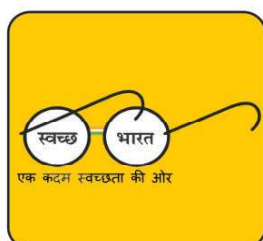


Annual Report 2016-17



Government of India
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES
Website : msme.gov.in



Annual Report

2016-17

Government of India
Ministry of Micro, Small and Medium Enterprises
Udyog Bhavan, New Delhi – 110011
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Acronyms

Abbreviation	Full Form
MSME	Micro, Small and Medium Enterprises
AABY	Aam Admi Bima Yojana
ARI	Agro & Rural Industry Wing
ASPIRE	A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship
BI	Business Incubators
BPL	Below Poverty Line
CCA	Carbon Credit Aggregation Centres
CDC	Common Display Centres
CSO	Central Statistics Office
CUY	Coir Udyami Yojana
DC (MSME)	Office of the Development Commissioner
DICs	District Industries Centres
DPR	Detailed Project Report
EC	Economic Census
EET	Energy Efficient Technologies
EM-II	Entrepreneur Memorandum Part-II
ESDP	Entrepreneurship Skill Development Programmes
GDP	Gross Domestic Product
ICT	Information and Communication Technology
IIT	Indian Institutes of Technology
IPFC	Intellectual Property Facilitation Centres
ISEC	Interest Subsidy Eligibility Certificate
KVIC	Khadi Village Industries Commission
LIC	Life Insurance Corporation of India
MDA	Market Development Assistance
MFI	Micro Finance Institution
MGIRI	Mahatma Gandhi Institute for Rural Industrialisation
MoSPI	Ministry of Statistics and Programme Implementation
MoU	Memorandum of Understanding

Abbreviation	Full Form
MSE-CDP	Scheme for Micro & Small Enterprises Cluster Development Programme
MSMED Act	Micro, Small and Medium Enterprises Development Act
NBMSME	National Board for Micro, Small and Medium Enterprises
NER	Nort-East Region
NGOs	Non-Government organizations
NID	National Institute of Design
NI-MSME	National Institute for Micro, Small and Medium Enterprises
NIT	National Institutes of Technology
NSIC	National Small Industries Corporation
OBCs	Other Backward Classes
PMAC	Project Monitoring & Advisory Committee
PMEGP	Prime Minister's Employment Generation Programme
PPP	Public Private Partnership
PRI	Panchayati Raj institutions
QCI	Quality Council of India
RBI	Reserve Bank of India
REBTI	Rural Engineering & Bio Technology Industry
SC	Scheduled Caste
SEBI	Securities and Exchange Board of India
SFURTI	Scheme of Fund for Regeneration of Traditional Industries
SMAS	Special Marketing Scheme
SME	Small & Medium Enterprises
SPV	Special Purpose Vehicles
SSPRS	Subsidy of Single Point Registration Scheme
ST	Scheduled Tribe
TEQUP	Technology and quality upgradation
TREAD	Trade Related Entrepreneurship Assistance and Development
UAM	Udyog Aadhaar Memorandum



Introduction



The Prime Minister, Shri Narendra Modi addressing at the National MSME Awards ceremony, at Punjab Agricultural University (PAU), in Ludhiana on October 18, 2016. The Governor of Punjab and Administrator of Chandigarh, Shri V.P. Singh Badnore, the Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra, the Minister of State for Micro, Small and Medium Enterprises, Shri Haribhai Parthibhai Chaudhary and the Minister of State for Social Justice & Empowerment, Shri Vijay Sampla are also seen.

1.1 Background

- 1.1.1 The Micro, Small and Medium Enterprises (MSME) sector has emerged as a vibrant and dynamic sector of the Indian economy. MSMEs play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries. MSMEs are complementary to large industries as ancillary units and this sector contributes significantly to the socio-economic development of the country. The details concerning the growth and performance of MSMEs in the country are provided in paragraph 1.4.
- 1.1.2 Ministry of Micro, Small & Medium Enterprises (M/o MSME) envisions a vibrant MSME sector by promoting growth and development of the MSME Sector, including Khadi, Village and Coir Industries, in cooperation with concerned Ministries/Departments, State Governments and other Stakeholders, through providing support to existing enterprises and encouraging creation of new enterprises. An overview of the sector as well as the detailed list of policy initiatives of the Ministry are provided in Chapter 2. The organization chart of the Ministry is provided in paragraph 1.3.7.
- 1.1.3 The Ministry of MSME runs schemes aimed at financial assistance, technology assistance and

upgradation, enhancing competitiveness and market development of MSMEs. A detailed list of schemes is provided in Chapter 3.

- 1.1.4 A number of statutory and non-statutory bodies work under the aegis of the Ministry of MSME. These include the Khadi Village Industries Commission (KVIC) and the Coir Board. Details about the mandate and performance of these bodies are provided in Chapter 4.
- 1.1.5 The Ministry is also committed towards an agenda of inclusive development, and has taken various initiatives and measures to ensure that demographically as well as geographically weaker sections benefit from its work. Details of such initiatives have been provided in Chapter 5.

1.2 Mandate of the Ministry of MSME

- 1.2.1 On 9 May 2007, the erstwhile Ministry of Small Scale Industries and the Ministry of Agro and Rural Industries were merged to form the Ministry of Micro, Small and Medium Enterprises (MSME). The Ministry designs policies and promotes\ facilitates programmes, projects and schemes and monitors their implementation with a view to assisting MSMEs and helps them to scale up.
- 1.2.2 The Micro, Small and Medium Enterprises Development (MSMED) Act was notified in 2006 to address different issues affecting MSMEs (inter alia) the coverage and investment ceiling of the sector. The MSMED Act seeks to facilitate the development of these enterprises as also enhance their competitiveness. The MSMED Act has the following key provisions:
 - Establishment of a National Board for Micro Small and Medium Enterprises headed by the Minister for MSMEs. The Board's role is to examine the factors affecting the promotion and development of MSMEs , review the policies and programmes of the Central Government and make recommendations in regard to facilitating the promotion and development and enhancing their competitiveness.
 - It provides the first-ever legal framework for recognition of the concept of "enterprise" which comprises both manufacturing and service entities. It defines medium enterprises for the first time and seeks to integrate the three tiers of these enterprises, namely, micro, small and medium.
 - It provides for the filing of Memorandum for Enterprises.
 - It empowers the Central Government to undertake programmes and issue guidelines and instructions to develop and enhance the competitiveness of MSMEs.
- 1.2.3 The primary responsibility of promotion and development of MSMEs is of the State Governments. However, the Government of India, supplements efforts of the State Governments through various initiatives. The role of the Ministry of MSME and its organisations is to assist the States in their efforts to encourage entrepreneurship, employment and livelihood opportunities and enhance the competitiveness of MSMEs in the changed economic scenario.

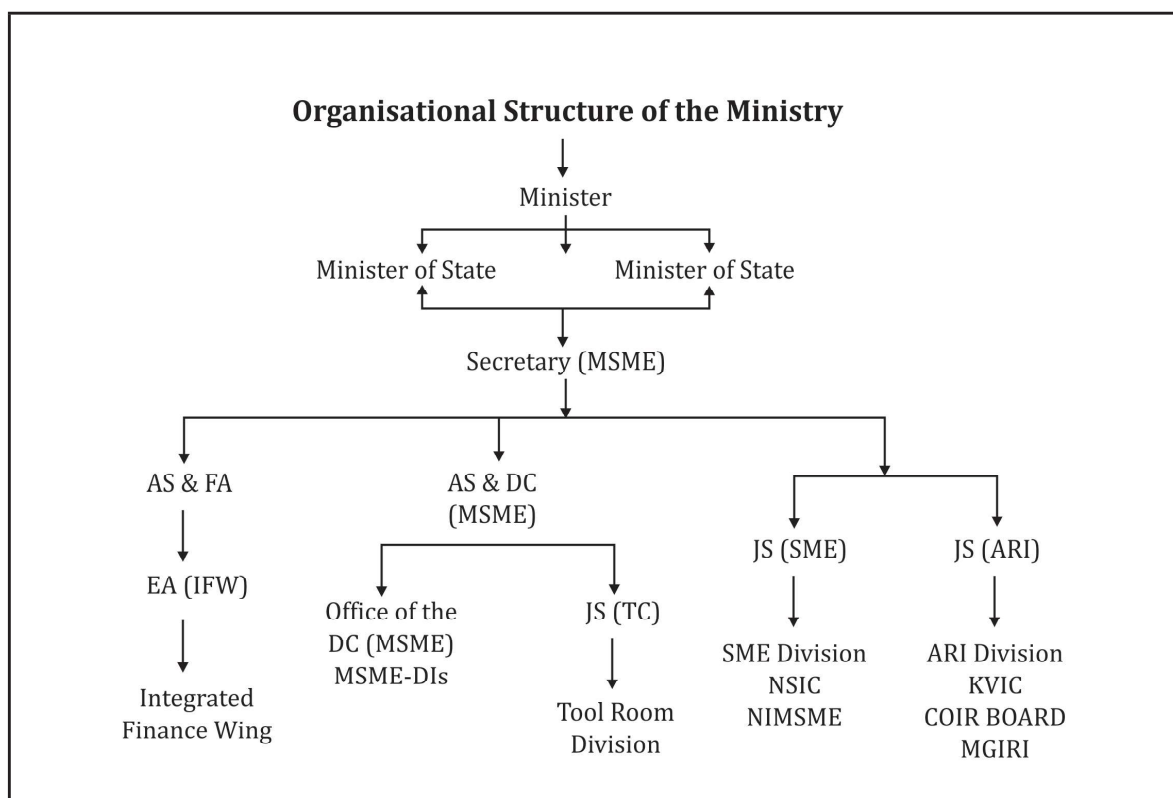
Introduction

1.3 Organisational structure

- 1.3.1 The Ministry of MSME has two Divisions called Small & Medium Enterprises (SME) Wing and Agro & Rural Industry (ARI) Wing, besides Office of the Development Commissioner (MSME) and other organisations.
- 1.3.2 **SME Division** - The SME Division is allocated the work, inter-alia, of administration, vigilance and administrative supervision of the National Small Industries Corporation (NSIC) Ltd., a central public sector enterprise and National Institute of Micro, Small and Medium Enterprise (NIMSME) an autonomous national level entrepreneurship development\training organisations. The Wing is also responsible for implementation of the schemes relating to Performance and Credit Rating and Assistance to Training Institutions, among others.
- 1.3.3 **ARI Division** - The ARI Division looks after the administration of two statutory bodies - the Khadi and Village Industries Commission (KVIC), Coir Board and the Mahatma Gandhi Institute for Rural Industrialisation (MGIRI). It also supervises the implementation of the Prime Minister's Employment Generation Programme (PMEGP), the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) and A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship (ASPIRE).
- 1.3.4 **Office of the Development Commissioner** - The Development Commissioner implements the policies and various programmes\ schemes for providing infrastructure and support services to MSMEs. The Office of the Development Commissioner {O\o DC (MSME)} is an attached office of the Ministry. The Office of the DC is headed by the Additional Secretary & Development Commissioner (MSME). It functions through a network of MSME-DIs, Regional Testing Centres, Footwear Training Institutes, Production Centres, Field Testing Stations and specialized institutes. It renders services such as:
- Advising the Government in Policy formulation for the promotion and development of MSMEs.
 - Providing techno-economic and managerial consultancy, common facilities and extension services to MSME units.
 - Providing facilities for technology upgradation, modernization, quality improvement and infrastructure.
 - Developing Human Resources through training and skill upgradation.
 - Providing economic information services.
- 1.3.5 Other important implementing agencies are the National Small Industries Corporation (NSIC), Khadi and Village Industries Commission (KVIC), the Coir Board, and one training institute viz., National Institute for Micro, Small and Medium Enterprises (NI-MSME); Hyderabad and Mahatma Gandhi Institute for Rural Industrialization (MGIRI), Wardha a society registered under Societies Registration Act, 1860.
- 1.3.6 The National Board for Micro, Small and Medium Enterprises (NBMSME) was established by the Government under the Micro, Small and Medium Enterprises Development Act, 2006 and Rules made thereunder. It examines the factors affecting promotion and development

of MSMEs, reviews existing policies and programmes and makes recommendations to the Government in formulating the policies and programmes for the growth of MSMEs. Details of these organisations are provided in Chapter 4.

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



1.4. Growth and performance of MSMEs

1.4.1 One of the critical indicators to access the successful development of MSME Sector in an economy is the data on opening of new MSMEs; it depicts the conducive environment for opening and growth of such units in an economy as well as show the high morale of entrepreneurs in the macroeconomics of the economy.

1.4.2 Performance of Micro, Small & Medium Enterprises (MSME) Sector in the country is assessed mainly:

- a. By studying the report of the Economic Census conducted by the Central Statistics Office (6th Report of 2016).
- b. By conducting of periodic All India Census of the Sector. The last census was however conducted in 2005, and has been discontinued.
- c. By collecting the number of Entrepreneur Memorandum Part-II (EM-II) filled at DICs. (Replaced with Udyog Aadhaar online filing system since September, 2015).

