



सत्यमेव जयते



सूक्ष्म, लघु एवं मध्यम उद्यम

विकास आयुक्त का कार्यालय  
(सूक्ष्म, लघु एवं मध्यम उद्यम)  
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Dated the 10<sup>th</sup> May, 2010

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OFFICE MEMORANDUM

**Subject: Continuation of "Entrepreneurship Development Programmes ( IMC / EDP/ ESDP / MDP) under Promotional Services Institutions and Programmes" scheme during XI Plan.**

The Government of India is pleased to convey the continuation of the "Entrepreneurship Development Programmes ( IMC / EDP/ ESDP / MDP) under Promotional Services Institutions and Programmes" scheme with the additional component of providing training aids, during the XI Plan (2007-12). Copy of the Scheme is enclosed.

Encl: As above

(Dr. Sunita Chhibba)  
Addl. Development Commissioner (MSME)

To

1. The Secretary (MSME), All State Governments / UTs
2. Commissioner and Director of Industries, All State Governments / UTs.
3. The Directors, MSME Development Institutes/MSME Testing Centres.

Copy to:

1. Addl. Secretary and Financial Adviser, Ministry of MSME, Udyog Bhavan, New Delhi.
2. The Director of Audit and Civil Services Ministries, AGCR Bldg., I.P. Estate, New Delhi.
3. The Chief Controller of Accounts, Ministry of MSME, Udyog Bhavan, New Delhi.
4. The Pay & Accounts Officers (MSME), New Delhi, Chennai, Mumbai, Kolkata.
5. P.S. to the Minister of State (Independent charge), Ministry of MSME, Udyog Bhavan, New Delhi.
6. Sr. PPS to Secretary (MSME)
7. ADC&EA/ADC (SS)/EA(MPS)/JDC(HSM)/JDC(AB)/JDC(DP)/Addl. EA (NN)
8. All Directors/Head of Divisions in the office of DC (MSME)
9. JS (PK)/JS (SKP)/All officers – Dy. Secretary and above in the Ministry of MSME.



(Dr. Sunita Chhibba)  
Addl. Development Commissioner (MSME)

No. 5(35) / 2006 E&T  
Office of the Development Commissioner (MSME)  
Ministry of Micro, Small & Medium Enterprises  
Nirman Bhawan, New Delhi.

Guidelines of the Scheme “Entrepreneurship Development Programmes ( IMC / EDP/ ESDP / MDP)” under “Promotional Services Institutions and Programmes”

**A. Background**

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

The Ministry of Micro, Small and Medium Enterprises (M/o MSME) promotes the development of micro and small enterprises in the country with the objective of creating self-employment opportunities and upgrading the relevant skills of existing and potential entrepreneurs. In order to promote establishment of new enterprises and creation of new entrepreneurs, M/o MSME has been implementing various schemes and programmes.

Entrepreneurship Development is one of the key elements for promotion of micro and small enterprises, particularly, the first generation entrepreneurs. Entrepreneurship, and resultant creation of employment and wealth, is a major mean for inclusive development. Hence, entrepreneurship development has been one of the priorities in countries, the world over.

The Office of DC (MSME) conducts a large number of vocational and entrepreneurship development programmes. While vocational training is implemented by various Departments of the Government, the responsibility of entrepreneurship development lies largely with this office. The Entrepreneurship Development Programmes (EDPs) are conducted through MSME-DIs, with focus on entrepreneurial development coupled with

specific skills relating to trades like electronics, electrical, food processing, etc, which enables the trainees to start their own ventures. The programmes covered include the following:

1. Industrial Motivation Campaigns (IMCs)
2. Entrepreneurship Development Programmes (EDPs)
3. Entrepreneurship Skill Development Programme (ESDPs)
4. Management Development Programmes (MDPs)

These programmes are of short duration and the curriculum is designed based on the needs of the industry and are customized, if required by the clients. 20% of the targeted EDP and ESDP of the duration of 2 weeks and 6 weeks respectively, are conducted exclusively for the weaker sections of the Society (SC /ST/Women/Physically Handicapped), for which no fee is charged. Besides, a stipend of Rs.125/-per week per candidate is provided.

