme of Ministry of MSME

9.4.6 The performance of the Institute during remaining period of 2012-13 are given in the 2011-12 (actual) and during 2012-13 (up to 31st December 2012) and projections for the **Table – 9.2.**

Table 9.2: Performance of NI-MSME during 2011-12 & 2012-13

Type of Programmes	2011-12		2012-13					
	Programmes	Participants	From 1.4.2012 to 31.12.2012 (Actuals)		From 1.01.2013 to 31.3.2013 (Projected)		Total	
			Progra- ms	Partici- pants	Progra- mmes	Partici- Pants	Progra- mmes	Partici- pants
Entrepreneurship Development Programmes								
(a) Programmes under Assistance to Training Institutions sponsored by M/o MSME:								
(i) ni-msme as Apex Institution	277	8434	148	4440	480	14400	628	18840
(ii) Programmemes by Partner Institutions	259	6956	241	6894	160	4000	401	10894
<u>(b) Other Programmes:</u>								
(i) National:								
(a) Announced	31	2339	25	1060	15	2575	40	3635
(b) Sponsored	60	2233	166	6803	374	11096	540	17899
(ii) International:								
(a) Announced	20	371	14	260	6	102	20	362
(b) Sponsored	4	41	03	37	2	30	05	67
(iii) Seminars and Workshops	47	4705	39	3731	19	660	58	4391
(c) Consultancy & Research	74	--	08	--	4	--	12	--
Total	772	25079	644	23225	1060	32863	1704	56088

9.4.6 In accordance with the policy/guidelines of the Ministry for accelerating the spread of entrepreneurial culture the Institute has been striving hard to spearheading the message. During the previous year, 15390 educated unemployed youth were trained in the ESDPs and the Institute achieved the success rate at 41%. Efforts are afoot to register increase in the success rate during the year.

9.4.7 The Institute played host to following delegations/visits to its campus during the period:

- i) A 15 member delegation on Trade Mission to India led by Mr. Steven Kirni, Director, Kenyan Institute of Business Training (KIBT) visited during September, 2012 and held B2B meetings with entrepreneurs. The Institute facilitated the entrepreneurs to present their products and capabilities in paints, personal care products, engineering industries, herbal, etc. The delegates had one-to-one meeting with entrepreneurs relevant to them and held discussion on possible business tie-ups.
- ii) A fourteen member Nepal delegation led by Mr. Kabir Kumar Chitrakar, Senior Programme Officer, GIZ visited the Institute during November, 2012 and held

discussions with the faculty to understand the modalities of skill development programmes that are conducted by the Institute and also the means of financing the first generation entrepreneurs for establishing their enterprises.

9.4.8 The Institute has successfully negotiated for signing Memorandum of Understanding (MoU) with Wisconsin University for jointly offering educational programmes. Institute has already signed MoUs with GIZ, Foundation for MSME Clusters (FMC), and IHA Consultancy Services Pvt. Ltd.

9.5 INDIAN INSTITUTE OF ENTREPRENEURSHIP (IIE), GUWAHATI

9.5.1 With an aim to undertake training, research and consultancy activities in small and micro enterprises focusing on entrepreneurship development, the Indian Institute of Entrepreneurship (IIE) was established in the year 1993 in Guwahati by the Ministry of Micro, Small and Medium Enterprises (earlier known as Ministry of Small Scale Industries), Government of India as an autonomous national institute. The institute since its establishment has conducted 4312 programmes/workshops/ seminars/meets and trained 1,45,508 persons.

9.5.2 The performance of the Institute during 2011-12 (actual) and during 2012-13 (up to 31st December 2012) and projections for the remaining period of 2012-13 are given in the **Table – 9.3.**

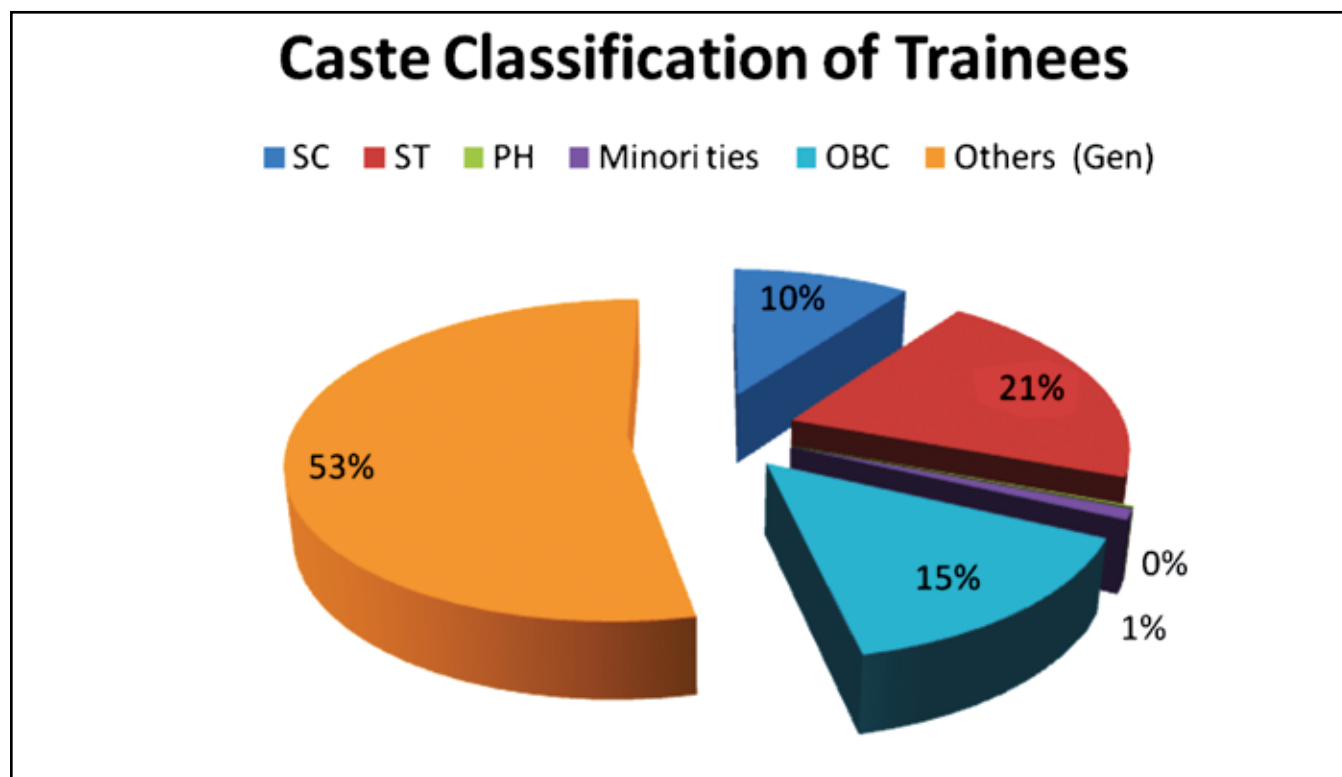
Table 9.3: Performance of IIE during 2011-12 and during 2012-13

Programmes	2011 - 12		2012 - 13					
	No. of Pro-grammes	No. of Partici-pants	From 01.04.2012 to 31.12.2012 (Actual)		From 01.01.2013 to 31.03.2013 (Projections)		Total	
			No. of Pro-grammes	No. of Partici-pants	No. of Pro-grammes	No. of Partici-pants	No. of Pro-grammes	No. of Partici-pants
Entrepreneurship Development Programmes (EDP)	91	2839	9	233	5	150	14	383
Entrepreneurship and Skill Development Programmes (ESDP) & Skill Development Programmes (SDPs)	625	17983	947	27905	304	9120	1251	37025
Management Development Programmes (MDPs)	10	234	7	187	15	450	22	637
Others	89	5528	45	2487	5	84	50	2571
Total	815	26584	1008	30812	329	9804	1337	40616

9.5.3 The Institute also assists the participants of its ESDPs/SDPs in getting gainful wage employment after the training. The objective is to ensure that at least 25-30% of the participants are absorbed in different units and/or start their own ventures. During the year 2012- 13 a total of 1,415 participants were able to secure wage-employment representing a success rate of about 13.53%. Besides, 560 beneficiaries

were provided handholding support in setting-up their own entrepreneurial ventures.

9.5.4 The Institute has been giving special thrust for the upliftment of weaker sections of the society. The institute organises programmes for SC, ST and Women beneficiaries as a part of its activities. The category wise distribution of beneficiaries is given below:-

Fig: Cast Classification of trainees during 2012-13

9.5.5 IIE plays the role of facilitator for generating employment opportunities for different category of target population in the entire NE Region. Along with other weaker sections of the society special efforts are made for the women folk of rural and tribal areas to promote livelihood. IIEs endeavor towards creating employment revolves around its two major activities; trainings & projects. The employment oriented trainings are the Entrepreneurship cum Skill Development Programmes (ESDPs) and Skill Development Programmes (SDP) the projects are Clusters,



Rural Industries Projects (RIP) and Science & Technology Entrepreneurship Development (STED) Projects. Through these area approach projects the institute creates livelihood options by creation of enterprises for target population. During 2012-13, altogether 3112 Scheduled Cast (SC) and 6368 Scheduled Tribe (ST) participants were trained.

9.5.6 One of the thrust areas of IIE has been its focus for upliftment of women in rural and tribal areas. This initiative has been taken up for both tribal and non-tribal beneficiaries in the NE Region through area approach mode. Along with providing training, IIE also linked up the artisans with various welfare schemes of the Central and State Government for overall socio-economic development of the beneficiaries. During the year 16668 women beneficiaries were trained under ESDPs, EDPs and other programmes of the institute. During the year a number of activities were undertaken in the following 100% women artisan clusters in the region:-

- i) Okhrey Carpet Weaving Cluster, Sikkim (Sherpa Community; Rural Area)
- ii) Hapania Jute Cluster, Tripura (SC & Mixed Community; Rural Area).

9.5.7 IIE has been developing enterprise and

entrepreneurship in project mode through Area Approach Projects where geographical vicinity becomes the basis of development. The projects are mainly of the following kinds:-

- Science and Technology Enterprise Development (STED) Project under Department of Science and Technology
- Rural Industries Programme under Small Industries Development Bank of India
- Regional Resource Centre (RRC) for Cluster Development for developing micro and medium enterprise clusters under various ministries and agencies.
- Rural Business Hubs (RBH).



ESDP on Bakery Product

9.5.8 The Regional Resource Centre (RRC) has 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 2012-13, RRC had organised different programmes, and beneficiaries of different clusters spread across the region were covered under the initiative. Documentary films of development on the lives of beneficiaries through the cluster initiative were prepared and the same are being used as a motivational tool in other clusters.

9.6 RAJIV GANDHI UDYAMI MITRA YOJANA (RGUMY)

9.6.1 Further, in order to improve the success rate of the EDP trainees in the establishment of new enterprises, the Ministry had launched a scheme, namely, “Rajiv Gandhi Udyami Mitra Yojana” (a scheme for Promotion and Handholding of Micro and Small Enterprises). Under this scheme, the ‘Udyami Mitras’ are providing guidance and assistance to the potential entrepreneurs registered with them, in preparation of project report, arranging finance, selection of technology, marketing tie-ups with buyers, installation of plant and machinery as

well as obtaining various approvals, clearances and NOCs etc. For providing this handholding assistance to the new entrepreneurs, the ‘Udyami Mitras’ are paid handholding charges under the scheme.



9.6.2 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 (EDP)/ Skill Development Training Programme (SDP)/ Entrepreneurship-cum-Skill Development Training Programme (ESDP)/ Vocational Training Programmes (VT), through the selected lead agencies i.e. ‘Udyami Mitras’, in

the establishment and management of the new enterprise, in dealing with various procedural and legal hurdles and in completion of various formalities required for setting up and running of the enterprise.

9.6.3 An 'Udyami Helpline' (a Call Centre for MSMEs) with a toll free No. 1800-180-6763 has been functioning, set up under the Scheme, to provide information, support, guidance and assistance to first generation entrepreneurs as well as other existing entrepreneurs. The Udyami Helpline provides information about various promotional schemes of the Government, procedural formalities required for setting up & running the enterprise and in accessing Bank Credit etc.

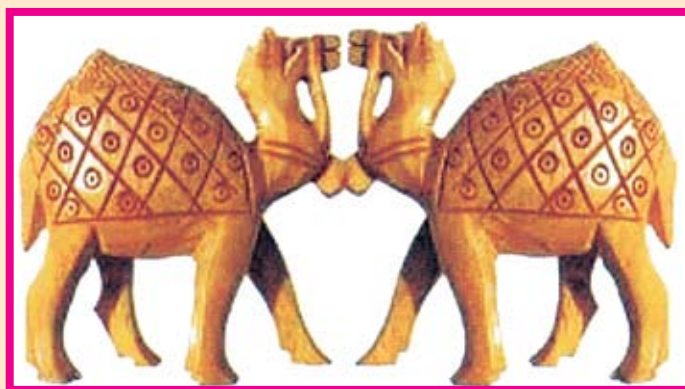


9.7 SURVEY, STUDIES AND POLICY RESEARCH

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 PROGRAMME (PMEGP) AND SCHEME OF FUND FOR REGENERATION OF TRADITIONAL INDUSTRIES (SFURTI)



Elegant and appealing products of PMEGP under KVI sector

CHAPTER - X

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

10.1 A new scheme titled 'Prime Minister's Employment Generation Programme (PMEGP)' has been launched in 2008-09 with the merging of the erstwhile Prime Minister Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) schemes of this Ministry with a total plan outlay of Rs. 4735 crore including Rs. 250 crore for backward and forward linkages. The scheme is envisaged to generate 37.37 lakh additional employment opportunities during the terminal four years of XI Plan. The Guidelines of the scheme are available on the website of the M/o MSME (www.pmegp.in; www.kvic.org.in)

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.

10.2 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



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 (SHGs) including those belonging to BPL is 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

Categories of beneficiaries under PMEGP	Beneficiary's Contribution (of project cost)	Rate of Margin Money Subsidy (of project cost)	
		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 Rs. 25 lakh.
 (2) The maximum cost of the project/unit admissible under business/service sector is Rs.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 (KVIBs) 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 & 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, 19 workshops, 268 awareness camps and 267 exhibitions have been organised during 2011-12 and 31,367 persons have undergone EDP training during 2011-12. 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 2012-13 is given at Annexure III.

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

training centres have been accredited by KVIC for conducting EDP training before disbursal of loan as provided in the guidelines.

10.7 During 2012-13, 2,14,912 applications have been received under the Scheme till 31 December 2012 of which 53,143 projects were recommended to banks. Banks have, however, sanctioned 24,464 cases and made disbursement only in 18,160 cases involving margin money assistance of Rs. 361.46 crore during the year. It is expected that achievements would pick up faster towards the end of current financial year.

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

10.8.1 The M/o MSME is implementing a cluster-based scheme titled "Scheme of Fund for Regeneration of Traditional Industries (SFURTI)" for development of around 100 clusters in khadi, village and coir sectors with a total cost of Rs. 97.25 crore over a period of 5 years (beginning with 2005-06) to make industries in KVI and coir sectors more productive and competitive and to increase the employment opportunities in rural areas of the country. The Scheme is targeted to cover an estimated 50,000 beneficiary families.

10.8.2 The objective of SFURTI is to establish a regenerated, holistic, sustainable and replicable model of integrated cluster-based development of traditional industries in KVI and coir sectors. This primarily means:

- (i) more competitive traditional industries with more market-driven, productive and sustained employment for the participants;
- (ii) strengthen local socio-economic governance system of the industry clusters, with the active participation by the local stakeholders that can help to continue undertake development initiatives by themselves; and
- (iii) building up innovated and traditional skills, improved technologies, advanced processes, market intelligence and new models of public-private partnerships, so as to gradually replicate similar models of cluster-based regenerated traditional industries.

10.8.3 The following support measures are taken up in the selected clusters:

- (i) Replacement of charkhas and looms in khadi sector.
- (ii) Setting up of Common Facility Centres (CFCs).

- (iii) Development of new products, designs for various khadi and village industry (VI) products, new/improved packaging, etc.
- (iv) Market promotion activities.
- (v) Capacity building activities, such as exposure visits to other clusters and institutions, need-based training, support for establishment of cluster level networks (industry associations) and other need based supports.
- (vi) Other activities identified by the Implementing Agency (IA) as necessary for the development of the cluster as part of the diagnostic study and included in the Annual Action Plan for the cluster.

10.8.4 KVIC and Coir Board are the Nodal Agencies (NAs) for implementation of the scheme and are also responsible for holding and disbursement of funds to the identified Implementing Agencies (IAs) and monitoring of the Scheme under the overall supervision of the Scheme Steering Committee (SSC). The Secretary (MSME) is the Chairman of SSC and representatives of the Planning Commission; State Bank of India; Indian Banks Association; National Bank for Agriculture and Rural Development (NABARD) are, *inter-alia*, members of SSC.

10.8.5 Implementing Agencies (IAs) under SFURTI are non-Government organisations (NGOs), institutions of the Central and State Governments and semi-Government institutions with suitable expertise to undertake cluster development. Each IA is assigned only one cluster. The selection of IAs, based on their regional reputation and experience of working at the grass-roots level, is done by the Nodal Agencies, with the approval of SSC.

10.8.6 Technical Agencies (TAs): Under this Scheme, 17 reputed national level institutions with expertise in cluster development methodology are appointed as **Technical Agencies (TAs)** to provide technical support to the NAs and the IAs. The responsibilities of the TAs also include assisting the NAs in identification of clusters, conducting training of the Cluster Development Executives (CDEs) and other officials of the IAs and NAs, validation of cluster action plans, monitoring and evaluation, etc.

10.8.7 Cluster Development Executives (CDEs) are appointed by the Implementing Agencies exclusively for each cluster and are located in the cluster on full time basis and

facilitate for the implementation of the Scheme in the assigned cluster. CDEs undergo prescribed training in cluster development methodology organised by the NA through the TA. The responsibilities of CDE include conducting the diagnostic study; preparation and implementation of the annual action plans of the cluster; promoting linkages with institutions; building the local governance framework, etc.

10.8.8 Progress of SFURTI: Up to 31 December 2012, 96 clusters (29– khadi, 47 – village industries and 20 – coir) well distributed throughout the country have been made

functional under SFURTI.

10.8.9 The release of funds under this scheme is cluster specific. The funds are released directly to the Nodal Agencies, who are also responsible for holding and disbursing the funds, on receipt of utilization certificate and depending upon actual physical progress. Funds for development of clusters are kept in a separate account by the Nodal Agencies which are subject to audit. The details of the funds released to Nodal Agencies since inception under this Scheme are given in the Table below:

TABLE 10.2: Release of Funds to Nodal Agencies under SFURTI

(Rs. Crore)

Year	KVIC	Coir Board	Total
2005-06	1.12	0.38	1.50
2006-07	19.03	6.50	25.53
2007-08	9.04	6.27	15.31
2008-09	13.45	3.50	16.95
2009-10	12.00	-	12.00
2010-11	8.30	2.50	10.80
2011-12	-	-	-

10.8.10 Under this scheme, 105 clusters (29 Khadi, 50 village industries and 26 coir) have been taken up with the approval of SSC for their development under this programme. 17 national level institutes have been designated as Technical Agencies to provide technical support in these clusters. Upto 2010-11, Rs. 82.09 crore (Rs. 62.94 crore to KVIC and Rs. 19.15 crore to Coir Board) has been released for implementing this scheme.

MoU among Nodal Agencies, Implementing Agencies, Technical Agencies, appointment of Cluster Development Executives formation of Cluster Development Coordination Group, Diagnostic Study Reports and Annual Plans, etc. in most of the cases have been completed. After implementation of the SFURTI, average increase of 40% to 60% in wages of the artisans has been observed in the functional KVI clusters.



Shri Udai Pratap Singh, Chief Executive Officer, KVIC (on the mike) and Shri Angshuman Dey, Director, M/o MSME (on his left) at a interactive meeting of KVIC.

11

INTERNATIONAL CO-OPERATION



The Vice Minister of Education, Republic of Mozambique, Mrs Leda Hugo meeting the Minister of State (Independent Charge) for Micro, Small & Medium Enterprises, Shri K.H. Muniyappa, in New Delhi

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 market, 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 15 countries viz., Tunisia, Romania, Rwanda, Mexico, Uzbekistan, Lesotho, Sri Lanka, Algeria, Sudan, Cote d'Ivoire, Egypt, Republic of South Korea, Mozambique, Botswana and Indonesia. In addition to this, the various 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 agreement 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 M/o MSME, is an ongoing Scheme of the Ninth Plan (under implementation since 1996), which was continued in the Eleventh Plan (2007-2012), with an outlay of Rs. 1000.00 lakh for the year 2011-12. During the Twelfth Plan (2012-13 to 2016-17) an outlay of Rs. 54.00 crore has been proposed. For the Annual Plan 2012-13, a provision of Rs. 4.00 crore has been earmarked. Technology infusion and/or upgradation of Indian micro, small and medium enterprises (MSMEs), their modernisation and promotion of their exports are the principal objectives of assistance under the Scheme. The IC Scheme

guidelines including the application form is available on the website of this Ministry viz. <http://msme.gov.in>.

