

MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSME)

MANDATORY DISCLOSURES UNDER RIGHT TO INFORMATION ACT, 2005

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CHAPTER - 1

Introduction

- 1.1. In order to promote transparency and accountability in the working of every public authority and to empower the citizens to secure access to information under the control of each public authority, the Government of India has brought out an Act, namely, "The Right to Information Act, 2005", (RTI Act) which came into force on 15.6.2005. In accordance with the provisions of section 4(1)(b) of this Act, the Ministry of Micro, Small and Medium Enterprises (MSME), Government of India (GOI) has brought out this handbook for information and guidance of the stakeholders and the general public.
- 1.2. The purpose of this handbook is to inform the general public about the Ministry's organisational set-up, functions and duties of its officers and employees, records and documents available in the Ministry, etc.
- 1.3. This handbook is aimed at the public in general and users of the services provided and the schemes, projects and programmes being implemented by the Ministry and its various organisations.
- 1.4. Subsequent to enactment of the "Micro, Small and Medium Enterprises Development Act, 2006" by the Parliament, the Hon'ble President vide Notification dated 9th May, 2007 amended the Government of India (Allocation of Business) Rules, 1961. Pursuant thereto the then, Ministry of Agro and Rural Industries and Ministry of Small Scale Industries were merged into a single Ministry, namely, "Ministry of Micro, Small and Medium Enterprises." The Ministry of Micro, Small and Medium Enterprises has two Wings, namely, Micro, Small & Medium Enterprises (MSME) Wing, and Agro and Rural Industries (ARI) Wing.
- 1.5. The role of the Ministry of Micro, Small and Medium Enterprises is to supplement the efforts of the States/Union Territories aimed at promoting growth and development of MSMEs, for enhancing their competitiveness in the changed scenario.
- 1.6. Under Section 7 of the Micro, Small and Medium Enterprises Development Act, 2006, the micro, small and medium enterprises are defined as under:-
 - a) In case of enterprises engaged in the manufacturing or production of goods, as—
 - i. a micro enterprises, where the investment in plant and machinery does not exceed twenty-five lakh rupees;
 - ii. a small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or

- iii. a medium enterprise, where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees;
 - b) in the case of the enterprises engaged in providing or rendering of services, as—
 - i. a micro enterprise, where the investment in equipment does not exceed ten lakh rupees;
 - ii. a small enterprise, where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees; or
 - iii. a medium enterprise, where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.
- 1.7. The Ministry of Micro, Small and Medium Enterprises has designated its officers as Central Public Information Officers/Appellate Authorities with reference to the work assigned to them. Their particulars are available in Chapter 8 as well as Ministry's website <http://msme.gov.in>. Persons requiring any additional information may contact them. Any person who, does not receive a decision within the time specified in sub-section (1) or clause (a) of sub-section (3) of section 7 of Right to Information Act, 2005, or is aggrieved by a decision of the Central Public Information Officer, as the case may be, may within thirty days from the expiry of such period or from the receipt of such a decision prefer an appeal to the concerned Appellate Authority.
- 1.8. The website of the Ministry of Micro, Small and Medium Enterprises <http://msme.gov.in> provides information about the policies and programmes of the Ministry to the general public. In addition, information about the activities of the Ministry is made available through its Annual Reports. These documents are available to the general public on the website and in the library and Facilitation Centre of the Ministry.
- 1.9. In accordance with the Department of Personnel & Training Notification No.34012/8(S)/2005-Estt. (B) dated 16th September 2005 and subsequent Notification of even number dated 17th May, 2006, the procedure and fee structure for getting information not available in this handbook will be as under:-
 - (a) A request for obtaining information under sub-section (1) of section 6 of the RTI Act shall be made, either in person or by post, to the CPIO mentioned in paragraph 1.7 above and accompanied by an application fee of Rs. 10/- by way of cash against proper receipt or by demand draft or banker's cheque or Indian Postal Order payable to the Pay and Accounts Officer, Ministry of Micro, Small and Medium Enterprises, New Delhi. Information and Facilitation Centre, Gate No.4, Ground Floor, Nirman Bhawan, New Delhi – 110011 is functioning as a single window facility for receiving applications and fee under the Right to Information Act in respect of Ministry of Micro, Small and Medium Enterprises. Accordingly, the application, along with prescribed fee, can also be submitted in person at the above mentioned Information and Facilitation Counter.

(b) For providing information under sub-section (1) of section 7, the request shall be made as at (a) above and the fee shall be charged by way of cash against proper receipt or by demand draft or banker's cheque or Indian Postal Order payable to the Pay and Accounts Officer, Ministry of Micro, Small and Medium Enterprises, New Delhi at the following rates:-

- i) Rupees two for each page (in A-4 or A-3 size paper) created or copied;
- ii) actual charge or cost price of a copy in larger size paper;
- iii) actual cost or price for samples or models; and
- iv) for inspection of records, no fee for the first hour; and a fee of rupees five for each fifteen minutes (or fraction thereof) thereafter.

(c) For providing the information under sub-section (5) of section 7, of the RTI Act, the request shall be made as at (a) above and the fee shall be charged by way of cash against proper receipt or by demand draft or bankers cheque or Indian Postal Order payable to the Pay and Accounts Officer, Ministry of Micro, Small and Medium Enterprises, New Delhi at the following rates:-

- i) for information provided in diskette or floppy, at the rate ₹ 50/- (Rupees Fifty Only) per diskette or floppy; and
- ii) for information provided in printed form at the price fixed for such publication or ₹ 2 (Rupees Two Only) per page of photocopy for extracts from the publication.

CHAPTER - 2

Particulars of Organisation, Functions and Duties

- 2.1 The Micro, Small & Medium Enterprises (MSME) sector of the Ministry supports MSMEs by way of advocacy with the various organizations of the Government, by providing services to support the development of these enterprises and by management of programmes through Government and Non-Government organizations, for their benefit. The objective is to promote, aid and foster the growth of MSMEs by providing them institutional support in the areas of marketing, export, technology upgradation, training and common facilities services. The mission aims at providing prompt services/training needs to citizens through our field agencies like the Micro, Small and Medium Enterprises – Development Institute (MSME-DI) (earlier known as SIDO) and the National Small Industries Corporation, so that the growth of the MSMEs is enhanced, quality of production is improved and more employment opportunities are generated. The Agro and Rural Industries (ARI) sector of the Ministry has been implementing various schemes and programmes for creating off-farm employment for balanced economic development of the country. The importance of this sector lies in the fact that it seeks to establish village industries in the rural areas at low investment/cost, based on the local raw materials, skills and technology for providing employment opportunities to the local population and artisans who have been traditionally engaged in village level economic activities.
- 2.2 Taking into account the high potential for growth in the micro, small and medium enterprises (MSMEs) in terms of output, employment and exports, the role and objectives of the Ministry of Micro, Small and Medium Enterprises is to strengthen MSMEs, to enable them to remain competitive in market-led economy, integrating policy formulation and coordinating implementation of programmes/schemes, etc., for the development of MSMEs and expanding employment opportunities in the rural non-farm sector.
- 2.3 Pursuant to amendment of the Government of India (Allocation of Business) Rules, 1961 by the President under Notification dated 9th May, 2007, Ministry of Small Scale Industries (Laghu Udyog Mantralaya) and Ministry of Agro and Rural Industries (Krishi Evam Gramin Udyog Mantralaya) were merged into a single Ministry, namely, "Ministry of Micro, Small and Medium Enterprises (Sukshma Laghu Aur Madhyam Udyam Mantralaya)." The Ministry is the nodal agency for formulation of Policies and Programmes and Coordination of Central assistance relating to promotions and development of micro, small and medium enterprises, including, Khadi, Village and Coir Industries, in India.
- 2.4 The Ministry is headed by the Minister of Micro, Small and Medium Enterprises to exercise all powers and authority of the Government in

respect of matters allocated to this Ministry under the Government of India (Allocation of Business) Rules, 1961, as amended by the President under Notification dated 9th May, 2007, subject to the provisions of the Government of India (Transaction of Business), Rules 1961. The Ministry consists of mainly two Wings, namely, Micro, Small & Medium Enterprises (MSME) Wing and Agro & Rural Industries (ARI) Wing. The Secretariat of the Ministry of Micro, Small and Medium Enterprises is housed in Udyog Bhawan, Rafi Marg, New Delhi-110011 and Nirman Bhawan, Maulana Azad Road, New Delhi-110011.

2.5 The Ministry of Micro, Small and Medium Enterprises designs policies, programmes, projects and schemes in consultation with its organizations and various stakeholders and monitors their implementation with a view to assisting the promotion and growth of MSMEs. The Ministry also performs the function of policy advocacy on behalf of these enterprises with other Ministries/Departments of the Central Government and the State and Union Territories. Country-wise employment generation programme, namely, Prime Minister's Employment Generation Programme (PMEGP) with active cooperation and participation of the Reserve Bank of India, nationalised and scheduled banks and the State/Union Territory Governments. Worldwide, the micro and small enterprises (MSEs) have been accepted as the engine of economic growth and for promoting equitable development. The MSEs constitute over 90% of total enterprises in most of the economies and are credited with generating the highest rates of employment growth and account for a major share of industrial production and exports. In India too, the MSEs play a pivotal role in the overall industrial economy of the country. It is estimated that in terms of value, the sector accounts for about 39% of the manufacturing output and around 33% of the total export of the country. Further, in recent years the MSE sector has consistently registered higher growth rate compared to the overall industrial sector. The major advantage of the sector is its employment potential at low capital cost. As per available statistics, this sector employs an estimated 31 million persons spread over 12.8 million enterprises and the labour intensiveness in the MSE sector is estimated to be almost 4 times higher than the large enterprises.

2.6 To achieve the objectives, the specific schemes/programmes undertaken by the organisations of this Ministry seek to facilitate/provide one or more of the following for the MSMEs:

- Adequate credit from financial institutions/banks;
- Funds for technology upgradation and modernization;
- Adequate infrastructural facilities;
- Modern testing facilities and quality certification laboratories;
- Modern management practices and skill upgradation through advanced training facilities;
- Marketing assistance;
- Level playing field at par with the large industries sector;
- Handholding support and assistance to the potential first generation entrepreneurship, who successfully completed EDP/SDP/ESDP or

- vocational training from ITIs;
- Training of persons employed or desirous of seeking employment in khadi and village industries;
- Building reserves of raw materials and implements and supplying them at such rates as may be decided;
- Research and development (R&D) in khadi and village industries sector;
- Promotion of sale and marketing of khadi and village industries products; and
- Promotion and encouragement of cooperative efforts among the persons engaged in khadi and village industries.

2.7 The Ministry of Micro, Small and Medium Enterprises has been implementing *inter alia* the following Schemes/Programmes for promotion and development of MSMEs and creation of rural off-farm employment for balanced economic development in the country:

- a. Surveys, Studies and Policy Research
- b. International Cooperation
- c. Assistance for strengthening of Training Infrastructure of Existing and New Entrepreneurship Development Institutions
- d. Rajiv Gandhi Udyami Mitra Yojana (RGUMY)
- e. Prime Minister 's Employment Generation Programme (PMEGP)
- f. Scheme of Fund for Regeneration of Traditional Industries (SFURTI)
- g. Scheme for Enhancing Productivity and Competitiveness of Khadi Industry and Artisans
- h. Workshed Scheme for Khadi Artisans

2.8 The implementation of policies and various programmes/projects/schemes of the Ministry of Micro, Small and Medium Enterprises is undertaken through the Micro, Small and Medium Enterprises - Development Institute (MSME-DI), National Small Industries Corporation (NSIC) Ltd., Khadi and Village Industries Commission (KVIC), Coir Board and State & Union Territory Governments.

MICRO, SMALL AND MEDIUM ENTERPRISES - DEVELOPMENT INSTITUTE (MSME-DI)

The Micro, Small and Medium Enterprises - Development Institute (MSME-DI), also known as the Office of the Development Commissioner (MSME), is an apex body for assisting the Ministry in formulating, coordinating, implementing and monitoring policies and programmes for the promotion and development of small scale industries in the country and is headed by the Development Commissioner (MSME). MSME-DI provides a comprehensive range of common facilities, technology support services, marketing assistance, etc through its 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 Central Footwear Training Institutes (MSME-TDC-CFTIs). There are also 2 Departmental Training Institutes (MSME-TIs).

For details, the organisation may be contacted at the following address:

Additional Secretary and Development Commissioner (MSME),
7th Floor, Nirman Bhavan, New Delhi – 110 011
Website: <http://dcmsme.gov.in>
Phone: 91-11-23061176 Fax: 91-11-23062315.

NATIONAL SMALL INDUSTRIES CORPORATION (NSIC) LTD

The National Small Industries Corporation Ltd. was set up with a view to promoting, aiding and fostering the growth of small scale industries in the country with focus on commercial aspects of these functions. NSIC continues to implement its various programmes and projects throughout the country to assist MSME Units. The Corporation has been assisting the sector through the schemes and activities such as supply of both indigenous and imported machines on easy hire-purchase terms, Composite term loan scheme, Credit rating for small scale industries, Procurement, supply and distribution of indigenous and imported raw-materials, Marketing of small industries products, Export of small industries products and developing export-worthiness of small scale units, Enlisting competent units and facilitating their participation in government Stores Purchase Programme, Training in several technical trades, sensitizing MSME units on technological upgradation through Software Technology Parks and Technology Transfer Centres, Mentoring & advisory service, Technology business incubators, Setting up small scale industries in other developing countries on turnkey basis, Other areas of international co-operation.

For details the organisation may be contacted at the following address:

Chairman-cum-Managing Director,
National Small Industries Corporation Ltd., NSIC Bhawan,
Okhla Industrial Estate, New Delhi – 110020
Website: <http://www.nsic.co.in>
Tel: 91-11-26926067
Fax: 91-11-26926820

KHADI AND VILLAGE INDUSTRIES COMMISSION

The Khadi & Village Industries Commission (KVIC), established under the Khadi and Village Industries Commission Act, 1956 (61 of 1956), is the principal central statutory organisation engaged in promoting and developing khadi

and village industries (KVI) and thus providing sustainable non-farm employment opportunities in the rural areas, thereby strengthening the rural economy. The functions of the KVIC are to plan, promote, organise and assist in implementation of programmes/projects/schemes for generation of employment through the development of khadi and village industries. To achieve this, it undertakes (a) training of persons employed or desirous of seeking employment in khadi and village industries, (b) building reserves of raw materials and implements and supplying them at such rates as may be decided, (c) research and development (R&D) in khadi and village industries sector, (d) promotion of sale and marketing of khadi and village industries products, (e) promotion and encouragement of cooperative efforts among the persons engaged in khadi and village industries, etc. The Government of India provides grant funds, both under Plan and Non- Plan heads, for the activities of the KVIC. The KVIC, in turn, re-allocates them to the implementing agencies, namely, the State Khadi and Village Industries Boards, institutions registered under the Societies Registration Act, 1860 and banks implementing the various schemes of KVIC. The Commission's administrative expenditure, including pension payment, is also met out of Government budgetary support.

For further details, the organisation may be contacted at the following address:

Chief Executive Officer,
Khadi and Village Industries Commission,
3, Irla Road, Vile Parle, (West),
Mumbai - 400 056, Maharashtra
Ph: 022-2671 1577
Fax: 022-2671 8289
Web: <http://www.kvic.org.in>

COIR BOARD

The Coir Board is a statutory body established under the Coir Industry Act, 1953 for promoting the overall development of the coir industry and up-liftment of the living conditions of the workers engaged in this traditional industry. The Coir Board consists of a Chairman and 39 members, as provided in section 4 of the Coir Industry Act, 1953. All sections interested in the welfare of the coir industry are represented on the Coir Board. The functions of the Coir Board for the development of coir industries 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 husks, coir fibre, coir yarn and manufacturers of coir products; ensuring remunerative returns to producers and manufacturers, etc. For

implementing the schemes/programmes, the Government provides necessary grant funds to the Coir Board under Plan and non-Plan heads.

For details, the organisation may be contacted at the following address:

The Chairman,
Coir Board
Coir House, M. G. Road, Kochi - 682 016, Kerala
Tel: 0484-2351807, 2351788, 2351954, 2354397
Fax: 0484-2370034
Web: <http://coirboard.gov.in>

NATIONAL INSTITUTE FOR MICRO, SMALL AND MEDIUM ENTERPRISES (ni-msme), HYDERABAD

The National Institute for Micro, Small and Medium Enterprises (ni-msme) was setup as an apex institute in 1960 by the Government of India, with the Charter of assisting in the promotion, development, and modernization of small and medium enterprises (SMEs) to progress towards success and prosperity. With this vast expertise in the areas of entrepreneurship, policy, technology, management, and information services, the institute is consistently assisting the SMEs to face with confidence, the challenge brought about by globalization and the impact of IT on their businesses.

As a global organization, ni-msme's stellar role in positioning the SMEs on the growth trajectory has benefited not only the Indian SME sector, but also developing countries around the world, in promoting self-employment and enterprise development. The Institute is constantly evolving with time, modifying focus with the emerging need of SMEs, providing them solutions in the form of consultancy, training research, and education to retain their competitive edge in ever-changing makers.

For details, the organisation may be contacted at the following address:

Director General.
National Institute for Micro, Small and Medium Enterprises
(ni-msme), Yousufguda, Hyderabad – 500045
Ph: 91-40-23608544-218
Fax: 91-40-23608547
Website: <http://www.nimsme.org>

MAHATMA GANDHI INSTITUTE FOR RURAL INDUSTRIALISATION (MGIRI), WARDHA

Mahatma Gandhi Institute of Rural Industrialisation at Wardha has been developed during the past 6 years by the collaborative efforts of KVIC and IIT

Delhi*. It was decided to set up this National Institute at the historical premises of Maganwadi, Wardha.

VISION

To support, upgrade and accelerate the process of Rural Industrialization in the country so that we may move towards the Gandhian vision of sustainable village economy self sufficient in employment and amenities and to provide S&T inputs to make the rural products and services globally competitive.

The Ramakrishnaiah Committee (1987) recommended that any product could be considered as rural as long as the concerned industry has a per capita investment of Rs 50,000 (now raised to Rs 1,00,000 and Rs 1,50,000 for the tribal areas) and is located in a habitat with population less than 20,000 (now raised to 50,000).

The paradigm shift, as explained above, needed an institute capable of dealing with a large number of technologies and industrial contexts involving myriads of materials, manufacturing processes and consumer oriented designs.

A 'hub and spokes' model was considered essential and thus MGIRI was established (by revamping the JBCRI) as a hub linking the rural industries with a network of specialized S&T and management institutions. The entire project of establishment and trial-run took nearly 8 years (2001 to 2008) and was a collaborative effort of the KVIC with IIT Delhi.

Provide Training to Trainers of the Centres of KVIC and Khadi & Village Industries Boards of state governments.

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ROADMAP FOR MGIRI

- Set up a strong two-way linkage between itself and the rural industrialists and technical experts in professional Institutes so as to facilitate quick availability of modern science, technology and management inputs for rural industrialization.
- Create a science and technology hub for KVI sector by developing strong linkages and interface with other Institutions in the field of rural industrialization.
- Build a database of technologies available in KVI sector.
- Facilitate setting up of rural industrial estates and clusters with necessary infrastructural facilities like power, specialized tool rooms, testing and marketing facilities.
- Undertake and sponsor projects capable of giving substantial fillip to larger and increased market penetration to selected products of village industry.

