

September- December, 2024 | Volume LXV

# MSME CONNECT



## Highlights

PM Vishwakarma One Year Anniversary Program

India International Trade Fair (IITF) | Special Campaign 4.0

“

*Our aim is to turn today's artisans into big entrepreneurs of tomorrow. For this, sustainability in their sub-business model is essential. Keeping this in mind, we are also working on improving the products they make with attractive designing, packaging and branding.*

— **Narendra Modi, Prime Minister**

”

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# Engagement Corner

Committed to its mission, MyGov consistently presents a dynamic range of interactive initiatives spanning diverse fields. Seize these opportunities to actively engage and win exciting prizes, participation certificates & more. Ensure your voice contributes to the development of a new India!

## Maha Kumbh 2025

Take part in multiple activities and celebrate the grand legacy of Maha Kumbh, a symbol of cultural heritage!



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## Emerging Technologies Job Creation & Challenges

Help policymakers understand how the new job opportunities are emerging due to AI and other technological advancement



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# Around the Ministry



## India Launches 100-Day TB Elimination Campaign to Boost Detection and Treatment Across 347 Districts

The Ministry of Health and Family Welfare, Government of India, in collaboration with key stakeholders, launched a **100-Day TB elimination campaign**. This initiative is in line with the vision of a TB-Mukt Bharat that was laid out by the Prime Minister, Shri Narendra Modi, at the 2018 Delhi End TB Summit. Since then, critical initiatives have been launched by the programme to strengthen prevention, diagnostic, and treatment services across the country.

The campaign underscores the government of India's commitment to achieving the goal of ending TB by addressing the challenges of tuberculosis (TB) notification and mortality in India under the National TB Elimination Programme (NTEP) of the Ministry of Health and Family Welfare. The event is expected to garner attendance of other government dignitaries, officials from the Union Health Ministry, the Haryana state government, and representatives from the civil society.

The initiative, set to be implemented across **347** districts in **33** States and Union Territories, has been designed to enhance TB case detection, reduce diagnostic delays, and improve treatment outcomes, particularly in high-risk groups.



## ONE NATION ONE SUBSCRIPTION

In a groundbreaking move, the Government of India has announced the **One Nation One Subscription** scheme on 25th November, 2024 with the aim to provide nationwide access to scholarly research articles and journals for government higher education institutions and central government R&D laboratories. With a budget allocation of **₹6,000 crore** for 2025-2027, the scheme represents a significant stride in India's pursuit of inclusive and quality education. The scheme will benefit over 6,300 institutions, including nearly 1.8 crore students, faculty, and researchers across the country. It will foster research and innovation by offering seamless access to academic resources through a unified digital platform. Through a centralized portal, the scheme ensures accessibility and awareness via robust Information, Education, and Communication (IEC) campaigns. The initiative marks a transformative step in democratizing knowledge, bridging gaps, and empowering India's academic and research communities.

# Guaranteeing Credit to Entrepreneurs

- Dr. Ishita Ganguli Tripathy

**I**rrefutably, the factor of production in a business venture, which deals with the vagaries of risk and uncertainty, is entrepreneurship. Besides nurturing the other three factors of production, viz. land, labor and capital, for an enterprise to flourish, it is imperative to hone entrepreneurial skills. Entrepreneurship development, bolstered by facilitating access to finance, technology and marketing, along with easing out doing business, have been at the forefront of Government of India's policies. The recent spectrum of policy interventions has been wide - ranging from introducing new schemes for quality compliance to strengthening schemes for collateral free loans; and from promoting export-oriented enterprises to extending non-tax benefits for an extended period.

Entrepreneurs are known to grab opportunities, even in the worst adverse situations, the case in point being the challenges posed by the recent global COVID pandemic of 2020 - 2022, which debilitated a substantial part of the world. But the enterprising ones were quick to seize the chance and transformed challenges into opportunities viz. developing and distributing vaccines; reaching the unreached through contactless home deliveries, devising innovative ways of working from home, and encouraging online services at workplaces to help reduce overall consumers' and producers' costs.

Research indicates that third-party loan guarantees improve market liquidity and have a positive overall welfare effect. The objective of loan guarantees is to protect the lender against default by the borrower, who typically has a low credit rating and may not have any collateral. Guarantee acts as a tool of credit enhancement and ensures that there is no adverse selection. The objective is met by a guarantee extended by a third party in return for a fee, which needs to be different for diverse segments of borrowers so that moral hazard can be avoided. This is exactly the principle on which the Credit Guarantee Scheme (CGS) for Micro and Small Enterprises (MSEs) is based.