11.3.2 THE SCHEME ENCOMPASSES THE FOLLOWING ACTIVITIES:

- (i) Deputation of MSME business delegations to other countries for exploring new areas of technology infusion/upgradation, facilitating joint ventures, improving 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, in which there is 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 2012-2013, 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 M/o MSME and its organistaions like O/o DC (MSME) and NSIC hold discussion with foreign delegations for enhancement of bilateral cooperation for the mutual benfits of MSMEs of the two countries. The details of such meeting/discussion with respect to M/o MSME are given below:

- A delegation from South Africa met Shri C.K. Mishra, Joint Secretary, MSME on 21st May, 2012 in New Delhi to discuss issues relating to bilateral cooperation between the two countries for the promotion and development of MSME sector.
- Shri R.K. Mathur, the then Secretary, M/o MSME visited South Africa, during 23.5.2012 to 26.5.2012 (a) to attend Conference on "India-South Africa-Enhancing Business Opportunities between MSMEs" jointly organised by National Small Industries Corporation and High Commission of India (HCI) at Johannesburg and (b) to explore the possibilities of cooperation between micro, small & medium enterprises (MSMEs) of India and South Africa and to have deliberations with South African Authorities.
- Shri R.K. Mathur, the then Secretary, M/o MSME visited Kuala Lumpur, Malaysia to attend Official Opening Ceremony of SMIDEX 2012 and ASEAN-India SME Conference during 21-22 June, 2012 and deliver the Luncheon Address.
- Shri C.K. Mishra, Joint Secretary, M/o MSME visited Kuala Lumpur, Malaysia to participate in the Director General /Joint Secretary Level meeting which was held on the sidelines of the ASEAN-India SME Conference during 21-22 June, 2012.
- A delegation led by Shri R.K. Mathur, the then Secretary, M/o MSME visited Maputo, Mozambique during 5-6 July, 2012 for attending (a) 1st Joint Committee Meeting (JCM) on 5-7-2012 under the umbrella of MoU signed on 30-9-2010 between Ministry of Micro, Small and Medium Enterprises of the Republic of India and the Ministry of Industry and Commerce, Republic of Mozambique and (b) holding discussions with Mozambique Government Departments and Trade / SME associations on 6-7-2012 for promotion of MSME sector in both the countries. Shri C.K. Mishra, Joint Secretary, M/o MSME and Dr. H.P. Kumar, CMD, NSIC were also part of the delegation.
- Mrs. Maria Francesca Mireille Martin, Hon'ble Minister of Gender Equality, Child Development and Family Welfare, Republic of Mauritius met Shri Vayalar

Ravi, the then Hon'ble Minister of Micro, Small and Medium Enterprises on 3rd September, 2012 in New Delhi to discuss issues relating to cooperation between the two countries in the field of MSMEs.

- A delegation led by Ms. Patricia Hewitt, former Minister for Small Business of the United Kingdom and the current Chair of UK-India Business Council (UKIBC) met Shri R.K. Mathur, the then Secretary (MSME) on 7th September, 2012 in New Delhi to discuss issues relating to close cooperation between the MSMEs of the two countries.
- Mr. Merin Rajdurai, Counsel at the India Desk of the Department of State in Washington DC met Shri C.K. Mishra, Joint Secretary, M/o MSME at New Delhi on 17.10.2012 to discuss policies and issues relating to the MSME sector.
- Mr. Simon Everest, Head of UK Trade & Investment's Security Directorate and Mr. Hugh Thomas, Assistant Director for Middle East and South Asia met Shri C.K. Mishra, Joint Secretary, MSME on 31st October, 2012 in New Delhi to discuss about the upcoming homeland security trade mission in January, 2013 and also to seek views on some of the challenges faced by smaller companies in partnering with foreign technology providers.
- Her Excellency Mrs. Leda Hugo, the Vice Minister of Education, Government of the Republic of Mozambique met Shri K.H. Muniyappa, Hon'ble Minister of State (I/C) Micro, Small and Medium Enterprises (MSME) on 6th November, 2012 in New Delhi to discuss issues relating to cooperation between the two countries in the field of MSMEs.
- Her Excellency Mrs. Elizabeth Thabethe, Deputy Minister of Trade and Industry (DTI), Republic of South Africa met Shri K.H. Muniyappa, Hon'ble Minister of State (I/C), MSME on 14.11.2012 in New Delhi to discuss about the Indian Micro, Small and Medium Enterprises (MSME) sectors especially creative industry including, art & crafts, film, music, broadcasting and publishing etc.
- Shri C.K. Mishra, Joint Secretary, M/o MSME visited Hanoi, Vietnam to participate in the 1st Joint Consultation between ASEAN SME Working Group and India at Hanoi, Vietnam during 13-15 November, 2012.
- Afgan delegation with the officials of M/o MSME had a meeting under the Chairmanship of Shri C.K. Mishra, Joint Secretary, M/o MSME on 18th December,

2012 in New Delhi to discuss issues relating to bilateral cooperation between

the two countries for the promotion and development of MSME sector.



Minister of Gender Equality, Child Development and Family Welfare, Republic of Mauritius, Mrs. Maria Francesca Mireille Martin meeting the then Union Minister for Micro, Small & Medium Enterprises, Shri Vayalar Ravi, in New Delhi.

11.4.2 The various business delegation meets organised by NSIC during the year 2011-12 are:

S.No.	Date	Event
1.	26 th April,2011	A delegation consisting of 26 Young Parliamentarians from different African countries visited NSIC to have first hand information about the activities of NSIC and its role for the development of SMEs in India and other developing countries.
2.	10 th May,2011	A Delegation led by H.E. Ms. Afaf Ahmad Abdelrahman, Minister for Social Development of the State of Khartoum visited NSIC to discuss the issues of mutual cooperation and NSIC model of Incubation.
3.	18 th May,2011	NSIC signed an Agreement of Mutual Cooperation with Chamber of Commerce & Industry of Uzbekistan at New Delhi for enhancing cooperation for the development of MSMEs in Uzbekistan.
4.	25 th May, 2011	A Memorandum of Understanding was signed between NSIC and Federal Micro and Small Enterprises Development Agency (FeMSEDA), Ethiopia in the August presence of Hon'ble Prime Minister of India, Dr. Manmohan Singh and the Ethiopian Prime Minister, Meles Zenawi at Addis Ababa, Ethiopia during the visit of Prime Minister of India in connection with India-Africa Forum Summit-II. MOU envisages cooperation for the development of micro & small enterprises in Ethiopia.
5.	27 th May,2011	A Joint Action Plan was signed between NSIC and Small Industries Development Organisation of Tanzania in the presence of Hon'ble Prime Minister of India, Dr. Manmohan Singh and the Tanzanian President, Mr. Jakaya Mrisho Kikwete in Dar es Salaam, Tanzania. Joint Action Plan was signed by Dr. H.P. Kumar, CMD, National Small Industries Corporation, India and Mr. Mike Laiser, Director General of Small Industries Development Organisation of Tanzania during the bilateral visit of Indian delegation led by Hon'ble Prime Minister of India to Tanzania. Joint Action Plan envisages cooperation for the development of micro & small enterprises in Tanzania.
6.	7 th July, 2011	A delegation led by the Permanent Secretary, Kenyan Ministry of Industrialization including Chairman of Kenya Industrial Estate (KIE), Managing Director, KIE and two other dignitaries visited NSIC to discuss the issues of mutual cooperation and NSIC model of Incubation. KIE is NSIC partner institution in Kenya.

7.	26 th Aug., 2011	A delegation led by the Permanent Secretary, Ministry of Trade and Industry of Rwanda and other dignitaries visited NSIC to discuss the issues of mutual cooperation and NSIC model of Incubation.
8.	12- 15 th Oct., 2011	NSIC organised a business delegation of 18 MSMEs to Loughborough, U.K. at the invitation of High commission of India (HCI) in U.K. HCL, London had organised SME conference cum Buyers-Sellers Meet for Indian delegates. Also visit to industries and University of Loughborough were organised to show emerging environment friendly technologies to Indian MSMEs.
9.	21 st Oct., 2011	A delegation led by the Permanent Secretary from Ministry of Trade and Industry of Tanzania and Director General, Small Industries Development Organisation (SIDO), Tanzania visited NSIC to discuss the issues of mutual cooperation, NSIC model of Incubation and other issues for operationalisation of Joint Action Plan (JAP) between NSIC and SIDO.
10.	15 th -17 th Oct., 2011	NSIC delegation led by Chairman cum Managing Director, NSIC and accompanied by Zonal General manager (NSIC-South-II) participated in the 5 th Tri-nations Conference co-inciding with 5 th IBSA Summit held at Pretoria, South Africa. Tri-nations Conference is the tri-national cooperative initiatives of three organisations i.e. NSIC from India, SEBRAE from Brazil and SEDA from South Africa to discuss the issues related to MSMEs of the three countries and share their experiences for the development of MSMEs and also to enhance enterprise to enterprise cooperation among the enterprises of these three counties. This has now become the part of main IBSA Summit. The final report of the 5 th Tri- nations Summit was presented in the IBSA Forum to the Heads of States of the three countries i.e. Ms. Dilma Rousseff, Hon'ble President of the Republic of Brazil, Mr.J.G.Zuma, Hon'ble President of the Republic of South Africa and Dr. Manmohan Singh, Hon'ble Prime Minister of Republic of India. The report highlighted the initiatives taken by three organisations in terms of access to technologies and innovations, commercial proximity among small, medium and micro enterprises of three countires and the exchange of knowledge and practices in promoting our enterprises, among other themes.

11.	14 th to 27 th Nov., 2012	<ul style="list-style-type: none"> Ms. Elizabeth Thabathe, Deputy Minister of Trade & Industry led 20 member delegations to Techmart India 2011 and appreciated the display of technologies in the Fair. Four enterprises led by Small Enterprises Development Agency (SEDA), South Africa participated in the exhibition. 40 member delegation of enterprises from Mazar-e-Sharif, Afghanistan coordinated by High Commission of India at Afghanistan visited the exhibition and identified certain technologies & machineries that will be useful in Afghanistan, Delegation also visited NSIC's incubation Centre at Okhla. Six member delegations led by Ms. H.Lupuwana, Chief Executive Officer of SEDA, South Africa visited the exhibition. 26 member business delegation led by Minister of Industries, Sport Rural Development of Srilanka visited the exhibition Besides the above, delegation from Kenya, Nigeria, Bangladesh, Senegal, Eretria, Rwanda and South Korea also visited Techmart India-2011.
12.	11 th to 12 th Dec., 2011	A two member team led by Joint Secretary (ARI), M/o MSME and Director (P &M) NSIC visited Tehran, Iran to attend First Joint Committee Meeting between NSIC and Iran Small Industries and Industrial Parks organisation (ISIPO) for implementation of MoU between the two organisations and prepare a joint action plan for the development of MSMEs in Iran.
13.	29 th March, 2012	A delegation led by the First Lady of South Africa H.E. Ms. Nompumelelo Ntuli Zuma visited NSIC.
14.	12 th April, 2012	A delegation led by Mr.Mike Moyo, Director of Urban Development of Government of Malawi visited NSIC to discuss the issues of mutual cooperation for development of Micro, Small & Medium Enterprises in both the countries.
15.	22 nd to 26 th May, 2012	NSIC organised a delegation of 19 MSMEs to South Africa to initiate cooperation in the field of Indian & south Africa MSMEs.
16.	23 rd May, 2012	Conference on "India-South Africa-Enhancing Business Opportunities between MSMEs" and organisation of Catalogue Show.
17.	19 th June 2012	Mr. Mokgwetsi Masisi, Minister of Presidential Affairs and Public, Government of Botswana visited NSIC to discuss areas of mutual cooperation in MSME development in Botswana and especially to know about NSIC's concept of Rapid Incubation Programme for creation of self employment opportunities. The other members of the delegation included Mr. Botlogile Tshireletso, Assistant Minister of Local Government, Mr. Keletso Rakhudu, Assistant Minister of Education and Skills Development and Mr. John Mothibi, Permanent Secretary to the President, Poverty Eradication.

18.	4 th Sept., 2012	Mrs. Maria Francesca Mireille Martin, Minister of Gender Equality, Child Development and Family Welfare, Republic of Mauritius visited NSIC to discuss mutual areas of cooperation in the development of MSMEs especially for projects related to Women entrepreneurs in Mauritius. She also visited NSIC's Incubation centre at Okhla and appreciated the projects for creating self employment opportunities especially for women entrepreneurs.
19.	16 th Oct., 2012	National Small Industries Corporation (NSIC), India and Bulgarian Small & Medium Enterprises Promotion Agency (BSMEPA) signed a Memorandum of Understanding (MoU) at New Delhi for cooperation in the field of Micro, Small and Medium Enterprises.
20.	31 st Oct., 2012	A three member delegation led by Mrs. I. Seebun, Managing Director, SMEDA, Mauritius 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.
21.	5 th Nov., 2012	A five member delegation of Al-Nahada Project, Government of Egypt visited NSIC for understanding its activities in the development of MSMEs in the country. The delegation was coordinated by High Commission of India in Egypt. Al-Nahada is a think tank created by Egypt's ruling Muslim Brotherhood to develop policy recommendations for reviving Egypt's economic growth.
22.	7 th Nov., 2012	Mrs. Leda Hogo, the Vice Minister of Education, Government of Republic of Mozambique visited NSIC and discussed areas of cooperation for the development of MSMEs in Mozambique. She also visited NSIC's model of Rapid Incubation Programme at New Delhi for creation of Self-employment opportunities for un-employed.
23.	8 th Nov., 2012	A four member delegation from I-Score, Egypt – a study team for credit rating visited NSIC and its Incubation Centre to understand NSIC's initiative in rating small enterprises and also for the development of MSMEs in the country.
24.	26 th Dec., 2012	A five member delegation led by Mr. Kuma Demeksa, Mayor of Addis Abbaba, Republic of Ethiopia visited NSIC and discussed opportunities for cooperation in MSME sector. Delegation also visited NSIC's Rapid Incubation Centre at Okhla.
25.	26 th Dec., 2012 to 5 th January, 2013	A 10 member delegation led by Mr. D.A. Belete, State Minister of Urban Development and Construction, Government of Ethiopia. Delegation was on study trip to understand various models of MSME sector development in India and was coordinated by FEMSEDA, NSIC's Partner Institute in Ethiopia in association with NSIC.

11.5 PARTICIPATION IN INTERNATIONAL EVENTS

11.5.1 Under International Cooperation Scheme of the M/o MSME (details are provided in 11.3 para above), the details of participation are as under:

- Bombay Industries Association (BIA), Mumbai Organised a business delegation of MSME to visit Hannover, 2012 at Germany during April 22-30, 2012.
- All India Association of Industries (AIAI), Mumbai organised INDIALLIA 2012 at Mumbai during April 23-25, 2012.
- Bihar Industries Association (BIA), Patna organised business delegation of MSMEs to visit HANNOVER MESSE 2012 at Germany during April 23-27, 2012.
- Mohali Industries Association (MIA), Mohali organised business delegation of MSMEs to visit HANNOVER MESSE 2012 at Germany during April 23-27, 2012.
- Karnataka Small Scale Industries Association (KASSIA), Bangalore organised business delegation of MSMEs to South Africa during April 23-28, 2012.
- United Cycle & Parts Manufacturers Association (UCPMA), Ludhiana organised MSME delegation to visit 22nd China International Bicycle Motor Fair at China during April 26-29, 2012.
- Delhi Printers Association (DPA), New Delhi organised business delegation of MSMEs to visit Trade fair DRUPA at Dusseldorf, Germany during May 3-16, 2012.
- The Sivakasi Master Printers Association, Sivakasi organised a business delegation of MSMEs to visit DRUPA 2012 at Dusseldorf, Germany during May 3-16, 2012.
- Offset Printers Association (OPA), Ludhiana organised business delegation of MSMEs to visit Trade fair DRUPA at Dusseldorf, Germany during May 12-16, 2012.
- Rai Industrial Estate Manufacturers Association (RIEMA), Sonapat organised business delegation of MSMEs to visit Trade fair DRUPA at Dusseldorf, Germany during May 7-16, 2012.
- Engineering Manufacturer Entrepreneur Resource Group (EMERG), Bangalore organised participation of MSMEs in the WBENC2012 at Orlando, Florida, USA during May 22-24, 2012.
- Confederation of Indian Industry (CII), Gurgaon organised business delegation of MSMEs to visit Osaka and Tokyo, Japan during May 22-25, 2012.

- National Small Industries Corporation (NSIC), New Delhi organised business delegation of MSMEs to visit South Africa during May 23-26, 2012.
- All India Steel Rerollers Association (AISRA), Mandi Gobindgarh (P.B.) organised business delegation of MSMEs to visit International fair SEAISI Conference & Exhibition at Western Resort Nusa Dua, Bali, Indonesia during May 28-31, 2012.
- Chamber of Industrial & Commercial Undertakings (CICU), Ludhiana organised a business delegation of MSMEs to visit International Machine Tool and Tools Exhibition (CIMES 2012) AT NCIEC in Beijing, China during June 12-16, 2012
- Electronics and Computer Software Export Promotion Council (ESC), New Delhi organised business delegation of MSMEs to attend Business Alliance Meet at Maryland, USA during June 13-15, 2012.
- Federation of Gujarat Industries (FGI), Vadodara organised a business delegation of MSMEs to visitACHEMA 2012 trade fair at Dechema, Germany during June 18-22, 2012.
- Association of Industries Madhya Pradesh (AIMP), Indore organised business delegation of MSMEs to visit HKTDC Food Expo 2012 at Hong Kong during August 16-20, 2012.
- Automotive Component Manufacturers Association of India (ACMA), New Delhi organised International Conference on Insights on the Global Aftermarket: Opportunities and Challenges at New Delhi on August 22, 2012
- Indian Foundry Association (IFA), Kolkata organised business delegation of MSMEs to visit FOND-EX, BRNO and ANKIROS at Istanbul, Turkey during September 10-16, 2012.
- All India Bread Manufacturers Association (AIBMA), New Delhi organised business delegation of MSMEs to visit IBA 2012 at Munich, Germany, International Fair for Bakery and Confectionary Industry during September 16-21, 2012.
- All India Plastics Manufacturers Association (AIPMA), Mumbai organised business delegation of MSMEs and participation of MSMEs to visit in the Kenya Plast 2012 Exhibition at Kenyatta International Centre, Nairobi, Kenya during September 17-19, 2012.
- Centre for Development of Stones (CDOS), Jaipur organised participation of MSMEs in the Marmomacc 2012 International

Exhibition of Stone Design and Technology at Verona, Italy during September 26-29, 2012.

- Federation of Corrugated Box Manufacturers of India (FCBM), New Delhi organised business delegation of MSMEs to attend SuperCorrExpo 2012 in Atlanta Georgia, USA during October 1-4, 2012.
- Federation of Gujarat Industries (FGI), Vadodara organised business delegation of MSMEs to visit CPHI at Madrid, Spain during October 9-11, 2012.
- Panoli Industries Association (PIA), Bharuch organised business delegation of MSMEs to visit CPHI at Madrid, Spain during October 9-11, 2012.
- Ankleshwar Industries Association (AIA), Bharuch organised business delegation of MSMEs to visit CPHI at Madrid, Spain during October 9-11, 2012.
- Gandhinagar Electronics Zone Industries Association (GEZIA), Gandhinagar organised business delegation of MSMEs to visit 38th International Electronics Trade Fair at Taipei, Taiwan during October 9-12, 2012.
- Gujarat State Small Industries Federation (GSSIF), Ahmedabad organised business delegation of MSMEs to visit in the Canton Fair during October 14-20, 2012.
- Bhagwanpur Industries Association (BIA), Haridwar organised business delegation of MSMEs to visit in the Canton Fair during October 15-20, 2012.
- Federation of Indian Chambers of Commerce and Industry (FICCI), New Delhi organised business delegation of MSMEs to visit SIAL-The Global Food Marketplace 2012, IPA and IN-FOOD, at Paris, France during October 21-26, 2012.
- Jamnagar Factory Owner's Association (JFOA), Jamnagar organised business delegation of MSMEs to visit Canton fair (Phase 2) at Guangzhou, China during October 23-27, 2012.
- Maharashtra Economic Development Council (MEDC), Mumbai organised participation of MSMEs in the India Products Exhibition, Consumers Shoppee, 2012 at Dubai, UAE during October 26-28, 2012.
- Confederation of Indian Industry (CII), Gurgaon organised India Global Summit on MSMEs in New Delhi during October 30-31, 2012.
- Welfare Association of Lady Entrepreneurs (WALE), Kolkata organised participation of MSMEs in the "Probash Parboni

- Utsav 2012” in Sydney, Australia during November 2-4, 2012.
- Consortium of Electronic Industries of Karnataka (CLIK), Bangalore organised participation of MSMEs in the Electronica 2012 at Munich, Germany during November 13-16, 2012.
- Swan Udyogi Nari (SUN), Kolkata organised participation of MSMEs in Megabailkayan and OFW 2012 at Mandaluyong, Philippines during 7 – 9 December, 2012.
- Automotive Component Manufacturers Association of India (ACMA), New Delhi organised a business delegation of MSMEs to visit Automechanika International event at Shanghai, China during 10-15 December, 2012.

11.5.2 COIR BOARD

Coir Board provides financial assistance to Coir exporters in MSME sector to showcase their products for capturing foreign markets and the details of such participation are as under:

Sl. No.	Name of the Fair	Country	Period
1	National Hardware Show, Las Vegas	USA	1-3 May, 2012
2.	GIFTEX World 2012, Tokyo	Japan	4-6 July, 2012
3.	Singapore Garden Festival 2012, Singapore	Singapore	7-15 July, 2012
4.	Textile House South America, Sao Paulo	Brazil	25-18 August, 2012
5.	InterBuild Jordan Fair 2012, Amman	Jordan	11-14 September, 2012
6.	International Garden Leisure & Pet Care Exhibition, Birmingham	U.K.	17-19 September, 2012
7.	Inspire (Index) Exhibition, Dubai	UAE	24-27 September, 2012
8.	International Fair of Horticulture, Belgrade	Serbia	25-30 September, 2012
9.	Domotex Russia, Moscow	Russia	26-28 September, 2012
10	International Horti Fair, Amsterdam	Netherlands	30 October – 2 November, 2012

12

ACTIVITIES IN THE NORTH EASTERN REGION



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.

12.3 BUDGETARY SUPPORT

Pursuant to the Government's Policy of earmarking 10% of the total funds for NER, under the Schemes/Programme of M/o MSME, an outlay of Rs. 283.50 crore in BE 2012-13 has been earmarked exclusively for the Region.

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

12.4.1 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.

12.5 ACTIVITIES OF NSIC IN NORTH EASTERN REGION

12.5.1 NSIC has a network of offices in NER. This includes branches at Guwahati, Tinsukia

(Assam), and sub-offices at Imphal (Manipur); Dimapur (Nagaland); Itanagar (Arunachal Pradesh); Shillong (Meghalaya) and Agartala (Tripura).

12.5.2 During the year 2011-12, 20 skill development training programmes and 19 Entrepreneurship Orientation 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 was sponsored by NEC, Ministry of DoNER, Government of India, Minority Development Commission and Government of Assam Guwahati, Jorhat Engineering College, Jorhat, Assam Agriculture University, Jorhat & number of Colleges of Tripura & Manipur. During the year, 2123 trainees were trained in these programmes.