- Promote innovation through pilot studies and field trials through research, extension, education and training.
- Conduct specialized human resource development programmes in generic areas such as Total Quality Management, creativity and innovation besides, rural entrepreneurship development.

FUNCTIONING OF THE HUB

MGIRI, Wardha consists of six major divisions catering to the generic areas of rural industrialization as given below:

- * Khadi & Textile Industries division
- * Bio-processing and Herbal based Industries division
- * Chemical Industries division
- * Rural Crafts and Engineering division
- * Rural Infrastructure and Energy division
- * Management and Systems division

The necessary infrastructural facilities to cater to current requirements of the above sections have been developed. However, the approach to be followed by MGIRI will be primarily to act as a facilitator and as nodal networking institute for promoting Rural Industrialization. Accordingly, only selective R&D work will be carried out at the MGIRI campus and all efforts will be made to direct the projects to respective interfacial working groups and expert organizations after appropriate need identification as well as competence matching. Presently, there are 14 interfaces and it is planned to setup another 20 to 25 interfaces during the next 5 years to create a wide network throughout the country.

2.9 ROLE

The Ministry expects pro-active role from the public from SSI Industry Associations providing necessary feed-back on policy and the quality of services which would help it in taking corrective measures to deliver the services in a more effective manner. The Ministry also welcomes a pro-active role of the stakeholders, khadi institutions, village industries associations, coir industries associations, etc., in providing feedback on policies and the quality of implementation of the schemes/projects/programmes which would help it in taking corrective measures to deliver the outcomes effectively.

- 2.10 The Ministry interacts with various Industry Associations and experts in the field of MSME in the MSME Board and other fora for formulation and implementation of various policies and programmes for promotion of small scale industries in the country

2.11 Public Grievances

In case of any complaint, one may telephone or send a letter or fax or visit the Ministry at Udyog Bhavan, New Delhi. However, before lodging of a complaint, one may, first of all, use the information and facilitation counter of the Ministry. In case one is not satisfied, the matter may be

taken up with the Grievance Officer in this Ministry. The address, phone number and fax number of the Information and Facilitation Counter and the Grievance Cell are as follows:

1. Grievance Cell,
Director,
Ministry of Micro, Small and Medium Enterprises,
Room No. 123, Udyog Bhavan,
New Delhi – 110 011.
Tel. No. 91(11)23061431
Fax No. 91(11)23062626
2. Information and Facilitation Centre,
Gate No. 4, Ground Floor,
Nirman Bhavan,
New Delhi – 110 011
Tel. No. 91(11) 23062219

2.12 Addresses of the Ministry and related Organisations

- a) Ministry of Micro, Small and Medium Enterprises,
Udyog Bhavan,
Rafi Marg,
New Delhi –110011.
Website: <http://msme.gov.in>
- b) Office of the Additional Secretary and Development Commissioner (MSME),
7th Floor, Nirman Bhavan, New Delhi – 110011
Website: <http://dcmsme.gov.in>
- c) National Small Industries Corporation Ltd., NSIC Bhawan,
Okhla Industrial Estate, New Delhi – 110020
Website: <http://www.nsic.co.in>
- d) Khadi and Village Industries Commission,
3, Irla Road, Vile Parle (West), Mumbai - 400 056, Maharashtra
Web: <http://www.kvic.org.in>
- e) Coir Board
Coir House
M. G. Road, Kochi - 682 016, Kerala
Web: <http://coirboard.gov.in>
- f) National Institute for Micro, Small and Medium Enterprises (ni-msme),
Yousufguda, Hyderabad – 500045
Website: <http://www.nimsme.org>
- g) Mahatma Gandhi Institute for Rural Industrialisation (MGIRI),
Wardha, Maharashtra
Website: <http://www.mgiri.org>

- 2.13 The working hours of the Ministry's office are 9.00 a.m. to 5.30 p.m. (Monday to Friday, subject to Gazetted Holidays as notified by the Department of Personnel and Training) with half an hour lunch break from 1.00 p.m. to 1.30 p.m.

CHAPTER – 3

Powers and Duties of Officers and Employees

3.1

Designation	Secretary	
Powers	Administrative	1. To impose penalties on employees under the Administrative Control of Ministry of MSME:-
		a) Section Officer Grade of CSS and CS Stenographer Service Grade – I Censure CCS (CCA) Rule-11(i)
		b) ASO & CS Stenographer Service Grade- II All Minor Penalties under CCS (CCA) Rule-11
		c) Sr. Hindi Translator(CSOL Service Group 'B') Censure CCS (CCA) Rule-11(i)
		d) Accountant (General Central Service Group 'B') All Penalties under CCS (CCA) Rule-11
		e) Eco. Investigator Gr. II (General Central Service Group 'C') Appellate Authority for all penalties under CCS(CCA) Rule-11
		f) Jr. Hindi Translator (CSOL Service Group 'C') Appellate Authority for all minor penalties under CCS (CCA) Rule- 11

		<ol style="list-style-type: none"> 2. Permission for employment of near relatives in private firms to all employees of the Ministry under CCS (Conduct) Rules 4 (2). 3. Intimation of acceptance by a member of family of an employment in any firm in respect of all employees of the Ministry and Group 'A' officers serving in offices under the control of the Ministry under CCS (Conduct) Rules 4 (2) (ii). 4. Reporting Authority when a member of Government servant's family takes part in politics under CCS (Conduct) Rule 5 (2). 5. Permission to participate in radio broadcasts, contribution of article in Newspapers and publication of any book under CCS (Conduct) Rule 8 (2). 6. Permission to Government Servants on tendering evidence before an enquiry conducted by a person, Committee or Authority under CCS (Conduct) Rule 10. 7. Permission for acceptance of gifts under CCS (Conduct) Rule 13. 8. Permission for holding public demonstrations in honour of government servants under CCS (Conduct) Rule 14.
	Financial	<ol style="list-style-type: none"> 1. All financial powers subject to observations of General Financial Rules (GFR) in vogue. 2. General Provident Fund (GPF) withdrawals upto 90% of the balance of accumulations at the credit of the subscriber subject to other conditions prescribed under the GPF Rules. 3. Full powers to sanction recurring and non-recurring contingent expenditure in terms of Ministry of Finance, Department of Expenditure Notification dated 23rd October, 2001.

	Others	
Duties	Secretary (MSME) is the Administrative head of the Ministry. He is the principal adviser to the Minister of Micro, Small and Medium Enterprises on all matters of policy and administration within the Ministry, and his responsibility is complete and undivided, except to the extent delegated.	

3.2

Designation	Joint Secretary	
Powers	Administrative	1 To impose penalties as under on employees under the administrative control of Ministry of Micro, Small & Medium Enterprises: -
		a) Jr. Hindi Translator (CSOL Service Group 'C') All minor penalties under CCS (CCA) Rule, 11
		2 Powers relating to intimation of acceptance by a member of family of an employment in any firm in respect of other than Group 'A' officers serving in offices under the control of the Ministry under CCS (Conduct) Rules 4 (2) (ii).
		3 Powers relating to publication of any book in respect of other than Group 'A' officers serving in offices under the control of the Ministry under CCS (Conduct) Rules 8 (2).
		4 Powers relating to acceptance of gifts in respect of Groups 'B', and 'C' employees of the Ministry under CCS (Conduct) Rules 13.
		5 Powers relating to lending and borrowing in respect of Groups 'B', and 'C' employees of the Ministry under CCS (Conduct) Rules 16 (4).
		6 Powers relating to immovable and movable property in respect of Group

		'A' officers of the Ministry under CCS (Conduct) Rules 18 (2) & (3).
	Financial	Financial powers vested in Secretary (MSME)
Duties	Joint Secretary is the overall in-charge of the (single) Wing of the Ministry. The Joint Secretary is entrusted with the maximum measure of independent functioning and responsibility in respect of all business of the Wing, subject to his general responsibility to the Secretary for the administration as a whole.	

3.3

Designation	Economic Adviser	
Powers	Administrative	
	Financial	
	Others	
Duties	<ol style="list-style-type: none"> 1.To advise the Ministry of Micro, Small & Medium Enterprises (MSME) on all policy matters having bearing on internal and external economic management; 2.To monitor and evaluate the policy parameters from economic angle, as laid down in the Fiscal Responsibilities and Budget Management Act., 2003; 3.To advise the Ministry in finalising Annual Plans and Budgets. 4.To assist Additional Secretary & Financial Adviser in the functioning of Integrated Finance Wing of the Ministry of Micro, Small & Medium Enterprises. 	

3.4

Designation	Director/Deputy Secretary	
Powers	Administrative	<ol style="list-style-type: none"> 1. Appointing Authority in respect of Senior Secretariat Assistant, Steno Grade 'D' and Junior Secretariat Assistant of Central Secretariat Clerical Services (CSCS). 2. To impose all penalties under CCS (CCA) Rule 11 in respect of Senior Secretariat Assistant and Junior Secretariat Assistant of Central Secretariat Clerical Services (CSCS) employees under the Administrative Control of Ministry of Micro, Small & Medium Enterprises. 3. To impose all penalties under CCS (CCA) Rule 11 in respect of General Central Service, Group 'C' employees of the Ministry of Micro, Small & Medium Enterprises.
	Financial	To sanction recurring expenditure upto Rs. 25,000/- per annum in each case and non-recurring expenditure upto Rs. 60,000/- in each case.
	Others	
Duties	<p>Director/Deputy Secretary acts on behalf of the Secretary (MSME). He holds charge of a Secretariat Division and is responsible for the disposal of Government Business dealt within the Division under his charge. The officer takes orders from the Joint Secretary/Secretary on important cases, either orally or by submission of papers.</p>	

3.5

Designation	Under Secretary	
Powers	Administrative	
	Financial	To sanction recurring expenditure upto Rs. 2,000/- in each case and non-recurring expenditure upto Rs. 5,000/- in each case
	Others	
Duties	An Under Secretary is in charge of the Branch in the Ministry of Micro, Small and Medium Enterprises, each Branch consisting of one or more Sections and, in respect thereof, exercises control both in regard to the dispatch of business and maintenance of discipline. Work comes to him from Sections under his charge. As Branch Officer he disposes of as many cases as possible at his own level but he takes the orders of Deputy Secretary or higher officers on important cases.	

3.6

Designation	Section Officer	
Powers	Administrative	-
	Financial	-
	Others	
Duties	The general duties of a Section Officer are distribution of work among the staff as evenly as possible; training, help and advising the staff; management and co- ordination of work; maintenance of order and discipline in the section, maintenance of a list of residential address of the staff, etc.	

3.7

Designation	PSO/Sr. Principal Private Secretary/Private Secretary/ Personal Assistant/Stenographer	
Powers	Administrative	-
	Financial	-
	Others	
Duties	The duties of a Sr. Principal Private Secretary/Private Secretary/Personal Assistant/Stenographer includes taking dictation in short-hand and its transcription; fixing up of appointments, attending to the telephone calls and to the visitors in a graceful manner; keeping an accurate list of engagements, meetings, etc; keeping a note of movements of files; carrying out the corrections to the officer's reference books and making fair copies of draft d.o. letters to be signed by the officer.	

3.8

Designation	Assistant Section Officer(ASO)/ Senior Secretariat Assistant(SSA)	
Powers	Administrative	-
	Financial	-
	Others	
Duties	The duties of an ASO/SSA are to see whether all facts open to check have been correctly stated; point out any mistakes or incorrect statement of the facts; draw attention, where necessary to precedents or Rules and Regulations on the subject; put up the guard file and to bring out clearly the question under consideration and suggest a course of action, wherever possible.	

3.9

Designation	Junior Secretariat Assistant	
Powers	Administrative	-
	Financial	-
	Others	
Duties	Junior Secretariat Assistant are ordinarily entrusted with work of routine nature, e.g., registration of Dak, maintenance of Section Diary, File Register, File Movement Register, Indexing and Recording, typing, comparing, preparation of arrears and other statements, supervision of correction of reference books	

CHAPTER – 4

Rules, Regulations Instructions, Manuals and Records for Discharging Functions

- 4.1 The Acts, rules, regulations, manuals, records, etc., used by the employees of this Ministry in the discharge of their functions consist of those relating, in particular, to the work of the Ministry as well as those issued by the Cabinet Secretariat, Department of Personnel and Training, Department of Administrative Reforms and Public Grievances, Ministry of Finance, Ministry of Urban Development, etc., from time to time.
- 4.2 A list (though not exhaustive) of important Acts, rules, regulations, instructions, manuals and records held by the Ministry of Micro, Small & Medium Enterprises and used by its employees for discharging their functions, is given below:
1. Constitution of India.
 2. Government of India (Allocation of Business) Rules.
 3. Government of India (Transaction of Business) Rules.
 4. Authentication (Orders & other Instruments) Rules
 5. Procedure in regard to submission of cases to the Cabinet, issued by the Department of Cabinet Affairs.
 6. Official Language Act, Rules and instructions issued thereunder.
 7. Rules of Procedure and Conduct of Business in Lok Sabha.
 8. Directions by the Speaker under the Rules of Procedure and Conduct of Business in Lok Sabha.
 9. Rules of Procedure and Conduct of Business in Rajya Sabha.
 10. Directions by the Chairman, Rajya Sabha under the Rules of Procedure and Conduct of Business in Rajya Sabha.
 11. Procedure to be followed by Ministries in connection with Parliamentary Work, issued by the Lok Sabha Secretariat.
 12. Departmental Security Instructions issued by the Ministry of Home Affairs.
 13. General instructions regarding word-processing, typewriting, stencil cutting, carbon mani-folding, etc., issued by the Institute of Secretariat Training and Management.
 14. Channels of communication between the Government of India and State Governments, on the one hand, and Foreign and Commonwealth Governments or their Missions in India, Heads of Indian Diplomatic Missions and Posts abroad and United Nations and its specialised Agencies, on the other, issued by the Ministry of External affairs.
 15. Standardised Functional File Index, including its file numbering system relating to establishment, finance, budget and accounts, office supplies and

- services and other house-keeping jobs common to all Departments, issued by the Department of Administrative Reforms and Public Grievances.
16. Schedule of periods of retention for records common to all Departments issued by the Department of Administrative Reforms and Public Grievances
 17. Manual for Handling Parliamentary Work in Ministries.
 18. Central Secretariat Manual of Office Procedure
 19. Central Civil Services (Leave) Rules.
 20. Central Civil Services (Pension) Rules.
 21. Central Civil Services (Conduct) Rules.
 22. Central Civil Services (Classification, Control and Application) Rules.
 23. Fundamental and Supplementary Rules
 24. Delegation of Financial Powers Rules.
 25. General Financial Rules.
 26. Leave Travel Concession (LTC) Rules
 27. General Provident Fund (GPF) Rules
 28. Khadi and Village Industries Commission Act, 1956 and Rules and Regulations made thereunder
 29. Coir Industries Act and Rules and Regulations made thereunder.
 30. Micro, Small and Medium Enterprises Development Act, 2006

CHAPTER – 5

Particulars of any arrangement that exists for consultation with or representation by the members of the public in relation to the formulation of its policy or implementation thereof

5.1 Formulation of Policy

S.No.	Subject/Topic	Is it mandatory to ensure public participation (Yes/No)	Arrangement for seeking public participation
1.	Promotion and development of Small and Medium Enterprises.	No	The Ministry of MSME interacts with industry associations in implementation of policies through regular consultations in the meeting of MSME Board in the Office of DC-MSME which comprises of officials of the Ministry, Secretary of the concerned Department of the State Governments and representatives of industry associations.
2.	Promotion and development of 'Micro Enterprises' including cottage, khadi, village and coir industries.	No	<p>In the formulation of policies relating to the areas of its allocated work, the Ministry of MSME interacts with various stakeholders in the sector, including members of the public, in the following forums:</p> <p>i. Department-related Parliamentary Standing Committee, which examines the annual demands for grants of the Ministry and its proposals for legislation – this Committee, consists of Members of Parliament and also invites members of the public, as and when deemed necessary by it, in discussing and making recommendations on specific policies and/or</p>

			<p>programmes of the Ministry.</p> <p>ii. Consultations with stakeholders are also held through the meetings Consultations of the National Khadi and Village Industries Board under the Chairmanship of Minister of State (IC) MSME – this Board also includes representatives of the khadi institutions and village industry associations who are non-officials representing the respective areas.</p> <p>iii. The KVIC as well as the Coir Board, established under Central statutes, has several non-official members, who represent various sections of the public with direct interest and expertise in the respective areas.</p> <p>Thus, while consultation with the public in general is not mandatory in the process of policy formulation of this Ministry, the Ministry has always had, both statutorily and otherwise, the benefit of consultation with/participation of those sections of the public which are directly concerned with the activities of the Ministry and its organisations.</p>
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5.2 Implementation of Policy

S.No.	Subject/Topic	Is it mandatory to ensure public participation (Yes/No)	Arrangement for seeking public participation

3.	Promotion and development of Small and Medium Enterprises.	No	The Ministry of MSME mainly interacts with industry associations in implementation of policies through regular consultations in the meeting of MSME Board in the Office of DC-MSME which comprises of officials of the Ministry, Secretary of the concerned Department of the State Governments and representatives of industry associations.
4.	Promotion and development of 'Micro Enterprises' including cottage, khadi, village and coir industries.	No	What has been stated above in respect of formulation of policies of this Ministry applies also to implementation of the policies and of programmes/projects/schemes flowing therefrom.

CHAPTER- 6

A statement of the categories of documents that are held by it or under its control

6.1

Sl. No.	Category of document	Name of the document and its introduction in one line	Procedure to obtain the document	Held by/under control of
1.	Official	Annual Report of the Ministry of Micro, Small and Medium Enterprises	By making a written request	Section Officer (Coordination), Ministry of Micro, Small and Medium Enterprises, Room No. 429 – B, (Tel. No. 23061222/2250) Udyog Bhavan, New Delhi – 110011.
2.	Official	Outcome Budget of the Ministry of Micro, Small and Medium Enterprises	By making a written request	Accounts Officer, Budget & Accounts Section, Department of Industrial Policy & Promotion, Room No 437 (Tel. No. 23061222 /2360) Udyog Bhavan, New Delhi – 110 011

CHAPTER -7

A statement of Boards, Council, Committees and other Bodies constituted as its part

The **Micro, Small & Medium Enterprises (MSME) Board** is under Micro, Small and Medium Enterprises - Development Institute (MSME-DI).

CHAPTER – 8

The names, designations and other particulars of the Public Information Officer

No. 12(5)/2008-CDN
Government of India
Ministry of Micro, Small and Medium Enterprises
(Coordination Section)

Udyog Bhavan, New Delhi-110011.

Dated the 18th September, 2017.

OFFICE ORDER

Subject: - Appointment of CPIO and Appellate Authority – regarding.