Introduction

- 1.4.3 The CSO has published the results of the Sixth Economic Census in 2016. The final reports of Fourth All India Census of MSME covering both Registered and Unregistered Sectors are available on the website of Office of DC, MSME at following link <http://dcmsme.gov.in/data-stat.htm>.
- 1.4.4 As per the provisions of the Act, MSMEs file Entrepreneurs Memorandum (Part-I) at District Industries Centres (DICs) before starting an enterprise. After commencement of the project, the entrepreneur concerned files Entrepreneurs Memorandum (Part-II)\[EM-II]. Prior to enactment of the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act, 2006) there was a system of registration by small scale industrial units to the DICs. Since 2015, EM-II has been replaced by the Udyog Aadhaar Memorandum (UAM). Complete information about the UAM filings is available at: <http://udyogaadhaar.gov.in/UA/UdyogAadhar-New.aspx>. Complete information related to EM-II filings is provided at: <http://www.dcmsme.gov.in/publications/EMII-2014-15.pdf>.
- 1.4.5 Data from the Entrepreneur Memorandum Part II (EM-II) filed at DICs provides the following information about the growth and performance of MSMEs:
- Number of EM-II filed during 2007-08 in the DICs across the country was 1.73 lakh. This has increased continuously during 2007-08 to 2014-15. In 2014-15, the number of EM-II filings was 4.25 lakh (See Figure 1-1).
 - The annual growth in the number of EM-II filings was 11 percent from 2007-08 to 2011-12. In 2014-15, the growth rate increased to 17 percent.
 - Ten states account for 94 percent of all EM-IIIs filed between 2007-08 and 2014-15.
- 1.4.6 Since 2015, EM-II filings have been discontinued in favour of UAMs. A total of 21,96,902 EM-II filings had taken place between 2007 and 2015. By contrast, 22,40,463 UAM filings have already taken place since 2015. An analysis of the EM-II filings is helpful in comparing overall trends within the sector. Since UAM filings have been introduced recently, their analysis is helpful in highlighting the current status of the sector.
- 1.4.7 An analysis of the UAM filings shows the geographical spread of UAMs as uneven. Figure 1-3 shows the geographical distribution of UAMs across all Indian States and Union Territories. Table 1-1 highlights that the top five states constitute more than two-thirds of the UAM filings made, whereas the bottom ten states and UTs constitute approximately 0.1% of the UAM filings. Encouraging more equitable growth within the MSME sector therefore remains an important challenge for the Ministry, and various steps are being taken to address the same.
- 1.4.8 Figure 1-4 shows the distribution of Micro, Small and Medium enterprises within the total number of UAM filings. As can be seen, Micro industries constitute the vast majority of the enterprises who have filed UAMs since 2015, while Medium enterprises constitute a small proportion of the total UAMs filed. UAMs also collect information regarding the social category of owners of enterprises. Figure 1-5 shows the distribution of SCs\ STs and OBCs who have filed UAMs since 2015.

1.4.9 An analysis of UAM filings also provides a break-up of manufacturing and services MSMEs. It must be noted that the services MSMEs comprise a larger proportion of UAM filings than those involved in manufacturing. The break-up is provided in Figure 1-6.

1.4.10 It may therefore be noted that there is a progressive and healthy growth of the MSME sector that has resiliently withstood financial crisis and other shocks that have impacted the economy.

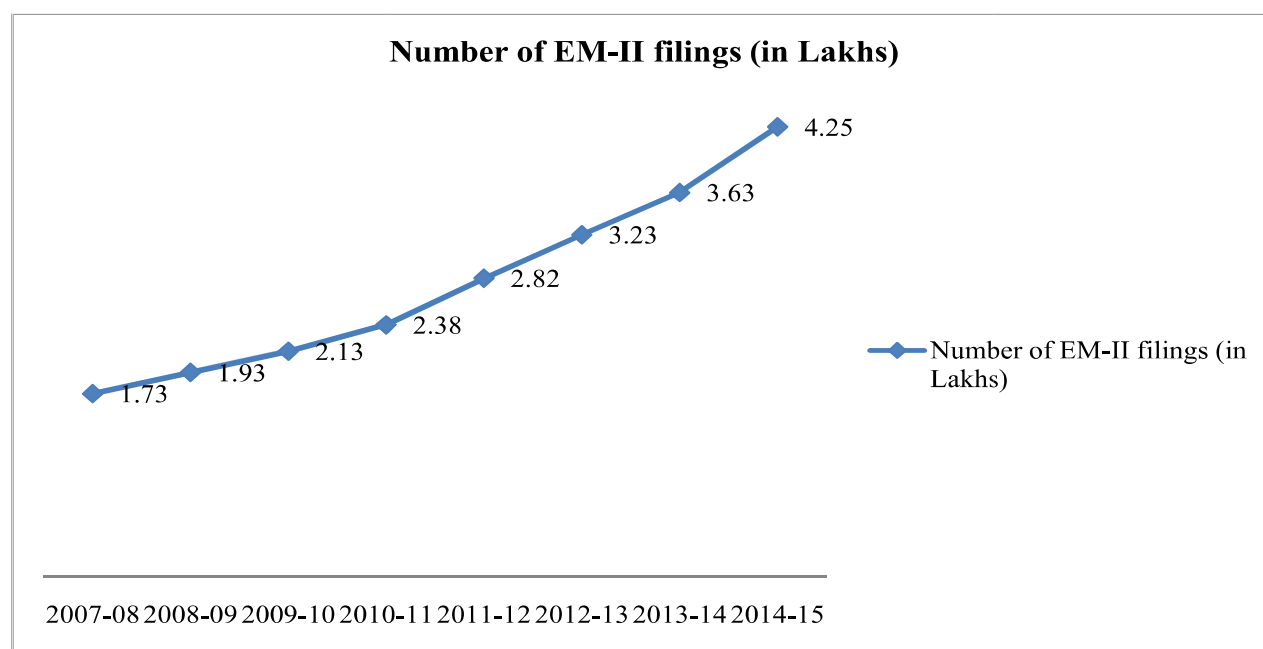


Figure 1-1: Number of EM-II Filings: 2007-08 to 2014-15

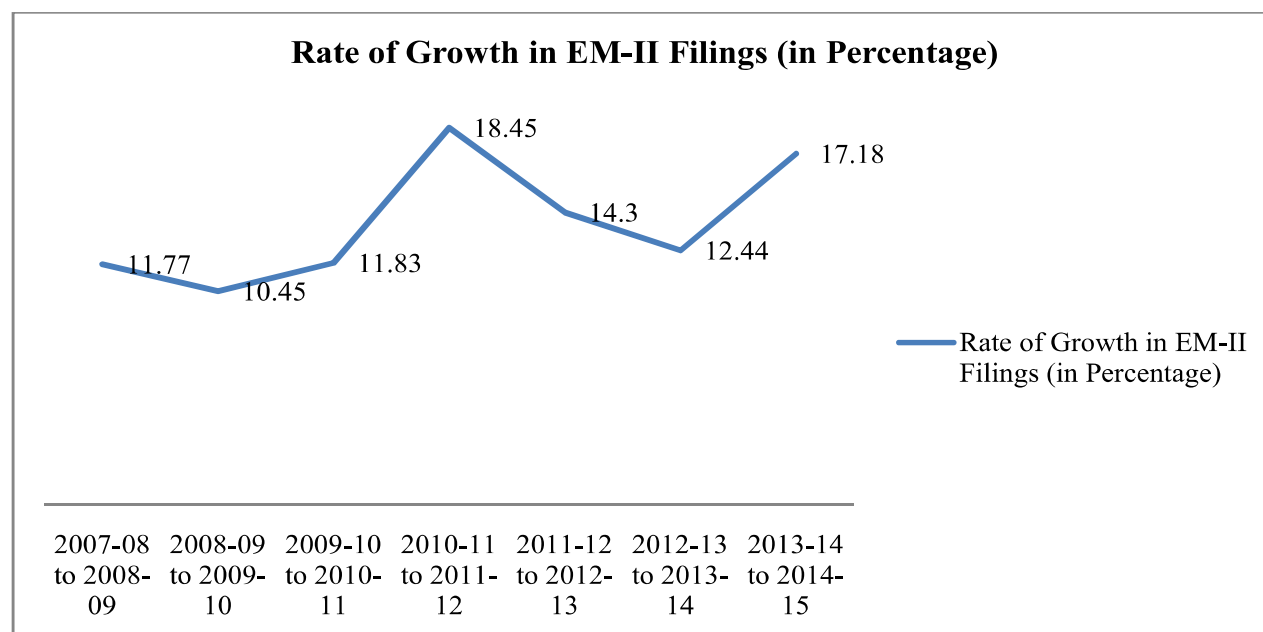


Figure 1-2: Rate of Growth in EM-II Filings 2007-08 to 2014-15

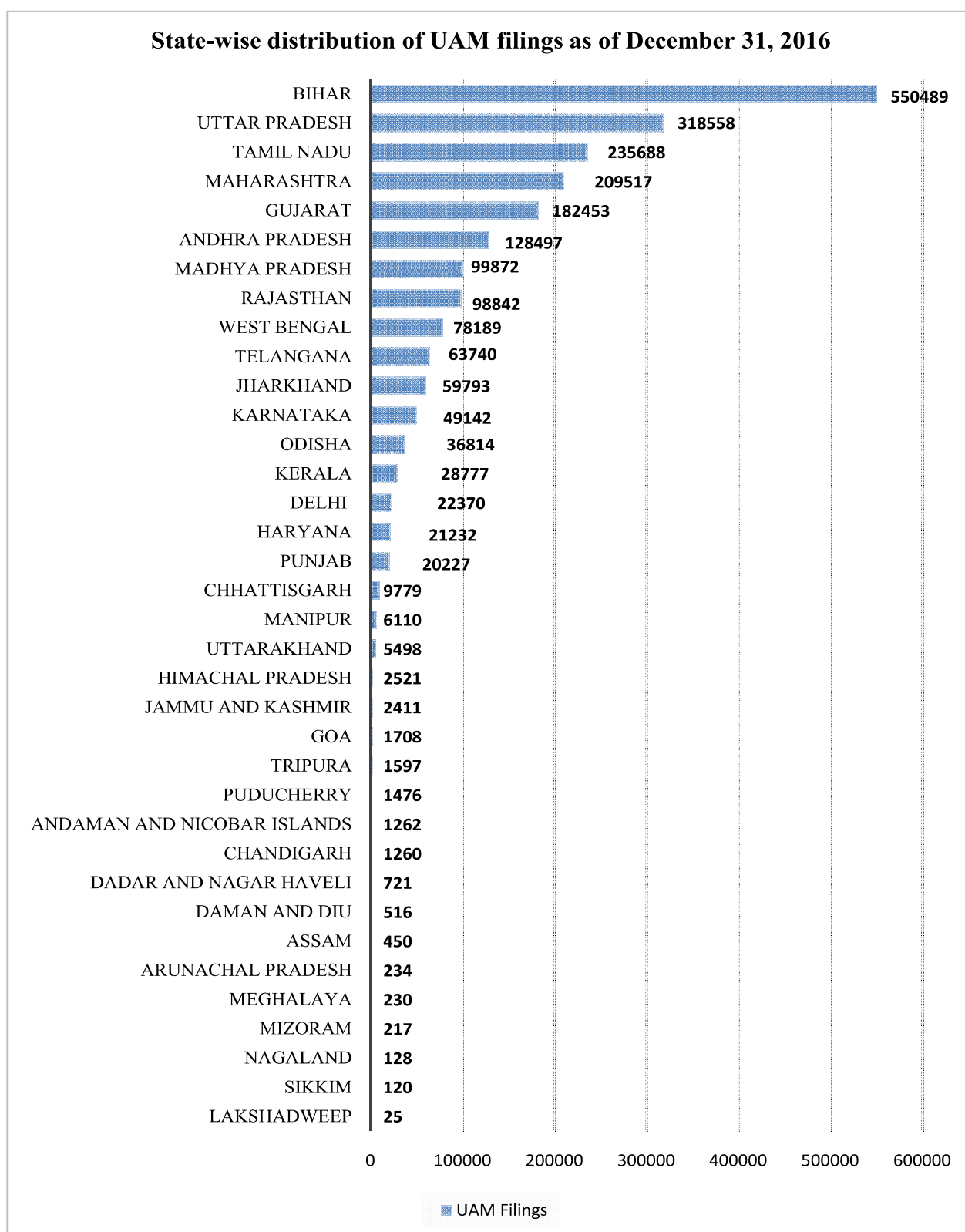
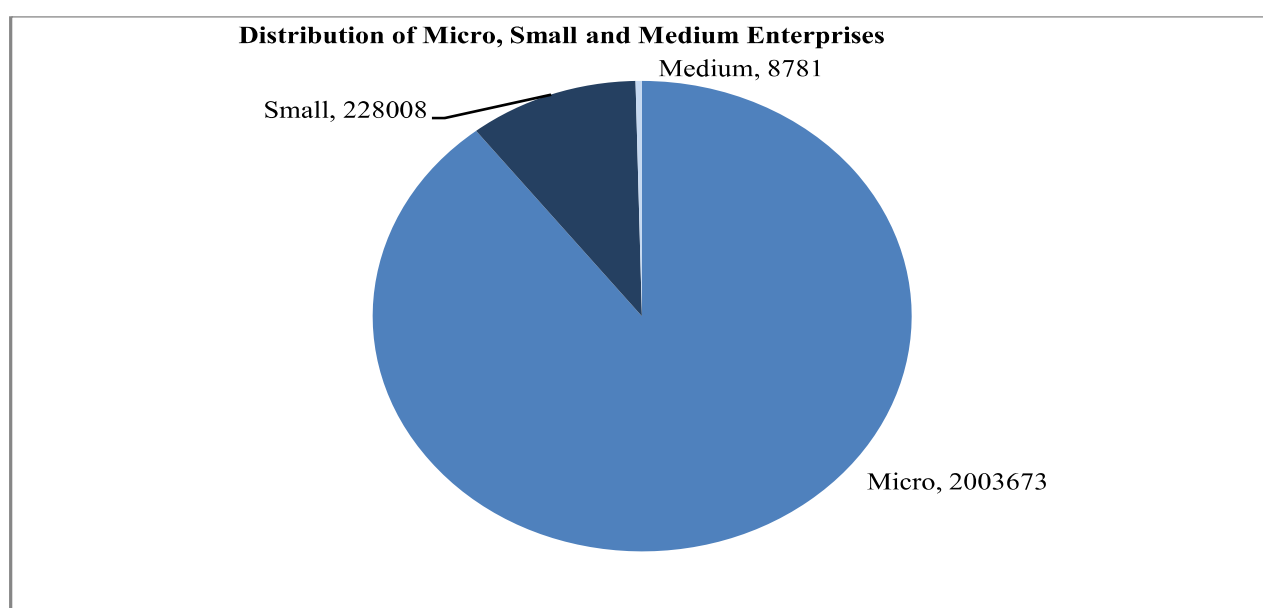