The Scheme is an ongoing one and is being continued for the 11<sup>th</sup> Plan period.

#### **B. Assistance under the Scheme**

The details of the programmes under the scheme and the scale of assistance to be provided to MSME-DIs are at para-F.

The course contents of the Entrepreneurship Development Programmes are designed to provide useful information on product/process design, manufacturing practices involved, testing and quality control, selection and usage of appropriate machinery and equipments, project profile preparation, marketing avenues/techniques, product/service pricing, export opportunities, infrastructure facilities available, finance and financial institutions, cash flow, etc.

Courses conducted under ESDPs are in Machine Shop Practice, Heat Treatments, Electroplating, Sheet metal, Welding, Tool & Die Making, Glass & Ceramics, Industrial & Art Wares, Herbal Cosmetics, Fashion Garments, Hosiery, Food & Fruit Processing Industries, Information Technology, Hardware Maintenance, Soap and Detergents, Leather Products/Novelties, Servicing of Household Electrical Appliances and Electronic Gadgets, Gem Cutting & Polishing, Engineering Plastics, Tour operators, Mobile repairing, Beautician etc.

Courses conducted under MDPs are in Industrial Management, Human Resource Management, Marketing Management, Export Management & Documentation, Materials Management, Financial Management, Information Technology & Exports, ISO 9000, WTO, IPR etc.

5% of annual budget under the Scheme will be utilised for providing training aids, equipments and other related infrastructure to strengthen the quality of training activities in the MSME DIs and its Branch Institutes. Allocations under training aids will be demand based for items like LCD projectors, White Boards, P A system etc.

### **C. Procedure for selection of candidates**

The applications are invited from the candidates through advertisement in Newspapers and websites of office of DC (MSME) as well as MSME-DIs. Selection Committees at MSME-DIs select the candidates taking into considerations their qualification, past experience and suitability for the course. The minimum age of the candidate is 18 years and there is no upper age limit. The qualification for the participant for a particular programme is mentioned in the advertisement taking into consideration the subject of the training programme. Preference is given to the candidates from weaker sections (SC/ST/Women/Physically Handicapped).

### **D. Implementation of the Scheme**

The Scheme is implemented through MSME-DIs and Branch MSME-DIs. The process of implementation of the Scheme will be as follows:

- i) In the beginning of every year tentative targets for the various training programmes under the scheme shall be allotted by the office of DC(MSME) to MSME-DIs as per norms decided on the basis of working age population of the state as well as staff strength and past performance of the MSME-DI. The targets may be further modified keeping in view the performance of the MSME-DI, local demand etc.
- ii) Director of MSME-DIs shall decide topic, location, and schedule for conducting each training programme in consultation with the officers of MSME – DI and stakeholders.
- iii) The complete training calendar for each MSME-DIs shall be uploaded in the website of each MSME-DIs in the beginning of the year in the following format.

Date	Programme /Topic of training	Duration	Target group	Eligibility Criteria	Course Fee	Venue (place & district)	Name of Nodal Officer	Name of Resource person
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- iv) Director of the MSME-DIs shall nominate appropriate number of officers as nodal officers for conducting the training programmes.
- v) Each nodal officer may be given the targets for conducting training programmes grouped on the basis of topic or location. The nodal officer shall plan in consultation with the Director, the venue, the target group and the dates for conducting the programs.
- vi) The nodal officer shall also identify appropriate faculty/ guest speakers for each programme keeping in view the expertise required and available.
- vii) Guest faculty means outside faculty other than MSME-DIs / Ministry of MSME officials with special knowledge in particular topics. The guest faculty will be provided honorarium for delivering the lecture / demonstration of Rs.500/- for the session of one and half hrs. for EDP/ESDP and IMC and Rs.700/- for MDP. A particular guest faculty cannot be given more than 30% of the total lectures in a programme. The faculty invited for inaugural / valedictory function will not be given honorarium.
- viii) Course material shall be provided to the participants for their future reference.
- ix) Stipend to the participants of stipendiary programmes: 20 % of the total targeted EDP/ESDPs will be conducted exclusively for weaker sections of the society i.e. (SC/ST/women and PH) with a stipend of Rs.125/- per week per candidate. The stipend will be given to those candidates who have at least 80% attendance and have been given certificate. Candidates absent during some of the training days, but otherwise eligible, will get pro-rata stipend.
- x) The final Bills for the training programmes shall be submitted positively within 15 days of completion of the programmes.
- x) In the website of every MSME-DI, a feedback window shall be opened, where the participants of the training programme and the other stakeholders may post their comments on the training programmes organised. The Director/Nodal Officer shall be responsible for monitoring the feedback received and take appropriate action on the same. An action taken report of the feedback received shall be forwarded by the