In pursuance of Section 5(1) & (2) and 19 (1) of the Right to Information Act, 2005 and in supersession of all previous orders on the above mentioned subject, the following officers are designated as Central Public Information Officers (CPIOs)/Appellate Authority with immediate effect: -

Sl. No.	Name, Designation and Telephone No. of CPIO (S/Shri)	Name, Designation and Telephone No. of Appellate Authority (S/Shri)	Section
1.	Karanjit Singh Ngangbam Deputy Director 23061546 karanjit.ngangbam@gov.in	Dr. P.G.S. Rao Director 23063198 gs.perni@nic.in	SME Section.
2.	Ashok Kunar Section Officer 23063526 ashok.mehmi@nic.in	Dr. P.G.S. Rao Director 23063198 gs.perni@nic.in	IC Section
3.	Bhaskar Kalra Under Secretary 23063293 bhaskar.kalra@nic.in	L. Haokip Director 23061431 l.haokip@nic.in	Coordination Section, HR.
4.	Magan Lal Under Secretary 23063293 Magan.lal@nic.in	A.K. Chaube Deputy Secretary 23061636 ak.chaube@nic.in	Protocol and General Administration Section.
5.	Magan Lal Under Secretary	L. Haokip Director	RTI/PG Cell and Nodal Officer for RTI in the

	23063293 Magan.lal@nic.in	23061431 l.haokip@nic.in	Ministry of MSME.
6.	Vivek Mathur Section Officer 23063295 Vivek.mathur@nic.in	A.K. Chaube Deputy Secretary 23061636 ak.chaube@nic.in	EDI Section
7.	J.K. Sahu Under Secretary 23062573 sahu.jk@nic.in	Samar Nanda Deputy Secretary 23062745 samar.nanda@nic.in	KVI Section
8.	Anil Kumar Under Secretary 23063641 anil.kumar14@nic.in	Samar Nanda Deputy Secretary 23062745 samar.nanda@nic.in	PMEGP Section
9.	K.P. Singh Assistant Director (OL) 23062672 kp.singh14@nic.in	Charan Singh Joint Director 23062936 c.singh59@nic.in	Hindi Section.
10.	Smt. Sunita Attri Section Officer 23063641 Sunita.attri@nic.in	R.R. Meena Deputy Secretary 23062736 rajar.meena@nic.in	Coir Section.
11.	Surinder Kumar Under Secretary 23061284 sdhull1968@gmail.com	L. Haokip Director 23061431 l.haokip@nic.in	Vigilance Section
12.	Mahavir Singh Deputy Director 23063313 mahavir@nic.in	Ms. Nivedita Gupta Deputy Director General 23062082	Data Analysis and Technical Coordination including DBT and Annual Report
13.	Bhagat Ram Section Officer 23063168	L. Haokip Director 23061431 l.haokip@nic.in	Cash Section

2. Link Officer will function as an alternate CPIO in the absence (long leave/training etc.) of any other CPIO of the Ministry.

3. This issues with the approval of Joint Secretary concerned.

(Magan Lal)
Under Secretary to the Govt. of India
Tel. No. 23063293
Email: bhaskar.kalra@nic.in

- To,
1. All CPIOs
 2. All Appellate Authorities

CHAPTER – 9

Procedure followed in Decision Making Process

Decision Making

9.1 As per the procedure prescribed in the Central Secretariat Manual of Office Procedure brought out by Department of Administrative Reforms & Public Grievances (<http://darpg.nic.in>) (a nodal agency of the Government of India in the field on 'Organisation and Methods') to take a decision for various matters., a Section, which is the lowest organisational unit in the Ministry and consists of ASO, SSA and JSA supervised by a Section Officer, initiates the processing of a case immediately after receiving a reference/communication by registering /diarising the receipt and initiating the note. As a general rule, no official is expected to keep a case pending with him/her for more than seven working days unless higher limits have been prescribed for specific types of cases separately. In some cases, the file is initiated on oral instructions by recording the instructions /discussions given by the senior officers. The case/subject is placed before the Under Secretary for advice and orders. Cases of minor and routine nature are disposed of at the level of Under Secretary.

9.2 In case of matters, which are important in nature, the file is submitted for advice and orders to the higher level by the Under Secretary, and decisions of certain nature are disposed of at the level of Deputy Secretary/Director as per the delegated financial and administrative powers.

9.3 More important matters are placed by the Deputy Secretary/Director before the Joint Secretary who takes a decision as per the delegated powers on issues relating to administrative, financial and policy matters.

9.4 However, issues with major policy implications and major administrative and financial matters, requiring the advice and approval of higher authorities, are placed by the Joint Secretary before the Secretary of the Ministry for orders. Cases which require the approval of the Minister in-charge or the Cabinet/Cabinet Committees are placed before the Minister in-charge and/or Cabinet/Cabinet Committees for orders/approval.

9.5 The channel of submission as generally followed is as under:

Sr.No	Items of	The channel of submission
1	Establishment matters	Section Officer→ Under Secretary→ Director/Deputy Secretary→ Joint Secretary → Secretary → Minister
2	Financial and Administrative matters	Section Officer→ Under Secretary→ Director/Deputy Secretary→ Joint Secretary → Under Secretary (Integrated Finance Wing) → Economic Adviser → Additional Secretary and Financial Adviser→ Secretary (where necessary under delegation of powers) → Minister (do.)
3	Legal/Court matters	Section Officer→ Under Secretary→ Deputy Secretary/Director → Joint Counsel→ Secretary (when necessary) → Minister (do.) Secretary → Ministry of Law and Justice → Central Government Standing Council
4	VIP references, Parliament Questions	Section Officer→ Under Secretary→ Deputy Secretary/Director→ Joint Secretary→ Secretary/Minister→
5	Miscellaneous matters	Section Officer→ Under Secretary→ Deputy Secretary/Director→ Joint Secretary→

9.6 Mechanism for decision taking

S.No. 1	
Subject on which the decision is to be taken	Policy matters relating to development of M S M E
Guideline/ Direction, if any	No specific guidelines have been prescribed on the subject. However, the Ministry of Micro, Small and Medium Enterprises is guided by its <i>vision statement</i> in formulating the policies on MSME.
Process of Execution	
Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME) 5. Minister-in-Charge
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

S.No. 2	
Subject on which the decision is to be taken	All administrative matters regarding appointment of CMD/official/Non-official/Part time Directors on the board of NSIC and matter relating to NSIC
Guideline/ Direction, if any	As per guidelines issued by the Department of Personnel & Training and Department of Public Enterprises, from time to time.
Process of Execution	

Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME) 5. Minister-in-Charge
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

S.No. 3	
Subject on which the decision is to be taken	Appointment of Chief Executives of Training Institutes
Guideline/ Direction, if any	As per prescribed Recruitment Rules for the post and Department of Personnel & Training's instructions.
Process of Execution	
Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME) 5. Minister-in-Charge
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

S.No. 4	
Subject on which the decision is to be taken	Scheme on National Entrepreneurship Development Board (NEDB).

Guideline/ Direction, if any	Under the National Entrepreneurship Development Board (NEDB) Scheme financial assistance is provided for conducting studies on problems relating to entrepreneurship, setting up of incubators, hand holding and escort services to the entrepreneurs etc. The proposals received from entrepreneurship development institutions are considered by the Screening Committee under the chairmanship of Joint Secretary (MSME), and the recommendations of the Screening Committee are placed before the Apex Committee under the chairmanship of Secretary (MSME) for final decision. (<u>The scheme has since been dropped.</u>)
Process of Execution	
Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME)
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

S.No.5	
Subject on which the decision is to be taken	Assistance for Strengthening of Training Infrastructure of Existing and New Entrepreneurship Development Institutions.
Guideline/ Direction, if any	The Government of India provides financial assistance to State level existing and proposed training institutions meant for supporting the entrepreneurship development efforts, as envisaged in the policy measures announced by the Government of India on 6.8.1991. The <i>scheme</i> is implemented by the Ministry of Micro, Small and Medium Enterprises which has the responsibility of promoting and developing the MSME sector in the country through State Governments/Union Territories. The proposals received for financial assistance from State Governments/ Public Sector Financial Institutions are considered by an internal Screening Committee under the chairmanship of Joint Secretary (MSME). The recommendations of the Screening Committee are placed before Secretary (MSME) for final decision.
Process of Execution	

Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME)
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

S.No. 6	
Subject on which the decision is to be taken	Proposal under Surveys, Studies & Policy Research Schemes
Guideline/ Direction, if any	
Process of Execution	
Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME)
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

S.No. 7	
Subject on which the decision is to be taken	Administrative matters related to Group 'A' officers.
Guideline/ Direction, if any	As per guidelines issued by the Department of Personnel & Training (http://persmin.nic.in), from time to time.
Process of Execution	

Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME) 5. Minister-in-Charge
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

S.No. 8	
Subject on which the decision is to be taken	Administrative matters related to officers other than Group 'A'
Guideline/ Direction, if any	As per guidelines issued by the Department of Personnel & Training (http://persmin.nic.in), from time to time.
Process of Execution	
Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME)
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

S.No. 9	
Subject on which the decision is to be taken	Purchase of stationery equipments, furnishing, providing telephones etc. (Non-Plan expenditures).
Guideline/ Direction, if any	As per guidelines issued by the Ministry of Finance (http://finmin.nic.in), from time to time.
Process of Execution	

Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME)
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

S.No. 10	
Subject on which the decision is to be taken	All foreign travel proposals of the officers of the Ministry
Guideline/ Direction, if any	As per the directions issued by the Ministry of Finance (http://finmin.nic.in) and Ministry of External Affairs (http://meaindia.nic.in), from time to time.
Process of Execution	
Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME) 5. Minister-in-Charge
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

S.No. 11	
Subject on which the decision is to be taken	Entering into MOU with a foreign countries for development of SME Sector
Guideline/ Direction, if any	No specific guidelines have been prescribed on the subject. However, the MOU is prepared/commented on (if received from the foreign country) in consultation with NSIC and DC(MSME). Before entering into MOU the same is vetted by L&T Division of the Ministry of External Affairs (http://meaindia.nic.in).

Process of Execution	
Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME) 5. Minister-in-Charge
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.
S.No. 12	
Subject on which the decision is to be taken	Consideration of proposal for grant under the Schemes for organizing exhibition in India and abroad, taking delegation of SME abroad for one to one action, export tie-up etc.

Guideline/ Direction, if any	<p>Technology upgradation, modernization of MSME sector and promotion of exports from MSME sector are the important objectives behind the International Cooperation Scheme. The Scheme encompasses following activities:-</p> <ul style="list-style-type: none"> (i) Participation in Exhibitions, Fairs and Buyer-Seller Meets with international component. (ii) Exchange of business delegations to explore new areas of technology upgradation, facilitating joint ventures, improving marketability of MSME products, foreign collaborations etc. (iii) Holding of seminars/buyer-seller meets both in India and abroad to promote enterprise-to- enterprise interaction through selected agencies both in India & abroad. (iv) Deputation and reception of Government officials and representatives of associations of SSIs for making preparatory arrangements for seminars etc. (v) For conducting surveys and studies for identifying individual units and cluster of units for the purpose of intensive enterprise to enterprise interaction through NSIC and other national level organizations /institutions. <p>Eligibility for support under the Scheme of International Cooperation</p> <ul style="list-style-type: none"> a) Ministry of MSME's sponsored events. b) State/Central Government Organizations. c) Industry Associations. d) Registered Societies/Trusts associated with the MSME sector. <p><u>Norms of Financial Assistance</u></p> <p>The norms for providing financial assistance under the above Scheme are:-</p> <ul style="list-style-type: none"> a) The Organization should have been registered with the concerned authority (companies under the Companies Act, societies under the Societies Act etc.) with the primary objective of promotion and development of small enterprises.
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	<p>b) The Organization must have been engaged in such activities for the past 3 years with a good track record.</p> <p>c) The Organization should have regular audited accounts for the past 3 years.</p> <p>d) Wherever necessary, the Ministry may be represented in the delegation.</p> <p>All publicity material /banners will indicate the support of the Ministry.</p> <p><u>Quantum of Financial Assistance</u></p> <p>The quantum of financial assistance will be based on the estimate of budget for the proposed event which is to be submitted by the organization in the format given below in sub para (a). However the quantum of financial assistance will normally be limited to the following extent in respect of international and domestic events:</p> <p>i) International Events: Maximum upto ₹ 15 lakh ii) Domestic Events: Maximum upto ₹ 10 lakh</p> <p><u>Decision Making Procedure</u></p> <p>The proposals received for financial assistance are placed before the Screening Committee under the chairmanship of Joint Secretary (MSME). The recommendations of the Screening Committee are placed before Secretary (MSME) for final decision.</p>
Process of Execution	
Designation of the officers involved in decision making.	<ol style="list-style-type: none"> 1. Under Secretary 2. Deputy Secretary/Director 3. Joint Secretary (MSME) 4. Secretary (MSME)
If not satisfied by the decision, where and how to appeal.	To write to Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 011.

CHAPTER -10

Directory of Officers and Employees

The directory of the officers of the Ministry of Micro, Small and Medium Enterprises is as follows:

Telephone Directory

Minister					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENTION	EMAIL	ROOM NO
<u>Sh Giriraj Singh (Minister Of State, Independent Charge)</u>	23061566/23061739	23063141		min- msme[at]nic[dot]in, mos- msme[at]gov[dot]in	168
<u>Sh Raj Kumar Digvijay (PS)</u>	23061566/23062778	23063141		pstomin- msme[at]gov[dot]in, pstomos- msme[at]nic[dot]in	164-A
<u>Kumar Priyadarshi (Addl. PS)</u>	23061566/23062778	23063141		apstomos- msme[at]gov[dot]in	168A
<u>Jai Krishna (Asst. PS)</u>	23061566/23062778	23063141			168A

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Secretary					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENTION	EMAIL	ROOM NO
<u>Dr. Arun Kumar Panda (Secretary)</u>	23062107, 23061023	23063045		secretary- msme[at]nic[dot]in	169
<u>Sh Rajiv Sharma (PPS)</u>	23062107, 23061023	23063045	2 349	pstosecy- msme[at]gov[dot]in	169A
<u>Smt S. Dube (PS)</u>	23062107, 23061023	23063045	2 349	pstosecy- msme[at]gov[dot]in	169A

Secretary					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENTION	EMAIL	ROOM NO
<u>Sh B. B. Vikram (PA)</u>	23062107, 23061023	23063045	2 349	pstosecy- msme[at]gov[dot]in	169A

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Additional Secretary					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENTION	EMAIL	ROOM NO
<u>Sh. Ram Mohan Mishra (AS & DC)</u>	23061176	23062315		dcmsme[at]nic[dot]in	
Ms. Meenakshi Gupta (AS & FA)	23382468			Meenakshi.gupta60@nic.in	222-A S.B

Swipe to view

Joint Secretary					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENTION	EMAIL	ROOM NO
<u>Sh Bandla Srinivas (JS-ARI)</u>	23061543	23062858	2 293	js[dot]ari[at]nic[dot]in	171
<u>Sh N Nagarajan (PS To JS-ARI)</u>	23061543	23062858	3 238	n[dot]nagarajan67[at]nic[dot]in	
<u>Smt. Alka Nangia Arora (JS-SME)</u>	23063283	23062336	2 342	js[dot]sme[at]nic[dot]in	122 B
Shri Kamal Varma (Sr. PPS to JS-SME)	23063283	23062336	2 230	Skmishra(at)dcmsme(dot)sme(at)nic(dot)in	122A

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Economic Adviser					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENTION	EMAIL	ROOM NO
<u>Sh. DPS Negi (EA)</u>	23063433		2 222	ds[dot]negi85[at]ni	124-C

Economic Adviser					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENTION	EMAIL	ROOM NO
				c[dot]in	
<u>Sh IR Anand (PPS)</u>	23063433		2 282	ir[dot]anand[at]nic [dot]in	265-A

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DDG (DATC & DBT)					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENTIO N	EMAIL	ROOM NO
<u>Smt. Nivedita Gupta (DDG)</u>	23062082	23063313		nivedita[dot]g[at] gov[dot]in	722 A Nirman Bhawan
<u>Smt. Suchitra Yadav (Deputy Director)</u>	01123061198			suchitra[dot]yada v[at]nic[dot]in	733
<u>Smt. Gurjeet kaur (PA To DDG)</u>	23062082	23063313		gurjeet[dot]kaur[a t]nic[dot]in	706 Nirman Bhawan

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NIC Unit					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENT ION	E M A I L	ROOM NO
<u>Sh Shubhendu Kumar (Sr. Technical Director)</u>	23061158			shub[at]nic[dot]in	737, A Wing, Nirman Bhawan
<u>Sh S K Gupta (Technical Director)</u>	23061158			skg[at]nic[dot]in	737, A Wing, Nirman Bhawan
<u>Sh Vivek (Sr. Software Developer)</u>	23061546				470

NIC Unit					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENT ION	E M A I L	ROOM NO
<u>Sh Akshit Kumar (Sr. S/W Developer, eOffice)</u>	23061546	23061546	3 346	akshit[dot]86[at]nic[dot]in	470
<u>Sh Ravi (Sfurti) (Sr. Software Developer)</u>	23061546				470
<u>Sh Manoj (ATI) (Sr. Software Developer)</u>	23061546				470
<u>Sh Avinash (Aspire) (Sr. Software Developer)</u>	23061546		3 288	avira[dot]kumar3[at]gmail[dot]com	470

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Administrative Unit					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTE NTIO N	EMAIL	ROOM NO
<u>Sh Samar Nanda (DS-ARI)</u>	23062745	23062886	3 271	samar[dot]nanda[at]nic[dot]in	275-D
<u>Smt. Meenu Singh (PPS)</u>	23062745		3 277	kvermaa[at]nic[dot]in	265-A
<u>Sh A.K. Chaubey (DS-SME)</u>	23061636		2 362	ak[dot]chaube[at]nic[dot]in	356-A
<u>Dr P.G.S. Rao (Director-SME)</u>	23063198	23061756	2 241	gs[dot]perni[at]nic[dot]in, dir[dot]sme1[at]nic[dot]in	254
<u>Sh Pawan Kumar (PA To DIR-SME)</u>	23063198	23061756	2 361	pawan_india[at]rediffmail[dot]com	261
<u>Sh L Haokip (Director-SME)</u>	23061431		2 428	l[dot]haokip[at]nic[dot]in	123
<u>Sh R R Meena (DS-Coir)</u>	23062736		2 238	rajar[dot]meena[at]nic[dot]in	321

Administrative Unit					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTENSION	EMAIL	ROOM NO
<u>Sh. Charan Singh (JD-OL)</u>	23062936	23062936		c[dot]singh59[at]nic[dot]in	436
<u>Sh Bhaskar Kalra (US)</u>	23063293		3 244	bhaskar[dot]kalra[at]nic[dot]in	429-D
<u>Sh J K Sahu (US-KVI)</u>	23062573		2 245	sahu[dot]jk[at]nic[dot]in	436
<u>Sh Magan Lal Khatik (US-GA/SS)</u>	23063293		3 207	magan[dot]lal[at]nic[dot]in	429-D
<u>Sh Devki Nandan (US-I F Wing)</u>	23061461		2 420	dn[dot]saraswat[at]nic[dot]in	732, Nirman Bhawan
<u>Sh. Surender Kumar, US (Vig) (US)</u>	23061284			surender[at]dcmsme[dot]gov[dot]in	728, Nirman Bhawan
<u>Sh Karanjit Singh Ngangbam (Deputy Director)</u>	23061546	3288		karanjit[dot]ngangbam[at]gov[dot]in	470
<u>Sh Anil Kumar (US-Coir)</u>	23063641		3 336	anil[dot]kumar14[at]nic[dot]in	450
<u>Sh K P Singh (OL)</u>	23062672		2 312		433
<u>Smt. Renu Kapoor (US-I F Wing)</u>	23061461		23 061 461	r[dot]kapoor14[at]nic[dot]in	732, Nirman Bhawan
<u>Sh Ajay Kumar (SO-SME)</u>	23061500		3 283	ajay[dot]kumar78[at]nic[dot]in	462
<u>Sh Vivek Mathur (Add Charge) (SO-EDI)</u>	23063295		2 377	vivek[dot]mathur[at]nic[dot]in	343
<u>Sh Ashok Kumar (SO-IC)</u>	23063526		3 368	ashok[dot]mehmi[at]nic[dot]in	462-A
<u>Sh B.P. Pant (SO-Vigilance Section)</u>	23061473			bhagwatip[dot]pant[at]nic[dot]in	706, Nirman Bhawan
<u>Sh. N. Raja Swamy (SO-</u>	23063290		3 218	nraja[dot]swamy[at]nic[dot]in	468-C