12.5.3 NSIC Incubation Centre at Guwahati has taken a new initiative of conducting programmes in joint collaboration with other universities. It has entered into an agreement with Indira Gandhi National Open University (IGNOU) during this year.

12.6 TRAINING ACTIVITIES:

12.6.1 **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 has been providing technical advice to 14 clusters covered under Scheme of Fund for Regeneration of Traditional Industries (SFURTI) in NER. The Institute is also acting as Regional Resource Centre (RRC) in NER for MSE-Cluster Development Scheme of the Ministry.

12.7 ACTIVITIES OF ARI IN NORTH EASTERN REGION

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 KVI

activities and schemes relating to promotion of coir and coir products.

12.8 BUDGETARY SUPPORT

12.8.1 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 2012-13 are given in the Table below:

TABLE 12.1 Release of Funds for NER

(Rs. crore)

Year	Funds released			
	KVIC	Coir Board	SFURTI	Total
2009-10	34.84	1.70	2.00	38.54
2010-11	107.18	1.40	2.10	110.68
2011-12	107.68	1.52	-	109.20
2012-13*	76.64	0.95	-	77.59

*up to 31 December 2012

12.9 KVI PROGRAMMES IN NER

12.9.1 In order to ensure effective implementation and monitoring of KVI programmes in the NER, 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.

12.9.2 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.

12.9.3 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.

12.9.4 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 2012-13 are given in the following Table:

TABLE 12.2 KVI Productions in NER

(Value: Rs. lakh)

State	2009-10	2010-11	2011-12	2012-13*
Arunachal Pradesh	3902.68	4283.26	4714.43	3300.10
Assam	48505.20	53146.74	58500.34	40950.23
Manipur	8401.77	9211.10	10135.33	7094.73
Meghalaya	9928.76	10887.69	11987.66	8391.36
Mizoram	18957.27	20787.89	22884.20	16018.94
Nagaland	10428.15	11428.85	12577.19	8804.03
Sikkim	3413.07	3742.69	4120.14	2884.09
Tripura	8961.42	9826.82	10818.93	7573.25
Total	112498.32	123315.04	135738.22	95016.73

*up to 31 December 2012

TABLE 12.3: KVI Sales in NER

(Value: Rs. lakh)

State	2009-10	2010-11	2011-12	2012-13*
Arunachal Pradesh	5927.51	6337.97	6581.12	4606.78
Assam	70422.53	75321.57	78224.43	54757.10

Manipur	12785.55	13673.13	14197.58	9938.30
Meghalaya	14013.29	14990.37	15565.07	10895.54
Mizoram	29965.62	32054.23	33282.98	23298.08
Nagaland	14446.41	15446.87	16040.81	11228.56
Sikkim	4856.62	5194.48	5393.61	3775.52
Tripura	12578.12	13450.87	13967.26	9777.08
Total	164995.65	176469.49	183252.86	128276.96

**up to 31 December 2012*

TABLE 12.4: KVI Employment in NER

(In lakh persons)

State	2009-10	2010-11	2011-12	2012-13*
Arunachal Pradesh	0.11	0.12	0.13	0.09
Assam	3.76	3.94	4.13	2.89
Manipur	0.70	0.73	0.77	0.53
Meghalaya	0.44	0.46	0.48	0.33
Mizoram	0.87	0.91	0.95	0.66
Nagaland	0.56	0.59	0.62	0.43
Sikkim	0.24	0.25	0.26	0.18
Tripura	0.65	0.68	0.71	0.49
Total	7.33	7.68	7.87	5.60

**up to 31 December 2012*

12.9.5 To cater to the needs of skill development in NER, Multi-Disciplinary Training Centres at Kumarikata (Assam) and Doimukh, (Arunachal Pradesh) are being run by the institutions with the financial assistance of KVIC. In addition, training centers are being run by State KVIBs at

Roha, Marigaon (Assam); Zamabank (Mizoram) and Dimapur (Nagaland). Besides, 4 agencies have been accredited for conducting training in NE States. The beneficiaries from NE Region are provided rail fare for attending training programmes and also daily allowance during the training period. A total of 15,314 persons were trained in 2011-12 while 2,429 persons have been trained in 2012-13 up to 31 December 2012 in this Region including Sikkim.

Special efforts have been made by KVIC to provide employment in NER under PMEGP. In 2011-12, a total number of 9781 projects were assisted by utilizing margin money subsidy of Rs. 126.07 crore. In the current year (up to 31 December 2012), 13,730 number of applications have been recommended by the District Level Task Force (DLTF) for assistance under PMEGP of which 1941 projects have been sanctioned by banks involving Rs. 37.35 crore margin money subsidy.

12.10 SCHEMES OF KVIC BEING IMPLEMENTED IN NER

12.10.1 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.

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

12.10.2 Product Development Design Intervention and Packaging (PRODIP)

Scheme: Under this scheme, grants up to Rs. 2 lakh for institution/up to Rs. 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.

12.10.3 Janashree Bima Yojana: A total of 3439 artisans have been covered under the Janashree Bima Yojana of KVIC so far to provide insurance to the khadi artisans/weavers.

12.10.4 State Level Artisan Welfare

Fund Trust: An artisan Welfare Fund Trust was registered at Assam in NER. As on 31.03.2012, 31 institutions have been registered as members and Rs. 28.94 lakh has been deposited in the trust for the year 2011-12.

12.10.5 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 Rs. 5 lakh and 75 per cent for the projects costing up to Rs. 25 lakh.

12.10.6 Exhibitions: In order to promote the sale of khadi and village industries products, KVIC organised 06 exhibitions during 2011-12. 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.

12.10.7 New initiatives by KVIC in NER: The following new initiatives have been taken by KVIC for development of KVI sector in NER:

- A review meeting of North East Zone was

organised at Gandhi Darshan, Rajghat, New Delhi on 8th December, 2011 and reviewed the KVI programmes / schemes of NER.

- KVIC participated in 3rd Barak Valley International Expo at Town Club Silchar, Assam from 29th December, 2011 to 12th January, 2012. The exclusive quality items of KVI of North East Zone were displayed by Khadi Institutions and REGP/PMEGP units located in the Zone.
- State Office, KVIC, Imphal organised a ten-day long State level PMEGP exhibition during February, 2012 at Thau Ground, Thngmeiband, Imphal for encouraging growth in the handloom and handicraft sector. In an endeavour to encourage craftsmen for greater production, the SBI has been providing assistance to them.
- Chief Executive Officer, KVIC reviewed KVI programmes at Guwahati on 16.01.2012 with State Directors of North Eastern Zone on PMEGP, SFURTI, ISEC, KRDP, Marketing, other schemes of KVIC and utilization of funds in NER, in which Financial Advisor and Dy. C.E.O. North East Zone, KVIC were also present.
- C.E.O, KVIC reviewed the performance of PMEGP on 17.01.2012 at Guwahati, in which Principal Secretaries, State

Governments; C.E.Os, State KVI Boards; Commissioners, Industries Department, State Governments; C.G.M., State Bank of India; Senior Officer of RBI; Controllers of various Scheduled & Private Banks; DICs and State Directors, KVIC in NER have participated. Director to the Govt. of India, M/o MSME; Financial Advisor, KVIC; Dy. C.E.O., NER and Programme Directors of PMEGP, SFURTI, Marketing and KPM also attended the review meeting.

- Exclusive KVI products of NER i.e. the cultural dresses, household articles and cane & bamboo furniture have been displayed and sold in the National level exhibition at Surat, Gujarat during the period from 10th March, 2012 to 9th April, 2012, which were the main attraction.

12.11 COIR BOARD IN NER

12.11.1 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.

12.11.2 During the year 2012-13 (up to 31December, 2012) 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 Rs. 0.95 crore (including SFURTI) has been released to Coir Board against an allocation of Rs. 7.49 crore(including SFURTI) to carry out the various coir activities in NER.

12.12 SCHEME OF FUND FOR REGENERATION OF TRADITIONAL INDUSTRIES (SFURTI) IN NER

12.12.1 The Guidelines of SFURTI provide that the selection of clusters should be based on geographical concentration of viable number of artisans with at least 10 per cent of the clusters being located in the NER.

12.12.2 Keeping in view the above, Scheme Steering Committee on SFURTI has approved 15 clusters (out of 105 clusters) from North Eastern States for their development under this programme. The details of clusters in these States are given in the Table below:-

TABLE 12.5: Clusters under SFURTI in NER

Sl. No.	State	Place	Name of the Cluster
KHADI CLUSTERS			
1	Assam	Nalbari	Mukalmua Silk Khadi Cluster
2	Nagaland	Dimapur	Dimapur Khadi Cluster
COIR CLUSTERS			
3	Assam	Guwahati	Manas Coir Cluster
4	Tripura	Agartala	Agartala Coir Cluster
VILLAGE INDUSTRIES CLUSTERS			
5	Assam	Barpeta	Barpeta Cane & Bamboo Crafts Cluster
6		Dhubri	Dhubri Cane & Bamboo Cluster
7	Tripura	Agartala	Gandhigram Crafts Processing Cluster
8		Agartala	Tripura Bee Keeping Cluster
9	Arunachal Pradesh	Lower Subansiri	Ziro Traditional Dress Making Cluster
10	Mizoram	Aizwal	Aizwal Cane & Bamboo Cluster
11	Meghalaya	Jaintia Hills	Bamboo & Handicrafts cluster
12	Manipur	Thoubal	Carpentry Cluster
13		Chandel	Pallel Cane and Bamboo Cluster
14	Nagaland	Mon town	Mon Beads making cluster
15	Sikkim	South Sikkim	Sikkim Bee Keeping Cluster

12.12.3 Cluster development activities like execution of MoU among Nodal Agencies, Implementing Agencies, and Technical Agencies; obtaining consent of the State Government; appointment of Cluster Development Executives (CDEs); various trainings and awareness programmes,

exposure visits, preparation of Diagnostic Study Reports (DSR) and Annual Action Plans (AAPs), replacement of charkhas and looms in all the Khadi clusters, establishment of Common Facility Centres in all KVI clusters and functioning of CFCs have been completed.



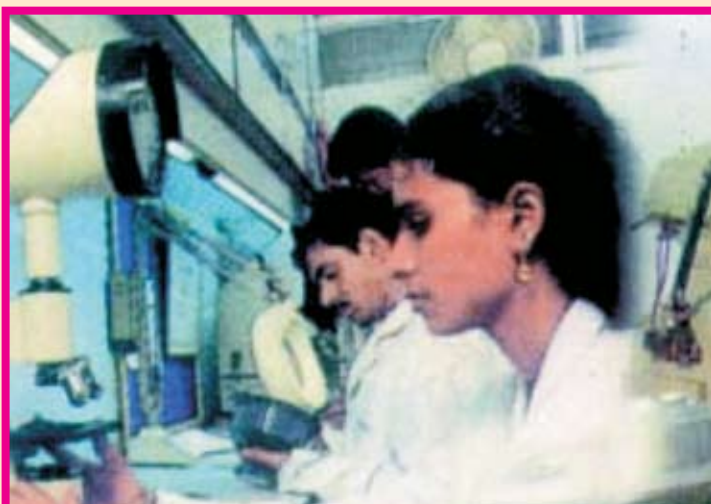
Trainees undergoing training in ESDP on Steel Fabrication



Entrepreneurship Orientation Programme

13

ACTIVITIES AND PROGRAMMES FOR WOMEN



CHAPTER - XIII

ACTIVITIES AND PROGRAMMES FOR WOMEN

13.1 ROLE OF THE MINISTRY

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

13.2.1 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 is given by organising exclusive Entrepreneurship Development Programmes (EDPs) 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 Programme etc. In this manner, the Institute provided training to 2,786 women participants through its different training activities during the period.

13.2 TRAINING OF WOMEN ENTREPRENEURS

13.2.3 NI-MSME, Hyderabad: During the year 2012-13 (up to December 2012), the Institute

has provided training to 2,598 women under various training programmes.

13.2.4 IIE, Guwahati: During the year 2012-13 (up to December, 2012), the Institute has provided training to 16,668 women. These included women from rural areas and the training programmes covered all kinds of entrepreneurial development programmes.

13.2.5 NSIC: During the year 2012-13 (up to December, 2012), NSIC has provided training to 23,319 women under various training programmes.

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

The scheme envisaged 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 total project cost to the Non-Government Organisations (NGOs) for promoting entrepreneurship among women. The remaining 70% of the project cost is financed by the lending agency as loan 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 GoI 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.

Upto December 2012, GoI grant of Rs. 77.00 lakh has been given to 9 NGOs for the economic empowerment of 2374 women against the loan of Rs. 380.68 lakh sanctioned by the banks.

Steering Committee has approved the proposals for providing Government's grant of Rs. 107.00 lakh to 5 NGOs for benefiting 9855 women against the loan of Rs. 559.50 lakh sanctioned by banks. GoI grant of Rs. 20.00 lakh will be given to one reputed EDI for conducting Entrepreneurship Skill Development Programme for providing training to 600 SC/ST women. The GoI grant is likely to be released shortly.

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.

13.6 MAHILA COIR YOJANA

14.6.1 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 Rs. 500/- was earlier paid to the trainees which has been raised to Rs. 750/- per month from 2009-10. Coir Board provides motorized ratts/motorized traditional ratts at 75% cost subsidy subject to a maximum ceiling of Rs. 7,500/- for motorized ratts and Rs. 3200/- for motorized traditional ratts. The remaining 25% has to be raised by the beneficiary.



Anupam Loom

14

USE OF OFFICIAL LANGUAGE



Prize Distribution Programme on the occasion of Hindi Diwas

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 M/o 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 PROVISION OF SECTION 3(3) OF THE OFFICIAL LANGUAGE ACT, 1963

All documents, such as resolutions, general orders, rules, licences, etc., under section 3(3) of the Official Language Act and all papers to be laid on the table of both the Houses of Parliament were issued bilingually, i.e. 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 96% correspondence was made in Hindi in region 'A', 94% in region 'B' and 89% in region 'C' upto the quarter ending December, 2012.

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 organisations under control of M/o MSME were inspected to ensure use of Hindi in official work and compliance with the Official Language policy.

14.7 TRAINING OF OFFICIALS

Many officials of the Ministry have already been trained in Hindi typing and Hindi stenography and remaining typists & stenographers are being nominated for the Hindi typing & stenography training.

14.8 USE OF MECHANICAL AIDS

As per the provisions of the Official Language 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 has been constituted in the Ministry. The meeting of the Hindi Advisory Committee is held and the action on the decisions of the Committee is taken at

appropriate levels.

14.9.2 The Departmental Official Language Implementation Committee under the Chairmanship of the Joint Secretary (In-Charge of Hindi) in the Ministry of MSME has been constituted.

14.9.3 Quarterly meetings of the Committee were organised 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 14th September 2012 to 13th October 2012 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 Antakshari, Hindi Quiz, Hindi Kavita and Hindi work in sections etc. were organised. Hindi Workshops were also organised 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 Diwas, 2012 were circulated in the M/o MSME as well as in its attached and subordinate offices for information and compliance.



Distribution of cash Award on the occasion of Hindi Diwas by Minister for MSME

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 O/o DC (MSME) to ensure compliance with the Official Language Policy of the Government and to implement the directives of the Government of India in this regard. During the year, Hindi fortnight was celebrated from 14th September, 2012 to 28th September, 2012 in which various

Hindi competitions were conducted. The Parliamentary Committee on Official Language also inspected subordinate offices of the DC (MSME) during the year. The meetings of Official Language Implementation Committee are regularly held in the O/o DC (MSME). The requisite documents were issued bilingually under section 3(3) of Official Language Act. All the letters received in Hindi were replied to in Hindi. A glossary was released in the office.

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 organised in NSIC. During the year, Hindi Month was celebrated from 14th September, 2012 to 13th October, 2012 in which various Hindi competitions were held. Inspection of 8 divisions of corporate office & 13 field offices was carried out. 50% amount of library grants was incurred on the purchase of Hindi books. To achieve the targets set by the Government, the use of Hindi is being progressively increased in NSIC.

14.11.3 Khadi & Village Industries Commission (KVIC)

Hindi Fortnight was celebrated from 14th – 28th September, 2012 in which various Hindi competitions were held. Hindi Workshops were organised by KVIC and officials were trained to work in Hindi and regular quarterly meetings of Official Language Implementation Committee were also organised during the year. The KVIC also regularly publishes in-house magazine 'Jagriti' bilingually to give wide publicity to Khadi and Khadi products.

14.11.4 Coir Board

The Coir Board continues its efforts to implement the Official Language Policy. During the year 2012-13, the office orders, circulars, etc. were issued bilingually. Letters received in Hindi were replied to in Hindi. One Hindi Workshop was organised in the Board in which many officers/officials participated. The maximum official work is done in Hindi on 14th of each month at the Board Office. On 14th September Hindi day was observed. The advertisements of the Board were issued in Hindi and Website of the Board has been prepared bilingually. The OLIC meetings were held regularly.

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

The Annual Report of the Institute and other details for the Meeting had been prepared bilingually. All the reports related to Official Language had been sent regularly. A Hindi Week was organised during 14th September, 2012 to 20th September, 2012. During the Hindi Week, various competitions such as debate, essay, noting and drafting & general knowledge etc were organised. Maximum official work is done in Hindi on 14th of each month at the Institute. Entrepreneurship-cum-Skill Development Programme was organised in Hindi in the Institute.

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

As far as possible, efforts for implementation of Official Language Policy of the Government are being made by the Institute. Course material for the programmes conducted in the Hindi speaking areas was provided in Hindi. Replies to the letters received in Hindi were invariably given in Hindi. Employees of the Institute were encouraged to use Hindi to the maximum extent. Hindi Week was celebrated during 14th September to 21st September, 2012. Various activities related to Raj Bhasha are published in monthly in house magazine.

14.11.7 Indian Institute of Entrepreneurship (IIE)

All the forms used in the office were made bilingual. Newsletters pertaining to activities of the Institute have been translated in Hindi and published in local newspapers. Headings of the files have been made bilingual and noting

on files is being done in Hindi. The Website of the Institute is being prepared bilingually. The Official Language Inspection of the Regional Offices had been done by the Institute. Most of the employees have been trained under the Hindi Teaching Scheme. Hindi Week was celebrated during 12th to 19th September, 2012 and a Hindi Quiz was organised during the Hindi Week. The OLIC meetings were held regularly. The advertisements were published in Hindi also.

14.11.8 Mahatma Gandhi Institute for Rural Industrialisation (MGIRI)

Distinguished orators were invited for delivering speech on Hindi. Maximum efforts are being made to implement the Official Language policy in the Institute. All the reports related to official Language had been sent to Ministry regularly. During the year Hindi Fortnight was celebrated from 14th-30th September, 2012 in which Hindi Workshops and various competitions were organised by the institute.

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 29 to November 3, 2012 starting with a Pledge Taking administered by the Secretary (MSME) on October 29, 2012.

15.3 The Vigilance Division also deals with the appeals preferred by employees of the organisations functioning under the Ministry on the penalties imposed on them as also complaints, etc. received against the functionaries of these organisations. The following functions are also performed by the Division:-

- (i) Maintenance of Annual Performance Appraisal Reports (APARs) of Officers and Staff.
- (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 M/O MSME

15.4.1 OFFICE OF THE DEVELOPMENT COMMISSIONER (O/O DC (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 O/o DC (MSME), maintenance of disciplinary and eradication of corruption besides maintenance of confidential records of the officials.

15.4.1.B COMPLAINTS & VIGILANCE CASES

During the financial year 2012-13, 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 M/o 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 KVIC is a statutory organisation under the M/o MSME. The vigilance work in KVIC 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 M/o 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 M/o MSME. 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 M/o 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 M/o 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**

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

16.1 CITIZENS' CHARTER OF THE MINISTRY

In the Result Framework Document (RFD), Sevottam Compliant Citizens' / client's Charters, as well as Sevottam Compliant Grievance Redress Mechanism have been made mandatory. Accordingly, Citizen's / Client's Charter for M/o MSME(2011-12) 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

16.1.1(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 Citizen's Charter.

16.1.2 VISION

To ensure an orderly and robust growth and

development of Micro, Small and Medium Enterprises and through this, continue and strengthen the role of MSMEs as an engine of growth for the Indian Economy.

16.1.3 MISSION

Promote growth and development of Micro, Small and Medium Enterprises, including, KVI, in cooperation with concerned Ministries/ Departments, State Governments and other stakeholders by providing support to existing enterprises and encouraging creation of new enterprises. To endeavor to achieve a cumulative growth of 40% in the number of registered enterprises and enhance this sector's contribution to GDP from the present 8% to 10% by the end of 12th Plan.

16.1.4 COMMITMENT

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

16.1.5 GUIDANCE AND HELP

The Information and Facilitation Counter of the Ministry, located on the ground floor (between Gate No. 4 and 5), Nirman Bhavan, New Delhi,

provides information on the services and activities of the Ministry and its organisations. It also receives RTI applications as well as fees, if any, by RTI applicant.

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

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

16.1.7 The detailed Citizen's/ Client's Charter of the Ministry is available at Annexure-VII.

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 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 Economic Advisor, 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
2. Information and Facilitation Counter, Gate No. 4, Ground Floor, Nirman Bhavan, New Delhi – 110108. Tel. No. 23062219	www.iie.nic.in	IIE, Guwahati
	www.kvic.org.in	KVIC, Mumbai
	www.coir-india.com	Coir Board, Kochi
	www.mgiri.org	MGIRI, Wardha

16.2 RIGHT TO INFORMATION (RTI) ACT

For information under the RTI Act, 2005, citizens may approach the Public Information Officer (RTI) located between Gate No. 4 & 5, Nirman Bhavan, (O/o DC (MSME)), New Delhi

on any working day. During the year 2011-12, 226 applications were received by the Ministry, out of which 113 applications were transferred, 111 requests were accepted/ replied to and 2 ws rejected. Ministry was also received 12 appeals and all 12 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 CPIO's/Appellate Authority are also available at respective Office website. The latest list of Nodal CPIO of the Ministry and its organisations is at Annexure-VIII.

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 91.82% for the year 2011-12. The RFD for 2011-12 and Achievements 2011-12 is available Annexure IX and X.

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 this, other facilities (like conveyance allowance), as per the Government of India's instructions, are provided to the disabled persons working in this Ministry in its various offices.

The National Small Industries Corporation Limited, a PSU of this Ministry and 3 EDIs namely 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.