CGS extends guarantees to 235 Member Lending Institutions (MLIs) for amounts of upto Rs. 5 crore lent by MLIs to MSEs. The guarantee coverage of upto 85% mitigates the asymmetry of collateral requirement by the lender and lack of collateral of the borrower. To run CGS, Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) was started in the year 2000, with a gradual creation of a corpus of Rs. 2,500 crore, further augmented by Rs. 5,000 crore in 2017-18. Pursuant to Budget 2022-23 announcement, another Rs. 9,000 crore was infused into the corpus of CGTMSE in March-April, 2023. In December, 2023, the minimum annual guarantee fees charged by CGTMSE was reduced by 50% taking it to 0.37% and the ceiling on the amount of loan under CGS was raised from Rs. 2 crore to Rs. 5 crore.

## Credit Guarantee Scheme for Micro and Small Enterprise

# CGTMSE

Encourages first generation entrepreneurs to venture into self-employment opportunities by facilitating credit guarantee support for collateral free loans/third party guarantee free loans to MSEs.

### Key Benefits:

- Credit guarantee for loans up to Rs 2 crores, without collateral and third party guarantee
- Guarantee coverage ranges from 85% (Micro Enterprise up to Rs 5 lakhs) to 75% (others).
- 50% coverage is for retail activity

## **CGTMSE Focus** **on Women** **Entrepreneurs**

Starting April 2024, women-owned businesses will benefit from a higher guarantee coverage of 90%, up from 85%, supporting them in their entrepreneurial journey.

### **Impact:** **(1<sup>st</sup> January to 31<sup>st</sup>** **December, 2024)**

19.90 lakh guarantees approved amounting to Rs. 2.45 lakh crore.

### **Scheme** **applicable for:**

Existing & Aspiring entrepreneurs.

**To apply, visit :**  
**<http://www.cgtmse.in>**



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In February, 2024, a special dispensation was introduced for smaller loans for Informal Micro enterprises by fixing the minimum annual guarantee fees for loans upto Rs. 10 lakh at 0.37% and from Rs. 10 lakh to Rs. 20 lakh at 0.45%. During 2023-24, under CGS, approval of guarantees increased substantially and stood at more than 2 lakh crore, which is about one-third of the cumulative guarantees of Rs. 6.29 lakh crore issued by CGTMSE during its existence since 2000. Credit flow to the MSME sector has enhanced 117% in the last 10 years, i.e. from Rs. 10.39 lakh crore to Rs. 22.60 lakh crore in 2023. Timely, accessible and adequate availability of credit enhances both efficiency and productivity of enterprises. The role of Government through public policies aimed at entrepreneurship development is clear. Entrepreneurs need to be aware of the changing policy landscape and avail of benefits of welfare interventions.



# MSME Insider

## 01. PM Vishwakarma Scheme One Year Anniversary Program

Hon'ble Prime Minister Narendra Modi graced a public event on 20.09.2024 at Wardha, Maharashtra to mark one year of progress under PM Vishwakarma. During the programme, 18 scheme beneficiaries, representing 18 trades, were honoured. The Hon'ble Prime Minister also released certificates and loans to the beneficiaries, and digitally issued a commemorative stamp to recognize the role of Vishwakarmas in Viksit Bharat. A public exhibition was also organized from 20th to 22nd September 2024 at Wardha, where the Vishwakarmas showcased their skills and crafts.



## 02. India International Trade Fair (IITF)



Hon'ble Minister for MSME inaugurated the MSME Pavilion at the 43rd IITF, New Delhi. The pavilion's theme, 'Green MSMEs,' highlights Ministry's focus on promoting clean and green technologies for MSME business operations. The pavilion also showcased the PM Vishwakarma Scheme, offering holistic support to the artisans and craftspeople engaged in 18 traditional trades. The MSME pavilion got the Bronze Award in category "Empowering India".