Administrative Unit					
NAME & DESIGNATION	OFFICE PHONE	OFFICE FAX	EXTEN TION	EMAIL	ROOM NO
<u>KVI)</u>					
<u>Sh Mukesh Kumar</u> <u>(Protocol Asstt)</u>	23063273		2 400		170
<u>Sh K. Thomas Maring (SO-</u> <u>KVI)</u>	23063295		3 409	thomas[dot]mk[at]nic[dot]in	343
<u>Sh Vivek Mathur (SO-</u> <u>SFURTI)</u>	23063295		2 377	vivek[dot]mathur[at]nic[dot]in	343
<u>Smt. Sunita Attri (SO-</u> <u>COIR)</u>	23063641		3 336	sunita[dot]attri[at]nic[dot]in	450

CHAPTER – 11
(MANUAL – 10)

**Monthly Remuneration Received By Each Officer and Employee,
Including the System of Compensation As Provided In the Regulations.**

Gazetted Officer (Group-A & B)

Sl. No.	Name	Designation	Pay Level as per 7th CPC	Basic Pay	Total Dues
1	Dr. ARUN KUMAR PANDA	Secretary	Level-17 (225000 - 225000)	225000	236250
2	Shri. Srinivas Bandla	Joint Secretary	Level-14 (144200 - 218200)	199600	219072
3	Shri. SUDHIR GARG	Joint Secretary	Level-14 (144200 - 218200)	199600	262984
4	Smt. ALKA NANGIA ARORA	Joint Secretary	Level-14 (144200 - 218200)	182700	191835
5	Shri. D.P.S. NEGI	Economic Advisor	Level-15 (182200 - 224100)	199100	256839
6	Smt. NIVEDITA GUPTA	Deputy Director General	Level-14 (144200 - 218200)	177400	186270
7	Shri. LETKHOTINTHANG HAOKIP	Director	Level-13 (123100 - 215900)	134500	148785
8	Dr. P.G. S. RAO	Director	Level-13 (123100 - 215900)	130600	144690
9	Shri. SAMAR NANDA	Deputy Secretary	Level-13 (123100 - 215900)	126800	133140
10	Shri. RAJA RAM MEENA	Deputy Secretary	Level-12 (78800 - 209200)	105900	144171
11	Shri. ARUN KUMAR CHAUBE	Deputy Secretary	Level-12 (78800 - 209200)	119300	132825
12	Shri. SATISH KUMAR MISHRA	Sr. P.P.S	Level-12 (78800 - 209200)	109100	122115
13	Shri. CHARAN SINGH	Joint Director (O.L.)	Level-12 (78800 - 209200)	96900	132561
14	Shri. J K SAHU	Under Secretary	Level-11 (67700 - 208700)	93800	128562
15	Shri. SURENDER KUMAR	Under Secretary	Level-11 (67700 - 208700)	88400	121596

16	Shri. DEVKI NANDAN	Under Secretary	Level-11 (67700 - 208700)	88400	100380
17	Shri. MAGAN LAL KHATIK	Under Secretary	Level-11 (67700 - 208700)	80900	92505
18	Shri. BHASKAR KALRA	Under Secretary	Level-11 (67700 - 208700)	80900	111921
19	Smt. RENU KAPOOR	Under Secretary	Level-11 (67700 - 208700)	78500	108825
20	Shri. KAMAL VERMA	P.P.S	Level-11 (67700 - 208700)	88400	121596
21	Shri. MANOHAR LAL	P.P.S	Level-11 (67700 - 208700)	80900	111921
22	Shri. INDER RAJ ANAND	P.P.S	Level-11 (67700 - 208700)	80900	111921
23	Shri. KUMAR PRIYADARSHI	Addl. Private Secretary	Level-11 (67700 - 208700)	67700	89107
24	Shri. ASHOK KUMAR	Section Officer	Level-10 (56100 - 177500)	75400	104826
25	Shri. BHAGWATI PRASAD PANT	Section Officer	Level-10 (56100 - 177500)	75400	104826
26	Shri. VIVEK MATHUR	Section Officer	Level-10 (56100 - 177500)	75400	86730
27	Shri. K THOMAS MARING	Section Officer	Level-10 (56100 - 177500)	75400	86730
28	Mrs. SUNITA ATTRI	Section Officer	Level-10 (56100 - 177500)	75400	86730
29	Shri. BHAGAT RAM	Section Officer	Level-10 (56100 - 177500)	75400	86730
30	Shri. N RAJA SWAMY	Section Officer	Level-10 (56100 - 177500)	69000	80010
31	Shri. SABU JAMES	Private Secretary	Level-10 (56100 - 177500)	75400	104826
32	Shri. HEM CHANDRA BHATT	Private Secretary	Level-10 (56100 - 177500)	75400	86730
33	Smt. BEENU SINGH	Private Secretary	Level-10 (56100 - 177500)	73200	101988
34	Mrs. R USHA	Private Secretary	Level-10 (56100 - 177500)	69000	80010

35	Smt. SAGORIKA DUBE	Private Secretary	Level-09 (53100 - 167800)	73400	84630
36	Smt. SEEMA GARG	Private Secretary	Level-09 (53100 - 167800)	73400	102246
37	Shri. N NAGARAJAN	Private Secretary	Level-08 (47600 - 151100)	70000	77280
38	Shri. JAI KRISHNA	Asstt. Private Secretary	Level-08 (47600 - 151100)	47600	66253

Non-Gazetted (Group-B) Officer details

Sl. No.	Name	Designation	Pay Level as per 7th CPC	Basic Pay	Total Dues
1	Smt. GURJEET KAUR	Personal Assistant	Level-09 (53100 - 167800)	73400	102246
2	Shri. AJAY KUMAR GUPTA	Personal Assistant	Level-09 (53100 - 167800)	73400	102246
3	Mrs. VANDANA MONGA	Personal Assistant	Level-08 (47600 - 151100)	70000	94080
4	Shri. NARESH KUMAR CHOWDHURY	Personal Assistant	Level-08 (47600 - 151100)	68000	75180
5	Mrs. SEEMA SOOD	Personal Assistant	Level-07 (44900 - 142400)	64100	71085
6	Shri. ASHOK KUMAR PRASAD	Sr. Hindi Translator	Level-07 (44900 - 142400)	66000	88920
7	Shri. KAMAL TISAWAR	Sr. Hindi Translator	Level-07 (44900 - 142400)	56900	77181
8	Shri. RAJEEV KUMAR JAIN	Assistant Section Officer	Level-07 (44900 - 142400)	52000	70860
9	Smt. RANJU SIKDAR	Assistant Section Officer	Level-07 (44900 - 142400)	52000	70860
10	Shri. RAJENDER GUPTA	Assistant Section Officer	Level-07 (44900 - 142400)	52000	70860
11	Shri. ARJUN SINGH	Assistant Section Officer	Level-07 (44900 - 142400)	50500	56805
12	Shri. HARE RAM SAH	Assistant Section Officer	Level-07 (44900 - 142400)	47600	53760
13	Shri. AMIT KUMAR MUKHERJEE	Assistant Section Officer	Level-07 (44900 - 142400)	47600	65184
14	Smt. MANKHODIM GUITE	Assistant Section Officer	Level-07 (44900 - 142400)	47600	65184
15	Mr. SHRIPAL	Assistant Section Officer	Level-07 (44900 - 142400)	47600	65184
16	Mr. SANTOSH KUMAR	Assistant Section Officer	Level-07 (44900 - 142400)	47600	65184
17	Shri. SAKET ROSHAN	Assistant Section Officer	Level-07 (44900 - 142400)	47600	53760

18	Shri. JAGAT SINGH	Assistant Section Officer	Level-07 (44900 - 142400)	47600	65184
19	Shri. BABU RAM	Assistant Section Officer	Level-07 (44900 - 142400)	47600	65184
20	Shri. BACHAN SINGH SAJWAN	Assistant Section Officer	Level-07 (44900 - 142400)	47600	49980
21	Smt. USHA SINGH	Assistant Section Officer	Level-07 (44900 - 142400)	47600	53760
22	Shri. RAJEEV RANJAN	Assistant Section Officer	Level-07 (44900 - 142400)	47600	53760
23	Smt. A VANDANA	Assistant Section Officer	Level-07 (44900 - 142400)	47600	65184
24	Shri. BHAGYA NARAYAN JHA	Assistant Section Officer	Level-07 (44900 - 142400)	47600	65184
25	Shri. SURENDER SINGH NEGI	Assistant Section Officer	Level-07 (44900 - 142400)	44900	66245

NPS staff

S.NO.	Name	Designation	Scale of Pay + Grade Pay	Total dues
1.	Shri Raj Kumar Digvijay	PS to MOS	L-13 (123100-215000)	156446
2.	MsSuchitrayadav	Deputy Director	L-11 (67700-208700)	87333
3.	ShKaranjitsinghNgangbam	Deputy Director	L-11 (67700-208700)	100182
4.	Shri Ajay Kumar	Section Officer	L-10 (56000-177500)	104826
5.	Ms. JyotiKumari	ASO	L-7 (44900-142400)	68925
6.	Shri Ajay Kumar	ASO	L-7 (44900-142400)	68925
7.	Shri Deendayal	ASO	L-7 (44900-142400)	68925
8.	Shri Kamal Kumar	ASO	L-7 (44900-142400)	68925
9.	Shri Pavan Singh	ASO	L-7 (44900-142400)	65184
10.	Shri VipulVikram	ASO	L-7 (44900-142400)	63378
11.	Ms. RanjanaGautam	ASO	L-7 (44900-142400)	63378
12.	Mr. Vishnu S Nair	ASO	L-7 (44900-142400)	57540
13.	Shri Kuldeep	JHT	L-6 (35400-112400)	55251
14.	Shri Udai Singh	Stenographer	Level-4(25500-81100)	44286
15.	SmtGarima G. LakhanPal	Stenographer	Level-4(25500-81100)	35805
16.	Shri Pawan Kumar	Stenographer	Level-4(25500-81100)	41964
17.	Miss Manju	Stenographer	Level-4(25500-81100)	38184
18.	Shri Pushpendra Kumar	Stenographer	Level-4(25500-81100)	41964
19.	Shri Pratap Singh Dangi	Stenographer	Level-4(25500-81100)	43640
20.	Shri Anuj Kumar	Stenographer	Level-4(25500-81100)	39771
21.	Miss AnjanaDiamary	Stenographer	Level-4(25500-81100)	32235
22.	Miss Mamta	Stenographer	Level-4(25500-81100)	38739
23.	Shri Vikas Kumar	MTS	Level-1(18000-56900)	26243

Group C Staff

1.	Shri Shrawan Kumar	PA	L-7 (44900-142400)	62671
2.	Shri Sanjay Kumar	Eco. Inv.II	L-6 (35400-112400)	58347
3.	Shri MuniramMeena	SSA	L-6 (35400-112400)	45675
4.	Shri Manoj Kumar Jha	SSA	L-6 (35400-112400)	45675
5.	Shri Jogi Ram	SSA	Leve-4 (25500-81100)	43155
6.	Shri Devender Singh Rawat	SSA	Leve-4 (25500-81100)	40845
7.	Shri PannaLal	JSA	Leve-4 (25500-81100)	52780
8.	Shri Awadesh Kumar	JSA	Leve-4 (25500-81100)	43155
9.	Shri Mahinder Kumar	SCD	L-5 (29200-92300)	44940
10.	Shri Jinab Singh	MTS	Leve-4 (25500-81100)	55935
11.	Shri T. Jagannathan	MTS	Leve-4 (25500-81100)	40845
12.	Shri Haricharan Prasad	MTS	Leve-4 (25500-81100)	43155
13.	Shri Rajinder Singh	MTS	Leve-4 (25500-81100)	55935
14.	Shri Madan Pal	MTS	L-3 (21700-69100)	39480
15.	Shri Bharat Singh	MTS	L-3 (21700-69100)	40530
16.	SMT MeenaKumari	MTS	L-3 (21700-69100)	45060
17.	Shri Arunkumar Thakur	MTS	L-2 (19900-63200)	43899
18.	Shri Govind Ram	MTS	L-3 (21700-69100)	37380
19.	Shri ByjuKennet	MTS	L-3 (21700-69100)	38430
20.	Shri Pankaj Kumar	Second Personal Asstt	L-7 (44900-142400)	61701
21.	Shri P N Sharma	LPA	L-6 (35400-112400)	53703
22.	Shri Anil Kumar	LDC	L-2 (19900-63200)	29603
23.	Shri Jainarayan Singh	Peon	Level-1(18000-56900)	25718
24.	Shri Rajeev Nayan	Attendant	Level-1(18000-56900)	8267
25.	Shri Sadanand Mehta	Peon	Level-1(18000-56900)	28133
26.	Shri Awnish Kumar	Driver	L-2 (19900-63200)	28282

CHAPTER – 12

PLAN ALLOCATION AND EXPENDITURE DURING 2014-15, 2015-16, 2016-17 AND 2017-18

(Rs. in crore)

Items	2014-15	2015-16	2016-17	2017-18
A. SME DIVISION				
BE	227.00	129.28	310.99	121.00
RE	200.00	143.82	160.73	-
EXPENDITURE	192.42	131.11	121.50	71.01*
B. ARI DIVISION				
BE	2042.00	1651.22	1825.00	2065.48
RE	1500.00	1744.18	1717.54	-
EXPENDITURE	1427.08	1655.03	1686.39	1781.94*
C. O/o. DC (MSME)				
BE	1058.00	832.01	864.00	4295.48
RE	800.00	732.00	3107.93	-
EXPENDITURE	771.69	661.42	1365.12	3531.91
TOTAL BE	3327.00	2612.51	2999.99	6481.96
TOTAL RE	2500.00	2620.00	4986.20	-
TOTAL EXPENDITURE	2391.19	2447.56	3173.01	5384.86*

* Upto 31.12.2017

CHAPTER – 13

Manner of Execution of Subsidy Programmes

PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP)

1. The Scheme

Government of India has approved the introduction of a new credit linked subsidy programme called Prime Minister's Employment Generation Programme (PMEGP) by merging the two schemes that were in operation till 31.03.2008 namely Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. PMEGP will be a central sector scheme to be administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME). The Scheme will be implemented by Khadi and Village Industries Commission (KVIC), a statutory organization under the administrative control of the Ministry of MSME as the single nodal agency at the National level. At the State level, the Scheme will be implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs) and banks. The Government subsidy under the scheme will be routed by KVIC through the identified Banks for eventual distribution to the beneficiaries/entrepreneurs in their Bank accounts. The Implementing Agencies, namely KVIC, KVIBs and DICs will associate reputed Non-Government Organization (NGOs)/reputed autonomous institutions/Self Help Groups (SHGs)/ National Small Industries Corporation (NSIC)/Udyami Mitras empanelled under Rajiv Gandhi Udyami Mitra Yojana (RGUMY), Panchayati Raj institutions and other relevant bodies in the implementation of the Scheme, especially in the area of identification of beneficiaries, of area specific viable projects, and providing training in entrepreneurship development.

2. Objectives

- (i) To generate employment opportunities in rural as well as urban areas of the country through setting up of new self-employment ventures/projects/micro enterprises.
- (ii) To bring together widely dispersed traditional artisans/ rural and urban unemployed youth and give them self-employment opportunities to the extent possible, at their place.
- (iii) To provide continuous and sustainable employment to a large segment of traditional and prospective artisans and

rural and urban unemployed youth in the country, so as to help arrest migration of rural youth to urban areas.

- (iv) To increase the wage earning capacity of artisans and contribute to increase in the growth rate of rural and urban employment.

3. Quantum and Nature of Financial Assistance

Levels of funding under PMEGP

Categories of beneficiaries under PMEGP	Beneficiary's contribution (of project cost)	Rate of Subsidy (of project cost)	
		Urban	Rural
Area (location of project/unit)			
General Category	10%	15%	25%
Special (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

4. Eligibility Conditions of Beneficiaries

- (i) Any individual, above 18 years of age
- (ii) There will be no income ceiling for assistance for setting up projects under PMEGP.
- (iii) 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 at least VIII standard pass educational qualification.

- (iv) Assistance under the Scheme is available only for new projects sanctioned specifically under the PMEGP.
- (v) Self Help Groups (including those belonging to BPL provided that they have not availed benefits under any other Scheme) are also eligible for assistance under PMEGP.
- (vi) Institutions registered under Societies Registration Act, 1860;
- (vii) Production Co-operative Societies, and
- (viii) Charitable Trusts.
- (ix) Existing Units (under PMRY, REGP or any other scheme of Government of India or State Government) and the units that have already availed Government Subsidy under any other scheme of Government of India or State Government are not eligible.

4.1 Other eligibility conditions

- (i) A certified copy of the caste/community certificate or relevant document issued by the competent authority in the case of other special categories, is required to be produced by the beneficiary to the concerned branch of the Banks along with the Margin Money (subsidy) Claim.
- (ii) A certified copy of the bye-laws of the institutions is required to be appended to the Margin Money (subsidy) Claim, wherever necessary.
- (iii) Project cost will include Capital Expenditure and one cycle of Working Capital. Projects without Capital Expenditure are not eligible for financing under the Scheme. Projects costing more than Rs.5 lakh, which do not require working capital, need clearance from the Regional Office or Controller of the Bank's Branch and the claims are required to be submitted with such certified copy of approval from Regional Office or Controller, as the case may be.
- (iv) Cost of the land should not be included in the Project cost. Cost of the ready built as well as long lease or rental Work-shed/Workshop can be included in the project cost subject to restricting such cost of ready built as well as long lease or rental workshed/workshop to be included in the project cost calculated for a maximum period of 3 years only.
- (v) PMEGP is applicable to all new viable micro enterprises, including Village Industries projects except activities indicated in the negative list of Village Industries.

Existing/old units are not eligible (Para 29 of the guidelines refers).

Note:

- (1) The Institutions/Production Co-operative Societies/Trusts specifically registered as such and SC/ ST/ OBC/ Women/ Physically Handicapped / Ex-Servicemen and Minority Institutions with necessary provisions in the bye-laws to that effect are eligible for Margin Money (subsidy) for the special categories. However, for Institutions /Production Cooperative Societies/Trusts not registered as belonging to special categories, will be eligible for Margin Money (Subsidy) for general category.
- (2) Only one person from one family is eligible for obtaining financial assistance for setting up of projects under PMEGP. The 'family' includes self and spouse.