ANNEXURE-1

ANNEXURE - 1

Statement showing the Budget Estimates, Revised Estimate, Expenditure as well as progress during the year 2011-12 & the Budget Estimates and Quantifiable / Physical Output for the year 2012-13

(Rs. in Crore)

Sl. No.	Name of the Scheme	2011-12				2012-13 upto 31.12.2012		
		BE 2011-12	RE 2011-12	Exp. 2011-12	Physical Progress/Achievment 2011-12	BE 2012-13	RE 2012-13	Quantifiable/Deliverable/Output 2012-13
1	Surveys, Studies and Policy Research	1.00	1.00	0.13	03 surveys/studies have been awarded.	1.00	1.00	08 surveys/studies have been awarded.
2	Assistance to Training Institution	70.82	70.82	62.48	1,63,018 Persons were trained.	71.00	71.00	Financial assistance to be provided to 4 existings / new EDIs and 1,75,315 persons have been trained.
3	Rajiv Gandhi Udyami Mitra Yojana	13.18	4.20	1.61	8052 New Udyamis have been registered for handholding support.	3.00	3.00	8465 new Udyamis have been registered for handholding support.
4	International Cooperation Scheme	10.00	10.00	1.65	41 international events were assisted.	4.00	4.00	54 events have been approved for providing assistance under the scheme and 886 entrepreneurs likely to take part in the international events.
5	Performance and Credit Rating Scheme	75.00	75.00	69.25	13547 units have been rated	100.00	72.10	13734 units have been tated.

6	Marketing Assistance Scheme	10.00	10.00	10.00	Organisation of International Exhibitions including Techmart - 6 Participation in International Exhibition - 12 Co-sponsoring of exhibitions - 12 Participation in india Exhibitions - 110 Buyer Seller Meets - 19 Intensive Campaigns & Marketing Promotion events - 729	11.00	10.90	Organisation of International Exhibitions including Techmart - 2/ Participation in International Exhibition - 8/ Co-sponsoring of exhibitions in india- 11/ Participation in Exhibitions - 73/ Buyer Seller Meets - 7/Intensive Campaigns & Marketing Promotion events Conducted - 442
7	Equity Investment in NSIC	155.00	155.00	155.00	1,55,00,000 Shares each of Rs. 100/- have been issued by NSIC in name of President of India. The equity support would help NSIC in enhancing the borrowing from Banks and for extending credit facilities to MSMEs	75.00	75.00	Rs. 75.00 crore has been released to NSIC.
	Sub- Total for SSI Division	335.00	326.02	300.12		265.00	237.00	

ARI DIVISION
Khadi & Village Industries Commission (KVIC)

I. KVIC

Sl. No	Head	BE 2011-12	RE 2011-12	Exp. 2011-12	Physical Progress/Achievement	BE 2012-13	RE 2012-13	Quantifiable/Deliverable/Physical Output
1	2	3.	4.	5	6	7.	8.	10.
1.	Khadi Grant (including MDA)	227.48	183.52	146.30	(i) <u>Khadi</u> Prod.: Rs.716.98 crore Sales: Rs.967.87 crore Employment (cumulative): 10.45 lakh persons (ii) <u>MDA Scheme</u> Rs. -119.53 crore provided towards MDA by KVIC. (iii) <u>ISEC</u> : Rs 35.56 crore provided towards subsidy (iv) <u>PRODIP</u> 95 khadi projects sanctioned	118.90	168.90	(i) <u>Khadi</u> Prod.: Rs. 804 crore Sales: Rs. 1050 crore Employment (cumulative): 11.53 lakh persons (ii) <u>MDA</u> Rs. 93.30 crore to be provided towards MDA. (iii) <u>ISEC</u> : Rs. 25.00 crore to be provided towards subsidy
2	S&T(Khadi)	2.00	2.00	0.81	04 units assisted for establishment of in-house test laboratories	1.25	1.25	26 projects to be sanctioned
3	Khadi loan	2.00	2.00	1.00	Loan is provided to the institutions located in NER for gainful employment to the spinners and weavers	0.00	0.00	Loan will be provided to the institutions located in NER for gainful employment to the spinners and weavers
4	Interest Subsidy (khadi)	0.01	0.01	0.01	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	55.00	58.61	33.16	(i) <u>Village Industry</u> Prod.: Rs. 21135.06 crore Sales: Rs. 25829.26 crore Employment (cumulative): 108.65 lakh persons	74.84	73.25	<u>Village Industry</u> Prod.: Rs. 24610 crore Sales: Rs. 28671 crore Employment (cumulative): 119.17 lakh persons
					(ii) <u>RISC</u> - 10 projects sanctioned			
					(iii) <u>PRODIP</u> : 27 V.I projects sanctioned			
					(iv) <u>Training</u> : 76890 persons			<u>Training</u> : 1,18,000 persons
					(v) <u>Exhibitions</u> 28 exhibitions/ events organised			<u>Exhibitions</u> — 30 exhibitions/ events to be organized
6	S&T (V.I)	2.00	2.00	0.00	07 projects assisted	1.25	1.25	29 projects to be sanctioned.
7	V.I Loan	1.00	1.00	0.00	Loan will be provided to the institutions located in NER.	0.00	0.00	-
8	Interest Subsidy (V.I)	0.01	0.01	0.01	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	1037.00	1215.95	1057.06	No of projects assisted: 55135 Margin money utilised: Rs. 1057.84 crore Estimated employment opportunities generated: 4.96 lakh.	1276.28	1276.28	No. of projects: - 53826 Margin money subsidy: Rs. 1238 crore Creation of employment opportunities: 4.31 lakh persons
10	Workshed Scheme for Khadi Artisans:	20.00	20.00	17.61	Assistance has been provided to 4444 artisans during the year.	20.00	16.52	Assistance to be provided to 4444 artisans.
11	Scheme for enhancing productivity & competitiveness of Khadi Industry and artisans	21.00	6.00	0.00	59 Khadi Institutions have been selected for assistance under this scheme.	15.00	0.04	Financial assistance to 43 khadi institutions
12	Scheme for Strengthening of Infrastructure of existing Weak Khadi Institutions and Assistance for Marketing Infrastructure	7.50	3.10	2.51	45 Khadi institutions have been assisted.	7.50	6.00	Renovation of 10 selected sales outlets and revival of 45 identified weak Khadi Institutions.

13.	Khadi Reform Programme	192.00	0.01	0.00		50.00	0.00	The proposed Khadi Reform Programme will be initiated in 300 selected Khadi Institutions willing to undertake the identified reforms.
New/ Modified Schemes*								
14.	Interest Subsidy Eligibility Certificate for khadi and polyvastra	-	-	-	-	0.04	0.01	
15.	Janashree Bima Yojana for khadi artisans (inclusive of new component of health insurance)	-	-	-	-	0.04	0.03	
16.	SFURTI (inclusive of 5 existing schemes subsumed therein)(KVI)	-	-	-	-	0.04	0.01	
17.	Khadi/VI S&T and Scheme for Promotion of Khadi as an Exclusive Heritage and Green product (SPOKE) (new component)	-	-	-	-	0.04	0.01	
18.	Market Promotion (including Export Promotion) & Publicity (inclusive of new component of marketing complexes/ plazas) and Modified MDA	-	-	-	-	0.04	0.01	
19.	Development of Infrastructure and Skill set in KVI Sector (DISK)	-	-	-	-	0.04	0.01	
20.	Promotion of VI and Development of Existing Weak VI Institutions (PROVIDE) (inclusive of new component for revival of weak VI institutions)	-	-	-	-	0.04	0.01	
21.	Schemes for write off of old loans by a one-time waiver/settlement	-	-	-	-	0.04	0.01	
	Sub-Total(KVIC)	1567.00	1494.21	1258.46		1565.54	1543.79	
II	Mahatma Gandhi Institute for Rural Industrialisation	10.00	7.00	3.98	Improved the mechanical design of the 8 spindle amber-type-charkha, Added 125 garment designs and 50 woven designs, standardization of 5 products etc.	11.00	4.00	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.

III. COIR BOARD

Sl. No.	Heads	BE 2011-12	R E 2011-12	Exp. 2011-12	Physical performance under main schemes	B E 2012-13	R E 2012-13	Quantifiable/Deliverable/Physical Output
1	2	3.	4.	5	6	7.	8.	10.
1	Plan – S&T	7.00	7.00	3.01	Consultancy provided to 1200 entrepreneurs on new S&T developments Technology transfer to Industry: - 25 Nos. Demonstration of S&T Technologies: 225 Nos.	7.00	7.00	Modernization of Traditional looms- 1000 Technology transfer to Industry: 01 Nos. Versatile spinning units to be developed- 05 Production of Natural dyes- 450 kg.
2	Plan (General), Training Extension, quality Improvement, Mahila Coir Yojana & Welfare Measures	25.00	17.20	13.54	Coir Prod.: 531500M.T. Export: Rs. 1052.62 crore Empl.: 7.02 lakh <u>Skill Upgradation & Quality Improvement</u> : 12061 persons trained for manufacturing value added products. Mahila Coir Yojana: 7750 beneficiaries trained and 466 ratts distributed. Development of Production Infrastructure: 21 coir units assisted. <u>Domestic Market Promotion</u> : participated in 122 domestic exhibitions <u>Export Market Promotion (EMP)</u> : Participated in 8 international exhibitions.	45.00	23.50	Coir Prod.: 6,10,000 M.T. Export: Rs. 900 crore Empl.: 7.25 lakh <u>Skill Upgradation & Quality Improvement</u> : Training of 4600 persons for manufacturing value added products. Mahila Coir Yojana:- 60 ratts distributed. <u>Domestic Market Promotion</u> : Participation in domestic exhibition: 140 <u>Export Market Promotion (EMP)</u> : Participation in 15 international exhibitions.
3	Rejuvenation, Modernization and Technology Upgradation of the Coir Sector.	21.00	12.26	10.00	170 units assisted. (spinning units 30 and tiny household 140)	16.00	5.00	900 units to be assisted.
New/ Modified Schemes*								
4.	SFURTI(Coир)	-	-	-	-	0.04	0.01	
	Sub-Total (Coir Board)	53.00	36.46	26.55		68.04	35.51	
IV	SFURTI	20.00	0.01	--	96 Khadi, Village Industries and Coir clusters have become functional. There is an improvement in the earnings of artisans/workers.	55.42	5.00	
	Sub-Total for ARI Division	1650.00	1537.68	1288.99		1700.00	1588.30	

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

Annexure-I**STATEMENT SHOWING BE, RE, Actual Exp. and Physical Progress of 2011-12 -
O/O DC(MSME), M/O MSME****(Rs. Crore)**

Sr. No		BE 2011-12	RE 2011-12	Actual Exp. 2011-12	Physical Progress
	DC(MSME)				
A	Central Sector Schemes				
I	Quality of Technology Support Institutions & Programmes				
1	Tool Rooms & Tech. Institutions	55.00	54.10	52.39	Trained 76046 persons NER Trained 1108 -Persons Benefitted 27056 units NER Benefitted 397 Units
2	NMCP				
a.	Implementa- tion of Lean Manufacturing Competitiveness Scheme	10.00	5.35	0.04	Scheme is implemented by NPC through consultants in various clusters
b	Promotion of ICT Tools in MSME Sector	16.00	0.70	0.01	1) approval of 46 potential clusters across the country. 2) Approval of 6 IT firms as technology providers for the scheme. 3) Submission of EFC note for inclusion of Cloud Computing approach.

c	Setting up of Mini Tool Rooms under PPP mode	20.00	0.20	0.20	One Mini Tool Room at Baddi approved.
d	Technology Upgradation and Quality Certification Support to MSMEs	24.00	13.35	4.85	i) 23 nos. Product Certification awareness campaign involving expenditure of Rs. 6.848 lakh (approx.) ii) Product Certification reimbursement - 335 nos. involving expenditure of Rs. 492.00 lakhs (approx.)
e	Support for Entrepreneurial and Managerial Development of SMEs through Incubators	12.00	4.00	2.06	46 New innovative business ideas nurtured through professionals and MSMEs to be commercialized and become an entrepreneur within a period of 1 year
f	Design Clinics Scheme for MSME Sector	10.00	9.80	9.60	i) 192 nos. awareness seminar organized. ii) 28 nos. of Design workshop organised. iii) 34 nos. of PMAC meeting organized.
g	Enabling manufacturing Sector to be competitive through Quality Management Standards and Quality Technology Tools	8.00	2.50	1.36	119 Awareness programme and 1800 ITI teachers have been trained through out country.
h	Marketing Assistance and Technology Upgradation Scheme for MSMEs	11.50	2.00	0.63	MSME units participated in 49 exhibitions/fairs. In total 547 MSME units benefitted.
4	Credit Linked Capital Subsidy Scheme	348.00	344.30	241.29	1610.00

5	ISO 9000/14001 Reimbursement	9.15	7.75	7.63	1436 units benefited.
6	VSBK	0.25	0.15	0.13	
	Sub Total	523.90	444.20	320.19	
II	Promotional Services Institutions & Programmes				
1	DC (MSME) Of-ficers' Training Programme	1.00	1.00	0.68	Training of 236 Officers Training of 8 Officers (NER)
2	Provision for Workshops/ Trg.	1.20	1.20	0.78	12 Workshops
3	MSME TCs/ MSME TSs	5.15	5.15	4.70	(i) 43978 nos. of jobs tested by MSME-TCs/TSs. (ii) About 16208 nos. of units to be availed the testing and calibration facilities.
4	MDP/EDP/Skill Development	23.00	22.95	20.81	98000 persons motivated and 37000 trained
5	WTO	0.05	0.05	0.05	
6	BIO - TECHNOLOGY	0.20	0.20	0.18	
7	National Award (Entrepreneur & Quality)	2.00	2.00	2.03	33 National awards and 117 special recognition Awards, Participated in IITF
8	Vendor Development Programme for Ancillarisation	1.40	2.13	1.47	178 Nos.

9	SENET Project	1.60	1.40	1.26	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.
10	DC(MSME) Library	0.30	0.30	0.27	Funds to the tune of Rs. 0.0389 lakh utilised
11	Publicity & Exhibition	0.50	0.12	0.05	MSME Set exposure to International Market by participation in trade fair
12	Scheme for Conduct of Tailor made courses for new entrepreneurs through select business Schools, Technical Institutes, etc.	1.45	1.45	1.18	
13	Scheme to support 5 select universities/colleges to run 1200 entrepreneurs clubs.	0.70	0.70	0.16	
14	Training-cum-product Development Centre,TPDCs.	2.00	1.90	1.46	

15	Scheme for capacity building, strengthening of data base and advocacy by industry/enterprises associations.	0.70	0.70	0.15	
16	Advertising & Publicity	2.75	2.75	2.75	Achievement can not be quantified as the advertisement are released for the wider publicity of the scheme.
17	MSME DI	8.70	8.70	6.79	16 Plan Institutes
	Sub Total	52.70	52.70	44.77	
III	MSME Cluster Development Programme				
1	MSE CDP	80.00	44.00	30.79	i) New clusters to be undertaken for diagnostic study reports - 29 Nos. ii) Cluster to be undertaken for soft interventions including on-going clusters - 13 Nos. + 8 (Funds released on going clusters) iii) New CFCs – 10 Nos. + release of funds in earlier approved CFCs. (11 Nos.) iv) 12 IID centres v) Steering Committee meetings - 3 Nos.
	Sub Total	80.00	44.00	30.79	
IV	CREDIT SUPPORT PROGRAMME				
1	Credit Guarantee Scheme	1.00	4.90	1.00	(Number of proposals) Gen -208772 SC - 12625 ST - 5927 NER - 16657 Total - 243981

2	Augmentation of Portfolio Risk Fund under MFP	20.00	16.10	16.10	(Number of beneficiaries) Gen - 182970 SC - 37659 ST - 26079 NER - 53244 Total - 299952
3	TREAD	2.70	2.70	1.22	7862 women benefitted
	Sub Total	23.70	23.70	18.32	
V					
MDA Programme					
1	MDA Scheme	3.55	3.45	3.45	
2	Marketing Support/Assistance to MSMEs (Bar Coding)	0.50	0.40	0.38	
3	Export Promotion	0.15	0.15	0.15	32 Nos of programmes
4	Building Awareness on Intellectual Property Rights for MSMEs	5.00	2.20	1.62	1.Awareness/Sensitisation programme – 75 Nos. 2.Specialised Training Short Term – 1 Nos. 3. IP Facilitation Center (IPFC) - 1 Nos. 4.Interactive Seminar/Workshops - 20 Nos. 5. Interaction with International Agencies - 1No.
	Sub Total	9.20	6.20	5.60	
VI	Upgradation of Data Base				

	(a) Collection of Statistics	11.14	11.14	7.19	
	(b) Quinquennial Census	5.36	5.36	0.55	
	Sub Total	16.50	16.50	7.74	
VII	Special Scheme for MSME (New Initiative)	1.00	1.00	0.00	
VIII	CAPITAL OUTLAY				
	Construction of Office Accommodation	8.00	5.00	3.04	
	Sub Total	9.00	6.00	3.04	
	Grand Total	715.00	593.30	430.45	

**STATEMENT SHOWING BE, RE and Physical Output of 2012-13
O/O DC(MSME), M/O MSME**

S.No	Name of the Scheme/ Programme	BE 2012-13	RE 2012-13	Quantifiable/ Physical Output 2012-13
1	2	3	4	5
I	Quality of Technology support institution & Programme			
1	Lean Manufacturing Competitive- ness Scheme for MSMEs	15.00	2.80	24
2	Information & Communication Technology (ICT) scheme for MSMEs	20.00	0.11	The SFC proposal for inclusion of Cloud Computing services for MSME in under consideration of Competent Authority. Thereafter the SFC proposal will be apprised by SFC Committee.
3	Technology and Quality Upgrada- tion (TEQUP) scheme for MSMEs	26.00	14.20	i) MSME assisted for EETs - 113 nos. ii) Product Certificate reimbursed - 36 nos. iii) Awareness Programme- 23 nos.
4	Support for Entrepreneurial and Management Development of SMEs through Incubators	12.00	2.50	26 no. of institutes selected as business incubators 46 new in- novative business ideas nurtured through professionals and MSMEs to be commercialized and become an entrepreneur within a period of 1 year
5	Design Clinics Scheme for MSME sector.	14.00	14.00	i) Total Design Awareness Semi- nars conducted - 10 ii) Total Design Awareness Pro- gramme Organized - 23 iii) Total Orientation Programme conducted - 2 iv) Design Projects Approved - 18 nos. v) PMAC meeting organized - 2 nos. vi) Setting up of Regional centres - 5 nos.

6	Quality Management Standards/ Quality Technology Tools (QMS/ QTT) scheme for MSMEs	10.00	2.00	i) Awareness programme have already been started and final report is yet to be received. ii) Implementation of QMS/ QTT being initiated by QCI. iii) Preparation of course modiles in Polytechnic syllabus is being finalized.
7	ISO-9000/14001 / HACCP Reimbursement Scheme	12.00	12.00	Expenditure incurred 4.85 Units assisted :970
8	Credit Linked Capital Subsidy Scheme (CLCSS)	369.00	352.05	1923 crore term loan
	Total	478.00	399.66	
II	Promotional Services Institutions & Programmes			
1	DC (MSME) officers Training Programme	1.00	0.61	
2	Provision for workshops /Trg.	13.89	11.00	
3	MSME-DI	8.8	9.12	95%
4	EDP Programme (IMC /EDP/ ESDP/MDP) Scheme	23.00	21.11	98000 persons motivated and 37000 trained
5	TREAD	2.30	2.30	2374 women benefitted
III	MSME Cluster Development Programme & Growth Poles.			
1	Tool Rooms Technical institutions (For all 18 autonomous bodies)	58.00	91.15	Trained 52810 persons NER Trained 1028 -Persons Benefitted 15106 units NER Benefitted 269 Units
2.	Mini Tool Rooms under PPP Mode	26.00	0.10	--

3	MSE-CDP component	32.00	49.26	- CFCs Commissioned – 1 - New MSEs units set up – 110 - New upgraded industrial estates made functional - 3 Nos.
	Total	116.00	140.51	
IV	Credit Support Programme			
1	Credit Guarantee Scheme	35.00	35.00	(Number of proposals) Gen -144438 SC - 8547 ST - 3711 NER - 10312 Total - 167008
2	Augmentation of portfolio Risk Fund Under MFP	1.00	0.01	(Number of beneficiaries) Total - 18596 * (upto 31.10.2012)
	Total	36.00	35.01	
V	MDA Programme			
1	Export Promotion	0.15	0.15	Nil
2	MDA Scheme	8.85	5.60	172 nos. MSEs benefitted.
3	Building awareness on Intellectual Property Rights (IPR) for MSME.	5.00	3.00	1.Awareness/Sensitisation programme – 43 Nos. 2.Specialised Training Short Term – Nil 3. IP Facilitation Center (IPFC) - Nil 4.Interactive Seminar/ Workshops - 18 Nos. 5. Interaction with International Agencies - 1 No.

4	Marketing Assistance and Technology Upgradation Scheme for MSMEs under NMCP Scheme	8.00	2.45	MSME units participated in 41 exhibitions/ fairs. In total 227 MSME units benefitted.
5	Vendor Development Programme for Ancillarization	5.00	5.00	90 Nos.
	Total	27.00	16.20	
VI	Up gradation of Data Base :			
1.	Collection of Statistics and Computerisation of DICs	10.95	0.95	Achievement can not be quantified
2	Quinquennial Census (Surveys, Studies)	19.55	0.75	Quick Result of 4th all India centres of MSMEs (Registered Part) has been brought out and sample Survey of Un- Registered Part is going on.
3	National Award	2.50	2.16	45 National awards. Participated in IITF
4	DC(MSME) Library	0.80	0.80	Funds to the tune of Rs. 0.0389 lakh utilised
5	SENET PROJECT	2.70	2.70	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	0.80	0.30	01 International trade fairs
7	Advertising & Publicity	3.05	3.05	Achievement can not be quantified as the advertisement are released for the wider publicity of the scheme.
8	MSMETCs / MSMETs	7.65	7.65	(i) 16391 nos. of jobs tested by MSME-TCs/TSs. (ii) About 7546 nos. of units to be availed the testing and calibration facilities.