Figure 1-3: State-wise distribution of UAM filings

Table 1-1: Share of highest and lowest states in UAM filings (December 31, 2016)

List of top 5 states and UTs in terms of UAM filings		
S. No.	State\ UT	Percentage of total UAM filings
1.	Bihar	24.57
2.	Uttar Pradesh	14.22
3.	Tamil Nadu	10.52
4.	Maharashtra	9.35
5.	Gujarat	8.14
	Total	67.1%
List of bottom 10 states and UTs in terms of UAM filings		
1.	Chandigarh	0.06
2.	Dadar And Nagar Haveli	0.03
3.	Daman And Diu	0.02
4.	Assam	0.02
5.	Arunachal Pradesh	0.01
6.	Meghalaya	0.01
7.	Mizoram	0.01
8.	Nagaland	0.01
9.	Sikkim	0.01
10.	Lakshadweep	0.00
	Total	0.17%

**Figure 1-4: Distribution of Micro, Small and Medium Enterprises as per UAM filings**

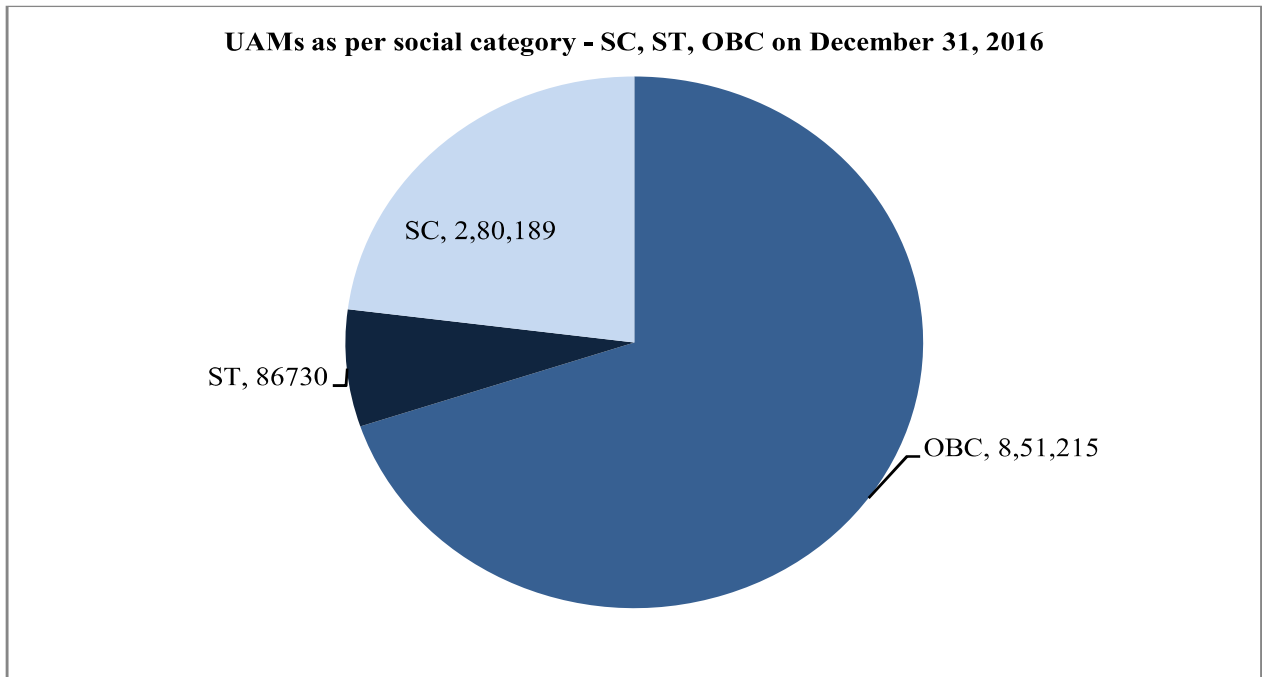


Figure 1-5: UAMs as per social category - SC\ST\OBC

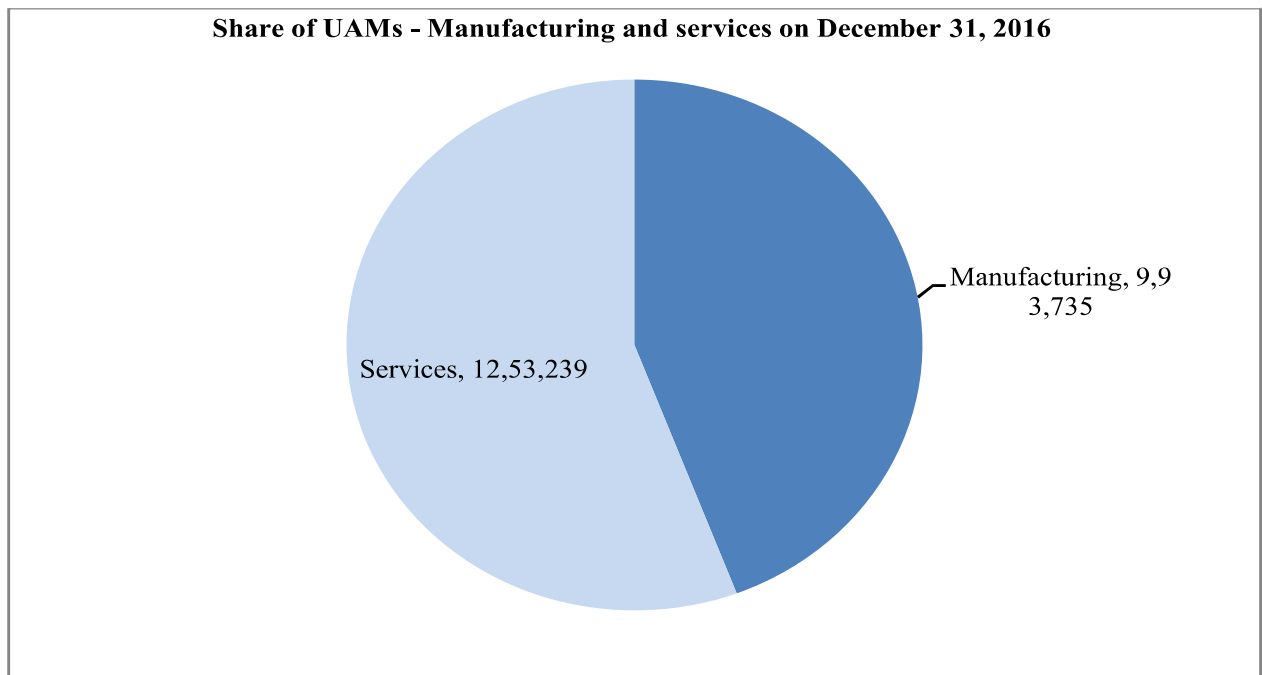


Figure 1-6: Share of UAM filings - Manufacturing and Services

Overview and Policy Initiatives

2.1 Overview of the sector

- 2.1.1 The Indian economy thrives through the process of creation of enterprises. The MSMEs have been contributing to expansion of entrepreneurial culture through business innovations. The MSMEs are widely dispersed across sectors of the economy, producing diverse range of products and services to meet demands of local as well as global markets. The contribution of MSMEs in GDP is 6%, 33% in manufacturing sector and 45% in exports*. It shows the valuable contribution that the MSME sector is making in the economy, both in terms of manufacturing and services.

Table 1: Share of MSME sector in GDP and total Manufacturing Output								
Manufacturing Output at current price			Share of MSME GVA to GVA\GDP at constant price for base year 2011-12 (%)					
Year	MSME Manufacturing Output ¹ (Rs. in crore)	Share of MSME Manufacturing Output in total Manufacturing Output (%)	MSME Manufacturing Sector		MSME Services Sector		Total	
			In GVA	In GDP	In GVA	In GDP	In GVA	In GDP
2011-12	2167110	33.12	6.64	6.16	25.66	23.81	32.29	29.97
2012-13	2385248	33.22	6.77	6.27	26.05	24.13	32.89	30.40
2013-14	2653329	33.27	6.79	6.27	26.40	24.37	33.19	30.64
2014-15	2783433	33.40	6.63	6.11	26.72	24.63	33.34	30.74

- 2.1.2 Source of data on MSMEs is available from All India Census of MSMEs conducted by Ministry of Micro, Small and Medium Enterprises and Economic Census conducted by Central Statistics Office (CSO). Last All India Census of MSMEs was conducted for the year 2006 and results were published in 2011. Sixth Economic Census was conducted by CSO in 2013 and results

*The contribution of Gross Value Added (GVA)¹ of Manufacturing MSMEs to the economy at constant price with base year 2011-12 is 7 per cent (approx.) of Gross Value Added (GVA) and 6 percent (approx.) of Gross Domestic Product (GDP)², amounting to more than 33 percent of Manufacturing Output³ at current price and also contributing to the tune of 45 percent of exports of the country. This is as per the data available with Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation, Government of India; an approximation based on the results of Annual Survey of Industries (ASI) and surveys on unorganised sector has been made to arrive the estimated contribution of the MSME sector to GVA, GDP and Manufacturing Output, during 2011-12 to 2014-15.

¹Gross Value Added (GVA): It may be noted that estimates of GVA had been prepared at factor cost in the earlier series (base year 2004-05), while these are being prepared at basic prices in the new series (2011-12). GVA estimated by production approach: (GVA = Output – Material Inputs) and GVA estimated by income approach: (GVA = Compensation of Employees + Operating Surplus + CFC)

²Gross Domestic Product (GDP): GDP is derived by adding taxes on products, net of subsidies on products, to GVA at basic prices.

³Manufacturing Output: Manufacturing Output is defined to include the ex-factory value, (i.e., exclusive of taxes, duties, etc. on sale and inclusive of subsidies etc., if any) of products and by-products manufactured during the accounting year, and the net value of the semi-finished goods, work-in-process, and also the receipts for industrial and non-industrial services rendered to others, value of semi-finished goods of last year sold in the current year, sale value of goods sold in the same condition as purchased and value of electricity generated and sold.

(Definitions above are from the CSO)

Overview and Policy Initiatives

were published in 2016. These Censuses being conducted with different methodology, criteria, definition and at different point of time give different result. The primary difference is that Economic Census collects data about all establishment including large, while Census of MSMEs collects data only for MSMEs. The percentage of large establishment in total is less than 1%. Therefore, the data on number of establishment in Economic Census could be used for total number of MSMEs. However, data on number of employees, production, etc. cannot be used straight away for all MSMEs**.

- 2.1.3 The final reports of the Fourth All India Census of MSME covering both registered and unregistered Sectors are available on the website of Office of DC, MSME at the following link <http://dcmsme.gov.in/data-stat.htm>. The comprehensive results of Fourth All India Census of MSME are as noted below:

Table 2: Summary Results: Fourth All India Census of MSME

Sl. No.	Characteristics	Registered Sector	Unregistered Sector	Economic Census-2005	Total
I	II	III	IV	V	VI
1	No. of Enterprises (in lakh)	15.64	198.74	147.38	361.76
2	No. of rural Enterprises (in lakh)	7.07 (45.20%)	119.68 (60.22%)	73.43 (49.82%)	200.18 (55.34%)
3	No. of Enterprise owned by Women (in lakh)	2.15 (13.72%)	18.06 (9.09%)	6.40 (4.34%)	26.61 (7.36%)
4	Employment (in lakh)	93.09	408.84	303.31	805.24
5	Per unit Employment	5.95	2.06	2.06	2.23

- 2.1.4 Crude estimation of MSME Data from Results of the Sixth Economic Census, 2013:

- 2.1.4.1 As per the estimates made using results of the Sixth EC, 2013, the results of which were published on the 31st March, 2016, the Fourth All India Census of MSME, 2006-07 and Fifth EC, 2005, the number of MSMEs and Employment in MSME sector are 512.99 lakh and 1112.28 lakh, respectively.