5. Implementing Agencies

5.1 The Scheme will be implemented by Khadi and Village Industries Commission (KVIC), Mumbai, a statutory body created by the Khadi and Village Industries Commission Act, 1956, which will be the single nodal agency at the national level. At the State level, the scheme will be implemented through State Directorates of KVIC, State Khadi and Village Industries Boards (KVIBs) and District Industries Centres in rural areas. In urban areas, the Scheme will be implemented by the State District Industries Centres (DICs) only. KVIC will coordinate with State KVIBs/State DICs and monitor performance in rural and urban areas. KVIC and DICs will also involve NSIC, Udyami Mitras empanelled under Rajiv Gandhi Udyami Mitra Yojana (RGUMY), Panchayati Raj Institutions and other NGOs of repute in identification of beneficiaries under PMEGP.

5.2 Other Agencies

The details of other agencies to be associated by nodal agencies in the implementation of PMEGP are as under:

- i) Field Offices of KVIC and its State offices
- ii) State KVI Boards
- iii) District Industries Centre (DIC) of all State Governments/Union Territories Administrations reporting to respective Commissioners /Secretaries (Industries).
- iv) Banks/Financial Institutions.
- v) KVI Federation

- vi) Department of Women and Child Development (DWCD), Nehru Yuva Kendra Sangathan (NYKS), The Army Wives Welfare Association of India (AWWA) and Panchayati Raj Institutions
- vii) NGOs having at least five years experience and expertise in Project Consultancy in Small Agro & Rural Industrial Promotion and Technical Consultancy Services, Rural Development, Social Welfare having requisite infrastructure and manpower and capable of reaching Village and Taluk level in the State or Districts. NGOs should have been funded by State or National Level Government Agency for any of its programmes in the preceding 3 years period.
- viii) Professional Institutions/Technical Colleges recognized by Government/University and University Grants Commission (UGC)/ All India Council for Technical Education (AICTE) having department for vocational guidance or technical courses providing skill based training like ITI, Rural Polytechnic, Food Processing Training Institute, etc.
- ix) Certified KVI institutions aided by KVIC / KVIB provided these are in category A+, A or B and are having required infrastructure, manpower and expertise for the role.
- x) Departmental and Non-Departmental Training Centres of KVIC / KVIBs.
- xi) Micro, Small and Medium Enterprises Development Institutes (MSME-DIs), MSME Tool Rooms and Technical Development Centres, under the administrative control of Office of Development Commissioner, MSME.
- xii) National Small Industries Corporation's (NSIC) offices, Technical Centres, Training Centres, Incubators and Training cum Incubation Centres (TICs) set up in PPP Mode.
- xiii) National level Entrepreneurship Development Institutes like National Institute for Entrepreneurship and Small Business Development (NIESBUD), National Institute for Micro, Small and Medium Enterprises (NIMSME) and Indian Institute of Entrepreneurship (IIE), Guwahati under the administrative control of Ministry of MSME, their branches and the Entrepreneurship Development Centres (EDCs) set up by their Partner Institutions (PIs).
- xiv) Udyami Mitras empanelled under Rajiv Gandhi Udyami Mitra Yojana of Ministry of MSME.
- xv) PMEGP Federation, whenever formed.

6. Financial Institutions

- (i) 27 Public Sector Banks.
- (ii) All Regional Rural Banks.
- (iii) Co-operative Banks approved by State Level Task Force Committee headed by Principal Secretary (Industries)/Commissioner (Industries)
- (iv) Private Sector Scheduled Commercial Banks approved by State Level Task Force Committee headed by Principal Secretary (Industries)/Commissioner (Industries).
- (v) Small Industries Development Bank of India (SIDBI).

7. Identification of beneficiaries:

The identification of beneficiaries will be done at the district level by a Task Force consisting of representatives from KVIC/State KVIB and State DICs and Banks. The Task force would be headed by the District Magistrate / Deputy Commissioner / Collector concerned. The Bankers should be involved right from the beginning to ensure that bunching of applications is avoided. However, the applicants, who have already undergone training of at least 2 weeks under Entrepreneurship Development Programme (EDP) / Skill Development Programme (SDP) / Entrepreneurship cum Skill Development Programme (ESDP) or Vocational Training (VT) will be allowed to submit applications directly to Banks. However, the Banks will refer the application to the Task Force for its consideration. Exaggeration in the cost of the project with a view only to availing higher amount of subsidy should not be allowed. KVIC will devise a score card in consultation with SBI and RBI, and forward it to the District Level Task Force and other State/District functionaries. This score board will form the basis for the selection of beneficiaries. This score card will also be displayed on the websites of KVIC and Ministry. The selection process should be through a transparent, objective and fair process and Panchayati Raj Institutions should be involved in the process of selection (Para 11 (i)(b) of the guidelines refers).

8. Bank Finance

8.1 The Bank will sanction 90% of the project cost in case of General Category of beneficiary/institution and 95% in case of special category of the beneficiary/institution, and disburse full amount suitably for setting up of the project.

8.2 Bank will finance Capital Expenditure in the form of Term Loan and Working Capital in the form of cash credit. Project can also be financed by the Bank in the form of Composite Loan consisting of

Capital Expenditure and Working Capital. The amount of Bank Credit will be ranging between 60-75% of the total project cost after deducting 15-35% of margin money (subsidy) and owner's contribution of 10% from beneficiaries belonging to general category and 5% from beneficiaries belonging to special categories. This scheme will thus require enhanced allocations and sanction of loans from participating banks. This is expected to be achieved as Reserve Bank of India (RBI) has already issued guidelines to the Public Sector Banks to ensure 20 % year to year growth in credit to MSME Sector. SIDBI is also strengthening its credit operations to micro enterprises so as to cover 50 lakh additional beneficiaries over five years beginning 2006-07, and is recognized as a participating financial institution under PMEGP besides other scheduled/ Commercial Banks.

8.3 Though Banks will claim Margin Money (subsidy) on the basis of projections of Capital Expenditure in the project report and sanction thereof, Margin Money (subsidy) on the actual availment of Capital Expenditure only will be retained and excess, if any, will be refunded to KVIC, immediately after the project is ready for commencement of production.

8.4 Working Capital component should be utilized in such a way that at one point of stage it touches 100% limit of Cash Credit within three years of lock in period of Margin Money and not less than 75% utilization of the sanctioned limit. If it does not touch aforesaid limit, proportionate amount of the Margin Money (subsidy) is to be recovered by the Bank/Financial Institution and refunded to the KVIC at the end of the third year.

8.5 Rate of interest and repayment schedule

Normal rate of interest shall be charged. Repayment schedule may range between 3 to 7 years after an initial moratorium as may be prescribed by the concerned bank/financial institution. It has been observed that banks have been routinely insisting on credit guarantee coverage irrespective of the merits of the proposal. This approach needs to be discouraged.

RBI will issue necessary guidelines to the Banks to accord priority in sanctioning projects under PMEGP. RBI will also issue suitable guidelines as to which RRBs and other banks will be excluded from implementing the Scheme.

9. Village Industry

Any Village Industry including Coir based projects (except those mentioned in the negative list) located in the 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 a full time artisan or worker i.e. Capital Expenditure on workshop/workshed, machinery and furniture divided by full time employment created by the project does not exceed Rs. 1 lakh in plain areas and Rs.1.50 lakh in hilly areas.

10. Rural Area

- (i) Any area classified as Village as per the revenue record of the State/Union Territory, irrespective of population.
- (ii) It will also include any area even if classified as town, provided its population does not exceed 20,000 persons.

11. Modalities of the operation of the Scheme

- (i) Project proposals will be invited from potential beneficiaries at district level through press, advertisement, radio and other multi-media by KVIC, KVIBs and DICs at periodical intervals depending on the target allotted to that particular district. The scheme will also be advertised /publicized through the Panchayati Raj Institutions which will also assist in identification of beneficiaries.
- (a) Sponsoring of project by any agency is not mandatory. The beneficiary can directly approach Bank/Financial Institution along with his/her project proposal or it can be sponsored by KVIC/ KVIBs / DIC/Panchayat Karyalayas etc. However, the applications received directly by the Banks will be referred to the Task Force for its consideration.
- (b) A Task Force, consisting of the following members, will be set up to scrutinize the applications received by it.

Dist Magistrate/Deputy Commissioner/Collector - Chairman

Lead Bank Manager - Member

Representative of KVIC/KVIB/DIC - Member

Representative of NYKS/SC/ST Corporation - Special Invitee

Representative of MSME-DI, ITI/Polytechnic - Special Invitee

Representatives from Panchayats - 3 members

(To be nominated by Chairman/District
Magistrate/Deputy Commissioner/ Collector

by rotation)

General Manager, DIC or

Rep.of KVIC or Rep.of KVIB
Convenor

-Member

- (c) The Task Force will scrutinize the applications and based on the experience, technical qualification, skill, viability of the project etc., the task force will shortlist the applications and call for an interview of the applicants separately for rural and urban areas to assess their knowledge about the proposed project, aptitude, interest, skill and entrepreneurship abilities, market available, sincerity to repay and make the proposed project success. The selected candidates will be provided project formulation guidance and orientation by KVIC, KVIBs and DICs who will also assist and guide them in project formulation and submission to the concerned Bank in the area. The applicants may also approach any of the other agencies listed in para 5.2 of these guidelines for assistance in this regard.
 - (d) KVIC will identify the Nodal Banks at State level in consultation with State Governments and will forward the list to all the implementing agencies.
- (ii) The release of funds to the implementing agencies will be in the following manner:-
- (a) Government will provide funds under PMEGP to the nodal implementing agency, i.e. KVIC which will in turn, (within a period of 15 days of receipt of the money from the Government), place the margin money (subsidy) funds with the implementing Banks at the State level in their respective accounts in accordance with the targets allocated to each implementing agency. CEO, KVIC will convey the margin money (subsidy) targets allotted to each State to the Principal Secretaries/Secretaries (Industries)/ Commissioners (Industries) simultaneously. The target among the Districts in the State will be assigned by the State Level Bankers Coordination Committee. SLBCC will ensure that targets are evenly distributed within each

district. The State-wise targets in respect of KVIC/KVIBs will be made available by KVIC to SLBCC where overall allocation of district-wise targets will be decided. Any modification of the targets for which KVIC is directly responsible will be permitted only with the concurrence of the Ministry.

- (b) KVIC will place the margin money (subsidy) amount with the Banks involved in the implementation of the scheme in accordance with the targets allocated to the implementing Banks in the State/ District. DICs, in close coordination with Banks, will ensure that at least 50 % of the total margin money (subsidy) allocated to them will be utilized in setting up of projects in rural areas.
- (c) KVIC being the single Nodal Agency at the National level, will coordinate with the identified implementing agencies, i.e., KVIBs, DICs and others. KVIC will carry out most of the important tasks envisaged in the forward and backward linkages, including e-tracking, web management, publicity, physical verification of units, organizing EDP training programmes, awareness camps, workshops and exhibitions and therefore will require to utilize major share of the allocation under forward and backward linkages. However, KVIC will ensure that it will reserve and allocate at least 25 % of the total allocation under Forward and Backward linkages, under the Scheme to DICs of different participating States appropriately taking into account the demand and extent of implementation. This money will be released to DICs, only after obtaining an undertaking from the State Government that the funds already provided under the erstwhile PMRY Scheme's Training and Pre motivational campaigns have been fully utilized by the DICs. Any unspent balance available under the training and contingencies of erstwhile PMRY Scheme will be utilized for training and relevant expenditure under PMEGP. DICs will submit monthly utilization report to KVIC in this regard.
- (d) The Task Force, under the chairmanship of District Magistrate/Deputy Commissioner / Collector will hold **quarterly** meeting with the Banks at district level to review the status of the project proposals. Wherever the projects are rejected, shortcomings/reasons will be furnished by the concerned Banks to the implementing agencies concerned and the applicants concerned will be requested by KVIC/KVIBs / DICs to provide additional

information/documents if required and concerned representatives of KVIC, KVIBs and DICs, will provide assistance to the applicants in this process. Since the Bank's representative will also be a member of the Task Force, it needs to be ensured that maximum number of projects, cleared by the Task Force, is sanctioned by the Banks. Chairman of the District Task Force will review the performance of Banks and the loan repayment / recovery status in the quarterly review meetings.

- (e) Banks will take their own credit decision on the basis of viability of each project. No collateral security will be insisted upon by Banks in line with the guidelines of RBI for projects involving loan upto Rs. 5 lakh in respect of the projects cleared by the Task Force. However, they will appraise projects both technically and economically after ensuring that each project fulfills *inter alia* the criteria of
- (i) Industry
 - (ii) Per Capita Investment
 - (iii) Own Contribution
 - (iv) Rural Areas (projects sponsored by KVIC/ KVIBs/DICs) and
 - (v) Negative List (Para 29 of the guidelines refers)

It is essential that the applications cleared by the District Task Force also fulfill these requirements at that stage itself so as to avoid delays in approval of loans in Banks.

- (f) Once the project proposals are received by KVIC, KVIBs, DICs or Banks, the details of such proposals are to be fed in the web based application tracking system with a unique registration number for each beneficiary at the District level by the State Offices of KVIC/State KVIBs/State DICs to enable the entrepreneurs to track their application status at any point of time. Till such time the e-tracking system becomes fully operational (for which detailed guidelines will be issued by KVIC separately to all concerned) disaggregated data in respect of progress of each application, assistance availed by beneficiaries belonging to special categories (category wise), employment details, etc., will be maintained by KVIC/KVIBs/DICs and the data will be reconciled every month with Director (PMEGP) in KVIC. The status of such reconciliation will be reviewed by the District Magistrate / Deputy Commissioner / Collector, in the Task Force meetings and by CEO, KVIC in the review meetings at KVIC. Separate colour code will be given to application form as

well as applications/claim forms of Margin Money (subsidy) through KVIC/KVIBs/DICs, so as to help the beneficiaries and the processing/sanctioning functionaries to identify and monitor the progress of implementation.

- (g) Once the project is sanctioned and **before the first installment of the Bank Finance is released to the beneficiary, Bank will inform the State/Regional Office of the KVIC/KVIBs/State DICs, as the case may be, for arranging EDP training (Para 12(i) of the guidelines refers) to the beneficiary, if he/she has not already undergone such training.** If he/she has already undergone such training of at least 2 weeks duration, either with the training centre of KVIC/KVIB /State DICs or the institutions recognized by or under the administrative control of Ministry of MSME or at any other training centre of repute, such beneficiary need not undergo further EDP training.
- (h) First installment of the loan will be released to the beneficiary only after completion of EDP training of at least 2 weeks (Para 12 of the guidelines refers) specially designed for the purpose, which will be organized by KVIC / KVIBs / DICs or the institutions recognized by or under the administrative control of Ministry of MSME or at any other training centre of repute. Those who have already undergone training from the recognized institutions need not undergo further EDP training.
- (i) After the successful completion of EDP training arranged by the KVIC/KVIBs/State DICs, **the beneficiary will deposit with the bank, the owner's contribution.** Thereafter, the bank will release first installment of the Bank Finance to the beneficiary.
- (j) Projects sanctioned will be declared ineligible for Margin Money (subsidy) assistance if the EDP training is not completed.
- (k) After the release of Bank finance either partly or fully, Bank will submit Margin Money (subsidy) claim in the prescribed format to the designated Nodal Branch of the State/Region where KVIC has placed lump sum deposit of Margin Money (subsidy) in advance in the Savings Bank Account in the name of KVIC, for release of Margin Money (subsidy). In the case of projects financed by the branches of the

Regional Rural Banks, the financing branches of the RRBs will have to submit the Margin Money (subsidy) Claim to their Head Office, which, in turn, will submit the consolidated claims to the designated Nodal Branch of their sponsoring Bank. In the case of projects financed by SIDBI, the guidelines issued by SIDBI for release of loan/margin money (subsidy) will be followed. **Though the margin money (subsidy) will be released by the designated Nodal Branch of the Bank, KVIC/State DIC is the final authority to either accept the project/claim or reject, based on the parameters of the Scheme.** Detailed grounds for rejections shall be maintained by KVIC/KVIBs/DICs. A separate system of acknowledging grievances or complaints will be instituted by KVIC/KVIBs and DICs and a monthly report with the details of grievances / complaints received and the status / action taken for their redressal shall be furnished to CEO, KVIC by KVIBs and DICs. A consolidated report will be forwarded to the Ministry of MSME every quarter by CEO, KVIC.

- (l) Once the Margin Money (subsidy) is released in favour of the loanee, it should be kept in the Term Deposit Receipt of **three years** at branch level in the name of the beneficiary/Institution. **No interest will be paid on the TDR and no interest will be charged on loan to the corresponding amount of TDR.**
- (m) Since "Margin Money" (subsidy) is to be provided in the form of subsidy (Grant), it will be credited to the Borrowers loan account after **three years** from the date of first disbursement to the borrower/institution, by the Bank.
- (n) In case the Bank's advance goes "bad" before the **three year** period, due to reasons, beyond the control of the beneficiary, the Margin Money (subsidy) will be adjusted by the Bank to liquidate the loan liability of the borrower either in part or full.
- (o) In case any recovery is effected subsequently by the Bank from any source whatsoever, such recovery will be utilized by the Bank for liquidating their outstanding dues first. Any surplus will be remitted to KVIC.
- (p) **Margin Money (subsidy) will be 'one time assistance'**, from Government. For any enhancement of credit limit or for expansion/modernization of the project, margin money (subsidy) assistance is **not** available.

- (q) Margin Money (subsidy) assistance is available only for **new** projects sanctioned specifically under the PMEGP. Existing units are **not** eligible under the Scheme.
- (r) Projects financed jointly i.e. financed from two different sources (Banks / Financial institutions), are **not** eligible for Margin Money (subsidy) assistance.
- (s) Bank has to obtain an undertaking from the beneficiary before the release of Bank Finance that, in the event of objection (recorded and communicated in writing) by KVIC /KVIB/State DIC, the beneficiary will refund the Margin Money (subsidy) kept in the TDR or released to him after **three years** period.
- (t) Banks / KVIC / KVIBs / DICs have to ensure that each beneficiary prominently displays the following sign-board at the main entrance of his project site:-

<p>.....(Unit Name)</p> <p>Financed By (Bank), District Name</p> <p style="text-align: center;">Under</p> <p style="text-align: center;">Prime Minister's Employment Generation Programme (PMEGP)</p> <p>Ministry of Micro, Small and Medium Enterprises</p>
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- (u) Margin Money (subsidy) Claim will be submitted by the Financing Branch of the Bank to the designated Nodal Branch at the earliest possible time.

12. Entrepreneurship Development Programme (EDP)

12.1 The objective of EDP is to provide orientation and awareness pertaining to various managerial and operational functions like finance, production, marketing, enterprise management, banking formalities, bookkeeping, etc. The duration for EDP under REGP was only 3 days, whereas, under PMRY it was 10 days. During various meetings, discussions and recommendations of Department Related Parliamentary Standing Committee for Industry (DRPSCI) it was felt that 3 days were not adequate for providing this inputs effectively

and, hence **two to three weeks** period has been provided under PMEGP which will include interaction with successful rural entrepreneur, banks as well as orientation through field visits. The EDP will be conducted through KVIC, KVIB Training Centers as well as Accredited Training Centers run by Central Government, NSIC, the three national level Entrepreneurship Development Institutes (EDIs), i.e., NIESBUD, NIMSME and IIE, and their partner institutions under the administrative control of Ministry of MSME, State Governments, Banks, Rural Development and Self Employment Training Institutes (RUDSETI) reputed NGOs, and other organizations / institutions, identified by the Government from time to time. EDP will be mandatory for all the PMEGP beneficiaries. However, the beneficiaries who have undergone EDP earlier of duration not less than two weeks through KVIC/KVIB or reputed training centers will be exempted from undergoing fresh EDP. The training centres / institutes will be identified by KVIC and extensive publicity will be provided about the training centres / institutes, content of courses available, duration, etc. by circulating the same to all the Implementing Agencies.