### 03. Inauguration of Centre for Rural Enterprise Acceleration through Technology at Leh

Hon'ble Minister for MSME Shri. Jitan Ram Manjhi inaugurated the Centre for Rural Enterprise Acceleration through Technology (CREATE) setup at Leh on 14.09.2024 through virtual mode, joined by Hon'ble Minister of State (MSME), Sushri Shobha Karandlaje, Lieutenant Governor of Ladakh, Chairman of KVIC and over 200 local artisans at Leh.

CREATE will provide pashmina wool roving facility, training for development of production facility for essential oil extraction from roses and other flowers and training for development of production facility for bio-processing of apricot.



### 04. Special Campaign 4.0

The Ministry of Micro, Small and Medium Enterprises, along with its attached/ subordinate organizations and field formations has organized Special Campaign 4.0 during October 2nd to 31st, 2024. The Campaign focused significantly on reduction of pendency across various domains, saturation of Swachhata and institutionalizing cleanliness initiatives.



# 05.

## Celebration of Constitution Day

On the occasion of Constitution Day, pledge-taking ceremony was organized on 26th November 2024 for all employees reaffirming their commitment to uphold constitutional values and maintain integrity in their work. A talk was also delivered by faculty from National Law University on constitutional values.



*Coir Board employees at Head Office, Kochi taking Integrity Pledge on Constitution Day*



*75th Constitution Day, celebrated in Coir Board*



*M/o MSME celebrated 75th Constitution Day*



*Constitution Day was observed at Khadi and Village Commission in central office, KVIC, Mumbai*



*On 75th Constitution Day, Dr. Niraj Kumar Associate Professor, NLU talked about Constitution values. Sr. officers of the Ministry attended in person and other officers joined through hybrid mode.*



# 06.

## Vigilance Awareness Week

Ministry observed Vigilance Awareness Week from October 28 to November 3, 2024, as part of its commitment to fostering a culture of integrity. Under the guidance of the Central Vigilance Commission (CVC), NSIC conducted a precursor observance from August 16 to November 15, 2024 to build momentum for the week's theme: Culture of Integrity for Nation's Prosperity.

Employees took integrity pledges, participated in workshops and lectures, and engaged in training sessions on key topics under the Capacity Building Programs. The week also featured essay writing, quiz, and drawing competitions to raise awareness about the importance of ethical practices in the workplace.



NSIC Celebrated Vigilance Awareness Week from October 28 to November 3, 2024



M/o MSME celebrated Vigilance Awareness Week at Ambedkar Bhawan



Vigilance Awareness Week at KVIC State Office, Shimla



Pledge administered by Officers and Staff of Central Office, KVIC, Mumbai



Coir Board employees and trainees at National Coir Training & Design Centre (NTC&DC), Coir Board, Alleppey, Kerala taking integrity pledge



Three-days Training Programmes on Ethics & Governance, Conduct Rules, Systems & Procedures of the Organisation, Cyber Hygiene & Security, Procurement, were organized during 13-15 November 2024 at Kochi.

# International Collaborations

## Meeting was held between Hon'ble MoS for MSME and a delegation led by the Deputy Minister of Small Business Development of Republic of South Africa

A meeting was held between Hon'ble Minister of State for MSME and a delegation led by the Deputy Minister of Small Business Development of Republic of South Africa on 27th November, 2024. The meeting focused on identifying key areas where both nations could collaborate and share knowledge to foster mutual growth in the MSME sector. The two sides deliberated on several proposed areas of bilateral cooperation.



## Memorandum of Understanding (MoU) was signed between NSIC, M/o MSME and Ministry of Industry and New Technologies, Republic of Tajikistan

A Memorandum of Understanding (MoU) was signed between National Small Industries Corporation, Ministry of MSME and Ministry of Industry and New Technologies, Republic of Tajikistan on 29.10.2024. The MoU focuses on strengthening economic and commercial cooperation between India and Tajikistan in MSME sector and enhancing competitiveness of Indian and Tajikistan MSMEs in the global market.



## Memorandum of Understanding (MoU) was signed between NSIC, M/o MSME and Ministry of Industry and New Technologies, Republic of Tajikistan

An official delegation from The National Agency for the Development of Congolese Entrepreneurship (ANADEC), Democratic Republic of Congo led by Mr. PHUATI NGIMBI Gabriel, Head of Incubator Deployment and accompanied by H.E. Ms. Zozo Binti Josephine, Charge d Affaires, Embassy of the

Democratic Republic of the Congo in India called on Dr. S.S. Acharya, CMD, NSIC on 21.11.2024 for discussion on areas of cooperation with NSIC for the development of MSMEs in the Democratic Republic of Congo.