**The volume of employment creation by the MSMEs is next only to that in agriculture. Thus the MSME sector has the potential of tapping individuals to associate with economic activities by way of self-employment. The All India Census of the MSMEs provides information concerning the trends in the sector. The latest census conducted was Fourth All India Census of MSME. The Census was conducted with reference year 2006-07, wherein the data were collected till 2009 and results of the same were published in 2011-12. The results also made use of the Fifth Economic Census, 2005 (EC, 2005) conducted by Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation (MoSPI), for activities excluded from Fourth All India Census of MSMEs: 2006-07 for Unregistered Sector, namely wholesale\retail trade, legal, education & social services, hotel & restaurants, transports and storage & warehousing (except cold storage).

The primary difference between the Fourth All India Census of the MSME, 2006-07, and Sixth EC, 2013 is that the Sixth EC, 2013, has enumerated all establishments engaged in various agricultural and non-agricultural activities excluding crop production, plantation, public administration, defence and compulsory social security, whereas the Fourth All India Census of the MSMEs, 2006-07, covered only MSME manufacturing and service sector establishment\enterprises, which were defined as MSME under the Micro, Small & Medium Enterprises Development (MSMED) Act, 2006, thus, excluding large enterprises, retail and wholesale trading establishments amongst other.

2.1.5 Results of the Sixth Economic Census:

2.1.5.1 As per the results of the Sixth Economic Census 2013, non-agricultural enterprises constitute 77.6 percent or more than three-fourths of all establishments (excluding crop production, plantation, public administration, defence and compulsory social security) in the country (Figure 2-2). The non-agricultural sector that includes MSMEs and large establishments employed a total of 10,84,11,367 persons. This number is 82.6 percent of the total employment in agricultural and non-agricultural establishments (excluding crop production, plantation, public administration, defence and compulsory social security).

2.1.5.2 Figure 2-6 provides the distribution of establishments as per the number of workers per establishment. Close to 95 percent of all non-agricultural establishments have between 1 to 5 workers. Another 4 percent of such establishments have 6 to 9 workers. Most of the establishments in India are extremely small.

2.1.5.3 As per the statistics available, the top 10 States account for more than 70 percent of the total number of MSME establishments (Table 2). The top 10 States also account for 70 percent of the total employment generated within the MSME establishments (Table 3). The distribution of establishments in rural and urban areas is uneven. The establishments in rural areas account for just over 50 percent of total establishments (Figure 2-7).

Table 3: Top 10 states in terms of number of MSME establishments

Rank	State	Number of Establishments	% Share
1	West Bengal	5269814	11.62
2	Uttar Pradesh	5238568	11.55
3	Maharashtra	4545581	10.02
4	Tamil Nadu	3282197	7.24
5	Andhra Pradesh	2781291	6.13
6	Kerala	2364085	5.21
7	Rajasthan	2270936	5.01
8	Gujarat	2218464	4.89
9	Karnataka	2188860	4.83
10	Madhya Pradesh	1958550	4.32
	Total	32118346	70.80159
All India		45363786	100.00

Table 4: Number of persons engaged in non-agricultural establishments

Rank	State	Number of Establishments	% Share
1	Maharashtra	11873493	10.95
2	Uttar Pradesh	11396965	10.51
3	West Bengal	10915626	10.07

Overview and Policy Initiatives

Rank	State	Number of Establishments	% Share
4	Tamil Nadu	8680482	8.01
5	Gujarat	6193307	5.71
6	Andhra Pradesh	6157909	5.68
7	Karnataka	5804767	5.35
8	Kerala	5592165	5.16
9	Rajasthan	5156768	4.76
10	Telangana	5007177	4.62
	Total	76778659	70.82
	All India	108411367	100.00

- 2.1.5.4 As per the census, a clear majority of non-agricultural establishments (34 percent) have at least one hired worker, whereas 66 percent are own-account establishments (Figure 2-5). The percentage of persons employed in establishments with at least one hired worker in urban areas (63.59 percent) is higher than in rural areas (36.41 percent). In non-agricultural activities, the maximum number of workers were found engaged in 'manufacturing', with 30.36 million workers (28%), followed by 'retail trade', with 27.19 million (25.08%), and then 'education', with 10.60 million (9.77%).
- 2.1.5.5 Average employment in non-agricultural establishments with at least one hired worker for all the activities taken together was found to be 4.54 persons (4.13 in rural, 4.82 in urban). It was the highest in the activity group 'electricity, gas, steam and air conditioning supply' (11.48), followed by 'mining & quarrying' (11.18) and 'information & communication (including computer programming, consultancy and related services)' (9.35). The average employment in non-agricultural establishments with at least one hired worker was substantially more than those without hired workers, across sectors (Figure 2-8). This is encouraging as it highlights the fact that MSMEs are no longer just small self-employment establishments, but are helping generate employment for others within the economy.
- 2.1.5.6 The bulk of the MSMEs in India are owned as private proprietorships (39.44 million or 87 percent). Among the rest, 0.41 million (0.91%) were private partnerships, 0.19 million (0.42%) were private companies, 0.23 million (0.51%) were private self-help groups, 0.10 million (0.22%) were private co-operatives, and 1.00 million (2.20%) under private non-profit institutions. This indicates the need for greater sophistication in the forms of entrepreneurship within the MSME sector. Ownership structures such as companies, partnerships and cooperatives may enable greater infusion of capital, and have other efficiencies of scale for these enterprises as well.
- 2.1.5.7 Proprietary non-agricultural establishments under male, female and other ownership were 34.03 million (86.28%), 5.29 million (13.41%) and 0.12 million (0.31%) respectively and the employment in the same were 71.12 million (87.90%), 9.39 million (11.60%) and 0.38 million (0.47%) workers at the all India level. Table 4 provides the details. Other information regarding female entrepreneurs is provided in another Chapter.

Table 5: Break-up of male and female proprietors and employment provided by each

Ownership	Number of Establishments	Number of Workers
Male Owner	34026592	71115400
	86.28%	87.9%
Female Owner	5289052	9394832
	13.41%	11.6%
Other Owner	121371	383213
	0.31%	0.5%
TOTAL	39437015	80893445

2.1.5.8 Most establishments are self-financed. A total of 35.48 million (78.2%) non-agricultural establishments were self-financed. In rural India, 72.7% of the non-agricultural establishments were self-financed whereas this figure was 83.7% in urban India. This indicates the challenge of providing adequate financing to MSMEs in both rural and urban areas. It also highlights the challenge of providing other sources of financial credit and assistance for MSMEs, in order to enable greater capital investment within this sector.

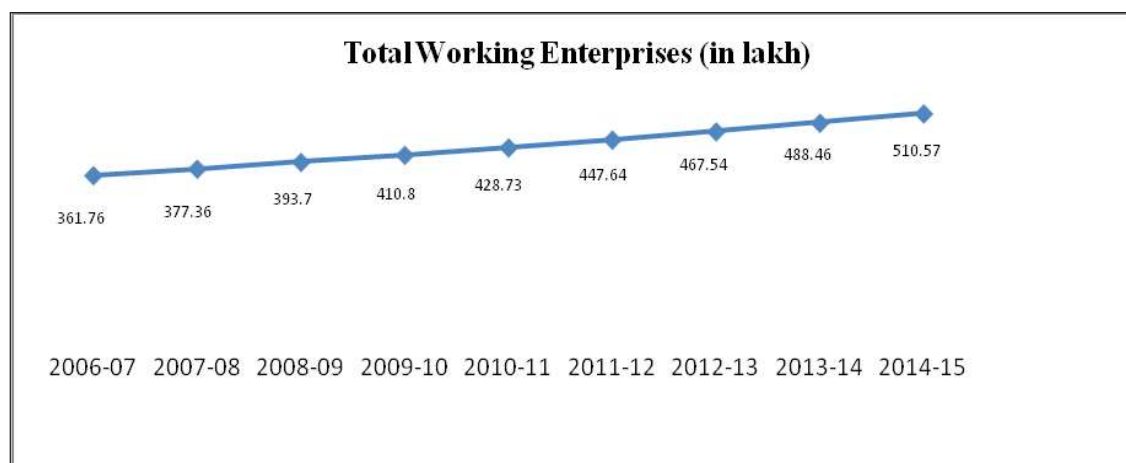


Figure 2-1: Projected Growth in number of total working enterprises

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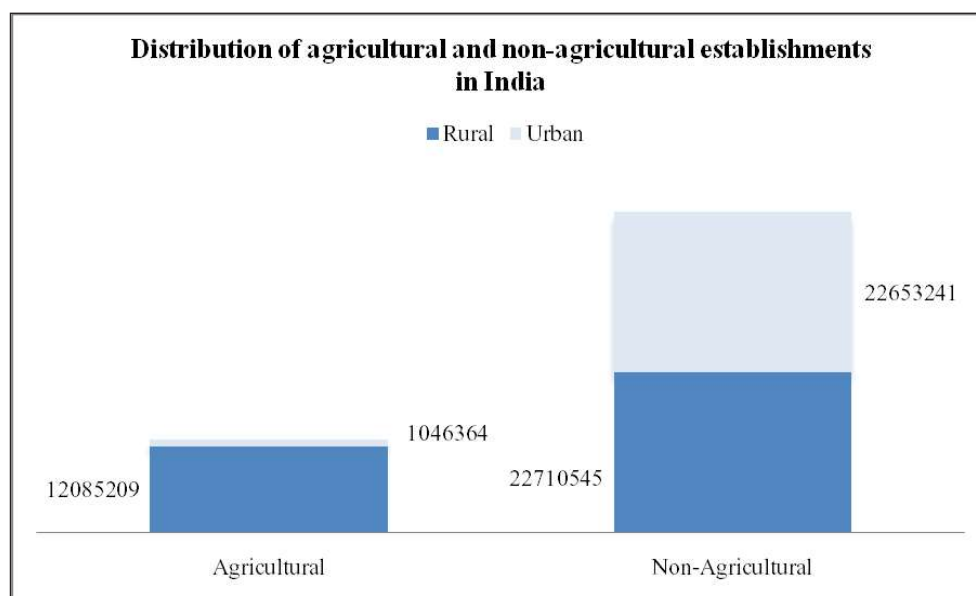


Figure 2-2: Distribution of agricultural and non-agricultural establishments in India (6th Economic Census)