12.2. Budget for EDP Charges to the Training Centers

An amount of Rs. 2500/- to Rs.4000/- per trainee for a period of two to three weeks towards course material, honorarium to guest speakers, lodging, boarding expenses, etc. is admissible under the Scheme. KVIC will reimburse the expenditure to the training centres / institutes chosen for the purpose, in accordance with the procedures to be separately devised by it and circulated to KVIBs and DICs.

13. Physical verification of PMEGP Units

100% physical verification of the actual establishment and working status of each of the units, set up under PMEGP, including those set up through KVIBs and DICs, will be done by KVIC, through the agencies of State Government and/or, if necessary by outsourcing the work to professional institutes having expertise in this area, following the prescribed procedures as per General Financial Rules (GFR) of Government of India. Banks, DICs and KVIBs will coordinate and assist KVIC in ensuring 100 % physical verification. A suitable proforma will be designed by KVIC for such physical verification of units. Quarterly reports, in the prescribed format will be submitted by KVIC to the Ministry of MSME.

14. Awareness Camps

14.1 KVIC and State DICs will organize awareness camps, in close coordination with each other and KVIBs, throughout the country

to popularize PMEGP and to educate potential beneficiaries in rural, semi rural and urban areas about the Scheme. The awareness camps will involve participation from the unemployed men and women with special focus on special category, i.e., SC, ST, OBC, Physically challenged, Ex-servicemen, Minorities, Women, etc. The requisite information/details in this regard will be obtained by KVIC/KVIBs/DICs from State level organizations like SC/ST Corporations, AWWA, NYKS, reputed NGOs and Employment exchanges. There will be two camps permissible for a district, one by KVIC in coordination with concerned KVIB and another by DIC. KVIC and DIC should preferably consider organizing these camps jointly for a specific district. A Committee consisting of Lead Bank, KVIC/KVIB/DIC and Principal, Multi Disciplinary Training Centres (MDTC) of KVIC will shortlist the beneficiaries and send them for training as well as RICS for project formulation and to Bank for project sanction. The amount specified can be spent on publicity, arrangement and other necessary expenses for organizing such camps, which will be communicated by KVIC in their guidelines separately.

14.2 Mandatory activities to be undertaken in the awareness camps:

- (i) Publicity through banners, posters, hoardings and press advertisements in local newspapers.
- (ii) Presentation on the scheme by KVIC/KVIB/DIC officials.
- (iii) Presentation by Lead Bank of the area.
- (iv) Presentation by successful PMEGP/REGP Entrepreneurs.
- (v) Distribution of sanction letters to PMEGP entrepreneurs who have been sanctioned the project by Bank.
- (vi) Press conference
- (vii) Collection of data (in the prescribed format) from the potential beneficiaries, which will include information like profile of beneficiaries, skills possessed, background and qualifications, experience, project interested in, etc. For ascertaining the training (as described in para 12 of the guidelines) a committee consisting of representatives of Lead Bank, KVIC, KVIB, DIC and Principal, MDTC will shortlist the beneficiaries and send them for orientation and training. They will also be sent to RICS and Banks for project formulation and project sanction, respectively.
- viii) A **Shelf of Projects** for consideration under PMEGP, prepared by KVIC has already been circulated by

KVIC/Ministry to some of the prominent State Industries Secretaries and Banks including State Bank of India, Central Bank of India, Canara Bank, Allahabad Bank and Union Bank of India. For any further inclusion of projects in the shelf already prepared, KVIBs and DICs shall forward the details of such projects to KVIC. KVIC will in turn, expand the Shelf of Projects, in due course, in consultation with Banks, KVIBs and DICs, by utilizing the provisions in 'Training and Orientation' under forward and backward linkages.

(ix) Marketing Support

- (a) Marketing support for the products, produced by the units under PMEGP may be provided through KVIC's Marketing Sales outlets, as far as possible. KVIC will reserve the right to provide such a support based on quality, pricing and other parameters to be separately circulated by KVIC to KVIBs/DICs.
- (b) Besides the above, Exhibitions, Workshops at District/State Zonal/National and International levels, Buyer-Seller Meets, etc., will be arranged for the benefit of PMEGP beneficiaries by KVIC.

15. Workshops

a) Objectives

- (i) To brief potential beneficiaries about benefits under the PMEGP Scheme and other KVIC Schemes like PRODIP, SFURTI, etc.
- (ii) To create a Data Bank of PMEGP units regarding products produced, services /business activity details, production, supply capacity, present marketing set up employment and project cost, etc.
- (iii) To interact with PMEGP entrepreneurs to obtain feed back about the units, their problems, support required, success stories etc.
- (iv) To involve experts in marketing and export to support PMEGP units in these areas.

Note: (i). It should be ensured that a minimum number of 200 prospective entrepreneurs participate in the Workshop.

- (ii) One State level Workshop for KVIC and one for DIC are permissible.
- (iii) KVIC and DIC may consider organizing these Workshops jointly in a specific State
- (iv) One representative of KVIC and DIC will participate in each Workshop.

b) The State Level Workshop will include the following activities:

- (i) Presentation of PMEGP Scenario of the State.
- (ii) Presentation of views of Banks on PMEGP by senior officials of lead Bank in the State.
- (iii) Sharing of experience and success stories by PMEGP/REGP entrepreneurs, providing special emphasis to entrepreneurs belonging to special categories.
- (iv) Briefing about support Schemes of KVIC like Product Development, Design Intervention and Packaging (PRODIP), Rural Industrial Service Centres (RISC), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Micro and Small Enterprises Cluster Development Programme (MSECDP), Credit Linked Capital Subsidy Scheme for Technology Upgradation (CLCSS), Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTSME), etc.
- (v) Briefing about support schemes related to cluster and marketing by NABARD and SIDBI.
- (vi) Utilizing the services of NYKS, MWCD, AWWA for involving the rural youth, weaker sections, women, minorities, ex-servicemen, physically challenged, war widows in PMEGP.
- (vii) Presentation on Domestic and Export Market Potential available, by Marketing experts.
- (viii) Open house discussion with PMEGP entrepreneurs on implementation issues, constraints encountered, further supports required, etc., and arriving at possible solutions.
- (ix) Data collection of PMEGP entrepreneurs in the prescribed format.
- (x) Arranging the exhibition cum sale of PMEGP products.
- (xi) Formation of PMEGP Federation.
- (xii) Press conference.

- (c) KVIC will be co ordinating these workshops and will get the annual calendar of workshops approved by the Ministry, in advance.

16. Exhibitions

PMEGP Exhibitions will be organized by KVIC at National, Zonal, State and District Levels and special exhibitions for North Eastern Zone in co ordination with KVIBs and DICs, to promote products produced by PMEGP units. KVIC will get the annual calendar of exhibitions to be conducted at various parts of the country, approved by the Ministry in advance. Separate pavilions will be provided for display of products produced by units set up through KVIBs/DICs. Separate logos and nomenclature for rural entrepreneurs and urban entrepreneurs will be worked out by KVIC/KVIBs/DICs. For example, for rural PMEGP exhibitions nomenclatures like GRAMEXPO, GRAMUSTAV, GRAM MELA, etc., may be used. KVIC, in coordination with KVIBs and DICs will be organizing one district level exhibition (per district), one State level exhibition and one Zonal level exhibition, annually.

17. Participation in International Exhibitions

Participation by PMEGP units is envisaged in International Exhibitions like India International Trade Fair (IITF), etc., for developing their export market. KVIC will organize participation in the international exhibitions in coordination with KVIBs and DICs and will seek the list of willing units from KVIBs and DICs. KVIC will ensure that the units desirous of participating in the fair, set up through KVIBs and DICs are considered judiciously on the basis of merit, variety and quality of the products. A maximum amount of Rs. 20 lakh will be provided to meet expenditure on rental charges for pavilion, fabrication of stalls and towards display, demonstration etc. KVIC may meet the rest of the expenditure out of its regular marketing budget provisions.

18. Bankers Review Meetings

PMEGP is a bank driven scheme and the final sanction of project and release of loan is done at the level of concerned Bank. It is therefore imperative that KVIC, KVIBs and DICs interact regularly with the higher officials of Bankers at District/ State/National level to ensure that the bottle necks, if any, in implementation, are resolved, outcomes are effectively achieved and targets are met. Bankers Review Meeting at following levels shall be organized as below:

- (i) **Lead District Managers Meet (LDM):** This will be organized by State Office and Divisional Office of KVIC jointly with KVIB and DIC. The focus of the meeting will be to inform and educate the bank officials at LDM level about PMEGP and regularly monitor and review the implementation of the scheme. The meeting will be held on quarterly basis.
- (ii) **Zonal review meeting:** To review and monitor the PMEGP scheme, zonal review will be conducted quarterly by KVIC in 6 zones where representatives of KVIC, KVIB and DIC will participate in the review. Concerned Bank officers will also be invited.
- (iii) **Top level Bankers Meeting:** KVIC will organize the Top Level Bankers meeting half yearly (in June and December) so that proper monitoring can be done at the beginning and towards the end of the financial year. CMDs/Senior Executives of nationalized Banks, representatives from Ministry of MSME, State DICs and KVIBs will participate in the National level Bankers meeting which will be chaired by CEO, KVIC. All the States/UTs will be invited in two groups and KVIC will ensure that around half of the States/UTs' representatives (of KVIBs and DICs) participate in each of these half yearly review meetings. The meeting will focus on reviewing the targets and will examine the issues related to policy decisions relating to banks for the implementation of PMEGP.

19. Orientation and Training under PMEGP

The staff and officers of KVIC, KVIB, DIC and concerned agencies have to be sensitized on the operational modalities of PMEGP which can be imparted in the 'one day training workshops' to be conducted throughout the country at State / District levels by KVIC (in coordination with KVIBs) and DICs. 40 such programmes per year will be organized by KVIC and DICs (each). KVIC and DICs may organize such training workshops jointly, wherever feasible, on the basis of guidelines to be issued by KVIC separately, for this purpose.

20. TA/DA of Staff and Officers

The officers of KVIC, KVIBs and DICs will carry out relevant field visits and monitoring activities of PMEGP. A provision of Rs. 1 crore per year is proposed towards TA/DA of staff and officers for

monitoring and reviewing PMEGP, which includes administrative expenses like stationery, documentation, contingencies, etc., and around 40% of this amount can be earmarked for DICs. KVIC will issue separate guidelines incorporating the detailed modalities of certification of the expenditure, laying down the norms for such field visits so as to optimally utilize the assistance and ensure economy in expenditure.

21. Publicity and promotional activities

21.1 PMEGP should be popularized through aggressive publicity campaigns including posters, banners, hoardings, radio jingles, television messages, advertisements in local papers, press conferences, also involving VVIPs and distinguished guests in major events of PMEGP.

21.2 Release of advertisement/publicity for PMEGP.

Advertisement will be issued /published in English, Hindi and local language newspapers. For District level events, quarter page advertisement will be released and for State level events, half a page advertisement will be released.

Keeping in view the significance of publicity and promotional activities required to be undertaken for PMEGP, an amount of Rs.16 Crore will be allocated during the four years period. 25 % of funds will be earmarked by KVIC to DICs for release of advertisement/publicity of the Scheme, in accordance with the guidelines framed by KVIC while ensuring maximum coordination and synergy of efforts with KVIBs and DICs.

22. MIS Package, Application Tracking System, E-Portal and other supporting packages

22.1 E-governance is a vital requirement for effective monitoring and reviewing of the scheme. In addition, data base of existing REGP beneficiaries as well as PMRY have also to be documented. A separate PMEGP website will be constructed by KVIC, including all the relevant linkages with Ministry of MSME, State KVIBs, DICs, NIC and Banks, providing all the necessary information. Application tracking system will also be introduced by KVIC in coordination with KVIBs / DICs for PMEGP beneficiaries. In addition Rural Industrial Consultancy Services (RICS)'s software package for project preparation of KVIC will be extended to all training centers in the country for assisting potential beneficiaries to prepare project under PMEGP. A separate

provision is available under forward-backward linkages for the purposes for use by KVIC.

22.2. KVIC will issue further guidelines in regard to utilization of funds for the purposes outlined in the backward and forward linkages by ensuring proper documentation etc., from KVIBs and DICs. Proper account of the expenditure in this regard will be maintained by State/KVIBs/DICs and monitored by KVIC regularly.

23. Proposed Estimated Targets under PMEGP

23.1 The following estimated targets have been proposed under PMEGP during the four years, i.e., from 2008-09 to 2011-12.

Year	Employment (in Nos)	Margin Money (subsidy)(Rs.crore)
2008-09	616667	740.00
2009-10	740000	888.00
2010-11	962000	1154.40
2011-12	1418833	1702.60
Total	3737500	4485.00

- Note:
1. An additional amount of Rs.250 crore has been earmarked for backward and forward linkages.
 2. To begin with, the targets would be distributed between KVIC (including State KVIBs) and State DICs in the ratio of 60:40 to ensure comparatively greater emphasis to micro enterprises in rural areas. The margin money subsidy would also be allocated in the same ratio. DICs will ensure that at least 50% of the amount allocated to them will be utilized in the rural areas.
 3. The annual allocation of targets would be issued State-wise to the implementing agencies.

23.2 Criteria for distribution of targets under PMEGP

The following are the broad suggested criteria for distribution of state-wise targets:

- (i) Extent of backwardness of State;
- (ii) Extent of unemployment;
- (iii) Extent of fulfillment of targets under PMRY and REGP in 2007-08;
- (iv) Extent of recovery of loans under PMRY and REGP in 2007-08;
- (v) Population of State/Union Territory; and
- (vi) Availability of traditional skills and raw material.

23.3 KVIC will assign targets to State KVIC Directorates/ KVIBs and State Governments. Target at District levels will be decided by State Level Bankers Coordination Committee. SLBCC will ensure that targets are evenly distributed within each district. The State-wise targets in respect of KVIC/KVIBs will be made available by KVIC to SLBCC where overall allocation of district-wise targets will be decided. Any modification of the targets for which KVIC is directly responsible will be permitted only with the concurrence of the Ministry. KVIC will identify the Nodal Bank Branches in consultation with State Governments and place the Margin Money (subsidy) with these branches both for rural and urban areas. For assigning the targets of subsidy and other parameters (number of units, employment opportunities, etc.) to KVIC Directorates / KVIBs, KVIC will adopt the criteria of rural population of the State, backwardness of the State (based on 250 backward districts identified by Planning Commission) and past performance of the State under REGP Scheme for deciding the targets as per weightages given below. Similarly, for assigning the targets to DICs, KVIC will adopt the criteria of backwardness of the State (based on 250 backward districts identified by Planning Commission), urban unemployment level (as reflected in the Planning Commission's report (2002) on 'Special Group on targeting ten million employment opportunities per year' and rural population of the State. From the second year (i.e., 2009-10) onwards, the performance of PMEGP during the previous year(s) will also be given appropriate weightage, for deciding the targets. The approximate weightages to be assigned for determining the targets to the implementing agencies are given below.

Criteria	Weightage for determining targets	
	KVIC/KVIBs	DICs
1. Rural Population of the State	40 %	30 %
2. Backwardness of the State	30 %	40 %
3. Urban Unemployment level	-	30 %
4. Past performance of REGP	30 %	-

24. Rehabilitation of Sick Units

Sick units under PMEGP for their rehabilitation will be linked with RBI's Guidelines for rehabilitation of sick small scale industrial units issued to all Scheduled Commercial Banks vide their letter RPCD.No.PLNFS.BC.57/06.04.01/2001-2002 dated 16th January, 2002.

25. Registration

Registration with the KVIC/KVIBs/State DICs under the Scheme is voluntary. No registration fee will be charged from the beneficiaries

and the funds available under Forward and Backward linkage will be utilized to meet expenses on documentation cost, etc.

Beneficiary will submit quarterly report about production, sales, employment, wages paid etc. to the State/Regional Director of the KVIC/KVIB/State DIC, and KVIC will in turn analyze and submit a consolidated report to the Ministry of MSME, every six months.

26. Role of Private Sector (Scheduled, Commercial / Co-operative) Banks in the implementation of PMEGP

The Scheme will also be implemented through the Private Sector Scheduled Commercial Banks/Co-operative Banks on selective basis, after verification of intending Banks' last 3 years' Balance Sheet and ascertaining quantum of lending portfolio. Margin Money (subsidy) portion will be paid on actual reimbursement basis to the Banks by KVIC.

27. Monitoring and evaluation of PMEGP

27.1 Role of Ministry of MSME

Ministry of MSME will be the controlling and monitoring agency for implementation of the scheme. It will allocate target, sanction and release required funds to KVIC. Quarterly review meeting will be held in the Ministry on the performance of PMEGP. CEO, KVIC, Principal Secretaries / Commissioners (Industries) responsible for implementation of the Scheme in States through DICs, Representatives of State KVIBs and Senior officials of Banks will attend the meeting.

27.2 Role of KVIC

KVIC will be the single Nodal Implementing Agency of the Scheme at the National level. CEO, KVIC will review the performance with State KVIBs, DICs and Banks every month and submit a monthly performance report to the Ministry. The report will include the component wise details of beneficiaries indicating the amount of the Margin Money (subsidy) allotted, employment generated and the projects set up. KVIC will ensure that the margin money (subsidy) is utilized as per the sub component plans approved for SC, ST, Women, etc. The targets and achievement will also be monitored at the Zonal, State and District levels by the Dy.CEOs, Directors of KVIC and the Commissioner /Secretary of Industries (DIC), of the States concerned. The existing REGP units will continue to be monitored by the KVIC as hitherto fore, and separate monthly report submitted directly to Ministry of MSME.

27.3 Role of State Governments / Union Territories

The Scheme will be reviewed half yearly by Chief Secretary of the State. Representatives KVIC, Ministry of MSME, State Director (KVIC) CEO, KVIB, Secretary / Commissioner (Industries) of the State, Senior Officials of the Banks and other officials concerned will attend the meeting. State Governments {Commissioners / Secretaries (Industries)} will forward their monthly reports to KVIC, specifying the component wise details of beneficiaries indicating the amount of the Margin Money (subsidy) allotted, employment generated and the projects set up, which will be analyzed, compiled and consolidated by KVIC and a comprehensive report forwarded to Ministry every month. The existing PMRY units will continue to be monitored by the State DICs, as hitherto fore, and report submitted directly to Ministry of MSME.

28. Evaluation of the Scheme

A comprehensive, independent and rigorous evaluation of the scheme will be got done after two years of its implementation. Based on the findings of the evaluation study the scheme would be reviewed.

29. Negative List of Activities

The following list of activities will not be permitted under PMEGP for setting up of micro enterprises/ projects /units.

a) Any industry/business connected with Meat(slaughtered),i.e. processing, canning and/or serving items made of it as food, 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.

b) Any industry/business connected with cultivation of crops/ plantation like Tea, Coffee, Rubber etc. sericulture (Cocoon rearing), Horticulture, Floriculture, Animal Husbandry like Pisciculture, Piggery, Poultry, Harvester machines etc.

c) Manufacturing of Polythene carry bags of less than 20 microns thickness and manufacture of carry bags or containers made of recycled plastic for storing, carrying, dispensing or packaging of food stuff and any other item which causes environmental problems.

d) Industries such as processing of Pashmina Wool and such other products like hand spinning and hand weaving,

taking advantage of Khadi Programme under the purview of Certification Rules and availing sales rebate.

e) Rural Transport (Except Auto Rickshaw in Andaman & Nicobar Islands, House Boat, Shikara & Tourist Boats in J&K and Cycle Rickshaw).