	Total	48.00	18.36	
VII	Special Scheme for MSME (New Initiative)	1.00	0.00	
VIII	Capital Outlay on Public Works	8.00	7.41	60%
IX	National Innovation Fund	100.00	55.26	
	New Schemes			
X	Fund of Funds	0.70	0.01	
XI	Venture Capital Fund	0.70	0.01	
XII	Support fro Factoring Services	0.70	0.01	
XIII	SME Exchange Support Scheme	0.70	0.01	
XIV	Marketing Infrastructure fro MSMEs	0.70	0.01	
XV	Marketing Organization in Clusters	0.70	0.01	
XVI	Enabling Global Footprint for MSME	0.70	0.01	
XVII	Online Filing of EM	0.70	0.01	
XVIII	Reengineering and Strengthening of DC(MSME) office	0.70	0.01	
XIX	Virtual University	0.70	0.01	
	Total	870.00	716.65	

ANNEXURE-2

ANNEXURE II**PLAN ALLOCATION AND EXPENDITURE DURING 2009-10, 2010-11
AND 2011-12**

(Rs. in crore)

Items	2010-11	2011-12	2012-13*
A. SSI DIVISION (NSIC, EDCs)			
BE	110.00	335.00	265.00
RE	113.96	326.02	237.00
EXPENDITURE	112.00	300.12	160.83*
B. ARI DIVISION (KVIC, COIR BOARD, MGIRI & SFURTI)			
BE	1585.00	1650.00	1700.00
RE	1599.06	1537.68	1588.30
EXPENDITURE	1504.64	1289.00	1027.34*
C. O/o. DC (MSME)			
BE	705.00	715.00	870.00
RE	677.00	593.30	716.65
EXPENDITURE	654.97	430.43	421.08*
TOTAL BE	2400.00	2700.00	2835.00
TOTAL RE	2390.02	2457.00	2541.95
TOTAL EXPENDITURE	2271.61	2019.55	1609.25*

*up to December, 2012

ANNEXURE-3

ANNEXURE III

STATE-WISE DETAILS: UNITS ASSISTED, MARGIN MONEY UTILISED AND ESTIMATED EMPLOYMENT GENERATION DURING 2012-13(UPTO 31 DECEMBER 2012) UNDER PMEGP

Sr. No.	State/UT	Number of units assisted	Margin Money subsidy utilised (Rs. in lakh)	Estimated Employment opportunities created (No. of persons)
1.	Jammu& Kashmir	837	1363.54	7480
2	Himachal Pradesh	368	561.39	1793
3	Punjab	348	403.06	1831
4	UT Chandigarh	0	0.00	0
5	Uttarakhand	91	86.95	485
6	Haryana	243	377.68	1302
7	Delhi	64	44.06	640
8	Rajasthan	66	213.22	317
9	Uttar Pradesh	2490	6470.68	24835
10	Bihar	219	510.66	2170
11	Sikkim	18	36.84	121
12	Arunachal Pradesh	0	0.00	0
13	Nagaland	180	412.70	2297
14	Manipur	358	513.48	1875
15	Mizoram	0	0.00	0
16	Tripura	45	78.95	352
17	Meghalaya	198	440.54	496
18	Assam	987	1018.51	4085
19	West Bengal	2864	2655.27	22912
20	Jharkhand	635	1092.84	3175
21	Odisha	963	2006.26	9730
22	Chhattisgarh	1006	1633.83	6892
23	Madhya Pradesh	1133	3016.83	9501
24	Gujarat*	595	2301.04	6937
25	Maharashtra **	1982	3315.69	11882
26	Andhra Pradesh	494	2006.77	6257
27	Karnataka	624	1800.56	4307
28	Goa	10	9.84	31
29	Lakshadweep	0	0.00	0
30	Kerala	169	565.30	1366
31	Tamilnadu	1095	3169.39	22109
32	Puducherry	11	9.63	85
33	Andaman & Nicobar Islands	67	30.77	155
	Total	18160	36146.28	155418

* including Daman & Diu.

** including Dadra & Nagar Haveli

ANNEXURE-4

ANNEXURE IV(A)

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

ANNEXURE IV(A)

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

*For activities excluded in Sample Survey of fourth All India Census of MSME, Unregistered sector (Retail / Wholesale Trade Establishment, General Merchandized Stores, Sale Outlets for industrial components, 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 No. of Enterprises (Lakh)		15.64	-
2	No. of Rural Enterprises (Lakh)		7.07	(45.23%)
3	No. of Women Enterprises: (lakh)		2.15	(13.72%)
4	No. of Enterprises by Type: (lakh)	Micro Enterprises	14.85	(94.94%)
		Small Enterprises	0.76	(4.89%)
		Medium Enterprises	0.03	(0.17%)
5	Enterprises by Type of Operation: (lakh)	Perennial	15.14	(96.81%)
		Non Perennial	0.50	(3.19%)
6	Enterprises by Type of Activity: (lakh)	Manufacturing	10.49	(67.10%)
		Repairing & Maintenance	2.52	(16.13%)
		Services	2.62	(16.78%)
7	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	Enterprises by Type of Organization: (lakh)	Proprietary	14.09	(90.08%)
		Partnership	0.63	(4.01%)
		Private Company	0.43	(2.78%)
		Public Limited Company	0.08	(0.54%)

		Co-operatives	0.05	(0.30%)
		Others	0.36	(2.30%)
9	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	Enterprises by Religion of Owner: (lakh)	Hindu	12.70	(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 (` in Crore)		449138	
		Micro Enterprises	169538	(37.75%)
		Small Enterprises	223503	(49.76%)
		Medium Enterprises	56097	(12.49%)
14	Gross Output (` in 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. in crore)		105025	

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 Merchandize Stores, Sale Outlets for industrial components, Legal Services, Educational Services, Social Services, Hotels & Restaurants, Transport, Storage & Warehousing(except cold storage)]

SI No	Characteristics		Number	Percentage
1	Size of the Sector (lakh)		198.74	-
2	No. of Rural Units (laks)		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 Units Owned by (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 (` in crore)		94639.60	-
13	Per Unit Original Value of P&M (` in lakh)		0.48	-
14	Total Fixed Investment (` in crore)		240816.46	-
15	Per Unit Fixed Investment (` in lakh)		1.21	-
16	Per Unit Employment		2.06	-
17	Gross Output (` In crore)		369702.59	-
18	Per Unit Gross Output (` in lakh)		1.86	-
19	Gross Output per ` one lakh Fixed Investment (` in lakh)		1.54	-
20	Gross Output per ` one lakh Original Value of P&M (` in lakh)		3.90	-
21	Employment per ` one lakh Fixed Investment		1.70	-
22	Employment per ` one lakh Original Value of P&M		4.32	-
23	Employment per ` 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 2-Digit Level of NIC-2004)

Sl. No.	NIC Code	Characteristics/Industry	Number of Enterprises(in Lakh)			Employment(in Lakh)		
			Regd. ¹	Unregd. ²	Total	Regd. ¹	Unregd. ²	Total
1	01	Agriculture, Hunting and Related Service Activities	0.04	0.05	0.09	0.25	0.13	0.38
2	02	Forestry, Logging and Related Service Activities	0.01	0.00	0.01	0.09	0.00	0.09
3	05	Fishing, Aquaculture and Service Activities Incidental To Fishing	0.00	0.01	0.01	0.00	0.03	0.03
4	13	Mining of Metal Ores	0.00	0.00	0.00	0.07	0.00	0.07
5	14	Other Mining and Quarrying	0.13	0.00	0.13	1.29	0.00	1.29
6	15	Manufacture of Food Products and 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 and Dyeing of Fur	2.14	29.52	31.65	9.01	51.05	60.06
10	19	Tanning and Dressing of Leather; Manufacture of Luggage, Handbags, Saddlery Harness and Footwear.	0.27	1.23	1.50	1.66	2.66	4.31
11	20	Manufacture of Wood and of Products of Wood and Cork, Except Furniture; Manufacture of Articles of Straw and Plaiting Materials.	0.55	5.85	6.40	2.26	12.35	14.61
12	21	Manufacture of Paper and Paper Products	0.13	0.33	0.46	1.48	1.04	2.52
13	22	Publishing, Printing and Reproduction of Recorded Media	0.41	1.37	1.78	2.14	3.79	5.93
14	23	Manufacture of Coke, Refined Petroleum Products and Nuclear Fuel	0.02	0.09	0.11	0.32	0.28	0.60
15	24	Manufacture of Chemicals and Chemical Products	0.51	1.90	2.41	4.94	4.75	9.69

Sl. No.	NIC Code	Characteristics/Industry	Number of Enterprises(in Lakh)			Employment(in Lakh)		
			Regd. ¹	Unregd. ²	Total	Regd. ¹	Unregd. ²	Total
16	25	Manufacture of Rubber and 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 and Equipment	1.40	7.02	8.42	7.58	18.62	26.20
20	29	Manufacture of Machinery and Equipment N.E.C.	0.73	3.43	4.15	5.12	7.09	12.21
21	30	Manufacture of Office, Accounting and Computing Machinery	0.05	0.27	0.31	0.27	0.39	0.66
22	31	Manufacture of Electrical Machinery and Apparatus N.E.C.	0.35	2.61	2.96	1.79	4.63	6.42
23	32	Manufacture of Radio, Television and Communication Equipment and Apparatus	0.16	1.25	1.41	0.70	2.03	2.73
24	33	Manufacture of Medical, Precision and Optical Instruments, Watches and Clocks.	0.11	0.49	0.60	0.90	0.96	1.86
25	34	Manufacture of Motor Vehicles, Trailers and 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	0.00	0.01	0.01	0.02	0.01	0.03
29	40	Electricity, Gas, Steam and Hot Water Supply	0.01	0.55	0.56	0.05	1.09	1.14
30	41	Collection, Purification and Distribution of Water	0.00	0.13	0.13	0.00	0.40	0.41
31	45	Construction	0.00	0.28	0.28	0.01	0.49	0.50
32	50	Sale, Maintenance and Repair of Motor Vehicles and Motorcycles; Retail Sale of Automotive Fuel	0.58	12.34	12.92	1.72	28.32	30.03

Sl. No.	NIC Code	Characteristics/Industry	Number of Enterprises(in Lakh)			Employment(in Lakh)		
			Regd. ¹	Unregd. ²	Total	Regd. ¹	Unregd. ²	Total
33	51	Wholesale Trade and Commission Trade, Except of Motor Vehicles and Motorcycles.	0.01	6.52	6.53	0.06	17.80	17.86
34	52	Retail Trade, Except of Motor Vehicles and Motorcycles; Repair of Personal and Household Goods.	1.32	142.83	144.15	2.48	243.01	245.48
35	55	Hotels and Restaurants	0.01	13.17	13.18	0.07	33.85	33.92
36	60	Land Transport; Transport Via Pipelines	0.00	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 and Auxiliary Transport Activities; Activities of Travel Agencies	0.03	1.52	1.54	0.27	4.87	5.14
40	64	Post and Telecommunications	0.17	8.21	8.39	0.41	11.81	12.22
41	70	Real Estate Activities	0.00	0.31	0.31	0.01	0.85	0.86
42	71	Renting of Machinery and Equipment Without Operator and of Personal and Household Goods	0.00	1.77	1.77	0.01	5.69	5.71
43	72	Computer and Related Activities	0.21	4.33	4.54	0.77	9.74	10.52
44	73	Research and Development	0.00	0.00	0.00	0.00	0.00	0.00
45	74	Other Business Activities	0.26	13.38	13.64	0.87	26.80	27.67
46	80	Education	0.01	4.88	4.89	0.03	27.23	27.26
47	85	Health and Social Work	0.01	5.67	5.68	0.05	16.02	16.07
48	92	Recreational, Cultural and 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	0.00	0.15	0.79	0.00	0.79
All India			15.64	346.12	361.76	93.09	712.14	805.24

Source :- ¹ : Final Report of the Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Registered Sector² : Final Report of the Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Unregistered Sector
(Regd. = Registered Enterprises), (Unregd. = Unregistered Enterprises)

ANNEXURE IV (E)

**Industry Group-Wise Distribution of Number of Entrepreneurs Memorandum (EM-II)
Filed by Micro, Small and Medium Enterprises (At 2-Digit Level of NIC-2004)
2007-08 to 2011-12**

Sl. No.	NIC 2004	Description	Number of EM-II filed				
			2007-08	2008-09	2009-10	2010-11	2011-12
1	01	Agriculture, Hunting and Related Service Activities	690	606	648	695	639
2	02	Forestry, Logging and Related Service Activities	359	334	359	460	496
3	05	Fishing, Aquaculture and Service Activities Incidental to Fishing	28	5	34	15	13
4	10	Mining of Coal and Lignite; Extraction of Peat	22	19	54	70	33
5	11	Extraction of Crude Petroleum and Natural Gas; Service Activities incidental to Oil and Gas Extraction, excluding Surveying	53	44	37	32	22
6	12	Mining of Uranium and Thorium Ores	115	104	85	70	13
7	13	Mining of Metal Ores	83	137	158	115	188
8	14	Other Mining and Quarrying	808	1,078	1,491	1,178	1,035
9	15	Mfg of Food Products and Beverages	15,839	16,357	18,353	19,447	14,388
10	16	Mfg of Tobacco Products	466	408	381	565	305
11	17	Mfg of Textiles	14,327	18,803	20,995	24,469	25,383
12	18	Mfg of Wearing Apparel; Dressing and Dyeing of Fur	14,183	15,001	17,428	21,351	19,694
13	19	Mfg of Leather & Leather Product	3,091	3,136	2,999	3,467	2,535
14	20	Mfg of Wood And Wood Products	6,268	6,688	6,342	6,283	6,220

Sl. No.	NIC 2004	Description	Number of EM-II filed				
			2007-08	2008-09	2009-10	2010-11	2011-12
15	21	Mfg of Paper And Paper Products	2,885	2,985	4,028	5,672	2,545
16	22	Publishing, Printing & Reproduction of Recorded Media	1,907	2,057	2,027	2,185	5,202
17	23	Mfg of Coke & Refined Petroleum Products and Nuclear Fuel	388	341	350	543	402
18	24	Mfg of Chemicals and Chemical Products	5,477	5,488	5,849	5,914	5,079
19	25	Mfg of Rubber and Plastics Products	5,248	4,874	5,086	5,572	5,856
20	26	Mfg of Other Non-Metallic Mineral Products	7,595	8,035	8,358	8,768	8,211
21	27	Mfg of Basic Metals	3,569	4,144	3,144	3,662	3,877
22	28	Mfg of Fabricated Metal Products	13,959	14,399	17,223	20,528	23,088
23	29	Mfg of Machinery and Equipment n.e.c.	6,996	6,702	8,636	9,270	10,122
24	30	Mfg of Office, Accounting & Computing Machinery	193	207	295	406	499
25	31	Mfg of Electrical Machinery and Apparatus n.e.c.	2,768	2,775	3,207	3,718	2,510
26	32	Mfg. of Radio, Television and Communication Equipment and Apparatus	844	969	918	1,088	1,325
27	33	Mfg of Medical, Precision and Optical Instruments, Watches and Clocks	622	785	968	832	1,034
28	34	Mfg of Motor Vehicles, Trailers and Semi-Trailers	416	507	697	693	1,301
29	35	Mfg of Other Transport Equipment	654	768	903	980	647
30	36	Mfg of Furniture; Manufacturing n.e.c.	6,780	8,114	7,472	7,501	10,134

Sl. No.	NIC 2004	Description	Number of EM-II filed				
			2007-08	2008-09	2009-10	2010-11	2011-12
31	37	Recycling	42	66	72	38	227
32	40	Electricity, Gas, Steam and Hot Water Supply	113	102	91	114	237
33	41	Collection, Purification and Distribution of Water	30	24	45	83	501
34	45	Construction	233	294	461	464	975
35	50	Repair & Maintenance of Motor Vehicle, Retail Sale of Automotive Fuel	2,621	2,656	2,504	2,463	3,619
36	51	Wholesale of Trade and Commission Trade	200	292	306	2,815	10,652
37	52	Repair & Maintenance of Personal & Household Goods; Retail Trade	4,388	4,502	4,127	5,048	6,521
38	55	Hotels and Restaurants	152	226	260	337	934
39	60	Land Transport; Transport via Pipelines	24	66	164	326	847
40	61	Water Transport	4	3	2	7	72
41	62	Air Transport	33	31	33	30	3
42	63	Supporting & Auxiliary Transport & Travel Agents Activities	206	193	253	783	612
43	64	Post and Telecommunications	481	447	437	472	382
44	65	Financial Intermediation, Except Insurance & Pension Funding	10	12	18	30	198
45	66	Insurance and Pension Funding, Except Compulsory Social Security	3	2	2	35	9
46	67	Activities Auxiliary to Financial Intermediation	77	38	30	64	187
47	70	Real Estate Activities	1	11	4	17	41

Sl. No.	NIC 2004	Description	Number of EM-II filed				
			2007-08	2008-09	2009-10	2010-11	2011-12
48	71	Renting of Machinery & Equipment Without Operator & of Personal & Household Goods	148	121	158	191	404
49	72	Computer and Related Activities	2,143	2,359	2,468	2,690	8,203
50	73	Research and Development	51	39	74	71	48
51	74	Other Business Activities	2,248	2,632	3,242	3,735	9,519
52	75	Public Administration and Defence; Compulsory Social Security	34	20	15	35	24
53	80	Education	51	62	165	213	256
54	85	Health and Social Work	78	136	102	125	199
55	90	Sewage and Refuse Disposal, Sanitation and Similar Activities	2	7	11	15	7
56	91	Activities of Membership Organization n.e.c.	20	18	21	5	10
57	92	Recreational, Cultural and Sporting Activities	263	193	237	216	548
58	93	Other Service Activities	7,779	12,580	18,395	24,904	10,025
59	95	Activities of Private Households as Employers of Domestic Staff	11	8	34	32	43
60	96	Undifferentiated Goods - Producing Activities of Private Households for Own Use	85	86	84	49	47
61	97	Undifferentiated Service - Producing Activities of Private Households for Own Use	298	375	207	103	1,052
62	99	Extra Territorial Organization and Bodies	587	672	1,025	1,405	2,155
		Not Reported	35,270	38,934	40,322	34,799	71,143
All India			139,049	154,143	173,572	202,464	211,353

n.e. c - Not elsewhere classified

ANNEXURE-5

ANNEXURE V

LIST OF ITEMS RESERVED FOR EXCLUSIVE MANUFACTURE BY MICRO AND SMALL ENTERPRISE SECTOR			
S.No.	S.No. (As per Gazette Notifica- tion)	Product Code	Name of the Product
		20-21	FOOD AND ALLIED INDUSTRIES
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)
		27	WOOD AND WOOD PRODUCTS
5	47	276001	Wooden furniture and fixtures
		28	PAPER PRODUCTS
6	79	285002	Exercise books and registers
		30-31	OTHER CHEMICALS AND CHEMICAL PRODUCTS
7	253	305301	Wax candles
8	308	314201	Laundry soap
9	313	317001	Safety matches
10	314	318401	Fire works
11	319	319902	Agarbatties
		32	GLASS AND CERAMICS
12	335	321701	Glass bangles
		34	MECHANICAL ENGG. EXCLUDING TRANSPORT EQUIPMENT
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-6

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)	3,64,001 (42.1)
2011	3,76,625 (35.3)	87,857 (36.1)	21,461 (1.9)	4,85,943 (33.5)
2012 (Provisional)	3,95,976 (5.14)	1,05,085 (19.61)	19,839 (-7.56)	5,20,900 (7.19)

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 services 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.

RBI vide circular No. RPCD.CO.Plan.BC.24/04.09.01/2009-10 dated September 18, 2009, retail traders with credit limits not exceeding Rs. 20 lakh has also been included under the ambit of MSE sector.

ANNEXURE-7

ANNEXURE-VII



Citizen's / Client's Charter for

(Ministry of Micro, Small and Medium Enterprises)
(2011-2012)

Address

Udyog Bhawan, New Delhi-110107

Website ID

<http://msme.gov.in/>

Date Of Issue

February 2011

Next Review

December 2012

Citizen's Charter Document for Ministry of Micro, Small and Medium Enterprises

(2011-2012)

Vision Mission

Vision

To ensure an orderly and robust growth and development of Micro, Small and Medium Enterprises and through this, continue and strengthen the role of MSMEs 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, in cooperation with concerned Ministries / Departments, State Governments and other stakeholders by providing support to existing enterprises and encouraging creation of new enterprises. To endeavor to achieve a cumulative growth of 40% in the number of registered enterprises and enhance this sector's contribution to GDP from the present 8% to 10% by the end of 12th Plan..