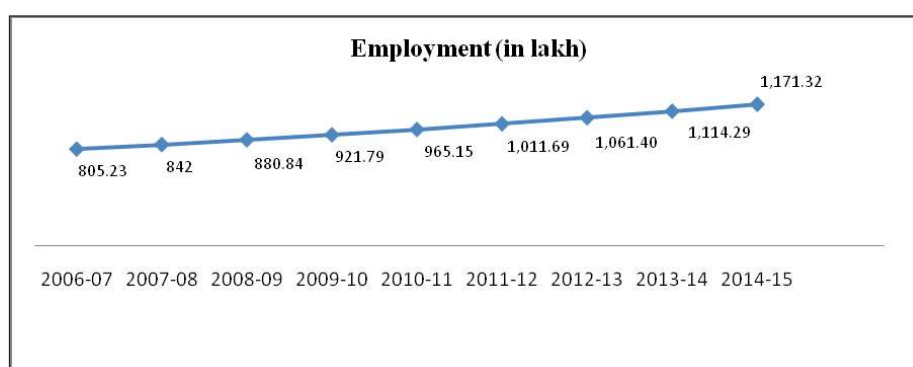


Figure 2-3: Projected growth in employment in the MSME sector

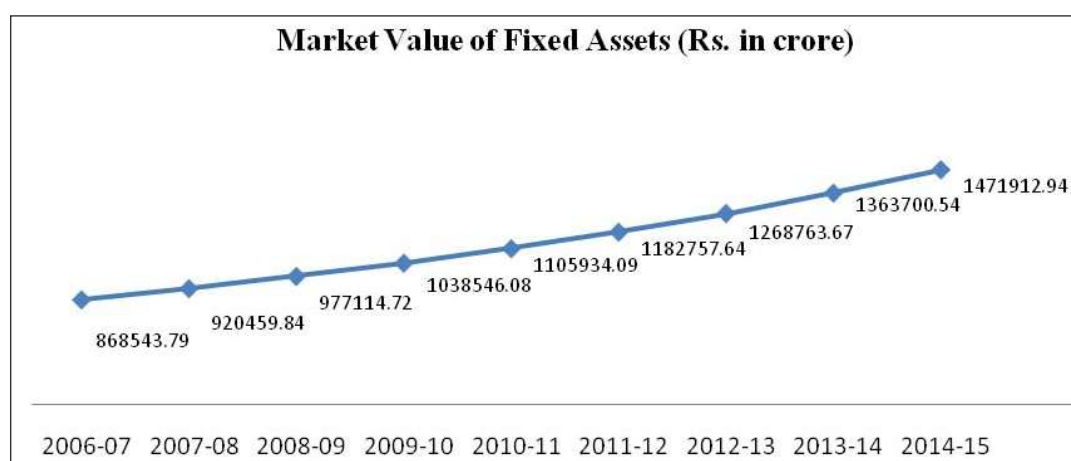
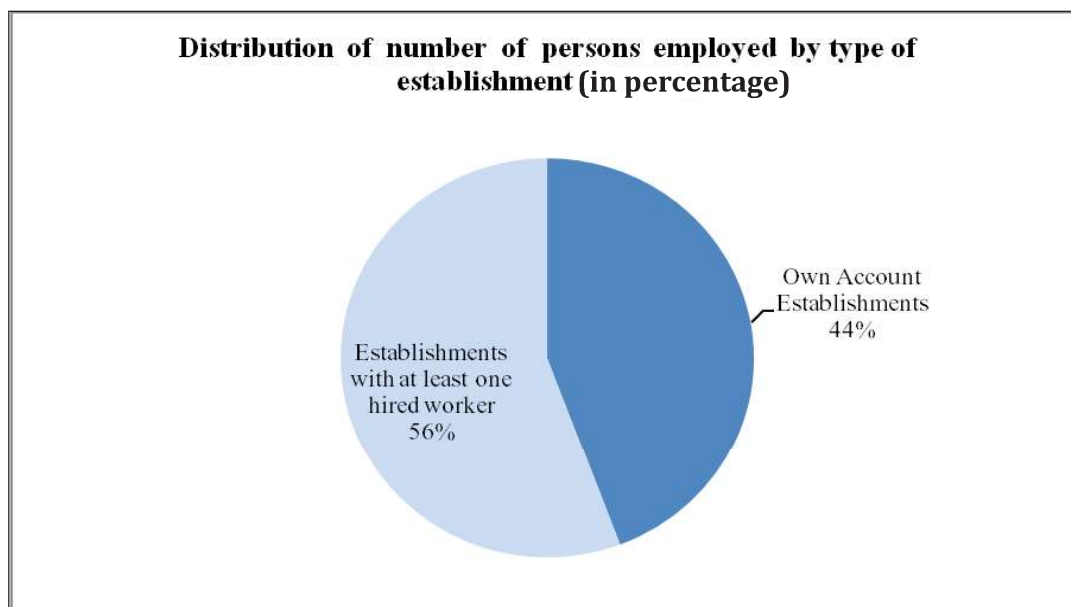
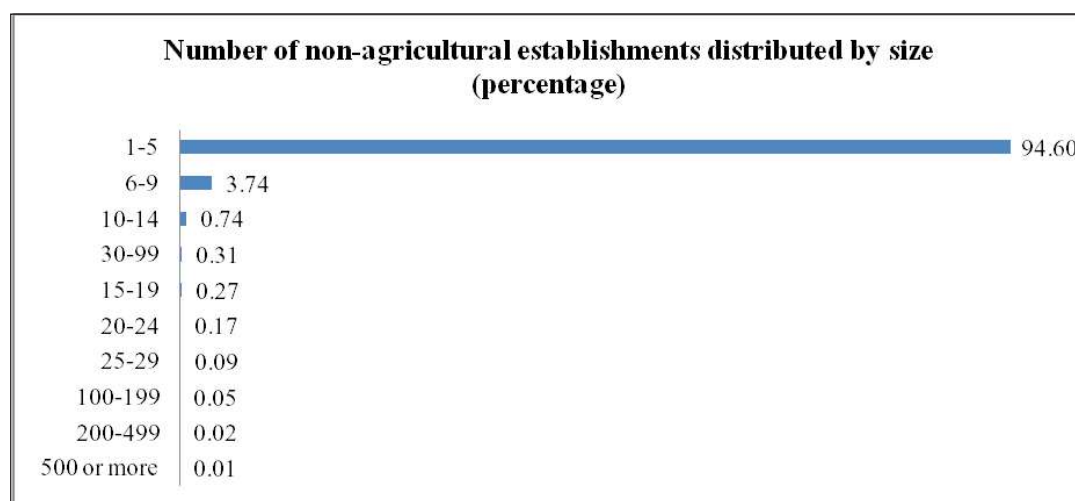


Figure 2-4: Projected Market value of fixed assets in the MSME sector (4th All India of Census MSME)

Figure 2-5: Distribution of number of persons employed by type of establishment (6th Economic Census)Figure 2-6: Number of non-agricultural establishments distributed by size (6th Economic Census)

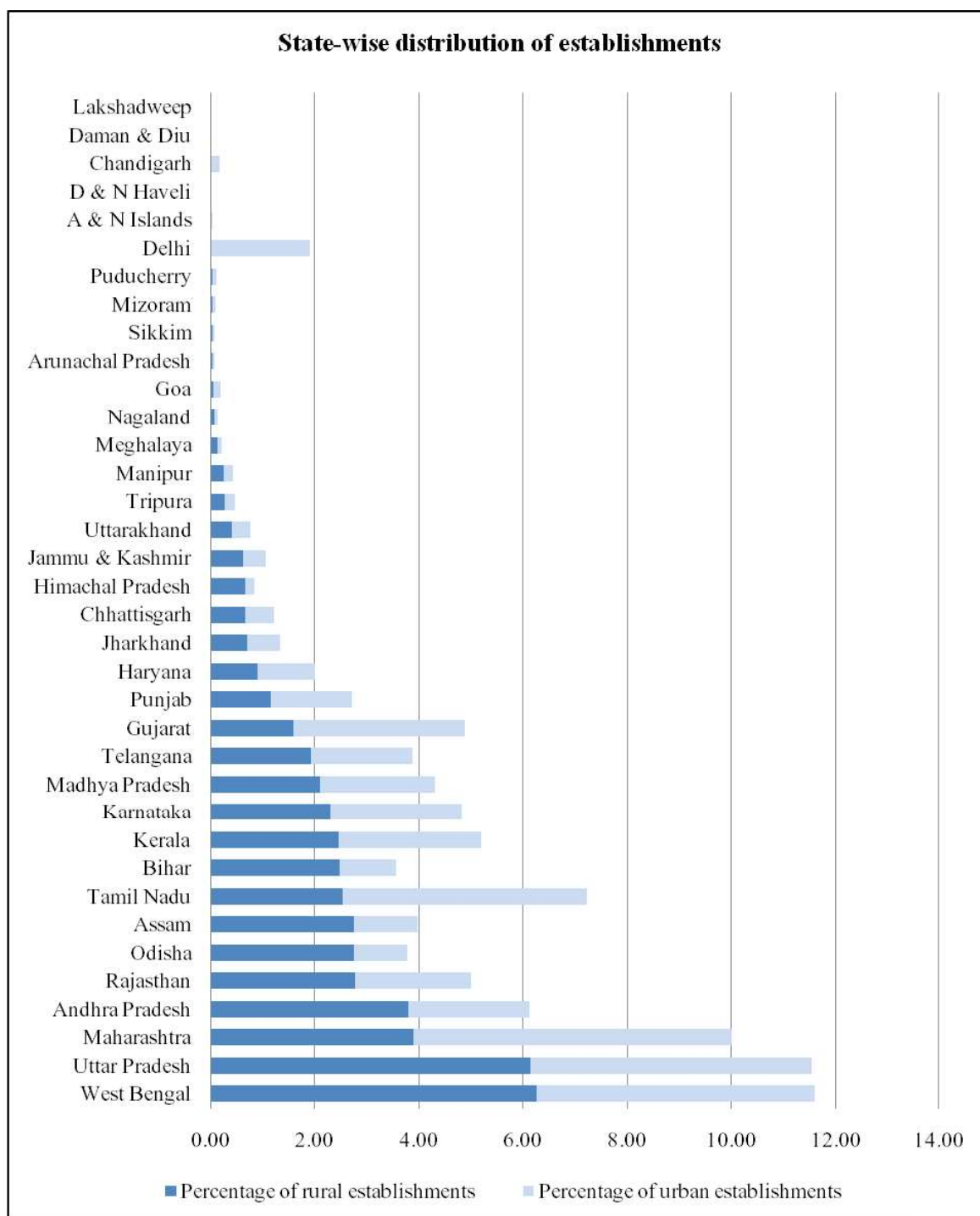


Figure 2-7: State-wise distribution of establishments in India (6th Economic Census)

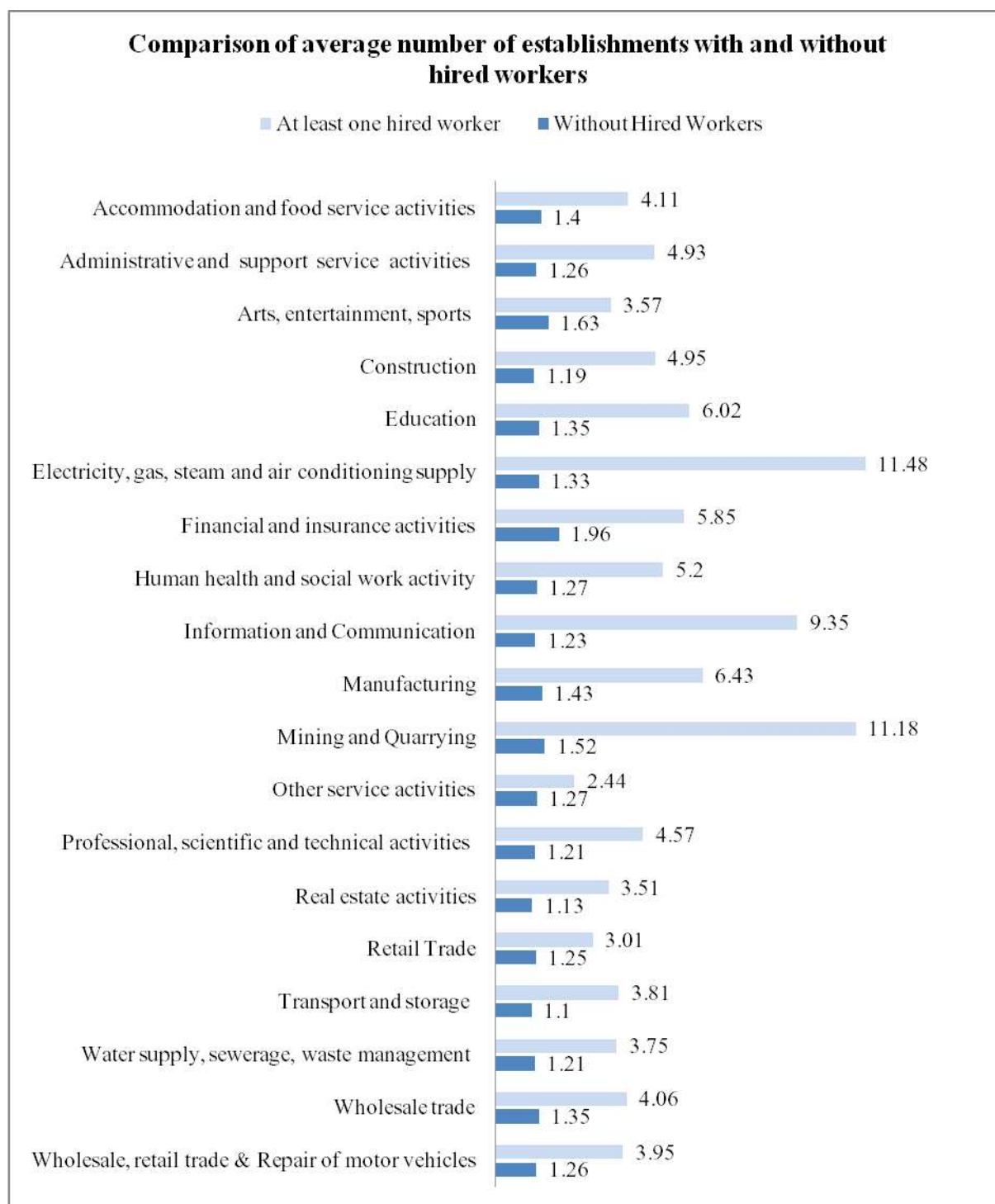


Figure 2-8: Comparison of establishments with and without at least one hired worker (6th Economic Census)

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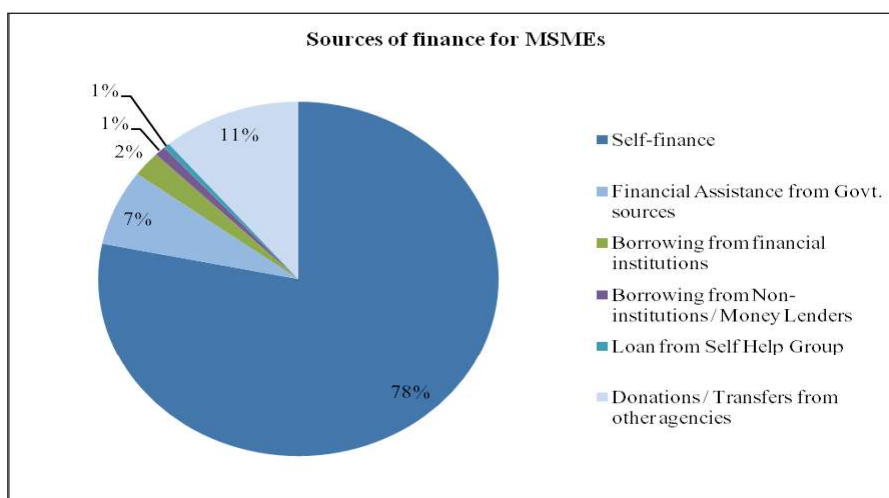


Figure 2-9: Sources of finance for MSMEs (6th Economic Census)

- 2.1.6 The complete report of the Sixth Economic Census, 2013 and the results of the same were published on 31st March, 2016. It is available at the following link http://www.mospi.gov.in/sites/default/files/economic-census/AIR6EC_firstpg.pdf. The final reports of the Fourth All Census of MSME covering both Registered and Unregistered Sectors are available on the website of the DC, MSME at following link <http://dcmsme.gov.in/data-stat.htm>.
- 2.1.7 Ministry of MSME has been consistently enunciating policies resulting in enabling schemes and programmes for enhancing competitiveness of enterprises. New initiatives of the ministry and market driven economy give rise to increasing product portfolios. As Figures 2-1, 2-2 and 2-3 show, there has been consistent growth in enterprise creation, employment generation, and market value of fixed assets.