CHAPTER – 14

Particulars of receipts of concessions, permits or authorizations granted

14.1 The Ministry of Micro, Small & Medium Enterprises does not directly provide any concessions, permits or authorisations in any of its activities or implementation of any Plan schemes. However, the particulars of individual recipients of subsidy under the Pradhan Mantri Rozgar Yojana, a scheme implemented under the overall supervision of this Ministry, are maintained by the respective implementing Banks and the District Industry Centres of the State/Union Territory concerned. Similarly, the two organisations of this Ministry, viz., Khadi and Village Industries Commission and the Coir Board also implement several schemes under which individual beneficiaries are granted permissible subsidy. These details are also maintained by the respective organisations.

CHAPTER – 15

Norms set by the Ministry for the discharge of its functions

The Ministry of Micro, Small and Medium Enterprises discharges its functions as per the Government of India (Allocation of Business) Rules, 1961 on matters relating to promotion and development of MSME. The Ministry acts as a facilitator through policy advocacy on behalf of the stakeholders with various Central Ministries/Departments, State Governments and other organizations for promotion and development of MSME, khadi & village and coir industries in the country, with a view to creating more employment opportunities in the rural non-farm sector, based on optimal use of local raw materials and skills as well as interventions for improving the supply chain, enhancing skills, upgrading technology, expanding markets and capacity building of the entrepreneurs/artisans and their groups/collectives. The Ministry formulates the policies and programmes in consultation with the stakeholders including industry associations.

The norms of disposal of daily business by the individual employees are as laid down in the Manual of Office Procedure and efforts are made by all concerned to adhere to these norms.

CHAPTER-16

Information available in electronic form

16.1 Details of information available in electronic form: Information

available on official website of the Ministry
(**www.msme.nic.in**) includes:

- (i) Annual reports of the Ministry.
- (ii) Plan and Budget
- (iii) Organisational Chart of the Ministry and various offices under the Ministry.
- (iv) Parliament Questions.
- (v) Programmes and Schemes.
- (vii) Activities under International Cooperation.
- (viii) Training Institutions
- (viii) Notifications.
- (ix) Citizen's Charter
- (x) Publications
- (xi) Useful Links

CHAPTER – 17

Particulars of the facilities available to citizens for obtaining information

17.1 The information on functioning of the Ministry of Micro, Small and Medium Enterprises, details of the guidelines of the plan schemes, notifications, circulars, etc. are available on the website of the Ministry (www.msme.nic.in) for public use.

17.2 For obtaining information relating to the Ministry of Micro, Small and Medium Enterprises, one may contact the Information and Facilitation Centre of the Ministry. In case of any grievance, the Grievance Officer in the Ministry can also be contacted. The address, phone number and fax number of the Information and Facilitation Centre and the Grievance Cell are as follows:

1. Information and Facilitation Centre,
Gate No. 4, Ground Floor,
Nirman Bhavan,
New Delhi – 110 011
Tel. No. 91(11)23069219
2. **Grievance Cell, Director,
Ministry of Micro, Small and Medium
Enterprises,
Room No. 123, Udyog
Bhavan,
New Delhi – 110 011.**

CHAPTER -18

Other Useful Information

18.1 Frequently Asked Questions by Public and their Answers

Q.1. What is the definition of MSME?

The Government of India has enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 in terms of which the definition of micro, small and medium enterprises is as under:

Enterprises engaged in the manufacture or production, processing or preservation of goods as specified below:

A micro enterprise is an enterprise where investment in plant and machinery does not exceed Rs. 25 lakh; A small enterprise is an enterprise where the investment in plant and machinery is more than Rs. 25 lakh but does not exceed Rs. 5 crore; A medium enterprise is an enterprise where the investment in plant and machinery is more than Rs.5 crore but does not exceed Rs.10 crore. In case of the above enterprises, investment in plant and machinery is the original cost excluding land and building and the items specified by the Ministry of Small Scale Industries vide its notification [No.S.O.1722\(E\) dated October 5, 2006](#).

Enterprises engaged in providing or rendering of services and whose investment in equipment (original cost excluding land and building and furniture, fittings and other items not directly related to the service rendered or as may be notified under the MSMED Act, 2006 are specified below.

A micro enterprise is an enterprise where the investment in equipment does not exceed Rs. 10 lakh; A small enterprise is an enterprise where the investment in equipment is more than Rs.10 lakh but does not exceed Rs. 2 crore; A medium enterprise is an enterprise where the investment in equipment is more than Rs. 2 crore but does not exceed Rs. 5 crore.

Q.2. What is the support available for collateral free borrowing?

The Ministry of MSME, Government of India and SIDBI set up the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) with a view to facilitate flow of credit to the MSE sector without the need for collaterals/ third party guarantees. The main objective of the scheme is that the lender should give importance to project viability and secure the credit facility purely on the primary security of the assets financed.

The Credit Guarantee scheme (CGS) seeks to reassure the lender that, in the event of an MSE unit, which availed collateral- free credit facilities, fails to discharge its liabilities to the lender, the Guarantee Trust would make good the loss incurred by the lender up to 85 per cent of the outstanding amount in default.

The CGTMSE would provide cover for credit facility up to Rs. 100 lakh which have been extended by lending institutions without any collateral security and /or third party guarantees. A guarantee and annual service fee is charged by the CGTMSE to avail of the guarantee cover. Presently the guarantee fee and annual service

charges are to be borne by the borrower. For further details please visit www.dcmsme.gov.in.

Q.3. What is the support available for technology upgradation?

Ministry implements a scheme called Credit Linked Capital Subsidy Scheme (CLCSS) for technology upgradation of Micro and Small enterprises in the country. Under the scheme, 15 per cent capital subsidy, limited to maximum of Rs 15 lakh (12 per cent prior to 29.09.2005 limited to maximum of Rs 4.8 lakh) is provided to the eligible MSEs for upgrading their technology with the well-established and improved technology as approved under the scheme. 48 products/sub-sectors have been approved under the CLCSS till date. If you are an MSE manufacturing a product and want to upgrade the technology of manufacturing the product with the well established and improved technology as approved under the Scheme, then you may have to approach to the nodal agencies/eligible financial institution for sanction of term loan for purchase of eligible machinery. For further details please visit www.dcmsme.gov.in.

Q.4. What is the support available for cluster development?

The Ministry is implementing the Micro and Small Enterprises – Cluster Development Programme (MSE-CDP) wherein support is provided for Diagnostic Study; Soft Interventions like general awareness, counseling, motivation and trust building, exposure visits, market development including exports, participation in seminars, workshops and training programmes on technology upgradation etc; Hard Interventions like setting up of Common Facility Centers (Common Production/Processing Centre, Design Centre, Testing Centre etc.) and creation/upgradation of infrastructural facilities in the new/existing industrial areas/ clusters of MSEs. For further details please visit www.dcmsme.gov.in.

Q.5. What is the support available for Skill Development?

The Ministry conducts various types of training programme through its various organisations for self employment as well as wage employment. The training programmes are primarily focused to promote self employment in the country. Thus all type of programmes have input which provide necessary information and skills to a trainee to enable him to establish his own micro or a small enterprises. The programmes include two week Entrepreneurship Development Programme (EDP), Six Week Entrepreneurship Skill Development Programme (ESDP). One week Management Development Programme (MDP), One Day Industrial Motivation Campaign(IMC) etc. For Monitoring of the programme a web based system has been developed where coordinator of the programme is bound to feed all details of trainees including his photo and phone no. on the website. The same will be linked to the call centre of Ministry where real time feedback is obtained from trainees. For further details please visit www.dcmsme.gov.in.

Q.6. What benefits do the Tool Rooms of Ministry of MSME provide to MSMEs?

Tool Rooms are equipped with state-of-the-art machinery & equipment. They are engaged in designing and manufacturing of quality tools, which are necessary for producing quality products, and improve the competitiveness of MSMEs in national and international markets. They also conduct training programmes to provide skilled manpower to industries specially MSMEs. The placement of trainees trained in Tool Room is more than 90%. There are 18 Autonomous Bodies (10 MSME Tool Rooms and 8 Technology Development Centres) under DC (MSME), a list of Tool

Rooms and Technology Development Centres is available in the website www.dcmsme.gov.in.

Q.7. What support is provided by the Ministry for improving manufacturing competitiveness?

The National Manufacturing Competitiveness Programme (NMCP) is the nodal programme of the Government to develop global competitiveness among Indian MSMEs. The Programme was initiated in 2007-08. This programme targets at enhancing the entire value chain of the MSME sector through the following schemes:

- (a) Lean Manufacturing Competitiveness Scheme for MSMEs;
- (b) Promotion of Information & Communication Tools (ICT) in MSME sector;
- (c) Technology and Quality Up gradation Support to MSMEs;
- (d) Design Clinics scheme for MSMEs;
- (e) Enabling Manufacturing Sector to be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT);
- (f) Marketing Assistance and Technology Up gradation Scheme for MSMEs;
- (g) Setting up of Mini Tool Room under PPP Mode;
- (h) National campaign for building awareness on Intellectual Property Rights (IPR);
- (i) Support for Entrepreneurial and Managerial Development of SMEs through Incubators.
- (j) Bar Code under Market Development Assistance (MDA) scheme.

For further details please visit www.dcmsme.gov.in.

Q.8. What support is provided by the Ministry to promote energy conservation in the manufacturing process for SMEs?

The Ministry implements the "Technology and Quality Upgradation Support to Micro, Small and Medium Enterprises (TEQUP)" which focuses on two important aspects, namely, enhancing competitiveness of MSME sector through Energy Efficiency and Product Quality Certification. The basic objective of this scheme is to encourage MSMEs in adopting energy efficient technologies and to improve product quality of manufacturing in MSMEs. It is a well known fact that energy consumption is a significant component in the cost structure of almost any manufacturing/ production activity. Adopting energy efficient technologies curtails the cost of energy there by reducing production cost and increasing competitiveness. Under this scheme, a capital subsidy of 25% of the project cost subject to a maximum of Rs. 10.00 lakh shall be provided to the registered MSME units. While 25% of the project cost will be provided as subsidy by the Government of India, the balance amount is to be funded through loan from SIDBI/banks/financial institutions. The minimum contribution as required by the funding agency will have to be made by the MSME unit. For further details please visit www.dcmsme.gov.in.

Q.9. What support is provided by the Ministry to improve quality of products produced in MSME sector?

The TEQUP scheme envisages another activity, namely, Product Quality Certification. The main objective of this scheme is to encourage MSMEs to Acquire Product Certification Licenses from National / International Bodies , thereby improving their competitiveness. The primary objective of this activity is to provide subsidy to MSME units towards the expenditure incurred by them for obtaining product certification licenses from National / International standardization Bodies. Under this Activity, MSME manufacturing units will be provided subsidy to the extent of 75% of the actual expenditure, towards licensing of product to National/International Standards. The maximum GOI assistance allowed per MSME is Rs.1.5 lakh for obtaining product licensing /Marking to National Standards and Rs. 2.0 lakh for obtaining product licensing /Marking to International standards. One MSME unit can apply only once under the scheme period. For further details please visit www.dcmsme.gov.in.

Q.10. What support is provided by the Ministry to improve design of products produced in MSME sector?

The Ministry implements the Design Clinic Scheme for Design Expertise to Micro, Small and Medium Enterprises (MSME) Sector is to improve the design of the product to meet global challenges and compete with similar products domestically and internationally. It is launched to benefit MSMEs by creating a dynamic platform to provide expert solutions to real time Design problems and add value to existing products. The goal of this scheme is to help MSME manufacturing industries move up the value chain by switching the production mode from original equipment manufacturing to original design manufacturing and hence original brand manufacturing. In the Design Clinic scheme, the value additions to an idea or a concept are imparted through interaction at a lesser cost to a specific industry/sector. The expected outcome of such interventions is new product development by design improvement and value addition for existing products. For further details please visit www.dcmsme.gov.in.

Q.11. What support is provided by the Ministry to adopt latest Quality Management Standards and Quality Technology Tools (QMS/QTT)?

Under the National Manufacturing Competitiveness Programme (NMCP) Scheme, one component is "Enabling MSME manufacturing sector to be competitive through Quality Management Standards/Quality Technology Tools (QMS/QTT)" was initiated in the XIth Five year plan. The main objective of the scheme is to sensitize and encourage MSEs to adopt latest Quality Management Standards/Quality Technology Tools (QMS/QTT) and to keep a watch on sectoral developments by undertaking the stated activities. The major activities under the Scheme are as:

- a) Introduction of appropriate course modules for technical institutions
- b) Organizing awareness campaigns for micro & small enterprises.
- c) Organising competition-watch (c-watch).
- d) Implementation of quality management standards and quality technology tools in selected micro & small enterprises.
- e) Monitoring international study missions.

Q.12. What support is provided by the Ministry for promotion of Information & Communication Tools (ICT) in MSME Sector?

The Ministry implements the Information and Communication Technology (ICT) scheme to encourage and assist Indian MSMEs to adopt ICT Tools and Applications in their production and business processes , and thereby improve their productivity and competitiveness in National and International Market. For further details please visit www.dcmsme.gov.in.

Q.13. What support is provided by the Ministry for setting up Business Incubators ?

The Ministry implements the Support for Entrepreneurial and Managerial Development of SME's Through Incubators". The main purpose of the scheme is to nurture innovative business ideas (new/indigenous technology, processes, products, procedures, etc), which could be commercialized in a year. Under the Scheme, financial assistance between 75% to 85% of the project cost upto maximum of Rs. 8 lakh per idea/unit, provided to Business Incubators (BIs). The BIs are also eligible to avail Rs. 3.78 lakh for infrastructure and training expenses for incubating 10 ideas. Any individual or Micro and Small Industries (MSEs) that has innovative business idea at near commercialisation stage can approach the Business Incubators approved under the scheme. Under the scheme, various institutions like Engineering Colleges, Management Institutions, Research labs, etc. that have in-house incubation facilities and faculty for providing handholding support to new idea/entrepreneur can apply in the prescribed application form. For further details please visit www.dcmsme.gov.in.

Q.14. What support is provided by the Ministry for setting up Business Incubators ?

The Ministry implements the Support for Entrepreneurial and Managerial Development of SME's Through Incubators". The main purpose of the scheme is to nurture innovative business ideas (new/indigenous technology, processes, products, procedures, etc), which could be commercialized in a year. Under the Scheme, financial assistance between 75% to 85% of the project cost upto maximum of Rs. 8 lakh per idea/unit, provided to Business Incubators (BIs). The BIs are also eligible to avail Rs. 3.78 lakh for infrastructure and training expenses for incubating 10 ideas. Any individual or Micro and Small Industries (MSEs) that has innovative business idea at near commercialisation stage can approach the Business Incubators approved under the scheme. Under the scheme, various institutions like Engineering Colleges, Management Institutions, Research labs, etc. that have in-house incubation facilities and faculty for providing handholding support to new idea/entrepreneur can apply in the prescribed application form. For further details please visit www.dcmsme.gov.in.

Q.15. Whether there is any scheme for assisting MSMEs for Intellectual Property Rights ?

Under the National Manufacturing Competitiveness Programme (NMCP) to enhance the competitiveness of the SMEs sector, O/o DC(MSME) is implementing a scheme "Building Awareness on Intellectual Property Rights (IPR)" for the MSME. The objective of the scheme is to enhance awareness of MSME about Intellectual Property Rights (IPRs) to take measure for the protecting their ideas and business strategies. Accordingly, to enable the MSME sector to face the present challenges

of liberalisation, various activities on IPR are being implemented under this scheme. For further details please visit www.dcmsme.gov.in.

Q.16 . Is there support available for obtaining ISO certification?

The Ministry is implementing the ISO: 9001/14001/HACCP Certification Reimbursement Scheme for Micro & Small Enterprises (MSEs) for reimbursement of certification expenses, only to those MSEs which have acquired Quality Management Systems (QMS)/ISO 9001 and /or Environment Management Systems (EMS)/ ISO14001and / or Food Safety Systems (HACCP) Certification. Under the scheme provides reimbursement of 75% of the certification expenses up to a maximum of Rs.75,000/- (Rupees seventy five thousand only) to each unit as one-time reimbursement only to those MSEs which have acquired Quality Management Systems (QMS)/ISO 9001 and /or Environment Management Systems (EMS)/ ISO14001and / or Food Safety Systems (HACCP) Certification. For further details please visit www.dcmsme.gov.in.

Q.17. What support is provided by the Ministry for enabling MSMEs to get credit rating?

The Ministry is implementing the Performance & Credit Rating Scheme, the main objective of the which is to provide a trusted third party opinion on the capabilities and creditworthiness of the MSEs so as to create awareness amongst them about the strengths and weakness of their existing operations. This is to provide them an opportunity to improve and enhance their organizational strengths and credit worthiness, so that they can access credit at cheaper rates and on easy terms. NSIC was appointed as nodal agency to implement the scheme on behalf of the Government. Rating under the scheme is being carried out through empanelled rating agencies i.e. Credit Rating Information Services of India Limited (CRISIL), Credit Analysis & Research Limited (CARE), Small and Medium Enterprises Rating Agency of India Ltd. (SMERA), ICRA limited, Brickwork India Ratings. Under this Scheme, rating fee payable by the micro and small enterprises is subsidized for the first year only and that is subject to maximum of 75% of the fee or Rs. 40000/-, whichever is less.

Q.18. What support is provided by the Ministry for assisting training institutions?

The Ministry is implementing the Assisting to Training Institutions Scheme which envisages financial assistance for establishment of new institutions (EDIs), strengthening the infrastructure of the existing EDIs and for supporting entrepreneurship and skill development activities. 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. The assistance shall be provided to these training institutions in the form of capital grant for creation/strengthening of infrastructure and programme support for conducting entrepreneurship development and skill development programmes.

Q.19. What support is provided by the Ministry for participation of MSMEs in international events?

Under the International Cooperation Scheme, financial assistance is provided on reimbursement basis to the State/Central Government organizations, industries/enterprises Associations and registered societies/trusts and organizations associated with MSME for deputation of MSME business delegation to other countries for exploring new areas of MSMEs, participation by Indian MSMEs in international exhibitions, trade fairs, buyer seller meet and for holding international conference and seminars which are in the interest of MSME sectors. Eligible beneficiary organizations can apply to the Ministry directly to avail the assistance under IC Scheme as per Scheme Guidelines. For further details please visit www.dcmsme.gov.in.

Q.20. What scheme does the Ministry have for providing marketing support to MSMEs?

The Ministry implements the Marketing Assistance scheme through National Small Industries Corporation (NSIC) Limited for providing marketing support to MSMEs. 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.

Q.21. What is the status of lending by banks to this sector?

Bank's lending to the Micro and Small enterprises engaged in the manufacture or production of goods specified in the first schedule to the Industries (Development and regulation) Act, 1951 and notified by the Government from time to time is reckoned for priority sector advances. However, bank loans up to Rs.5 crore per borrower / unit to Micro and Small Enterprises engaged in providing or rendering of services and defined in terms of investment in equipment under MSMED Act, 2006 are eligible to be reckoned for priority sector advances. Lending to Medium enterprises is not eligible to be included for the purpose of computation of priority sector lending. Detailed guidelines on lending to the Micro, Small and Medium enterprises sector are available in our [Master Circular no. RPCD.MSME & NFS.BC.No.5/06.02.31/2013-14 dated July 1, 2013](#) . The Master circulars are issued by RBI, to banks, on various matters are available on RBI website www.rbi.org.in and updated in July each year.