# MSME Progress Update



## Employment Generation

The Prime Minister's Employment Generation Programme (PMEGP) aims to create employment opportunities by supporting the establishment of micro-enterprises with a subsidy of up to 35% on bank loans. Since its inception in the fiscal year 2008-09, up to November 25, 2024, the PMEGP has assisted in the creation of over 9.84 lakh micro-enterprises, with a margin money subsidy of Rs. 25,990.83 crore, generating an estimated 80.33 lakh jobs. In November 2024 (up to November 25), 1,193 microenterprises were supported with a margin money subsidy of Rs. 55.59 crore, creating an estimated 9,544 employment opportunities.

# Market Promotion

The Coir Board Pavilion was inaugurated at the India International Trade Fair (IITF) on November 16, 2024. The pavilion featured 28 exhibitors from various regions of the country, showcasing the skill and craftsmanship of coir workers in producing a wide range of handmade products and handicrafts, including toys, ornaments, and more. The displayed products included traditional coir items such as handloom coir mats, mattings, rubberized mattresses, coir handicrafts, carpets, coir pith, coir geotextiles, and more.

The 32nd meeting of the Geosynthetics Sectional Committee (TXD 30) of BIS approved a new standard on the **"Specification for Coir Non-Woven Composite Geotextiles—Coir Stitched Blankets."**

Additionally, the Central Coir Research Institute (CCRI) developed a new product called "COCOPOD." COCOPOD is an encapsulated seed technology that harnesses the power of nature to innovate in reforestation, farming, and gardening.

On November 16, 2024, the Union Minister for MSME, Shri Jitan Ram Manjhi, also inaugurated the 'Khadi India Pavilion' at IITF 2024, where 225 exhibitors participated from various parts of the country. The pavilion featured stalls showcasing the finest handicrafts, Khadi & Village Industry products, with participation from Khadi artisans through Khadi institutions, units established under PMEGP and those under the SFURTI Cluster from across India.



# Entrepreneurship and Skill Training

**Prime Minister's Employment Generation Programme (PMEGP)** is a Credit linked subsidy scheme, objective is to create self employment opportunities and generate employment for rural and unemployed youth. Under the PMEGP, 6,097 individuals received Entrepreneurship Development Program (EDP) training.

Under the **Khadi Gramodyog Vikas Yojana (KGVY)**, 2,572 persons were trained in various verticals, including the Khadi Vikas Yojana and sectors like wellness and cosmetics, handmade paper, leather and plastic industries, agro-based and food processing industries, pottery, and more.

As part of the **Coir Vikas Yojana (CVY)**, a three-day training program on ethics and governance, conduct rules, systems and procedures of the organization, cyber hygiene and security, and procurement was conducted for 37 officials during the Vigilance Awareness Week.

The **MGIRI** provided Entrepreneurship Development Training to 65 participants.

Under the **Scheme for Promotion of Innovation, Rural Industry, and Entrepreneurship (ASPIRE)**, 594 individuals were trained at incubation centers, focusing on creating self-employment and wage employment opportunities.





*MSME SAMBANDH PORTAL, a one stop digital portal for Businesses to identify, apply and track business approvals related to Central/States Government for Ease of Doing Business in the country.*

## MSME SAMBANDH Portal

The implementation of the Public Procurement Policy for Micro and Small Enterprises (MSEs) is monitored through the 'MSME SAMBANDH Portal.' As of November 26, 2024, during the fiscal year 2024-25, 125 Central Public Sector Enterprises (CPSEs) reported a total procurement of Rs. 96,029.58 crore. Of this, Rs. 36,900.34 crore (38.43%) was procured from MSEs, benefiting 113,793 MSEs. Out of the procurement from MSEs, Rs. 1,310.98 crore (1.37%) was from 5,643 MSEs owned by SC/STs, and Rs. 1,930.09 crore (2.01%) was from 10,123 MSEs owned by women.



## **Khadi and Village Industries Commission (KVIC)**

During the month of November, 2024, a financial assistance of Rs. 19.72 crore has been disbursed to 256 Khadi institutions based on their production of Khadi under Modified Market Development Assistance and Rs. 2.84 crore has been disbursed to 364 Khadi institutions as Interest Subsidy.