(2011-2012)

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
1	Approval of proposal under MSE-CDP	5	Sh. P. Sarkar (JDC)	psarkar@dcmsme.gov.in	9868135798 (23062694)	Hard intervention viz. Common Facility Centres.	Nil	N/A	N/A	N/A
						Preparation of Diagnostic Study Report (DSR)	Proposal from Stakeholders.	N/A	N/A	N/A
							Application from Stakeholder with copy of approved DSR	N/A	N/A	N/A
							Application from Stakeholder with DPR, proof of commitment regarding required financial contribution, availability of land, commitment of State Government concerned etc. as per the Scheme Guidelines available at o/o	N/A	N/A	N/A

(2011-2012)

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
							dcmsme website: http://www.dcmsme.gov.in			
						Soft intervention in the Cluster	N/A	N/A	N/A	N/A
2	Approval of new proposals from KV/IC and Coir Board for development of traditional industries clusters under SFURTI	5	Shri Angshuman Dey, (Director)	angshuman.dey@nic.in	(23062745)	Examination in the concerned section	Diagnostic Study Report	N/A	N/A	N/A
							Cluster Action Plan	N/A	N/A	N/A
							Consent letter from the state Government	N/A	N/A	N/A

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Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
3	Credit Linked Capital Subsidy for technology upgradation of micro and small enterprises in select sub-sectors / products approved under the Credit Linked Capital Subsidy Scheme (CLCSS)	5	Sh. D. Baidya (Dy Director)		9968012595 (23061198)	Examination of the request by the concerned Division, obtaining administrative and financial approval by the Competent Authority, Sanction and release of funds.	Application duly recommended by the bank sanctioning the linked loan for technology upgradation as per the Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A
4	Approval of proposals from KVIC and MGRI for participation in international exhibitions.	2	Shri Angshuman Dey, (Director)	angshuman.dey@nic.in	(23062745)	1. Examination in the concerned section 2. Concurrence of the IF Wing	Prescribed format and documentation outlined in the scheme, Check-list	N/A	N/A	N/A
							File with recommendation of Admn. Wing	N/A	N/A	N/A

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Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
5	Approval of proposals from Coir Board for participation in international exhibitions.	2	Shri V K Wadhwa, (Deputy Secretary)	dir.ari@nic.in	(23062736)	3. Approval by the Competent Authority	I F Wing's concurrence	N/A	N/A	N/A
						4. Issue of order	Approval of the Competent Authority	N/A	N/A	N/A
						1. Examination in the concerned section	Prescribed format and documentation outlined in the scheme, Check-list	N/A	N/A	N/A
						2. Concurrence of the IF Wing	File with recommendation of Admn. Wing	N/A	N/A	N/A
						3. Approval by the Competent Authority	I F Wing's concurrence	N/A	N/A	N/A

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Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
						4. Issue of Order	Approval of the Competent Authority	N/A	N/A	N/A
6	Approval of proposal under International cooperation scheme	1	Sh. Jithesh John (Joint Director)	jithesh@nic.in	(23063198)	1. Examination in the section 2. Approval of proposal by the screening Committee	Prescribed application form N/A	N/A	N/A	N/A
						3. Approval by Secretary (MSME)	N/A	N/A	N/A	N/A
7	Approval of Proposals received from State Governments / Others seeking financial assistance on matching basis for strengthening the training infrastructure of the existing /new EDIs under the scheme "Assistance to Training Institutions".	1	Sh. U. Viswanadham (Deputy Secretary)	u.viswanadham@nic.in	(23063142)	1. Examination of proposals in the section P-II	Proof of clear title of land in the name of applicant organisation	N/A	N/A	N/A

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Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
							Project cost/ cost estimates duly vetted by Government Organisation/authorised agency	N/A	N/A	N/A
							Commitment of applicable contribution by the applicant organisation.	N/A	N/A	N/A
							Clear recommendation of the State / UT Government regarding the amount of central assistance after examining the purpose, financial estimates for the proposals.	N/A	N/A	N/A

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Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
							Building plan duly approved by the Local Body/Authorised Agency	N/A	N/A	N/A
						2. Placing the proposal Before Screening Committee for its recommendation	N/A	N/A	N/A	N/A
						3. Approval by the Secretary (MSME) of the recommendation of Screening Committee	N/A	N/A	N/A	N/A

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Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
8	Approval of proposal of Training Programmes under the scheme "Assistance to Training Institutions".	2	Sh. U. Viswanadham (Deputy Secretary)	u.viswanadham@nic.in	(23063142)	1. Examination of proposals in the Section P-II	Proposals with complete details of the training programmes including venue, duration, type of programme, content.	N/A	N/A	N/A
							Examination and clear recommendation of the Apex Organisation	N/A	N/A	N/A
							Data entry of the programmes by Apex Organisations in the softwa	N/A	N/A	N/A
							UC for earlier grants.	N/A	N/A	N/A

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S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
						2. Placing the proposal Before Screening Committee for its recommendation.	N/A	N/A	N/A	N/A
						3. Approval by the Secretary (MSME) of the recommendation of the Screening Committee	N/A	N/A	N/A	N/A
						4. Online approval of approved programmes Convey administrative approval.	N/A	N/A	N/A	N/A
9	Approval of proposals to Host Institutions as Business Incubators(BIs) and incubatees under BIs for support of innovative business ideas which could be commercialize in a year.	1	Shri Anupam Mishra (Addl. Economic Advisor)	anupamishraoffice@gmail.com	8527859835 (23062230)	Examination of the proposal by the concerned Division. Obtaining administrative and financial approvals of the Competent Authority. Sanction and release of funds	Proposals in the prescribed format with summary of the business proposal from Incubatees as per Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A

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Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
10	Approval of proposals under NMCP schemes (Design Clinic, Lean Manufacturing, TEQIP, QMS/QTT, ICT)	10	Sh. Abhay Bakre (JDC)	abhaybakre@dcmsme.gov.in	9910500573 (23061091)	Examination of the proposal by the concerned Division. Obtaining administrative and financial approvals of the Competent Authority. Sanction and release of funds	Application in the prescribed format alongwith documentation as per Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A
11	Empanelment of Udyami Mitra	1	Sh. U. Viswanadham (Deputy Secretary)	u.viswanadham@nic.in	(23063142)	1. Examination of proposals in RGUMY Cell	Recommendation of Director/ Commissioner Industries concerned State and Apex organisation	N/A	N/A	N/A
							Fulfilment of the eligibility criterion as per scheme guidelines available on www.msme.gov.in & rgumy.nic.	N/A	N/A	N/A

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
							In.			
						2. Placing the proposal Before Screening Committee for its recommendation.	N/A	N/A	N/A	N/A
						3. Approval by the Secretary (MSME) of the recommendation of the Screening Committee	N/A	N/A	N/A	N/A
12	Approval of proposals received from MSME-DIs for organising sensitization Workshops on WTO	2	Sh. S.K.Sharma (Director)	sksharmawto@dcmsme.gov.in	9811826548 (23062237)	Examination of the proposal by the concerned Division. Obtaining administrative and financial approvals of the Competent Authority. Sanction and release of funds	Proposal from MSME-DIs as per guidelines of the scheme available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
13	Approval of proposals under IPR (NMCP scheme)	1	Shri Pankaj Garg (JDC)	pankaj.garg@nic.in	9868433515 (23061726)	Release of funds to the Implementing Agency	Application in the prescribed format alongwith documentation as per Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A
14	Reimbursement of fee for registration of Bar Code	2	Sh N.K. Verna (Dy Dir)	madivision22@gmail.com	9810275240 (23063800)	Sanction of funds to the applicant Enterprise.	Application in the prescribed format alongwith documentation as per Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A
15	Timely release of Funds for strengthening the training infrastructure of the existing /new EDIs under the scheme "Assistance to Training Institutions".	1	Sh. U. Viswanadham (Deputy Secretary)	u.viswanadham@nic.in	(23063142)	1. Examination in the section P-II as per terms and conditions of approval conveyed.	Proof of Contribution of Applicant Organisation	N/A	N/A	N/A

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S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
							Proof of opening of single bank account for depositing applicant contribution & Govt. assistance.	N/A	N/A	N/A
						2. Approval of JS (SME)	N/A	N/A	N/A	N/A
						3. Concurrence to the proposals by Internal Finance Wing	N/A	N/A	N/A	N/A
						4. Approval by the Secretary (MSME)	N/A	N/A	N/A	N/A

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
						5. Issue of sanction letter, preparation of Bills and submission to PAO	Pre-stamped Receipt from the Grantee institution	N/A	N/A	N/A
							Undertaking	N/A	N/A	N/A
							Bond in case of private organisations	N/A	N/A	N/A
							Proof of Registration under CGA	N/A	N/A	N/A
						6. Pay order by PAO with approval of CCA, drawal of cheque and RTGS transfer to account of Grantee institution	N/A	N/A	N/A	N/A

(2011-2012)

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
16	Timely release of grant – in – aid for conducting training programmes	2	Sh. U. Viswanadham (Deputy Secretary)	u.viswanadham@nic.in	(23063142)	1. Examination in the section P-II as per terms and conditions of approval conveyed.	Certificate of Utilization (UC) of funds released earlier as per GFR Form No 19A	N/A	N/A	N/A
							Commitment by Apex Organisations of training programmes to be completed in the financial year.	N/A	N/A	N/A
						2. Approval of JS (SME)	N/A	N/A	N/A	N/A
						3. Concurrence to the proposals by Internal Finance Wing	N/A	N/A	N/A	N/A

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Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
						4. Approval by the Secretary (MSME)	N/A	N/A	N/A	N/A
						5. Issue of sanction letter, preparation of Bills and submission to PAO	Pre-stamped Receipt from the Grantee institution	N/A	N/A	N/A
							Undertaking	N/A	N/A	N/A
							Bond in case of private organisations	N/A	N/A	N/A
							Proof of Registration under CGA	N/A	N/A	N/A

(2011-2012)

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
						6. Pay order by PAO with approval of CCA, drawal of cheque and RTGS transfer to account of Grantee institution	N/A	N/A	N/A	N/A
17	Release of funds to KVIC and MGIRI under different schemes	19	Shri Angshuman Dey, (Director)	angshuman.dey@nic.in	(23062745)	1. Examination of proposals in the concerned section	Certificate of Utilization (UC) of funds released earlier as per GFR Form No 19A	N/A	N/A	N/A
							Progress Report showing physical and financial achievement in clear terms, adequately explaining shortfall if any and how will the shortfall be made up.	N/A	N/A	N/A

(2011-2012)

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
							Action Plan (with timeline) for the proposed utilization of the funds sought	N/A	N/A	N/A
						2. Concurrence to the proposals by Internal Finance Wing	Recommendation of the Administrative Ministry on file.	N/A	N/A	N/A
						3. Approval by the Secretary (MSME)	Concurrence of IF Wing on file.	N/A	N/A	N/A
						4. Issue of sanction letter, raising of Bills and submission to PAO	Pre-stamped Receipt from the Grantee institution	N/A	N/A	N/A
						5. Pay order by PAO with approval of CCA, drawal of cheque and RTGS transfer to account of Grantee institution	Bills from the D.D.O.	N/A	N/A	N/A

(2011-2012)

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
18	Release of funds to Coir Board under different schemes	10	Shri V K Wadhwa, (Deputy Secretary)	dir.ari@nic.in	(23062736)	1. Examination of proposals in the concerned section	Certificate of Utilization (UC) of funds released earlier as per GFR Form No 19A	N/A	N/A	N/A
							Progress Report showing physical and financial achievement in clear terms, adequately explaining shortfall if any and how will the shortfall be made up.	N/A	N/A	N/A
							Action Plan (with timeline) for the proposed utilization of the funds sought	N/A	N/A	N/A

(2011-2012)

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
						2. Concurrence to the proposals by Internal Finance Wing	Recommendation of the Administrative Ministry on file.	N/A	N/A	N/A
						3. Approval by the Secretary (MSME)	Concurrence of IF Wing on file.	N/A	N/A	N/A
						4. Issue of sanction letter, raising of Bills and submission to PAO	Pre-stamped Receipt from the Grantee institution	N/A	N/A	N/A
						5. Pay order by PAO with approval of CCA, drawal of cheque and RTGS transfer to account of Grantee institution	Bills from the D.D.O.	N/A	N/A	N/A
19	Release of funds to Credit Guarantee Fund Trust for Micro, Small Enterprises (CGTMSE)	5	Sh. Anupam Mishra (AEA)	anupamishraoffice@gmail.com	8527859835 (23062230)	Release of Government Contribution to the Corpus Fund.	Request from CGTMSE with confirmation from SIDBI about release of their proportionate share to the	N/A	N/A	N/A

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
20	Release of funds (Grant-in-Aid) by O/o DC(MSME) to MSME-Tool Rooms/Technology Development Centres	5	Sh. R.K.Rai (Director)	k.rao@nic.in	9818117168 (23062561)	Release of funds to the autonomous body concerned with the approval of Competent Authority.	Corpus as per Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A
21	Release of fund to SIDBI towards Portfolio Risk Fund under Micro Finance Programme	1	Sh. Anupam Mishra (AEA)	anupamishraoffice@gmail.com	8527859835 (23062230)	Release of funds to SIDBI.	Application in the prescribed format as per Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
22	Release of funds under marketing assistance scheme to implementing agency i.e. National Small Industries Corporation (NSIC), a PSU of Govt	1	Sh. Jitresh John (Joint Director)	jitresh@nic.in	(23063198)	1. Examination of proposal received from NSIC in the section	Proposal and relevant documents	N/A	N/A	N/A
						2. Examination and concurrence of integrated finance wing (IFW) of the ministry	N/A	N/A	N/A	N/A
						3. Issue of sanction order and release of funds	N/A	N/A	N/A	N/A
23	Release of funds under performance and credit rating scheme to implementing agency i.e. National Small Industries Corporation (NSIC), a PSU of Govt	1	Sh. Jitresh John (Joint Director)	jitresh@nic.in	(23063198)	Examination of proposal received from NSIC in the section	Proposal and relevant documents	N/A	N/A	N/A
24	Providing policy support and guidance to KVIC and MGRI as and when required	2	Shri Angshuman Dey, (Director)	angshuman.dey@nic.in	(23062745)	Examination in the concerned section	Relevant documents	N/A	N/A	N/A

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
25	Providing policy support and guidance to Coir Board as and when required	3	Shri V K Wadhwa, (Deputy Secretary)	dir.ar@nic.in	(23062736)	Examination in the concerned section	Relevant documents	N/A	N/A	N/A
26	Prompt Grievance Redressal	10	Shri M.P. Singh, Shri P. P. Muridharan, Shri. Anshuman Dey, (Deputy Director)	singhmpps@gmail.com; ds.sme@nic.in; angshuman dey@nic.in	(23061277)	Grievance relating to the jurisdiction of the Ministry, O/o DC (MSME) can be submitted both electronically (via http://pgportal.gov.in) or by making call to Udyami Helpline 1800-180-6763 or in writing via registered post	Upscalation protocol as per the nature of the complaint.	N/A	N/A	N/A

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Service Standards

S. No.	Services / Transaction	Weight	Success Indicators	Service Standar	Unit	Weight	Data Source
1	Approval of proposal under MSE-CDP	5.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	5.00	Ministry Records
2	Approval of new proposals from KVIC and Coir Board for development of traditional industries clusters under SFURTI	5.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	5.00	Ministry Records
3	Credit Linked Capital Subsidy for technology upgradation of micro and small enterprises in select sub-sectors / products approved under the Credit Linked Capital Subsidy Scheme (CLCSS)	5.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	5.00	Ministry Records
4	Approval of proposals from KVIC and MSRI for participation in international exhibitions.	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	2.00	Ministry Records
5	Approval of proposals from Coir Board for participation in international exhibitions.	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	2.00	Ministry Records
6	Approval of proposal under international cooperation scheme	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	75	Days	1.00	Ministry Records
7	Approval of Proposals received from State Governments / Others seeking financial assistance on matching basis for strengthening the training infrastructure of the existing /new EDIs under the scheme "Assistance to Training Institutions".	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	1.00	Ministry Records

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Service Standards

S. No.	Services / Transaction	Weight	Success Indicators	Service Standar	Unit	Weight	Data Source
8	Approval of proposal of Training Programmes under the scheme "Assistance to Training Institutions".	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	2.00	Ministry Records
9	Approval of proposals to Host Institutions as Business Incubators(BIs) and incubates under Bis for support of innovative business ideas which could be commercialize in a year.	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	1.00	Ministry Record
10	Approval of proposals under NMCP schemes (Design Clinic, Lean Manufacturing, TEQUP, QMS/QTT, ICT)	10.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	32	Days	10.00	Ministry Records
11	Empanelment of Udyami Mitra	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	75	Days	1.00	Ministry Records
12	Approval of proposals received from MSME-DIs for organising sensitization Workshops on WTO	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	2.00	Ministry Records
13	Approval of proposals under IPR (NMCP scheme)	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	1.00	Ministry Records
14	Reimbursement of fee for registration of Bar Code	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	2.00	Ministry Records

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Service Standards

S. No.	Services / Transaction	Weight	Success Indicators	Service Standar	Unit	Weight	Data Source
15	Timely release of Funds for strengthening the training infrastructure of the existing /new EDIs under the scheme "Assistance to Training Institutions".	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	35	Days	1.00	Ministry Records
16	Timely release of grant – in – aid for conducting training programmes	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	35	Days	2.00	Ministry Records
17	Release of funds to KVIC and MGIRI under different schemes	19.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	19.00	Ministry Records
18	Release of funds to Coir Board under different schemes	10.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	10.00	Ministry Records
19	Release of funds to Credit Guarantee Fund Trust for Micro, Small Enterprises (CGTMSE)	5.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	5.00	Ministry Records
20	Release of funds (Grant-in-Aid) by O/o DC(MSME) to MSME-Tool Rooms/Technology Development Centres	5.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	5.00	Ministry Records
21	Release of fund to SIDBI towards Portfolio Risk Fund under Micro Finance Programme	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	1.00	Ministry Records
22	Release of funds under marketing assistance scheme to implementing agency i.e.	1.0	Maximum time taken from the date of receipt of the fully completed	16	days	1.00	Ministry Records

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Service Standards

S. No.	Services / Transaction	Weight	Success Indicators	Service Standar	Unit	Weight	Data Source
	National Small Industries Corporation (NSIC), a PSU of GoI		proposal in all respects				
23	Release of funds under performance and credit rating scheme to implementing agency i.e. National Small Industries Corporation (NSIC), a PSU of GoI	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	25	Days	1.00	Ministry Records
24	Providing policy support and guidance to KVIC and MGIRI as and when required	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	2.00	Ministry Records
25	Providing policy support and guidance to Coir Board as and when required	3.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	35	Days	3.00	Ministry Records
26	Prompt Grievance Redressal	10.0	Average time taken to enter the grievance in CPGRAM i.e. http://pgportal.gov.in received through Udayami Helpline 1800-180-6763 or in writing via registered post.	20	Days	1.00	CPGRAMS & Ministry's Records
			Average time taken to send communication for additional information	35	Days	1.00	CPGRAMS & Ministry's Records
			Average time taken for grievance settlement	75	Days	8.00	CPGRAMS & Ministry's Records

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Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Grievance RedressWebsite url to lodge <http://pgportal.gov.in/>

S.No.	Name of the Public Grievance Officer	Helpline	Email	Mobile
1	O.o DC (MSME): Shri M.P. Singh Economic Adviser	23061277	singhmpps@gmail.com	
2	ARI: Shri. Angshuman Dey, Director	23062745	angshuman.dey@nic.in	
3	SME: Shri P.P. Murlidharan Dy Secy	23061431	ds.sme@nic.in	

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

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List of Stakeholders/Clients

S.	Stakeholders / Clients
1	State Governments
2	MSME Associations
3	Micro, Small and Medium Enterprises
4	National Small Industries Corporation Ltd (NSIC)
5	Khadi and Village Industries Commission (KVIC)
6	Coir Board
7	National Level Entrepreneurship Development Institutes (EDIs) e.g. 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,
8	Mahatma Gandhi Institute of Rural Industrialisation (MGIRI)
9	State level EDIs
10	Training Institutions
11	MSME Tools Rooms
12	MSME-DIs (Development Institutes)
13	Small Industries Development Bank of India (SIDBI)
14	National Bank for Agriculture and Rural Development
15	Public Sector Banks
16	The Tamil Nadu Industrial Investment Corporation Ltd., Chennai.

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List of Stakeholders/Clients

S.	Stakeholders / Clients
17	State Industrial Development Corporations
18	State Industrial Infrastructure Development Corporations
19	Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
20	Citizens

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Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

Responsibility Centers and Subordinate Organizations

S.	Responsibility Centers and Subordinate Organizations	Landline Number	Email	Mobile Number	Address
1	National Small Industries Corporation Ltd	011-26926275, 26910910	info@nsc.co.in		Okhla Industrial Estate, Phase-III, New Delhi.
2	Khadi and Village Industries Commission, (KVIC),	022-26714320-25	dit@kvic.gov.in		"Gramodaya"-3, Irla Road, Vile Parle (West), Mumbai - 400056, Maharashtra.
3	National Institute for Entrepreneurship and Small Business Development (NIESBUD),	0120-2403051-54	info.niesbud@nic.in		A-23-24, Sector-62, Institutional Area, Phase-II, NOIDA-201301.
4	National Institute for Micro, Small and Medium Enterprises (NI-MSME),	040-23608544-46	registrar@nimsme.org		Yousuf Gauda, Hyderabad - 500 045.
5	Indian Institute of Entrepreneurship (IIE),	0361-2302646, 2300994, 2300123	iiindia1@bsnl.in		37, NH Bypass, Lalmati, Basistha Chariali, Guwahati - 781 029, Assam.
6	Coir Board	0484-2351807, 2351788	coirboard@vsnl.com		"Coir House", M.G. Road, Ernakulam, Kochi-682016, Kerala
7	Mahatma Gandhi Institute of Rural Industrialisation	07152-253512	director.mgir@gmail.com		Magarwadi, Warda-442001, Maharashtra
8	MSME-Tool Room, (Indo German Tool Room)	0240 2486832, 2482593, 2470541	gm@igtr-aur.org		P-31, MIDC, Chikalthana Indl. Area, Aurangabad 431 006
9	MSME-Tool Room, (Indo German Tool Room).	079 25840966, 25841963	gm@igtrahd.com		Plot-5003, Phase-IV, GIDC Vatva, Mehmabad Road, Ahmedabad 382 445 (Gujarat).
10	MSME-Tool Room, (Indo German Tool Room),	0731 4210700/03/04 4210701	indigtr@sancharnet.in		Plot No 291/B -302/A, Sector-E, Sanwer Road,

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Responsibility Centers and Subordinate Organizations

S.	Responsibility Centers and Subordinate Organizations	Landline Number	Email	Mobile Number	Address
					Industrial Area, Indore 452 003 (MP).
11	MSME-Tool Room (Central Tool Room),	0161 2670057, 2670058, 2670059, 2676166	info@ctrludhiana.com		A-5, Focal Point, Ludhiana 141 010 (Punjab).
12	MSME-Tool Room (Central Tool Room & Training Centre)	033 25771492, 25771068	cttcokolkata@vsnl.com		Bonhooghly Indl. Area, Kolkata 700 108 (W.B.).
13	MSME-Tool Room, (Central Tool Room & Training Centre),	0674 2742100, 2743349, 3011700	cttc@satyam.net.in		B-36, Chandaka Indl. Area, P.O. Patia, Bhubaneswar 751 024 (Orissa).
14	MSME-Tool Room (Indo Danish Tool Room)	0657 2201261/62, 2200507	reach@dtijamshedpur.com		M-4 (Part) Phase-VI, Tata Kandra Road, Ganharua, Jamshedpur 832 108 (Jharkhand).
15	MSME-Tool Room (Tool Room & Training Centre)	0361 2655542	trtc_ghy@rediffmail.com		Arningaon Industrial Area, North Guwahati Road, Arningaon, Guwahati 781 031
16	MSME-Tool Room, (Central Institute of Hand Tools),	0181 2290226, 2290225, 2290196	institute_jld@dataone.com		G.T. Road, Bye Pass, Jalandhar-144008 (Punjab).
17	MSME-Technology Development Centre (Institute for Design of Electrical Measuring Instruments),	022 2405030/1/2/3/4	ideml@vsnl.net		S.T. Tope Marg, Chunabhatti Son, P.O. Mumbai-400022.
18	MSME-Technology Development Centre (Electronics Service & Training Centre)	05947 251201, 251530, 255951	pd_estc@sanchanet.in		Kaniya, Ramnagar, Dist. Nainital-244715, Uttarakhand.