Q.22. What is meant by Priority Sector Lending?

Priority sector lending include only those sectors, as part of the priority sector that impact large sections of the population, the weaker sections and the sectors which are employment-intensive such as agriculture, and Micro and Small enterprises. Detailed guidelines on Priority sector lending are available in RBI Master Circular on Priority sector lending no. [RPCD.CO.Plan.BC 9 /04.09.01/2013-14 dated July 1, 2013](#) . The Master circulars issued by RBI, to banks, on various matters are available on its website www.rbi.org.in and updated in July each year.

Q.23. Are there any targets prescribed for lending by banks to MSMEs?

As per extant policy, certain targets have been prescribed for banks for lending to the Micro and Small enterprise (MSE) sector. In terms of the recommendations of the Prime Minister's Task Force on MSMEs banks have been advised to achieve a

20 per cent year-on-year growth in credit to micro and small enterprises, a 10 per cent annual growth in the number of micro enterprise accounts and 60% of total lending to MSE sector as on preceding March 31st to Micro enterprises.

In order to ensure that sufficient credit is available to micro enterprises within the MSE sector, banks should ensure that:

40 per cent of the total advances to MSE sector should go to micro (manufacturing) enterprises having investment in plant and machinery up to Rs. 10 lakh and micro (service) enterprises having investment in equipment up to Rs. 4 lakh ; 20 per cent of the total advances to MSE sector should go to micro (manufacturing) enterprises with investment in plant and machinery above Rs. 10 lakh and up to Rs. 25 lakh, and micro (service) enterprises with investment in equipment above Rs. 4 lakh and up to Rs. 10 lakh. Thus, 60 per cent of MSE advances should go to the micro enterprises.

For details, the RBI Master Circular RPCD.MSME & FS.BC.No.5/06.02.31/2013-14 dated July 1, 2013 on 'Lending to Micro, Small and Medium Enterprises (MSME) Sector, may please be seen.

Q.24. Are there specialized bank branches for lending to the MSMEs?

Public sector banks have been advised to open at least one specialized branch in each district. The banks have been permitted to categorize their MSME general banking branches having 60% or more of their advances to MSME sector, as specialized MSME branches for providing better service to this sector as a whole.

As per the policy package announced by the Government of India for stepping up credit to MSME sector, the public sector banks will ensure specialized MSME branches in identified clusters/centres with preponderance of small enterprises to enable the entrepreneurs to have easy access to the bank credit and to equip bank personnel to develop requisite expertise.

Though their core competence will be utilized for extending finance and other services to MSME sector, they will have operational flexibility to extend finance/render other services to other sectors/borrowers.

Q.25. How many such specialized branches for lending to MSMEs are there?

As on March 2013 there are 2032 specialized MSME branches.

Q.26. How do banks assess the working capital requirements of borrowers?

The banks have been advised by RBI to put in place loan policies governing extension of credit facilities for the MSE sector duly approved by their Board of Directors Vide RBI circular; [RPCD.SME & FS.BC.No.102/06.04.01/2008-09 dated May 4, 2009](#)).

Banks have, however, been advised to sanction limits after proper appraisal of the genuine working capital requirements of the borrowers keeping in mind their business cycle and short term credit requirement. As per Nayak Committee Report, working capital limits to SSI units is computed on the basis of minimum 20% of their estimated turnover up to credit limit of Rs.5crore. For more details paragraph

4.12.2 of the RBI Master Circular on lending to the MSME sector dated July 1, 2010 may please be seen.

Q.27. Is there any provision for grant of composite loans by banks?

A composite loan limit of Rs.1crore can be sanctioned by banks to enable the MSME entrepreneurs to avail of their working capital and term loan requirement through Single Window in terms of RBI Master Circular on lending to the MSME sector dated July 1, 2010. All scheduled commercial banks have been advised by our circular RPCD.SME&NFS. BC.No.102/06.04.01/2008-09 on May 4, 2009 that the banks which have sanctioned term loan singly or jointly must also sanction working capital (WC) limit singly (or jointly, in the ratio of term loan) to avoid delay in commencement of commercial production thereby ensuring that there are no cases where term loan has been sanctioned and working capital facilities are yet to be sanctioned. These instructions have been reiterated to schedule commercial banks on March 11, 2010.

Q.28. What is Cluster financing?

Cluster based approach to lending is intended to provide a full-service approach to cater to the diverse needs of the MSE sector which may be achieved through extending banking services to recognized MSE clusters. A cluster based approach may be more beneficial (a)in dealing with well-defined and recognized groups (b) availability of appropriate information for risk assessment (c) monitoring by the lending institutions and (d) reduction in costs.

The banks have, therefore, been advised to treat it as a thrust area and increasingly adopt the same for SME financing. United Nations Industrial Development Organisation (UNIDO) has identified 388 clusters spread over 21 states in various parts of the country. The Ministry of Micro, Small and Medium Enterprises has also approved a list of clusters under the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) and Micro and Small Enterprises Cluster Development Programme (MSE-CDP) located in 121 Minority Concentration Districts. Accordingly, banks have been advised to take appropriate measures to improve the credit flow to the identified clusters.

Banks have also been advised that they should open more MSE focused branch offices at different MSE clusters which can also act as counseling.

Centres for MSEs. Each lead bank of the district may adopt at least one cluster (Refer circular [RPCD.SME & NFS.No.BC.90/06.02.31/2009-10 dated June 29, 2010](#))

Q.29. What are the RBI guidelines on interest rates for loans disbursed by the commercial banks?

As part of the financial sector liberalization, all credit related matters of banks including charging of interest have been deregulated by RBI and are governed by the banks' own lending policies.

With a view to enhancing transparency in lending rates of banks and enabling better assessment of transmission of monetary policy, all scheduled commercial banks had been advised in terms of RBI circular;

[DBOD.No.Dir.BC.88/13.03.00/2009-10on April 9, 2010](#) to introduce the Base Rate system w.e.f. July 1, 2010. Accordingly, the Base Rate System has replaced the BPLR (Bank's prime Lending Rate) system with effect from July 1, 2010. All categories of loans should henceforth be priced only with reference to the Base Rate.

Q.30. Why is credit rating of the micro small borrowers important?

With a view to facilitating credit flow to the MSME sector and enhancing the comfort-level of the lending institutions, the credit rating of MSME units done by reputed credit rating agencies and it should be encouraged. Banks are advised to consider these ratings as per availability and wherever appropriate structure their rates of interest depending on the ratings assigned to the borrowing SME units.

Q.31. Is credit rating mandatory for the MSE borrowers?

Credit rating is not mandatory but it is in the interest of the MSE borrowers to get their credit rating done as it would help in credit pricing that is cost of funds (interest and other charges etc.) of the loans taken by them from banks.

Q.32. What are the guidelines for delayed payment of dues to the MSE borrowers?

With the enactment of the Micro, Small and Medium Enterprises Development (MSMED), Act 2006, for the goods and services supplied by the MSEME units, payments have to be made by the buyers as under:

The buyer is to make payment on or before the date agreed on between him and the supplier in writing or, in case of no agreement, before the appointed day. The agreement between seller and buyer shall not exceed more than 45 days. If the buyer fails to make payment of the amount to the supplier, he shall be liable to pay compound interest with monthly rests to the supplier on the amount from the appointed day or, on the date agreed on, at three times of the Bank Rate notified by Reserve Bank. For any goods supplied or services rendered by the supplier, the buyer shall be liable to pay the interest as advised at above. In case of dispute with regard to any amount due, a reference shall be made to the Micro and Small Enterprises Facilitation Council, constituted by the respective State Government.

To take care of the payment obligations of large corporate borrowers to MSEs, banks have been advised that while sanctioning/renewing credit limits to their large corporate borrowers (i.e. borrowers enjoying working capital limits of Rs. 10 crore and above from the banking system), to fix separate sub-limits, within the overall limits, specifically for meeting payment obligations in respect of purchases from MSEs either on cash basis or on bill basis.

Banks are also advised by RBI to closely monitor the operations in the sub-limits, particularly with reference to their corporate borrowers' dues to MSE units by ascertaining periodically from their corporate borrowers, the extent of their dues to MSE suppliers and ensuring that the corporate pay off such dues before the 'appointed day' /agreed date by using the balance available in the sub-limit so created. In this regard the relevant RBI circular; [IECD/5/08.12.01/2000-01 dated October 16, 2000](#) (reiterated on May 30, 2003, vide [circular No. IECD.No.20/08.12.01/2002-03](#)) available on RBI website.

Q.33. What is debt restructuring of advances?

A viable/potentially viable unit may apply for a debt restructuring if it shows early stage of stickiness. In such cases the banks may consider to reschedule the debt for repayment, consider additional funds etc. A debt restructuring mechanism for units in MSME sector has been formulated and advised to all commercial banks. The detailed guidelines have been issued to ensure restructuring of debt of all

eligible small and medium enterprises. Prudential guidelines on restructuring of advances have also been issued which harmony the prudential norms over all categories of debt restructuring mechanisms (other than those restructured on account of natural calamities). The relevant circulars in this regard are circular [DBOD.BP.BC.No.34/21.04.132/2005-06 dated September 8, 2005](#) and circular [DBOD.No.BP.BC.37/21.04.132/2008-09 dated August 27, 2008](#) which are available on our website www.rbi.org.in.

Q.34. What is the definition of a sick unit?

As per the extant guidelines, a Micro or Small Enterprise (as defined in the MSMED Act 2006) may be said to have become Sick, if

Any of the borrower account of the enterprise remains NPA for three months or more.

OR

There is erosion in the net worth due to accumulated losses to the extent of 50% of its net worth during the previous accounting year. This criterion enables banks to detect sickness at an early stage and facilitate corrective action for revival of the unit.

Q.35. Are all sick units put under rehabilitation by banks?

No. If a sick unit is found potentially viable it can be rehabilitated by the banks. The viability of the unit is decided by banks. A unit should be declared unviable only if such a status is evidenced by a viability study.

Q.36. Is there a time frame within which the banks are required to implement the rehabilitation package?

Viable / potentially viable MSE units/enterprises, which turn sick in spite of debt restructuring, would need to be rehabilitated and put under nursing. It will be for the banks/financial institutions to decide whether a sick MSE unit is potentially viable or not. The rehabilitation package should be fully implemented by banks within six months from the date the unit is declared as potentially viable/viable. During this six months period of identifying and implementing rehabilitation package banks/FIs are required to do "holding operation" which will allow the sick unit to draw funds from the cash credit account at least to the extent of deposit of sale proceeds. The relevant circular on rehabilitation of sick units is [RPCD.CO.MSME & NFS.BC.40/06.02.31/2012-2013 dated November 1, 2012](#) is available on our website.

Q.37. What is the procedure and time frame for conducting the viability study?

The decision on viability of the unit should be taken at the earliest but not later than 3 months of the unit becoming sick under any circumstances. The following procedure should be adopted by the banks before declaring any unit as unviable:

A unit should be declared unviable only if the viability status is evidenced by a viability study. However, it may not be feasible to conduct viability study in very small units and will only increase paperwork. As such for micro (manufacturing) enterprises, having investment in plant and machinery up to Rs. 5 lakh and micro (service) enterprises having investment in equipment up to Rs. 2 lakh, the Branch

Manager may take a decision on viability and record the same, along with the justification. The declaration of the unit as unviable, as evidenced by the viability study, should have the approval of the next higher authority/ present sanctioning authority for both micro and small units. In case such a unit is declared unviable, an opportunity should be given to the unit to present the case before the next higher authority. The modalities for presenting the case to the next higher authority may be worked out by the banks in terms of their Board approved policies in this regard. The next higher authority should take such decision only after giving an opportunity to the promoters of the unit to present their case. For sick units declared unviable, with credit facilities of Rs. 1 crore and above, a Committee approach may be adopted. A Committee comprising of senior officials of the bank may examine such proposals. This is expected to improve the quality of decisions as collective wisdom of the members shall be utilized, especially while taking decision on rehabilitation proposals. The final decision should be communicated to the promoters in writing. The above process should be completed in a time bound manner and should not take more than 3 months.

Q.38. What are the RBI guidelines on One Time Settlement scheme(OTS) for MSEs for settlement of their NPAs?

Scheduled commercial banks have been advised in terms of our circular RPCD.SME&NFS. BC.No.102/06.04.01/2008-09 dated May 4, 2009 to put in place a non -discretionary One time Settlement scheme duly approved by their Boards. The banks have also been advised to give adequate publicity to their OTS policies. (Refer circular RPCD.SME&NFS. BC.No.102/06.04.01/2008-09 dated May 4, 2009)

Q.39. Apart from the loans and other banking facilities, do the banks provide any guidance to MSE entrepreneurs?

Banks provide following services to the MSE entrepreneurs:

Rural Self Employment Training Institutes (RSETIs)

At the initiative of the Ministry of Rural Development (MoRD), Rural Self Employment Training Institutes (RSETIs) have been set up by various banks all over the country. These RSETIs are managed by banks with active co-operation from the Government of India and State Governments. RSETIs conduct various short duration (ranging preferably from 1 to 6 weeks) skill upgradation programmes to help the existing entrepreneurs compete in this ever-changing global market. RSETIs ensure that a list of candidates trained by them is sent to all bank branches of the area and co-ordinate with them for grant of financial assistance under any Govt. sponsored scheme or direct lending.

Financial Literacy and consultancy support:

Banks have been advised to either separately set up special cells at their branches, or vertically integrate this function in the Financial Literacy Centres (FLCs) set up by them, as per their comparative advantage. Through these FLCs, banks provide assistance to the MSE entrepreneurs in regard to financial literacy, operational skills, including accounting and finance, business planning etc. (Refer circular [RPCD.MSME & NFS.BC.No.20/06.02.31/2012-13 dated August 1, 2012](#))

Further, with a view to providing a guide for the new entrepreneurs in this sector, a booklet titled "Nurturing Dreams, Empowering Enterprises – Financing needs of

Micro and Small Enterprises – A guide” has been launched on August 6, 2013 by the Reserve Bank. The booklet has been placed on our website www.rbi.org.in under the following path & URL:

RBI main page – Financial Education – Downloads – For Entrepreneurs (<http://rbi.org.in/financialeducation/FinancialEnterprenure.aspx>)

Q.40. Can the MSE borrowers get collateral free loans from banks?

In terms of RBI circular [RPCD.SME&NFS.BC.No.79/06.02.31/2009-10 dated May 6, 2010](#), banks are mandated not to accept collateral security in the case of loans upto Rs 10 lakh extended to units in the MSE sector. Further, in terms of RBI circular [RPCD/PLNFS/BC.No.39/06.02.80/2002-04 dated November 3, 2003](#), banks may, on the basis of good track record and financial position of MSE units, increase the limit of dispensation of collateral requirement for loans up to Rs.25 lakh with the approval of the appropriate authority.

All scheduled commercial banks that are public/private sector banks and RRbs/NSIC/SIDBI/NETFI are the member lending institutions. (MLI) List of banks offering loans is mentioned below;

List of Bank's MSME Care Centres

1. Allahabad Bank	2. Bank of Baroda
3. O.B.C.	4. Andhra Bank
5. State Bank of Bikaner & Jaipur	6. State Bank of Hyderabad
7. Bank of India	8. Bank of Maharashtra
9. State Bank of Travancore	10. Canara Bank
11. Dena Bank	12. Indian Bank
13. I.O.B.	14. Punjab & Sind Bank
15. P.N.B.	16. Syndicate Bank
17. UCO Bank	18. Union Bank of India
19. United Bank of India	20. Vijaya Bank
21. State Bank of Mysore	22. Corporation Bank
23. I.D.B.I.	24. State Bank of Patiala
25. State Bank of India	26. Central Bank of India
27. State Bank of Indore	

Links of State Level Bankers' Committees contact address

1. SLBC Rajasthan	2. SLBC Bihar
3. SLBC U.P.	4. SLBC Orissa
5. SLBC Andhra Pradesh	6. SLBC J&K
7. SLBC Gujarat	8. SLBC West Bengal
9. SLBC Kerala	10. SLBC Jharkhand
11. SLBC Himachal Pradesh	

Q.41. Does the Ministry have any data bank for micro, small and medium enterprises?

For facilitating the promotion and development and enhancing the competitiveness of MSMEs the Ministry of MSME, vide Gazette Notification No. 750€ dated

29.07.2016 had notified the MSME Development (Furnishing of information rules, 2016) under which all MSMEs are to furnish information relating to their enterprises online to the Central Government in the data bank maintained by it www.msmedatabank.in. this data bank will enable Ministry of MSME to streamline and monitor the schemes and pass on the benefits directly to MSMEs. It will also provide the real-time information about the status of MSMEs under various parameters. Data Bank is helpful to MSME units, who can now update their enterprise information as and when required without visiting any government office and also update information about their products/services, which can be accessed by government departments to do procurement under Public Procurement Policy of Government of India.

Q.42. How does Micro, small and medium enterprises get register?

This Ministry has notified Udyog Aadhaar Memorandum (UAM), a one page online registration system for MSMEs based on self-certification since 18th September 2015. Revised notifications were issued on 10.01.2017 and 30.06.2017 for inclusion of new features including amendment provision. This is a path breaking step to promote ease-of-doing-business for MSMEs in India as the UAM replaces the filing of Entrepreneurs' Memorandum (EM part-I & II). The entrepreneurs in the MSME sector just need to file online, a simple one-page UAM on <http://udyogaadhaar.gov.in> to instantly get a unique Udyog Aadhaar Number (UAN). The information sought is on self-certification basis and no supporting documents are required at the time of online filing of UAM.

Q.43 Does the Ministry have any specific programme for the welfare of Scheduled Caste and Scheduled Tribe entrepreneurs?

Ministry of MSME is implementing a scheme titled 'National Schedule Caste and Schedule Tribes (SC/ST) Hub'. This Hub was launched by the Hon'ble Prime Minister on 18.10.2016 in Ludhiana. The scheme is being implemented through National Small Industries Corporation Ltd. (NSIC), a PSU under this Ministry. The Hub is set up to provide professional support to SC/ST entrepreneurs to fulfil the obligations under the Central Government Public Procurement Policy for Micro and Small Enterprises Order 2012, adopt applicable business practices and leverage the Stand up India initiatives. The functions of Hub include collection, collation and dissemination of information regarding SC/ST enterprises and entrepreneurs, capacity building among existing and prospective SC/ST entrepreneurs through skill training and EDPs, vendor development involving CPSEs, NSIC, MSME-DIs and industry associations including Dalit Indian Chamber of Commerce and Industry (DICC), promoting participation of SC/ST entrepreneurs in exhibitions and organising special exhibitions for this purpose, facilitating SC/ST entrepreneurs participating in public procurement and monitoring the progress, etc. Four Schemes have approved under National SC/ST Hub namely (a) subsidy for SC/ST enterprises to obtain Single Point Registration Scheme (b) Special Marketing Assistance Scheme (SMAS) to provide marketing support to SC/ST owned MSMEs and (c) Subsidy for Performance & Credit Rating Scheme (SPCRS) for SC/ST enterprises and (d) Special Credit Linked Capital Subsidy Scheme.