## **National Institute for MSME (ni-msme), Hyderabad**

The month of November 2024 had witnessed high training activity of significant value not only at NI-MSME, Campus, Hyderabad, but also at various other places in the country. A total of 42 national programs were conducted, and 1334 participants got trained in entrepreneurship. Management and innovation aspects.

# MSME Success Story of Entrepreneur

**Rahul Bodh**, an engineer by profession and rider at heart, from Himachal Pradesh, partnered with his brother Rohit to open their own garage after learning about a franchise opportunity from a well-known automobile firm.

The Bodh brothers secured a loan of **Rs 10 lakhs** under the **Prime Minister's Employment Generation Programme (PMEGP)** of Ministry of MSME, which became a stepping stone for their entrepreneurial dream.

## **Now, their business is unstoppable**

- In 7 years, their business has boomed with 3 outlets and plans to expand beyond Himachal Pradesh.
- The annual turnover is Rs 1,20,00,000.





Mr. Prakash Vyas | Jai Ambe Maa Gaushala

## A story of converting the Gaushala into Employment Generation Center

Mr. Prakash Vyas from Jakhan village, Jodhpur (Rajasthan), participated in the "Skill Development Training Program on Panchgavya Products" organized by the Bioprocessing and Herbal Division of the Mahatma Gandhi Institute for Rural Industrialization (MGIRI), Wardha, under the Ministry of MSME's "Gramodaya Vikas Yojana." The training, led by Dr. J.A. Chhangani, covered the production of various Panchgavya products, such as diyas, incense sticks, floor cleaners, cosmetics, and fertilizers made from cow dung.

With this knowledge, he established Jai Ambe Maa Gaushala, producing 80 tons of earthworm compost and 200 tons of culture-based compost annually. The Gaushala earns Rs 5 lakh per year by selling compost to organic farmers in Jodhpur and nearby areas. Additionally, it manufactures 80,000 cow dung diyas during Diwali, generating Rs 2.5 lakh in revenue. The Gaushala also produces and sells Panchagavya Dhoop-sticks and floor cleaners. Through these ventures, it has created employment for 25 villagers and has become self-reliant. He expressed his gratitude to the Ministry of MSME.



Mr. Dipak Chandra Kalita,  
Traditional  
metalworker

## An Inspiring Journey of Assam's

When Dipak Chandra Kalita, a traditional metalworker from Sonitpur, Assam, learned about the support offered by the Prime Minister's Employment Generation Programme (PMEGP) to fulfill his dream of starting a business, he started his enterprise. He completed a 10-day training program on business processes and acquired the skills needed to excel in his business.

Dipak's skills have been an asset to his business. Despite the initial struggles, his business is thriving, with only a few loan payments remaining. His project cost was Rs 10,00,000, while he earned Rs 32,40,000 in the past year alone, demonstrating his growth and resilience.

# KNOW YOUR MSME SCHEME

## National SC-ST Hub Scheme

Hon'ble PM launched the National SC-ST Hub Scheme in October 2016 as part of India's vision for inclusive growth.

- **17** Fold increase in procurement from SC/ST MSEs
- Provides holistic support to SC-STs to mainstream their economic activities
- **59** Conclaves organized for spreading awareness and handholding support
- **423** e-Tendering Workshops organized



- **677** Special Vendor Development Programmes organized with CPSEs
- **21025** SC-ST Entrepreneurs participated
- **1.34 lakh** SC-ST Entrepreneurs benefited under the scheme
- **12,672** from NER benefitted
- **76 lakh** SC-ST MSMEs registered on Udyam portal



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# SOCIAL

# MEDIA

# Social Media

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# About the Ministry

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 a 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. The Ministry of Micro, Small & Medium Enterprises (M/o MSME) envisions- a vibrant MSME sector by promoting growth and development of the MSME Sector including Khadi, Village and Coir Industries, in cooperation with concerned Ministries/Departments, State Governments and other Stakeholders, by providing support to existing enterprises and encouraging creation of new enterprises.

The National Board for Micro, Small and Medium Enterprises (NBMSME) was established by the Government under the Micro, Small and Medium Enterprises Development Act, 2006 and Rules made thereunder. It examines the factors affecting promotion and development of MSMEs, reviews existing policies and programmes and makes recommendations to the Government in formulating the policies and programmes for the growth of MSMEs.

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