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Responsibility Centers and Subordinate Organizations

S.	Responsibility Centers and Subordinate Organizations	Landline Number	Email	Mobile Number	Address
19	MSME-Technology Development Centre, (Process cum Product Development Centre)	0121 2511779	info@ppdcmeerut.com		Sports Goods Complex, Delhi Road, Meerut-250002 (U.P.).
20	MSME-Technology Development Centre, (Process and Product Development Centre)	0562 2344006, 2344673	ppdc@sancharnet.in		Foundry Nagar, Agra-282006 (U.P.).
21	MSME-Technology Development Centre, (Central Footwear Training Institute),	044 22501529	cfti@vsnl.net		65/1, G.S.T. Road, Guindy, Chennai-600032
22	MSME-Technology Development Centre, (Central Footwear Training Institute),	0562 2642005, 2642004	info@cftiagra.org.in		C - 41& 42, Site 'C', Sikandra, Industrial Area, Agra-282007 (U.P.).
23	MSME-Technology Development Centre, (Fragrance & Flavour Development Centre),	05694 234465, 234791	fficknj@sancharnet.in		Industrial Estate, GT Road, P.O. Makrand Nagar, Kannauj, -209726 (U.P.).
24	MSME-Technology Development Centre, (Centre for Development of Glass Industry),	05612 232293	cdgizbd@sancharnet.in		A-1/1, Industrial Area, Jalesar Road, P.O. Muldindpur, Firozabad-283203 (U.P.).
25	MSME-Tool Room (Central Institute of Tool Design)	040 23774536, 23772748	hyd1_citdhyd@sancharnet.in		A-1 to A-8 APIE, Balanagar, Hyderabad 500 037 (A.P.).

Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises

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Indicative Expectations from Service

S.	Indicative Expectations from Service Recipients
1	Receipt of application/ proposal complete in all respects as per respective scheme guidelines available on web-site of Ministry i.e. www.msme.gov.in .
2	Proper utilisation of central financial assistance released.
3	As per the Terms & Reference stated in the respective Scheme Guidelines.
4	To check the Ministry of MSME website regularly for updates.

ANNEXURE-8

ANNEXURE VIII

1. LIST OF CPIOs OF THE MINISTRY

Sl. No.	Name, Designation and Telephone No. of CPIO (S/Shri)	Name, Designation and Telephone No. of Appellate Authority (S/Shri)	Subject Matter
1.	M.L. Sharma, Under Secretary 23063293	U. Viswanadham, Deputy Secretary 23063142	Protocol and General Administration.
2.	M.L. Sharma, Under Secretary 23063293	Jithesh John, Joint Director 23063198	Matters relating to the Public Sector Undertaking, the National Small Industries Corporation Limited (NSIC), Coordination of Plan Budget of SME Division, International Cooperation Scheme.
3.	P.S. Verma, Under Secretary 23061636	U. Viswanadham, Deputy Secretary 23063142	Plan Schemes relating to Surveys, Studies and Policy Research and Policy relating to Entrepreneurship Development Institutes (EDIs) and Rajiv Gandhi Udyami Mitra Yojana (RGUMY).
4.	M.K. Mishra, Under Secretary-ARI Division 23062573	Angshuman Dey Director 23062745	All the matters relating to Agro and Rural Industries like Khadi & Village Industries and Prime Minister's Employment Generation Programme (PMEGP) & Scheme of Fund for Regeneration of Traditional Industries (SFURTI) and Coordination of Plan Budget of ARI Division.
5.	Baldev Raj, Research Officer 23063288	U. Viswanadham, Deputy Secretary 23063142	Coordination and filing of various reports with Central Information Commission.
6.	K.P. Singh, Assistant Director (OL) 23062672	Shrawan Kumar, Joint Director (OL) 23061431	Matters relating to Official Language Act.

7.	Vacant Section Officer (Coir Section) <u>Alternate</u> Smt. Renu Suri Section Officer	V.K. Wadhwa, Deputy Secretary 23062736	Matters relating to Coir Industry.
8.	B.P. Pant, Section Officer 23063643	U. Viswanadham, Deputy Secretary 23063142	Matters relating to Vigilance Section
9.	B.P. Pant, Section Officer 23063643	L. Haokip, Deputy Secretary 23061431	Matters relating to Cash Section
10.	Smt. Renu Kapoor Section Officer 23062210	L. Haokip, Deputy Secretary 23061431	Matters relating to administration and establishment of the Ministry of MSME

Smt. Renu Suri, Section Officer will function as an alternate CPIO for the ARI Division in the absence (long leave/training etc.) of any other CPIO of ARI Division.

2. LIST OF NODAL CPIOs OF THE MINISTRY's ORGANISATIONS

Sl. No.	Name, Designation and Telephone of CPIO (S/Shri)	Name, Designation and Telephone of Appellate Authority (S/Shri)	Subject Matter
1.	Harish Anand Director, Office of the DC (MSME), Nirman Bhavan, New Delhi. 011-23062219	M.P. Singh, Economic Adviser, 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 www.dcmsme.gov.in

2.	A.K. Aggarwal General Manager, NSIC Limited, NSIC Bhavan, Okhla Industrial Estate, New Delhi-110020 011-26910910	Ravindra Nath Director (Finance) NSIC Limited, NSIC Bhavan, Okhla Industrial Estate, New Delhi-110020 011-26319452	Distribution of all the RTI applications related to the National Small Industries Corporation Limited among the concerned CPIOs. The subject-wise list of CPIOs are available on website www.nsic.co.in
3.	Mukesh Kumar Gupta, 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	Smt. Rita Sengupta, Director, 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 www.niesbud.nic.in
4.	N. Muralia Kishore, Librarian and Asstt. Registrar, National Institute for Micro, Small and Medium Enterprises (NI-MSME), Yousuf Gauda, Hyderabad – 500 045		All the matters related to NIMSME. The details of CPIOs are available on website www.nimsme.org

5.	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 www.iie.nic.in
6.	M.B. Kamble, Deputy Director, KVIC, 3 Irla Road, Ville Parle (West), Mumbai 022-26711037	G. Guruprasanna, Director, KVIC, 3 Irla Road, Ville Parle (West), Mumbai 022-26713538	Distribution of all the RTI applications related to Khadi and Village Industries Commission among the concerned CPIOs. The subject-wise list of CPIOs is available on website www.kvic.org.in
7.	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 0484-2373327	All the matters related to Coir Board. The details of CPIOs are available on website www.coirboard.gov.in
8.	Srinivasan. R, 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 www.mgiri.org

ANNEXURE-9

ANNEXURE IX



R F D

(Results-Framework Document)
for

Ministry of Micro, Small and Medium
Enterprises
(2011-2012)

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises-(2011-2012)

Section 1: Vision, Mission, Objectives and Functions

Vision

To ensure an orderly and robust growth and development of Micro, Small and Medium Enterprises and through this, continue and strengthen the role of MSMEs 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, in cooperation with concerned Ministries / Departments, State Governments and other stakeholders by providing support to existing enterprises and encouraging creation of new enterprises. To endeavor to achieve a cumulative growth of 40% in the number of registered enterprises and enhance this sector's contribution to GDP from the present 8% to 10% by the end of 12th Plan..

Objective

- 1 Growth and development of existing MSMEs
- 2 Creation of new enterprises
- 3 Growth and development of Khadi, Village and Coir industries
- 4 Skill and entrepreneurship development and quality upgradation

Functions

- 1 Facilitation of credit flow to MSMEs
- 2 Promotion of MSMEs through cluster based approach
- 3 Marketing support to MSMEs
- 4 Creation of new Micro Enterprises through Prime Minister's Employment Generation Program (PMEGP)
- 5 Growth and development of Coir Industry
- 6 Skill development and entrepreneurship development training
- 7 Improving competitiveness of MSMEs
- 8 Growth and development of Khadi and Village Industries (KVI) sector

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2011-2012)

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	48.00	[1.1] Improving competitiveness of MSMEs	[1.1.1] Term loan facilitated for technological up-gradation through CLCSS	Rs. in crore	4.00	2500	2300	2000	1750	1500
			[1.1.2] Enhancing competitiveness of MSMEs with Lean Manufacturing techniques	Number of units	3.00	650	600	520	450	390
			[1.1.3] Quality improvement through QMS/QTT	Number of units	2.00	90	80	72	63	54
			[1.1.4] Introducing new product/ process designs in MSEs	Number of units	3.00	55	50	45	40	33
			[1.1.5] Increasing energy efficiency in MSMEs	Number of units	2.00	55	50	45	40	33
			[1.1.6] ICT adoption in MSME clusters	Number of clusters	3.00	35	30	28	25	21
			[1.1.7] Incubation of new business ideas	Number of ideas	2.00	90	80	72	63	54
		[1.2] Facilitation of credit flow to MSMEs	[1.2.1] Credit provided with guarantee under Credit Guarantee Scheme	Rs. in crore	4.00	12000	11000	9500	8400	7200
			[1.2.2] No. of MSE units awarded Performance &	Number of units	4.00	18000	16200	14400	12600	10800

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%
			Credit rating							
		[1.3] Promotion of MSMEs through cluster based approach	[1.3.1] CFCs commissioned under MSE- CDP	Number of clusters	4.00	12	10	9	8	7
			[1.3.2] SFURTI Clusters which have registered increase in productivity during the year	Number of clusters	5.00	90	80	70	60	50
			[1.3.3] New MSMEs set up under Infrastructural Development programme	Number of units	3.00	550	500	450	400	330
			[1.3.4] Conducting an independent evaluation of SFURTI scheme	Date	2.00	30/11/2011	31/12/2011	31/01/2012	29/02/2012	31/03/2012
		[1.4] Marketing support to MSMEs	[1.4.1] Entrepreneurs provided support for participation in International Fairs/ Exhibitions	Number of units	2.00	1500	1350	1200	1050	900
			[1.4.2] Number of Domestic Fairs & Exhibitions organized/ co-sponsored	Number of fairs	2.00	450	400	360	320	280
		[1.5] Evaluation & restructuring of existing delivery mechanism	[1.5.1] Study on MSME Dis for reorganizing and restructuring	Date	3.00	15/02/2012	22/02/2012	29/02/2012	07/03/2012	14/03/2012

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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%
[2] Creation of new enterprises	18.00	[2.1] Creation of new Enterprises through Prime Minister's Employment Generation Program (PMEGP)	[2.1.1] New units sanctioned	Number of units	7.00	62000	56000	50000	43000	36000
			[2.1.2] Operationalizing the units in which subsidy has been transferred to beneficiary accounts under PMEGP upto 31.03.2010.	%	7.00	75	70	65	60	55
			[2.1.3] Conducting a beneficiary survey in the units set up under PMEGP	Date	3.00	15/02/2012	22/02/2012	29/02/2012	07/03/2012	14/03/2012
[3] Growth and development of Khadi, Village and Coir Industries	13.00	[2.2] Handholding support to first generation entrepreneurs under Rajiv Gandhi Udyami Mitra Yojana (RGUMY)	[2.2.1] Udyamis assisted under the scheme	Number of udyamis	1.00	5000	4500	4000	3500	3000
		[3.1] Growth and development of KVI sector	[3.1.1] Gross sales of khadi	Rs. in crore	3.00	900	880	850	800	750
			[3.1.2] Annual gross sale of khadi as against production value of khadi	%	3.00	125	115	100	90	80
		[3.2] Growth and development of coir industry	[3.2.1] Coir units assisted under REMOT	Number of units	1.00	900	800	700	600	500

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%
[4] Skill and entrepreneurship development and quality upgradation	6.00	[3.3] Transfer of innovative technology in rural industrial sector by MGIRI	[3.2.2] Export of Coir and Coir products	Rs in crore	1.00	800	720	640	560	480
			[3.2.3] Demonstration of new technology through R&D intervention	Number of demonstration	1.00	200	180	160	140	120
			[3.2.4] Conducting an independent evaluation of REMOT scheme	Date	2.00	30/11/2011	31/12/2011	31/01/2012	29/02/2012	31/03/2012
			[3.3.1] Initiating actions on handholding/technical support through MGIRI to model enterprises	Number	1.00	75	70	60	50	40
			[3.3.2] Development of improved machines/ process / services in rural industries	Number	1.00	25	23	20	18	15
			[4.1] SDP / EDP training	Number of persons trained in Lakh	3.00	3.38	3.15	2.93	2.70	2.48
[4.2] Setting up a National Centre for Quality Testing	2.00	[4.2.1] Preparation of DPR	[4.1.2] Number of persons trained in NER and difficult areas	Number of persons trained in Lakh	1.00	0.37	0.35	0.32	0.30	0.27
			[4.2.1] Preparation of DPR	Date	2.00	15/03/2012	22/03/2012	26/03/2012	28/03/2012	30/03/2012

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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%
* Efficient Functioning of the RFD System	3.00	Timely submission of Draft for Approval	On-time submission	Date	2.0	07/03/2011	08/03/2011	09/03/2011	10/03/2011	11/03/2011
		Timely submission of Results	On- time submission	Date	1.0	01/05/2012	03/05/2012	04/05/2012	05/05/2012	06/05/2012
* Improving Internal Efficiency / Responsiveness / Service delivery of Ministry / Department	10.00	Implementation of Sevottam	Resubmission of revised draft of Citizens' / Clients' Charter	Date	2.0	16/01/2012	18/01/2012	20/01/2012	23/01/2012	25/01/2012
			Independent Audit of Implementation of Grievance Redress Mechanism	%	2.0	100	90	80	70	60
		Ensure compliance with Section 4(1) (b) of the RTI Act, 2005	No. of items on which information is uploaded by February 10, 2012	No	2.0	16	15	14	13	12
		Identify potential areas of corruption related to departmental activities and develop an action plan to mitigate them	Finalize an action plan to mitigate potential areas of corruption.	Date	2.0	26/03/2012	27/03/2012	28/03/2012	29/03/2012	30/03/2012
* Ensuring compliance to the Financial Accountability Framework	2.00	Develop an action plan to implement ISO 9001 certification	Finalize an action plan to implement ISO 9001 certification	Date	2.0	16/04/2012	17/04/2012	18/04/2012	19/04/2012	20/04/2012
		Timely submission of ATNS on Audit Paras of C&AG	Percentage of ATNS submitted within due date (4 months) from date of presentation of Report to Parliament by CAG during the year.	%	0.5	100	90	80	70	60
		Timely submission of ATRs to the PAC Sect. on PAC Reports.	Percentage of ATRs submitted within due date (6 months) from date of presentation of	%	0.5	100	90	80	70	60

* Mandatory Objective(s)

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%	Poor 60%
			Report to Parliament by PAC during the year.						
		Early disposal of pending ATNs on Audit Paras of C&AG Reports presented to Parliament before 31.3.2011.	Percentage of outstanding ATNs disposed off during the year.	%	0.5	100	90	80	70
		Early disposal of pending ATRs on PAC Reports presented to Parliament before 31.3.2011	Percentage of outstanding ATRs disposed off during the year.	%	0.5	100	90	80	70

* Mandatory Objective(s)

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Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
[1] Growth and development of existing MSMEs	[1.1] Improving competitiveness of MSMEs	[1.1.1] Term loan facilitated for technological up-gradation through CLCSS	Rs. in crore	1000	1300	2300	2500	2750
		[1.1.2] Enhancing competitiveness of MSMEs with Lean Manufacturing techniques	Number of units	41	554	600	660	700
		[1.1.3] Quality improvement through QMS/QTT	Number of units	--	60	80	90	100
		[1.1.4] Introducing new product/ process designs in MSEs	Number of units	--	27	50	55	60
		[1.1.5] Increasing energy efficiency in MSMEs	Number of units	--	--	50	55	60
		[1.1.6] ICT adoption in MSME clusters	Number of clusters	--	--	30	35	40
		[1.1.7] Incubation of new business ideas	Number of ideas	--	--	80	90	100
	[1.2] Facilitation of credit flow to MSMEs	[1.2.1] Credit provided with guarantee under Credit Guarantee Scheme	Rs. in crore	6875	10695	11000	12000	13000
		[1.2.2] No. of MSE units awarded Performance & Credit rating	Number of units	7500	9500	16200	18000	20000

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2011-2012)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
	[1.3] Promotion of MSMEs through cluster based approach	[1.3.1] CFCs commissioned under MSE- CDP	Number of clusters	5	8	10	12	14
		[1.3.2] SFURTI Clusters which have registered increase in productivity during the year	Number of clusters	--	--	80	--	--
		[1.3.3] New MSMEs set up under Infrastructural Development programme	Number of units	400	450	500	550	600
		[1.3.4] Conducting an independent evaluation of SFURTI scheme	Date	--	--	31/12/2011	--	--
	[1.4] Marketing support to MSMEs	[1.4.1] Entrepreneurs provided support for participation in International Fairs/ Exhibitions	Number of units	455	1351	1350	1500	1600
		[1.4.2] Number of Domestic Fairs & Exhibitions organized/ co-sponsored	Number of fairs	80	451	400	500	550
[2] Creation of new enterprises	[1.5] Evaluation & restructuring of existing delivery mechanism	[1.5.1] Study on MSME DIs for reorganizing and restructuring	Date	--	--	22/02/2012	--	--
	[2.1] Creation of new Enterprises through	[2.1.1] New units sanctioned	Number of units	--	--	56000	--	--

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2011-2012)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
[3] Growth and development of Khadi, Village and Coir Industries	Prime Minister's Employment Generation Program (PMEGP)							
		[2.1.2] Operationalizing the units in which subsidy has been transferred to beneficiary accounts under PMEGP upto 31.03.2010.	%	--	--	70	--	--
		[2.1.3] Conducting a beneficiary survey in the units set up under PMEGP	Date	--	--	22/02/2012	--	--
	[2.2] Handholding support to first generation entrepreneurs under Rajiv Gandhi Udyami Mitra Yojana (RGUMY)	[2.2.1] Udyamis assisted under the scheme	Number of udyamis	--	--	4500	--	--
	[3.1] Growth and development of KVI sector	[3.1.1] Gross sales of Khadi	Rs. in crore	867	704	880	900	950
	[3.2] Growth and development of coir industry	[3.1.2] Annual gross sale of khadi as against production value of khadi	%	137	144	115	120	135
		[3.2.1] Coir units assisted under REMOT	Number of units	706	490	800	820	840

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2011-2012)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
		[3.2.2] Export of Coir and Coir products	Rs in crore	804	720	720	820	850
		[3.2.3] Demonstration of new technology through R&D intervention	Number of demonstration	--	--	180	--	--
		[3.2.4] Conducting an independent evaluation of REMOT scheme	Date	--	--	31/12/2011	--	--
		[3.3.1] Initiating actions on handholding/technical support through MGIRI to model enterprises	Number	--	--	70	--	--
		[3.3.2] Development of improved machines/ process /services in rural industries	Number	--	--	23	--	--
[4] Skill and entrepreneurship development and quality upgradation	[4.1] SDP / EDP training	[4.1.1] Number of persons trained	Number of persons in Lakh	--	--	3.15	--	--
		[4.1.2] Number of persons trained in NER and difficult areas	Number of persons in Lakh	--	--	0.35	--	--
	[4.2] Setting up a National Centre for Quality Testing	[4.2.1] Preparation of DPR	Date	--	--	22/03/2012	--	--

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2011-2012)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
* Efficient Functioning of the RFD System	Timely submission of Draft for Approval	On-time submission	Date	0	05/03/2010	07/03/2011	--	--
	Timely submission of Results	On-time submission	Date	0	02/05/2011	03/05/2012	--	--
* Improving Internal Efficiency / Responsiveness / Service delivery of Ministry / Department	Implementation of Sevottam	Resubmission of revised draft of Citizens' / Clients' Charter	Date	--	--	18/01/2012	--	--
		Independent Audit of Implementation of Grievance Redress Mechanism	%	--	--	90	--	--
	Ensure compliance with Section 4(1) (b) of the RTI Act, 2005	No. of items on which information is uploaded by February 10, 2012	No	--	--	15	--	--
	Identify potential areas of corruption related to departmental activities and develop an action plan to mitigate them	Finalize an action plan to mitigate potential areas of corruption.	Date	--	--	27/03/2012	--	--
* Ensuring compliance to the Financial Accountability Framework	Develop an action plan to implement ISO 9001 certification	Finalize an action plan to implement ISO 9001 certification	Date	--	--	17/04/2012	--	--
	Timely submission of ATNS on Audit Paras of C&AG	Percentage of ATNS submitted within due date (4 months) from date of presentation of Report to Parliament by CAG during the year.	%	--	100	90	--	--

* Mandatory Objective(s)

results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2011-2012)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
	Timely submission of ATRs to the PAC Sectt. on PAC Reports.	Percentage of ATRs submitted within due date (6 months) from date of presentation of Report to Parliament by PAC during the year.	%	--	100	90	--	--
	Early disposal of pending ATNs on Audit Paras or C&AG Reports presented to Parliament before 31.3.2011.	Percentage of outstanding ATNs disposed off during the year.	%	--	--	90	--	--
	Early disposal of pending ATRs on PAC Reports presented to Parliament before 31.3.2011	Percentage of outstanding ATRs disposed off during the year.	%	--	100	90	--	--

* Mandatory Objective(s)

Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2011-2012)

Section 4: Acronym

Sl.No	Acronym	Description
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Results Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises (2011-2012)

Section 4: Description and Definition of Success Indicators and Proposed Measurement Methodology

Success Indicators

The Success Indicators, as mentioned in the concerned columns of Section 2 and 3 are more or less self-explanatory. The description, definitions as well as the proposed measurement methodology for various success indicators are as under:

Criteria/Success Indicator	Description, definition and proposed measurement methodology
1.1.1 Credit provided with guarantee under Credit Guarantee Scheme	Amount of loan cover under Credit Guarantee Scheme
1.1.2 No. of MSE units awarded Performance & Credit rating	Receipt of rating certificate from the empanelled Rating agency.
1.2.1 Term loan facilitated for technological up-gradation through CLCSS	Disbursement of subsidy to MSEs through banks after availing term loan
1.2.2 Enhancing competitiveness of MSMEs with Lean Manufacturing techniques	Increase in productivity of MSMEs due to lean techniques.
1.2.3 Quality improvement through QMS/QTT	Increase in quality of processes/ products of MSMEs
1.2.4 Introducing new product/ process designs in MSEs	Increase in sales of new products or improved products.
1.2.5 Increasing energy efficiency in MSMEs	Savings in energy cost to MSMEs.
1.2.6 ICT adoption in MSME clusters	ICT adoption by units for efficiency, marketing and competitiveness..
1.2.7 Incubation of new business ideas	New business ideas facilitated for commercialization.
1.3.1 CFCs commissioned under MSE- CDP	Complete Common Facility Centres in all respect and operationalised.
1.3.2 SFURTI Clusters which have registered increase in productivity during the year.	Success will be measured by the number of clusters which have registered an increase in value of per capita production during the year.
1.3.3 New MSMEs under Infrastructural Development programme	New MSMEs set up by entrepreneurs which have started production.