2.1.8 Khadi sector in India:

- 2.1.8.1 Khadi activity is considered as potential tool for creation of employment opportunities at the doorstep of rural artisans at very low capital investment. Immediately after independence, Khadi and village productivity became a grand source of nationalism. As such, Khadi came to be known not just a piece of cloth, but a symbol of Freedom and Self Reliance.
- 2.1.8.2 Production of Khadi is by far the largest rural productivity programme in the world. It provides the rural communities a high value for their effort while providing the consumers value for money. KVIC is a statutory organization tasked with the role of promoting the production and sale of Khadi. Over 2,313 institutions form the vast network that is implementing the objectives and programmes of KVIC in India. Over 12 lakh people are engaged in production activities under KVIC, a majority of which (over 70 percent) are women.
- 2.1.8.3 Khadi is the main programme of KVIC and a potent tool for creation of employment at the artisans' doorstep being implemented by 2,313 Khadi Institutions. The assistance provided through Market Development Assistance (MDA) and Interest Subsidy Eligibility Certificate (ISEC) Scheme are enabling Khadi institutions to provide employment opportunities to 11.07 lakh traditional artisans living in the rural areas.

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2.1.8.4 Khadi production and sales have grown consistently over the past five years, from production of Rs. 811 crore in 2013-14 to Rs 1,066 crore in 2015-16. Similarly, sales of Khadi have shown growth from Rs. 1,081 crore in 2013-14 to Rs 1,510 crore in 2015-16. In 2013-14, a total of 10.98 lakh people were employed in Khadi industries. The figure is 11.07 lakh as of 2015-16.

2.1.8.5 There are a total of 1,656 khadi institutions in the country that employ a total of 2,82,728 artisans (complete details are available online at: <http://www.kviconline.gov.in/claims/artisanData/index.jsp>). The majority of khadi institutes are situated in the western part of the country (Figure 2-13). However, institutes situated in the central part of the country provide the highest number of employment to artisans (Figure 2-14).

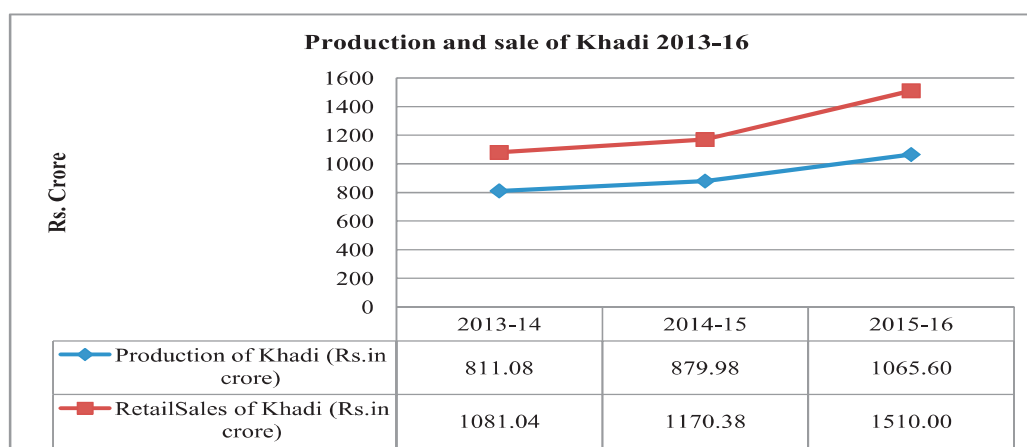


Figure 2-10: Production of Khadi 2013-16 (KVIC Annual Report)

Production and sale of khadi in 2016-17 (upto 31.12.2016)

Production of Khadi (Rs. in crore)	Retails in Khadi (Rs. in crore)
1030.00	1263.57

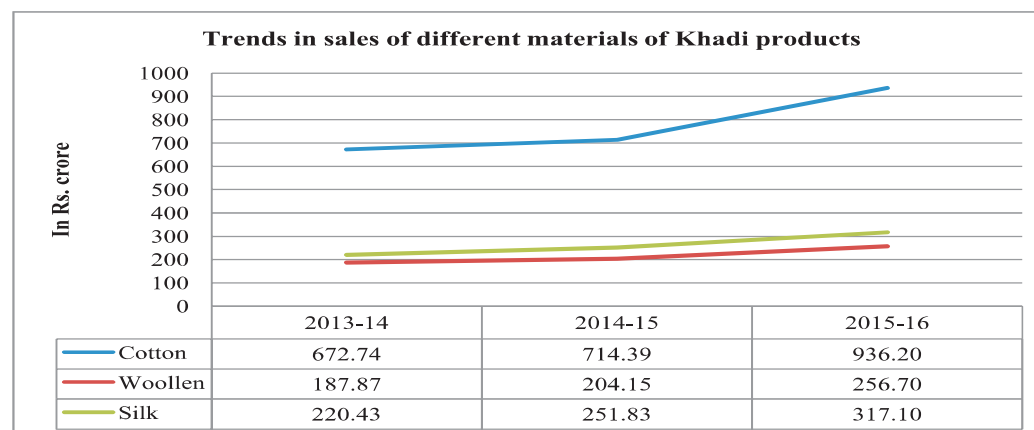


Figure 2-11: Trends in sales of different materials of Khadi (KVIC Annual Report)

Sales of Different materials of Khadi in 2016-17 (upto 30.11.2016)

Cotton (Rs. in crore)	Woollen (Rs. in crore)	Silk (Rs. in crore)
607.85	166.67	205.88

*For December onward MDA is paid through DBT mode and it is claimed by the institutions for total Khadi and not variety-wise.

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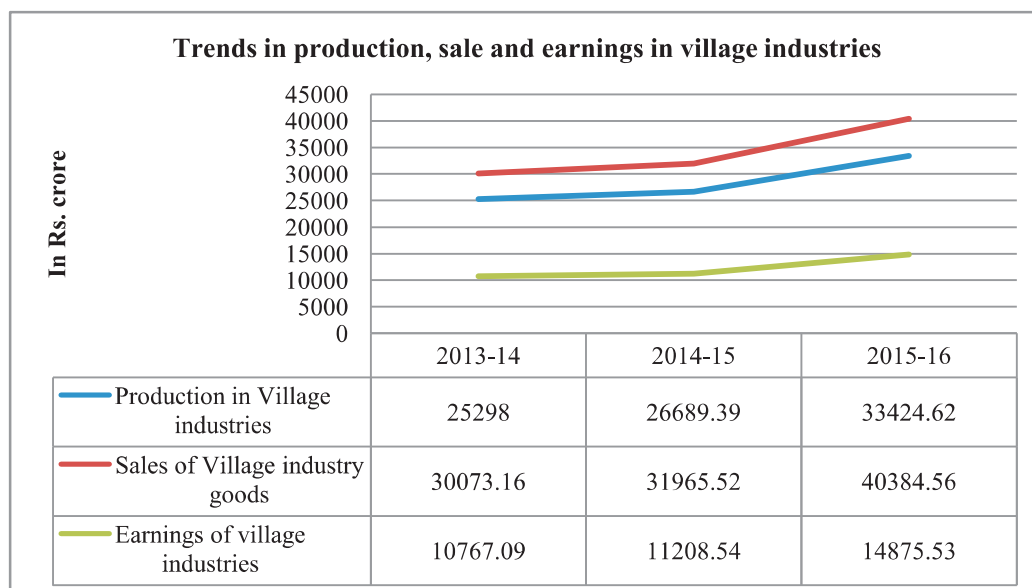


Figure 2-12: Trends in production, sale and earnings in village industries (KVIC Annual Report)

Production, Sale and Earning in Village Industries in 2016-17 (upto 31.12.2016) Rs. in crore

Production in village industries	Sale in village industries	Earning in village industries
7475.40	9344.25	14838.34

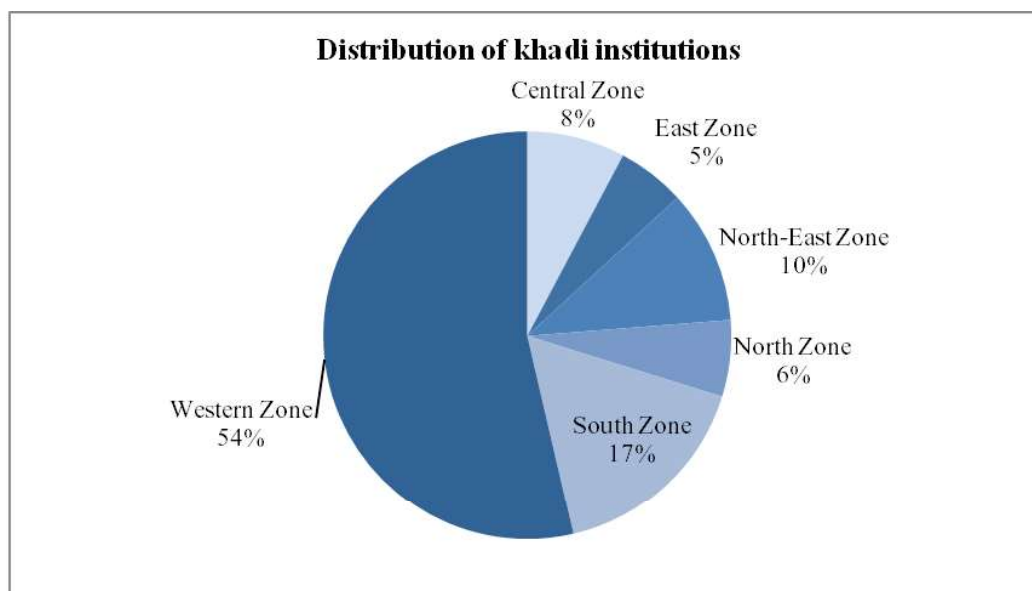


Figure 2-13: Distribution of khadi institutes (KVIC)

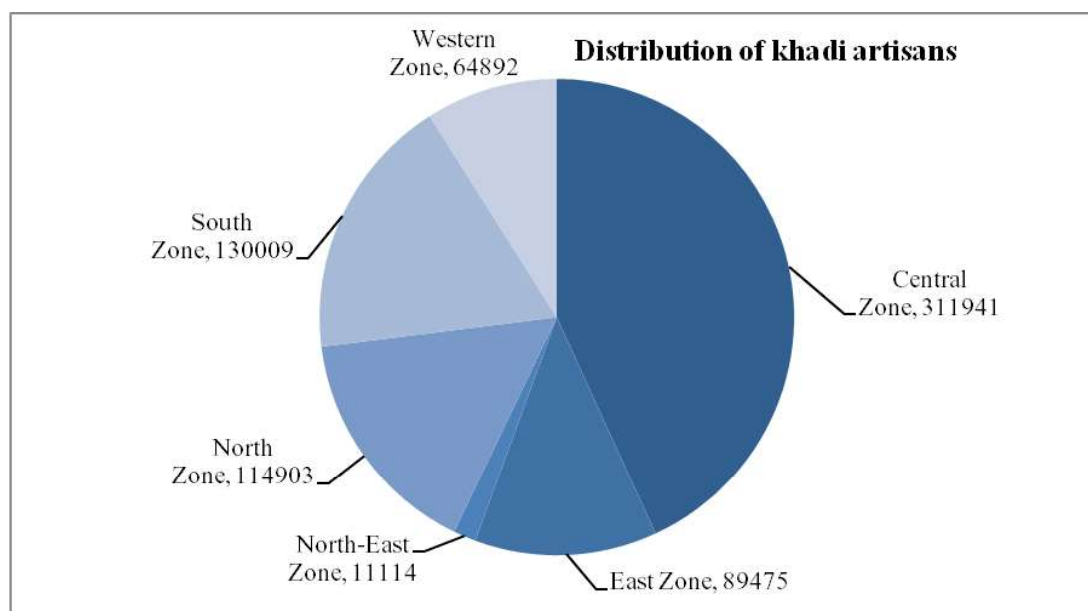


Figure 2-14: Distribution of khadi artisans (KVIC)

2.1.8.6 Village industries comprise seven different sectors. These are:

S. No.	Classification	Industries
1.	Mineral Based Industry	1. Pottery 2. Lime
2.	Agro Based & Food Processing Industry (ABFPI)	1. Pulses & Cereals Processing Industry 2. Gur & Khandsari Industry 3. Palmgur Industry 4. Fruit & Vegetable Processing Industry 5. Village Oil Industry
3.	Polymer & Chemical Based Industry (PCBI)	1. Leather Industry 2. Non Edible Oils & Soap Industry 3. Cottage Match Industry 4. Plastic Industry
4.	Forest Based Industry (FBI)	1. Medicinal Plants Industry 2. Bee Keeping Industry 3. Minor Forest Based Industries
5.	Hand Made Paper & Fibre Industry (HMPFI)	1. Hand Made Paper Industry 2. Fibre Industry
6.	Rural Engineering & Bio Technology Industry (REBTI)	1. Non-Conventional Energy 2. Carpentry & Blacksmithy 3. Electronics
7.	SEP\Service Industry	

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2.1.8.7 Village industries have shown consistent growth over the past few years. Production and sales have grown consistently over the past five years, from total production worth Rs. 25,298 crore in 2013-14, the number stood at Rs 33,425 crore in 2015-16. Similarly, sales of goods produced by village industries have shown growth from Rs. 30,073 crore in 2013-14 to Rs. 40,385 crore in 2015-16. In 2013-14, a total of 119.4 lakh people were employed in Khadi industries. The figure is 126.76 lakh as of 2015-16.