Directors of the Institutes to the Headquarter every month with the progress report of the training programme.

Month	No. of pending feedbacks b/f	Number of feedbacks received during the month	Number disposed	Number pending
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### **E. Monitoring/Evaluation**

The progress on training programme will be monitored on monthly basis. Each MSME-DIs will send monthly progress report to Director/DD In-charge of Skill Development Programme in Office of DC(MSME) in the prescribed format and he will monitor/evaluate the progress / effectiveness of the training programmes.

### **F. Details of Training Programmes (IMC, EDP, ESDP & MDP )**

MSME-DIs, organize number of training programmes to train potential entrepreneurs in improving their techno/managerial knowledge and skill with a view to facilitate them to establish MSEs in various fields. The training programmes conducted are:

1. Industrial Motivation Campaigns (IMCs)
2. Entrepreneurship Development Programmes (EDPs)
3. Entrepreneurship Skill Development Programmes (ESDPs)
4. Management Development Programmes (MDPs)

#### **F.1.INDUSTRIAL MOTIVATION CAMPAIGNS**

Industrial Motivation Campaigns are organized to identify and motivate traditional / non-traditional entrepreneurs having potential for setting up MSEs so as to lead them towards self-employment. The programme outlines are as follows -

1. AGENCY : These programmes are conducted by MSME- DIs.
2. DURATION : One day.
3. INTAKE CAPACITY: No limit.
4. TRAINING FEE: No Fee .
5. MAXIMUM EXPENDITURE: Rs.8000/-
6. AGE OF PARTICIPANTS 18 Years and above
7. QUALIFICATION: As decided by the Director of the institute.

8. HONORARIUM TO GUEST SPEAKERS: Rs.500/-for a session of 1hour 30 minutes.

## F.2. ENTREPRENEURSHIP DEVELOPMENT PROGRAMMES (EDP)

Entrepreneurship Development Programmes are being organized to nurture the talent of youth by enlightening them on various aspects of industrial activity required for setting up MSEs. These EDPs are generally conducted in ITIs, Polytechnics and other technical institutions, where skill is available to motivate them towards self-employment.

20 % of the total targets of EDPs are conducted exclusively for weaker sections of the society i.e. (SC/ST/women and PH) with a stipend of Rs.125/- per week per candidate. No fee is charged from the SC, ST, women and PH candidates under these programmes.

The course contents of the Entrepreneurship Development Programmes are designed to provide useful information on product/process design, manufacturing practices involved, testing and quality control, selection and usage of appropriate machinery and equipments, project profile preparation, marketing avenues/techniques, product/service pricing, export opportunities, infrastructure facilities available, finance and financial institutions, cash flow, etc. The programme outlines are as follows -

1. AGENCY: These training programmes are conducted by MSME-DIs.
2. DURATION : 2 weeks
3. MINIMUM INTAKE CAPACITY: 20
4. TRAINING FEE (Minimum) :(1) Rs.100/-for general candidates .  
( 2) No fees for SC / ST and 50% fee from women and Physically Handicapped).
5. MAXIMUM EXPENDITURE : Rs.20,000/-
6. AGE OF PARTICIPANTS: 18 Years and above
7. QUALIFICATION : As decided by the Director of the institute.
8. HONORARIUM TO GUEST SPEAKERS : Rs.500/-for a session of 1hour 30 minutes.