1.3.4 Conducting an independent evaluation of SFURTI scheme	Submission of Report by the agency selected to conduct an independent evaluation.
1.4.1 Entrepreneurs provided support for participation in International Fairs/ Exhibitions	Participation by Entrepreneurs/ units in international trade fairs/exhibitions. Participation by Entrepreneur would be treated as participation by unit, however if more than one entrepreneur participate in same Fairs/ Exhibitions, it would be treated as participation by one unit only.
1.4.2 Number of Domestic Fairs &Exhibitions organized/ co-sponsored	Organization or co-sponsoring of domestic trade fairs and exhibitions for MSMEs
1.5.1 Study on MSME DIs organizing and restructuring	Submission of Report by the agency selected to conduct the study.
2.1.1 New units sanctioned	Success will be measured by the new units for which loan is sanctioned by banks after being recommended by District level Task Force.
2.1.2 Operationalizing the units in which subsidy has been transferred to beneficiary accounts under PMEGP upto 31.03.2010.	Success will be measured by the percentage of units in which subsidy has been transferred to beneficiary accounts under PMEGP upto 31.03.2010, that have been operationalized.
2.1.3 Conducting a beneficiary survey in the units set up under PMEGP.	Submission of Report by the agency selected to conduct the beneficiary survey.
2.2.1 Udyamis assisted under the scheme	Registration of Udyamis by Udyami Mitras.
3.1.1 Gross sales of khadi	Value of Gross sale of Khadi during the financial year as reported by KVIC.
3.1.2 Annual gross sale of khadi as against production value of khadi	Value of gross sale of khadi during the year expressed as a Percentage of production value of khadi during the financial year.
3.2.1 Coir units assisted under REMOT	Number of units which have been sanctioned loans by banks under REMOT.
3.2.2 Export of coir and coir products	Export of all coir products by coir Industry.
3.2.3 Demonstration of new technology through R&D intervention	Number of successful demonstrations of new technology/products developed through R&D intervention.
3.2.4 Conducting an independent evaluation of REMOT scheme	Submission of Report by the agency selected to conduct independent evaluation.
3.3.1 Initiating actions on handholding/ technological support through MGIRI to model enterprises	Success will be measured by the number of new units/ enterprises that have been provided with technical support and handholding from MGIRI.

3.3.2 Development of improved machines/ process/ services in rural industries	Success will be measured by the number of new prototypes/ processes/ services developed by MGIRI.
4.1.1 Number of persons trained	On successful completion of training by the trainees.
4.1.2 Number of persons trained in NER and difficult areas	On successful completion of training by the trainees in the states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, Sikkim, J&K and Naxalite affected states.
4.2.1 Preparation of DPR	Submission of DPR by the agency selected for the purpose.

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Abbreviations used

Abbreviation	Full Form
ADB	Asian Development Bank
CCEA	Cabinet Committee on Economic Affairs
CFC	Common Facility Centres
CGTMSE	Credit Guarantee Trust Fund for Micro and Small Enterprises
CLCSS	Credit Linked Capital Subsidy Scheme
DIC	District Industries Centre
EDP	Entrepreneurship Development Programme
ESDP	Entrepreneurship-cum-Skill Development Programme
GM	General Manager
ICT	Information and Communication Technology
IPFC	Intellectual Property Facilitation Centre
IPR	Intellectual Property Rights
KRDP	Khadi Reforms and Development Programme
KVI	Khadi and Village Industries
KVIC	Khadi and Village Industries Commission
MGIRI	Mahatma Gandhi Institute for Rural Industrialization
MSE	Micro and Small Enterprises

MSE-CDP	Micro and Small Enterprises –Cluster Development Programme
MSME	Micro, Small and Medium Enterprises
MSME-DI	Micro, Small and Medium Enterprises-Development Institute
NMCP	National Manufacturing Competitiveness Programme
NSIC	National Small Industries Corporation
PMEGP	Prime Minister's Employment Generation Programme
QMS	Quality Management System
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
SDP	Skill Development Programme
SFURTI	Scheme of Fund for Regeneration of Traditional Industries

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Section 5:
Specific Performance Requirements from other Departments

Department	Relevant Success Indicator	What do you need?	Why do you need it?	How much you need?	What happens if you do not get it?
Banking Division, Ministry of Finance and RBI	Facilitation of credit flow to MSMEs	Directions to banks to provide Credit to MSMEs on priority	Credit is to be provided by the banks only	To earmark at least 10% of Net Bank Credit to Micro sector under priority sector, without collateral security	The targets would not be achieved
	Creation of new micro Enterprises through Prime Minister's Employment Generation Program (PMEGP)	Directions to banks to sanction loans to PMEGP applicants on priority	New micro enterprises can not be created without sanction of loan from the banks	As per the targets under the scheme	The targets would not be achieved
	Number of units assisted under REMOT	Directions to banks to sanction loans.	New micro enterprises can not be setup without sanction of loan from the banks	As per the targets under the scheme	The targets would not be achieved

State Governments	Creation of new Micro Enterprises through Prime Minister's Employment Generation Program (PMEGP)	Directions to District Collectors/ DMs and GM –DIC and State KVIBs for timely processing and approval of applications	Applications under PMEGP are to be gathered and processed by the GM-DIC/ State KVIBs and approved by Task Force under District Collector/DM	Full cooperation and support from the State Government including monitoring at senior level	The targets would not be achieved
	Promotion of MSMEs through cluster based approach	Provide the necessary infrastructure support	Most infrastructure facilities e.g. land, building, power, water and roads etc. are to be provided by the State Governments/ Industry	As per requirement of the Cluster	The targets would not be achieved

	Udyamis assisted under the scheme	Expeditious disposal of claims of Udyami Mitra by Commissioner/Director (Industries) of States concerned and prompt acknowledgement of EM-II filed with GM, DICs.	The performance of Uduami Mitras depends on their claims being paid promptly by the Commissioner/Director (Industries) of States concerned. Udyami Mitra claims becomes due for second stage only after acknowledgement of EM-II is given by the concerned GM, DIC and unit is treated as grounded.	Full cooperation and support.	The targets would not be achieved.
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Results-Framework Document (RFD) for Ministry of Micro, Small and Medium Enterprises -(2011-2012)

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 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
1 Stronger entrepreneurial base in the country in micro enterprises sector	KVIC, State Industries Department, State KVI Boards and Banks	Total number of new micro enterprises		--	--	--	--	--
2 Improved global competitiveness of existing units.	M/o Commerce, Export Promotion Councils	Increase in exports		--	--	15%	15%	15%
3 Growth in khadi production	KVIC and Khadi institutions	Estimated production figures (in Rs. crore)		629	650	700	800	900
4 Growth in production of Coir products	Coir Board and Coir Units	Coir fibre production Lakh MT		5.07	5.27	5.48	5.70	5.93
5 Increased export of Coir products	Coir Board and Coir Exporters	Coir Export (Rs. crore)		804	720	800	820	850
6 Increased earnings of Village Industry artisans in clusters	KVIC, State Industries Departments, State KVI Boards	Increase in wage earnings of Village Industries artisans w.r.t. base year 2008-09		25%	35%	40%	45%	50%
7 Higher availability of skilled man-power to the MSME Sector	Null	No. of additional skilled persons made available		3.59 lakh	3.36 lakh	3.75 lakh	3.75 lakh	4.00 lakh

ANNEXURE-10

ANNEXURE X

Achievement against Targets of RFD 2011-12

Performance Evaluation Report for Ministry of Micro, Small and Medium Enterprises [Achievement Submitted] (2011-2012)

Performance Evaluation Report

Objective	Weight	Action	Success	Unit	Weight	Target / Criteria Value					Achievement	Performan	
						Excell	Very	Good	Fair	Poor		Raw Score	Weighted Score
						100%	90%	80%	70%	60%			
1 Growth and development of existing MSMEs	48.00	Improving competitiveness of MSMEs	Term loan facilitated for technological up-gradation through CLCSS	Rs. in crore	4.00	2500	2300	2000	1750	1500	2288	89.6	3.58
			Enhancing competitiveness of MSMEs with Lean Manufacturing techniques	Number of units	3.00	650	600	520	450	390	623	94.6	2.84
			Quality improvement through QMS/QTT	Number of units	2.00	90	80	72	63	54	113	100.0	2.0
			Introducing new product/ process designs in MSEs	Number of units	3.00	55	50	45	40	33	62	100.0	3.0
			Increasing energy efficiency in MSMEs	Number of units	2.00	55	50	45	40	33	113	100.0	2.0
			ICT adoption in MSME clusters	Number of clusters	3.00	35	30	28	25	21	60	100.0	3.0
			Incubation of new business ideas	Number of ideas	2.00	90	80	72	63	54	49	0.0	0.0
			Credit provided with guarantee under Credit Guarantee Scheme	Rs. in crore	4.00	12000	11000	9500	8400	7200	13784	100.0	4.0
			No. of MSE units awarded Performance & Credit rating	Number of units	4.00	18000	16200	14400	12600	10800	13300	73.89	2.96
			CFCs commissioned under MSE- CDP	Number of clusters	4.00	12	10	9	8	7	8	70.0	2.8
			SFURTI Clusters which have registered	Number of	5.00	90	80	70	60	50	88	98.0	4.9

Performance Evaluation Report

Objective	Weight	Action	Success	Unit	Weight	Target / Criteria Value					Achievement	Performan	
						Excell	Very	Good	Fair	Poor		Raw Score	Weighted Score
						100%	90%	80%	70%	60%			
2 Creation of new enterprises	18.00		Increase in productivity during the year	clusters									
			New MSMEs set up under Infrastructural Development programme	Number of units	3.00	550	500	450	400	330	548	99.6	2.99
			Conducting an independent evaluation of SFURTI scheme	Date	2.00	30/11/2011	31/12/2011	31/01/2012	29/02/2012	31/03/2012	30/10/2011	100.0	2.0
			Entrepreneurs provided support for participation in International Fairs/ Exhibitions	Number of units	2.00	1500	1350	1200	1050	900	1733	100.0	2.0
			Number of Domestic Fairs & Exhibitions organized/ co-sponsored	Number of fairs	2.00	450	400	360	320	280	532	100.0	2.0
		Evaluation & restructuring of existing delivery mechanism	Study on MSME Dis for reorganizing and restructuring	Date	3.00	15/02/2012	22/02/2012	29/02/2012	07/03/2012	14/03/2012	15/02/2012	100.0	3.0
			New units sanctioned	Number of units	7.00	62000	56000	50000	43000	36000	66229	100.0	7.0
		Creation of new Enterprises through Prime Minister's Employment Generation Program (PMEGP)	Operationalizing the units in which subsidy has been transferred to beneficiary accounts under PMEGP upto 31.03.2010.	%	7.00	75	70	65	60	55	82	100.0	7.0
			Conducting a beneficiary survey in the units set up under PMEGP	Date	3.00	15/02/2012	22/02/2012	29/02/2012	07/03/2012	14/03/2012	09/02/2012	100.0	3.0

Performance Evaluation Report for Ministry of Micro, Small and Medium Enterprises [Achievement Submitted] (2011-2012)

Performance Evaluation Report

Objective	Weight	Action	Success	Unit	Weight	Target / Criteria Value						Achievement		Performan	
						Excellen	Very	Good	Fair	Poor		Achievement		Raw Weigh-	ted Score
						100%	90%	80%	70%	60%					
3 Growth and development of Khadi, Village and Coir industries	13.00	Handholding support to first generation entrepreneurs under Rajiv Gandhi Udyami Mitra Yojana (RGUMY)	Udyamis assisted under the scheme	Number of udyamis	1.00	5000	4500	4000	3500	3000		7971		100.0	1.0
		Growth and development of KVI sector	Gross sales of khadi	Rs. in crore	3.00	900	880	850	800	750		974.57		100.0	3.0
			Annual gross sale of khadi as against production value of khadi	%	3.00	125	115	100	90	80		139		100.0	3.0
		Growth and development of coir industry	Coir units assisted under REMOT	Number of units	1.00	900	800	700	600	500		510		61.0	0.61
4 Skill and entrepreneurship	6.00		Export of Coir and Coir products	Rs in crore	1.00	800	720	640	560	480		771		96.38	0.96
			Demonstration of new technology through R&D intervention	Number of demonstration	1.00	200	180	160	140	120		225		100.0	1.0
			Conducting an independent evaluation of REMOT scheme	Date	2.00	30/11/2011	31/12/2011	31/01/2012	29/02/2012	31/03/2012		15/03/2012		65.16	1.3
		Transfer of innovative technology in rural industrial sector by MGIRI	Initiating actions on handholding/technological support through MGIRI to model enterprises	Number	1.00	75	70	60	50	40		68		88.0	0.88
4 Skill and entrepreneurship	6.00		Development of improved machines/ process /services in rural industries	Number	1.00	25	23	20	18	15		25		100.0	1.0
		SDP / EDP training	Number of persons trained	Number of	3.00	3.38	3.15	2.93	2.70	2.48		4.21		100.0	3.0

Performance Evaluation Report

Objective	Weight	Action	Success	Unit	Weight	Target / Criteria Value					Achiev- ement	Performan	
						Excele	Very	Good	Fair	Poor		Raw	Weigh- ted Score
development and quality upgradation				persons in Lakh									
		Number of persons trained in NER and difficult areas	Number of persons in Lakh	1.00	0.37	0.35	0.32	0.30	0.27	0.44	100.0	1.0	
		Preparation of DPR	Date	2.00	15/03/2012	22/03/2012	26/03/2012	28/03/2012	30/03/2012	15/03/2012	100.0	2.0	
		Setting up a National Centre for Quality Testing											
		Timely submission of Draft for Approval	On-time submission	Date	2.0	07/03/2011	08/03/2011	09/03/2011	10/03/2011	11/03/2011	07/03/2011	100.0	2.0
* Improving Internal Efficiency / Responsiveness / Service delivery of Ministry / Department	10.00	Timely submission of Results	On- time submission	Date	1.0	01/05/2012	03/05/2012	04/05/2012	05/05/2012	06/05/2012	30/04/2012	100.0	1.0
		Implementation of Sevottam	Resubmission of revised draft of Citizens' / Clients' Charter	Date	2.0	16/01/2012	18/01/2012	20/01/2012	23/01/2012	25/01/2012	16/01/2012	100.0	2.0
			Independent Audit of Implementation of Grievance Redress Mechanism	%	2.0	100	90	80	70	60	0	0.0	0.0
		Ensure compliance with Section 4(1) (b) of the RTI Act, 2005	No. of items on which information is uploaded by February 10, 2012	No	2.0	16	15	14	13	12	18	100.0	2.0
		Identify potential areas of corruption related to departmental activities and develop an action plan to mitigate them	Finalize an action plan to mitigate potential areas of corruption.	Date	2.0	26/03/2012	27/03/2012	28/03/2012	29/03/2012	30/03/2012	06/02/2012	100.0	2.0
		Develop an action plan to implement ISO 9001 certification	Finalize an action plan to implement ISO 9001 certification	Date	2.0	16/04/2012	17/04/2012	18/04/2012	19/04/2012	20/04/2012	16/03/2012	100.0	2.0

* Mandatory Objective(s)

Performance Evaluation Report for Ministry of Micro, Small and Medium Enterprises [Achievement Submitted] (2011-2012)

Performance Evaluation Report

Objective	Weight	Action	Success	Unit	Weight	Target / Criteria Value					Achievement	Performan	
						Excele	Very	Good	Fair	Poor		Raw Score	Weigh- ted Score
						100%	90%	80%	70%	60%			
* Ensuring compliance to the Financial Accountability Framework	2.00	Timely submission of ATNS on Audit Paras of C&AG	Percentage of ATNS submitted within due date (4 months) from date of presentation of Report to Parliament by CAG during the year.	%	0.5	100	90	80	70	60	100	100.0	0.5
		Timely submission of ATRs to the PAC Sectt. on PAC Reports.	Percentage of ATRs submitted within due date (6 months) from date of presentation of Report to Parliament by PAC during the year.	%	0.5	100	90	80	70	60	100	100.0	0.5
		Early disposal of pending ATNs on Audit Paras of C&AG Reports presented to Parliament before 31.3.2011.	Percentage of outstanding ATNs disposed off during the year.	%	0.5	100	90	80	70	60	100	100.0	0.5
		Early disposal of pending ATRs on PAC Reports presented to Parliament before 31.3.2011	Percentage of outstanding ATRs disposed off during the year.	%	0.5	100	90	80	70	60	100	100.0	0.5

* Mandatory Objective(s)

Total Composite

91.82

ANNEXURE-11

ANNEXURE XI

SUMMARY OF IMPORTANT AUDIT OBSERVATION

The summary of important audit observations, appearing in the following most recent Audit reports of the year ended March 2011 are given below in the table:

1. No. 33 of 2011-12 Union Government (Civil), Autonomous Bodies

Ministry of Micro, Small and Medium Enterprises	
Khadi and Village Industries Commission	
Claim of Rs. 1.90 crore raised at the instance of audit	<p>Khadi and Village Industries Commission (KVIC) failed to revise the rates of licence fee recoverable from SBI in accordance with the GOI instructions. On being pointed out, KVIC raised claim of Rs. 1.90 crore on State Bank of India for recovery of arrears of rent at revised rates for the period from April 1999 to March 2011.</p> <p style="text-align: right;">(Paragraph 8.1)</p>

Action Taken Report
<p>1. The Khadi and Village Industries Commission (KVIC) rented out in September, 1974 an area measuring 499.28 square meters from their administrative complex at Vile Parle West, Mumbai to State Bank of India (SBI), a public sector undertaking at a monthly rent of Rs. 3,154 (exclusive of electricity and water charges) as per rent fixed in 1974 by the Executive Engineer, CPWD Construction. KVIC has been collecting the same till date i.e. July 2011. Calculated at the rates as prescribed by DOE, GOI, the non revision of the license fee recoverable from State Bank of India resulted in short recovery/loss of revenue of Rs. 190.46 lakh for the period April 1999 to March 2011.</p> <p>2. KVIC had taken up the matter in September 2011 with the CMD of SBI requesting him to remit the balance of license fee amounting to Rs 190.46 lakh for the period from April 1999 to March 2011 on the basis of revised rates fixed by Directorate of Estates applicable to General Pool accommodation. On 31 March 2012, SBI released the differential of rent arrears amounting to Rs 2,10,27,152 for the period from 1 April 1999 to 31 March 2012. [This is the sum of Rs 190.46 lakh from April 1999 to March 2011 and Rs 19.81 lakh for the year 2011-12].</p> <p>3. In the light of the above, Audit has been requested for dropping the para.</p>

ANNEXURE-12

ANNEXURE-XII**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 th Floor, A-Wing, Nirman Bhavan, New Delhi – 110 108	www.dcmsme.gov.in; www.laghu-udyog.com; www.smallindustry.com	dc-msme@nic.in	011-23063800 23063802-06	011-23062315 23061726 23061068
3	Khadi and Village Industries Commission, (KVIC), “Gramodaya” 3, Irla Road, Vile Parle (West), Mumbai - 400056, Maharashtra	www.kvic.org.in	kvichq@bom3.vsnl.net.in, ditkvic@bom3.vsnl.net.in, dit@kvic.gov.in	022-26714320-25/ 26716323/ 26712324/ 26713527-9/ 26711073/ 26713675	022-26711003
4	Coir Board, “Coir House”, M.G. Road, Ernakulam, Kochi-682016, Kerala	www.coirboard.nic.in, www.coirboard.gov.in	coir@md2.vsnl.net.in, coirboard@vsnl.com	0484-2351807, 2351788, 2351954, 2354397	0484-2370034
5	National Small Industries Corporation Limited (NSIC), NSIC Bhawan, Okhla Industrial Estate, New Delhi – 110 020	www.nsic.co.in	info@nsic.co.in, 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 (NIES-BUD), 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**

S . No.	Name and Address of the Autonomous Body	Website	E-mail	Telephone	Fax
1.	General Manager, 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	indigtr@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	hyd1_citdhyd@sancharnet.in	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.msmetool-roomkolkata.com	msmetrkolkata@bsnl.in	033- 25770576 - 25771492 - 25771068	033-25772494

7.	General Manager MSME-Tool Room (Central Tool Room & Training Centre) B-36, Chandka Indl. Area P.O. Patia Bhubaneswar 751 024 (Orissa)	www.cttc.gov.in	cttc@satyam.net.in cttc@sify.com	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	trtc_ghy@rediffmail.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.msmetdc-mumbai.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@sancharnet.in	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.ppd-meerut.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.ppdagra.in	info@ppdcagra.in arvindppdc@gmail.com	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.cftichen-nai.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	ffdcnkj@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	cdgifzbd@gmail.com contact@cdgiindia.com	05612- 232293	05612-232447

ANNEXURE-13

ANNEXURE-XIII

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 defined limit on investment for enterprises to be classified as micro, small and medium enterprises is as follows:**

Classification	Manufacturing Enterprises*	Service Enterprises**
Micro	Rs. 2.5 million / Rs. 25 lakh	Rs. 1 million / Rs. 10 lakh
Small	Rs.50 million / Rs. 5 crore	Rs. 20 million / Rs 2 crore
Medium	Rs 100 million / Rs 10 crore	Rs. 50 million / Rs 5 crore

* Investment limit in Plant & Machinery

** Investment limit in equipment

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".