2.1.8.8 Recent strategic initiatives by KVIC to promote khadi:

- To popularize khadi and to create a positive impact on the sector, KVIC has roped in designers and started making readymade garments, including jeans, T-shirts, designer dresses and making the products more popular among the youth.
- Khadi is a cloth woven on handloom with hand spun yarn in India only with natural fibers viz. cotton, wool and silk. It is the most eco-friendly among all textiles. Khadi being a unique cloth cannot be compared with hand loom sector cloth as handloom cloth is prepared by mill made yarn.



Exclusive Ritu Beri's Khadi Collection Launched.

- KVIC has also registered Khadi Mark to create a distinct identity and guarantee the genuineness of Khadi i.e. hand spun and hand woven, containing natural fibers (cotton, wool, silk) produced in India. So KVIC is the only authority to use the name of Khadi as its product no other person can claim the name Khadi without permission of KVIC.
- Khadi Institutions have core competence in manufacturing of high count yarn for khadi

i.e. above 200 count muslin khadi whereas mills cannot. New initiatives have been taken to make available the unique products of khadi to the customers across stores.

- There has been a conscious push towards involving famous retail brands like Raymond for creating a dedicated apparel line with Khadi to attract youth and brand conscious customers.
- KVIC has started e-commerce platform and franchise system for online marketing of Khadi products and extending the marketing network.
- To widen the reach, KVIC has inked MoUs with Air India, Oil Sector PSUs, Railways, Delhi Police and ESIC to supply dedicated products in a time bound manner. The corporate clientele is increasing each passing day.
- KVIC has applied to register “Khadi” as a word mark and “Khadi India” as a Trade mark in 27 classes for various products among 45 classes listed out in the Intellectual Property Rights (IPR) Act at National Level as well as has filed an online application for registering “Khadi” as a trade mark under International Bureau in European Union and other countries under 16 different classes.
- KVIC also provides interest subvention for the bank finance for meeting capital requirement, under the Interest Subsidy Eligibility Certificate (ISEC) Scheme, availed by KIs. The subsidy under the scheme is also remitted directly to the cash credit account of KIs online.
- Khadi certification has been made online and simple to enable new companies to start Khadi venture.

2.1.8.9 Challenges faced by Khadi Sector:

- The biggest challenge for Khadi is from the handloom, mill made, branded ethnic segment on the one hand and from counterfeit, spurious, look-alike products being sold as khadi all across the country.
- Khadi being a product known for its rich heritage and emotional value also throws open the entire ethnic ware segment to be flooded with products and brands. Developing market oriented, modern products equipped for fashion conscious youth is a challenge to be met, as well as an opportunity to be cashed on.
- Steady sale and higher returns are essential to remunerate the artisans well on time and also a steady increase in wages is a must to keep the artisans in the stream. There has been a significant migration among traditional artisans from core to other economic activities as wages and other remunerations are higher in other competing spheres including MGNREGA, construction sector etc.
- Modernization of equipment and operations of the Khadi Institutions and renovation of stores are the other big challenges to be met.

2.1.8.10 The KVIC is entrusted with ensuring the overall growth, productivity and efficiency of this sector. Details of its mandate, functions and performance are provided in Chapter 4.

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2.1.9 Coir industry in India

2.1.9.1 Coir is a coarse fibre extracted from husk, the fibrous outer shell of coconut. Ropes and cordage, made out of coconut fibre have been in use from ancient times. Indian navigators, who sailed the seas to Malaya, Java, China and to the Gulf of Arabia centuries ago, had been using coir as their ship's cables. The coir manufacturing industry producing coir mats, matting and other floor coverings was started in India on a factory basis, over a hundred years ago when the first factory was set up in Alleppey in 1859.

2.1.9.2 Coir industry is an agro-based traditional industry, which originated in the State of Kerala and proliferated to the other coconut producing states like Tamil Nadu, Karnataka, Andhra Pradesh, Odisha, West Bengal, Maharashtra, Assam, Tripura, etc. It is an export oriented industry having greater potential to enhance exports by value addition through technological interventions.

2.1.9.3 Total world coir fibre production is 10,64,000 tones. The coir fibre industry is particularly important in some areas of the developing world. India, mainly the coastal region of Kerala State, produces 55% of the total world supply of white coir fibre. Sri Lanka produces 36% of the total world brown fibre output. Tamil Nadu is the leading brown fibre producer in India. India is a major exporter of coir in the world.

The top 5 coir importing countries from India is given in Table below

Top 5 Coir Importers from India					
Sl. No.	Country	Quantity (Tonnes)	%	Value (Rs. Lacs)	%
1	USA	117203	15.6	49814.15	26.2
2	China	279279	37.1	46210.45	24.3
3	Netherlands	73735	9.8	16027.58	8.4
4	South Korea	66198	8.8	9847.37	5.2
5	UK	16395	2.2	9094.67	4.8

Table 2

Year	2012-13	2013-14	2014-15	2015-16	2016-17*
Fibre Production (Metric Ton)	5,36,185	5,39,815	5,42,000	5,49,300	4,16,220

*Provisional figures upto December 31st 2016.

2.1.9.4 The estimated production of coir and coir products has increased modestly but consistently. Table 2-15 highlights this trend. The number of persons employed in the coir industry has shown the same trend. Figure 2-16 shows that Kerala and Tamil Nadu account for the bulk of the employment generated in this sector.

2.1.9.5 Challenges to Coir Sector:

- Coir industry in India is traditionally an export oriented and labour intensive one. Even though the Indian Coir continues to enjoy its supremacy in the world market the products

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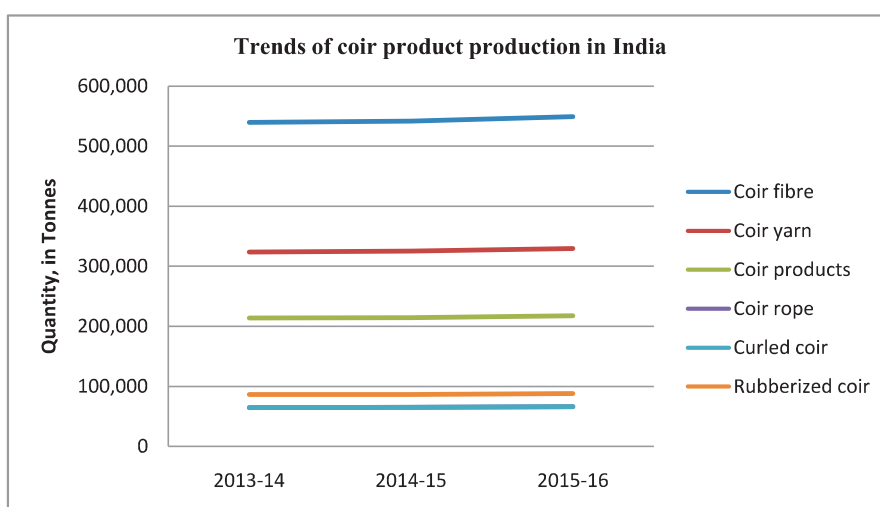
of this industry are facing tough competition from other cheaper products, especially the synthetics which are often not environment friendly and originate in countries like China.

- Being manufactured from an agricultural produce with a relatively high level of costs of inputs, Coir goods are dearer than synthetics and other competing items. The method of production and processing of Coir, in many parts of the country, continues to be obsolete.
- Modernization of the Coir Industry with State of the art production, techniques, machinery etc. is found to be the need of the hour. Even though there is stiff competition for coir in the area of floor covering material, products like Coir Pith, Coir Geotextile, and Coir Wood offers a plethora of opportunities in the developing world.
- Adequate market promotion in these countries through awareness creation on the environment friendly aspects and new application area of Coir Products would lead to long term gains to the Coir sector.
- Bringing coir products under the 'Ecomark' and environment friendly goods category would be ideal steps in this direction. Coir products being 100% eco friendly and biodegradable offers solution to the current day serious issues like deforestation, global warming etc.

2.1.9.6 DATA- 5 YEAR EXPORT (VOLUME AND VALUE), EMPLOYMENT.

Year	Quantity(MTs)	Value (Rs. In Lakh)
2011-12	410853.90	105262.54
2012-13	429500.92	111602.74
2013-14	537040.38	147603.84
2014-15	626666.00	163033.77
2015-16	752020.00	190142.52
2016-17 (upto Dec. 2016)	587114.00	137024.77

Export of Coir and Coir products and Employment for the last 3 years from 2011-12 to 2015-16 are as follows:-



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Figure 2-15: Trends of coir products production (Coir Board)

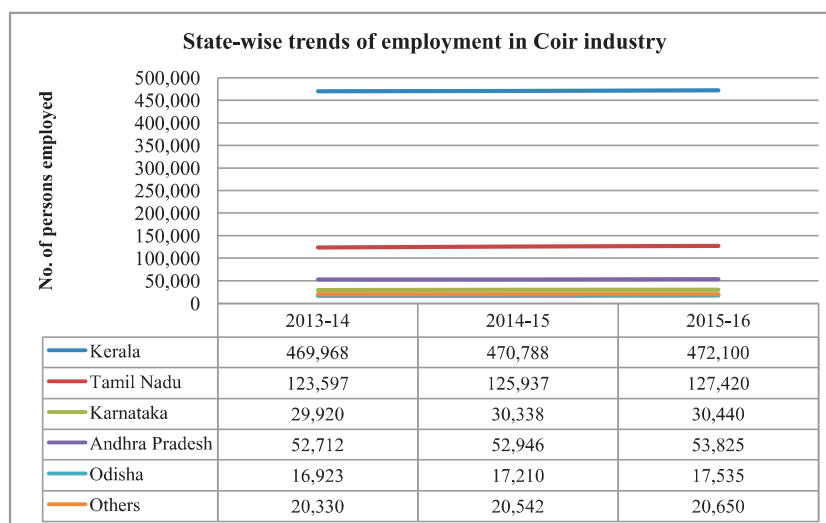


Figure 2-16: State-wise trends of employment in coir industry (Coir Board)

State- wise figure of employment in Coir Industry (No. of Persons) in 2016-17 (upto 31. 12. 2016)

Kerala	Tamil Nadu	Karnataka	Andhra Pradesh	Odisha	Others
472217	128156	30450	54165	17543	70658

2.2 Recent policy initiatives



2.2.1 Ease of Registration Process of MSMEs- Udyog Aadhaar Memorandum –

2.2.1.1 Based on the Hon'ble Prime Minister's suggestion in his 'Mann Ki Baat', on 3.10.2014, to simplify forms to enable ease of registration of MSMEs, Ministry of MSME has notified a

simple one-page registration form 'Udyog Aadhaar Memorandum' (UAM). The simplified one page registration form UAM was made after consultations with the states and stakeholders, on the basis of recommendations made by the Kamath Committee on Financial Architecture and observations\approvals by Department Related Parliamentary Standing Committee, National Board for MSME and Advisory Committee for MSME etc.

2.2.1.2 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) with the respective States\UTs. 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).

2.2.1.3 More than 22,40,463 UAMs have been filed since September 2015. The filing of the UAMs has also significantly increased the information available with the Ministry of MSME regarding the trends in the sector and enhanced its capability to monitor trends within sub-categories within the MSME sector, such as manufacturing, services, enterprises, employment trends, and investment details.

2.2.2 Framework for Revival and Rehabilitation of MSMEs

2.2.2.1 In order to provide a simpler and faster mechanism to address the stress in the accounts of MSMEs and to facilitate the promotion and development of MSMEs, the Ministry of Micro, Small and Medium Enterprises, Government of India, vide their Gazette Notification dated May 29, 2015 notified a 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises'. Reserve Bank of India, after continuous follow up, has also issued guidelines to the Banks on 17.3.2016. Under these guidelines Banks have created a structure for finalising corrective action plan for revival & rehabilitation of MSMEs.