## F.3. ENTREPRENEURSHIP SKILL DEVELOPMENT PROGRAMME (ESDP)

Comprehensive training programmes are organized to upgrade skills of prospective entrepreneurs, existing workforce and also develop skills of new workers and technicians of

MSEs by organising various technical cum skill development training programmes with the basic objective of providing training for their skill up gradation and to equip them with better and improved technological skills of production. The specific tailor made programmes for the skill development of socially disadvantaged groups (OBC, SC, ST, Minorities and women ) are organized in various regions of the states , including the less developed areas. The target group for these programmes are SC, ST, OBC, women, minorities and other weaker sections.

Courses conducted are in Machine Shop Practice, Heat Treatments, Electroplating, Sheet metal, Welding, Tool & Die Making, Glass & Ceramics, Industrial & Art Wares, Herbal Cosmetics, Fashion Garments, Hosiery, Food & Fruit Processing Industries, Information Technology, Hardware Maintenance, Soap and Detergents, Leather Products/Novelties, Servicing of Household Electrical Appliances and Electronic Gadgets, Gem Cutting & Polishing, Engineering Plastics etc.

20 % of the total targeted ESDPs are conducted exclusively for weaker sections of the society i.e. (SC/ST/women and PH) with a stipend of Rs.125/- per week per candidate.. No fee is charged from the candidates under these programmes. The programme outlines are as follows -

1. AGENCY: These programmes are conducted by MSME-DIs.
2. DURATION : 6 weeks
3. MINIMUM INTAKE : 20 nos. in each Programme
4. MAXIMUM EXPENDITURE : Rs.60,000/-
5. AGE OF PARTICIPANTS : 18 Years and above
6. QUALIFICATION : As decided by the Director of the institute.
7. HONORARIUM TO GUEST SPEAKERS: Rs.500/-for a session of 1 hour 30 minutes.
8. TRAINING FEE : (1)Rs.200/- for general candidates,  
( 2) No fees for SC / ST and 50% fee from women and Physically Handicapped.

## F.5. MANAGEMENT DEVELOPMENT PROGRAMMES ( MDP)

The objective of imparting training on management practice system is to improve their decision-making capabilities resulting in higher productivity and profitability of existing & potential entrepreneurs and developing new enterprises. Inputs on a variety of topics of managerial functions are provided to the participants by experts, which aims at dissemination of knowledge of scientific/modern management techniques /practices.

Management Training course on various areas of industrial management are devised for owner-cum-manager and supervisory level personnel of small scale industries. These training programmes are designed keeping in view the demands of the area and the local requirements of the industries. The nature of target groups and its profile determines the course content to be made in order to make them suitable for contemporary managerial practices which may be used by MSMEs executives for attaining desired strength of managerial action. The various topics covered under these training programmes pertain to various Management functions like Industrial Management, Human Resource Management, Marketing Management, Export Management & Documentation, Materials Management, Financial Management, Information Technology & Exports, ISO 9000, WTO, IPR etc.

1. AGENCY: These programmes are conducted by MSME- DIs
2. DURATION : One Week for full time and two weeks for part time.
3. MINIMUM INTAKE : 20 nos.
4. TRAINING FEE: (1) Rs.400/- for general candidates,  
( 2) No fees for SC / ST and 50% fee from  
women and Physically Handicapped  
(3) Rs. 100/- for candidates from Andaman & Nicobar,  
Lakshadweep, N E States, J&K and Sikkim,
5. MAXIMUM EXPENDITURE: Rs.20,000/-
6. AGE OF PARTICIPANTS : 18 Years and above
7. QUALIFICATION: As decided by the Director of the institute.
8. HONORARIUM TO GUEST SPEAKER: Rs.700/-for a session of 1 hour 30  
minutes.