2.2.3 Grievance Monitoring

2.2.3.1 One of the foremost desires of the Hon'ble Prime Minister is transparency and accountability in the Administration. The Ministry also attends to all the grievances on Centralized Public Grievance Redress and Monitoring System (CPGRAMS) and the number of the pending grievance on CPGRAMS as on 31.12.2016 is 38. The Ministry has started an MSME internet grievance monitoring system to track and monitor other grievances and suggestions received in the Ministry.

2.2.4 International MOUs

Ministry of MSME has signed an MoU with Sweden in June 2015 for cooperation in the area of MSMEs. NSIC signed MoUs with the counterpart organizations from Botswana, South Africa and Gambia for cooperation in MSMEs, buyer seller meets exchange of delegations etc. IGTR, Aurangabad signed an MoU with the Welding Institute, UK for establishing an advance welding center for automotive industry. Ministry of MSME has also signed an MoU with UAE on 25 January 2017 in New Delhi.

2.2.5 Technology Centre Systems Programme (TCSP)¹

2.2.5.1 To expand and upgrade the network of MSME Technology Centres (TCs) in the country, Ministry is implementing Technology Centre Systems Programme (TCSP) at an estimated cost

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of Rs.2200 crore including World Bank loan assistance of \$200Mn. Under the Programme, the Ministry is in the process of establishing 15 new TCs and upgrading existing TCs. The programme also envisages engagement of (a) Manufacturing Technology Partners (MTPs) for technical inputs, (b) Cluster Network Managers (CNMs) to establish linkages amongst all key stakeholders and (c) Service Provider for “Web Portal development and ERP Implementation”.

The Programme is in the implementation stage under which 15 locations in various States have been finalized for setting up new TCs. Detailed Project Reports (DPRs) for 12 new TCs have also been prepared. Tenders for construction of 9 new TCs have been released out of which 6 have already been finalised and rest are under evaluation. Procurement of machinery is also underway.

Under the scheme, Rs.4,456.33 lakh (upto 31st December 2016) have been spent during the current year 2016-17.



The Governor of Uttar Pradesh, Shri Ram Naik and the Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra at the foundation stone laying ceremony of MSME Technology Centre, at Greater Noida, Uttar Pradesh on November 29, 2016. The Minister of State for Culture and Tourism (Independent Charge), Dr. Mahesh Sharma and the Ministers of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh and Shri Haribhai Parthibhai Chaudhary are also seen.

2.2.6 Partnership with Industry

DC, MSME signed a MoU with Samsung Electronics to set up 10 MSME Samsung Technology Schools for skilling youth in repair and maintenance of Samsung products. These schools have since been established and providing training. NSIC has also set up training centers in conjunction with Escorts, Carl Zeiss, Schneider and ABB for providing technology upgradation training to youth for operating their products and services.

2.2.7 MSME Data Bank

In this age of digital technology data regarding micro, small and medium enterprises needs

to be captured online. Therefore, the Ministry has launched a new initiative to capture data regarding MSMEs online through www.msmedatabank.in.

2.2.8 MyMSME

To facilitate the enterprises to take benefit of various schemes by the office of Development Commissioner (MSME), his office has launched a web-based application module, namely, MyMSME. This has also been converted into a mobile app. Entrepreneurs will be able to make their applications and track it on their mobile itself. This is in conformity with the desire of the Hon'ble Prime Minister who wants the administration not only to be in digital mode but also mobile friendly.

2.2.9 Skill Mapping of all districts

About 600 districts of the country have been mapped through a programme to determine as to what types of MSMEs can be developed in the districts and what types of skills are required for the purpose. This is a first ever exercise done in this regard.

2.2.10 Revision of the definition of MSMEs:

2.2.10.1 The Ministry has proposed to enhance the limit of investment in plant & machinery and equipments by way of an amendment to MSMED Act, 2006. In order to make the proposed changes, the Ministry has introduced Micro, Small and Medium Enterprises Development (Amendment) Bill, 2015 in Lok Sabha on 20.04.2015. The Bill was subsequently referred to Department related Parliamentary Standing Committee on Industry on 21.05.2015 for examination. The Bill was laid on the table of the Lok Sabha on 5th August, 2015 and presented to the Rajya Sabha on 5th August 2015.

2.2.10.2 The amendments to the Act will enable greater investments in plant & machinery and equipments for MSMEs and provide a fillip to their overall productivity and growth. This will also bring the existing classification of micro, small and medium enterprises in sync with current market realities, and adjust for inflationary trends since the passage of the MSMED Act, 2006.

2.2.11 MSME Databank Portal

An online Census of MSMEs has started with the launch of MSME Databank and Micro, Small and Medium Enterprises Development (Furnishing of Information) Rules, 2016 have been notified to make it compulsory for MSMEs to give information on MSME Databank. More than 58,000 units have already given information on MSME Databank till date.

2.2.12 MoU with NSIC for provision of services for MSMEs

The National Small Industries Corporation (NSIC) signed Memorandum of Understanding (MoU) for the year 2016-17 with the Ministry of Micro, Small and Medium Enterprises, Government of India on 27.07.2016. The MoU envisages provision of enhanced services by NSIC under its various schemes for MSMEs in the country with the growth in the operational performance of the Corporation during the year 2016-17. A copy of the MoU is available online at: http://msme.gov.in/WriteReadData/Whatsnew/SME-Section_406.PDF.

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The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra launching the MSME data book, at a Press Conference, in New Delhi on June 01, 2016. The Minister of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh, the MSME Secretary, Shri K.K. Jalan and other dignitaries are also seen.

2.2.13 National Scheduled Caste \ Scheduled Tribe Hub:

2.2.13.1 The Budget Announcement regarding the setting up of the National Scheduled Caste\ Scheduled Tribe Hub has been given shape by launching of National SC\ST Hub Scheme at a cost of Rs.490 crores.

2.2.13.2 For the smooth functioning of the Hub, various committees were constituted. These include:- (a) the High powered Monitoring Committee headed by Minister for MSME, Advisory Committee headed by Shri Milind Kamble, President DICCI, and (b) the Empowered project Approval Committee headed by Secretary, MSME. The first meeting of the Empowered Project Approval Committee was held under the Chairmanship of Secretary, MSME on 16th August 2016 in which the following proposals were approved:

- Subsidy of Single Point Registration Scheme (SSPRS) for SC\ST enterprises for participation in Government purchases. A nominal fee of Rs. 100 per unit of SC\ST enterprises will be charged under the scheme.
- Special Marketing Scheme (SMAS) to provide marketing support to SC\ST owned MSMEs. Under the scheme SC\ST units will get double the rate of country specified daily allowance as per MEA guidelines including expenses for accommodation, transport etc. The transport cost for participation in vendor development programmes will be reimbursed to SC\ST units.
- Subsidy for performance and credit rating scheme for SC\ST enterprises. Renewal subsidy to be given only to the SC\ST units having the rating up to 5 and additional subsidy for SC\ST units to be 15%.

2.2.13.3 The launch of SC\ST Hub has resulted into registration of 5000 SC\ST enterprises on the MSME data bank.



The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra chairing the 2nd High Powered Monitoring Committee Meeting of National SC\ST Hub, in New Delhi on December 14, 2016. The Ministers of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh and Shri Haribhai Parthibhai Chaudhary are also seen.

2.2.14 E-Governance initiatives\ DIGITAL INITIATIVES

2.2.14.1 **Digitization of Ministry of MSME** - 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.

2.2.14.2 **Mobile Friendly Website** - The website of the Ministry and Office of the DC MSME has been made mobile friendly. With this, entrepreneur friendly content can be easily accessed through any mobile and tablet <http://msme.gov.in> and <http://dcmsme.gov.in>.

2.2.14.3 **E-Office**: e-Office initiative has been introduced to achieve paperless office in the Ministry. Movement of e-files has been started and digitalization of existing physical files for converting the same into electronic files has been completed. E-Office initiative has also been introduced to achieve paperless office of DC (MSME) like the way Ministry of MSME has done it. The necessary ground work has been completed and the work has been taken up in consultation with NIC officials for IT set up, hardware platform requirement, IT hardware requirement, number of users, Manpower & Training activities as per e-office requirement. The digitization work of documents and software installation on cloud and trial has already been started.

2.2.15 Achievements during 2014-16 (31st December 2016)

1. First Time Launch of Schemes at Ludhiana:

Overview and Policy Initiatives

Thanks to the Hon'ble Prime Minister Shri Narendra Modi ji as it was for the first time that Prime Minister launched new Schemes of the Ministry in a function at Ludhiana. The owners of Small and Medium Enterprises (SMEs), entrepreneurs in Khadi as well as Coir Sector also got enthused because of the awards given by the Prime Minister to them.

2. Udyog Aadhaar Memorandum :

In the ease-of-doing business, the registration of MSMEs was simplified by launching one-page online Registration methodology. Udyog Aadhaar Memorandum (UAM) was notified and launched on 18.9.2015 and more than 22 lakh Udyog Aadhaar Memorandums have been registered. UAM is now being modified after having discussions with various stakeholders including the State Governments and MSME Associations.

3. National Scheduled Caste \ Scheduled Tribe Hub:

The Ministry of Micro, Small and Medium Enterprises has given the work of operationalization of National SC \ ST Hub to ensure 4% procurement from SC\ ST entrepreneurs in all Central Government Ministries and Central Public Sector Enterprises (CPSEs). The High Powered Monitoring Committee on SC \ ST Hub has already met twice, which has resulted into more than 5000 SC \ ST enterprises getting registered on msmedatabank.in.



The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra chairing the 2nd High Powered Monitoring Committee Meeting of National SC\ST Hub, in New Delhi on December 14, 2016. The Ministers of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh & Shri Haribhai Parthibhai Chaudhary and the MSME Secretary, Shri K.K. Jalan are also seen.

4. MSME Databank:

An online Census of MSMEs has started with the launch of MSME Databank. and Micro, Small and Medium Enterprises Development (Furnishing of Information) Rules, 2016 have been notified to make it compulsory for MSMEs to give information on MSME Databank. More than 58,000 units have already given information on MSME Databank till date.

5. Finance Facilitation Centres:

To ensure availability of credit to the MSMEs, National Small Industries Corporation (NSIC) has already established seven Finance Facilitation Centres at Ludhiana, Jalandhar, Guwahati, Bangalore, Hyderabad, Chennai and Jaipur. The NSIC has also reduced the lending rates on raw material assistance by 1% on micro units and by 0.5% on small industries. It has also reduced its rate of Single Point Registration Scheme by 40% in case of MSEs.

6. Promotion Towards “Less-Cash” Economy:

The Ministry of Micro, Small and Medium Enterprises is encouraging MSMEs, especially micro enterprises to move towards “less cash” economy. The various organisations under the Ministry have already conducted more than 1,500 programmes benefitting more than 25,000 enterprises to move towards “less cash” economy. It has also been ordered that all the trainees being trained in the organisations will be encouraged to move to cashless payments.

7. ZED (Zero Defect Zero Effect) :

The Hon’ble Prime Minister also launched ZED (Zero Defect Zero Effect) Scheme under which the Ministry plans to assess 22,000 units to get themselves rated for Zero Defect Zero Effect. ZED certification will be in five categories viz., Bronze, Silver, Gold, Diamond and Platinum. The rated SMEs will get better business opportunities.

8. IEDs (Indian Enterprises Development Service):

Though, the Enterprise Development is the main stay of the Ministry for quite sometime, for the first time the Cabinet has given approval by forming a new service namely, Indian Enterprise Development Service (IEDs). This will make the work of the Organisation more cohesive and also help to achieve the vision of “Startup India”, Standup India” and “Make in India”.



9. Technology Centres:

13 new Technology Centres at Bhiwadi, Baddi, Rohtak, Bhopal, Durg, Kanpur, Greater Noida, Imphal, Vishakhapatnam, Ernakulam, Bangalore, Sitarganj and Pudducherry are coming up

Overview and Policy Initiatives


- with the assistance of the World Bank scheme. More than Rs.2000 crore is being spent on the same, besides, the Government is also upgrading the Technology Centres at Dimapur (Nagaland) and is coming up with new Technology Centres at Shillong and Agartala.
10. Under **Prime Minister's Employment Generation Programme (PMEGP)**, during 2014-16, Rs.2798.64 crore were utilized as Margin Money for setting up of 1,20,436 projects creating employment opportunities for more than 8,88,512 persons.
 11. Under **Scheme of Fund for Regeneration of Traditional Industries (SFURTI)** 60 clusters with financial assistance of Rs.150.12crore benefitting more than 54,091 artisans.
 12. Under **ASPIRE (A Scheme for Promotion of Innovation, Rural Industries and Entrepreneurship)**, SIDBI has set up Fund of Funds for which Rs.60 crore has been released. 50 Livelihood Business Incubators (LBIs) and 5 Technology Business Incubators (TBIs) have also been approved. 3500 incubates are undergoing \completed incubation in 20 LBI across the country.
 13. More than Rs.341 crore was provided under **Marketing Development Assistance (MDA) scheme to Khadi Village & Industries Commission**. It is expected to increase Khadi production to record high of Rs.1300 crore of 2016-17, creating employment to more than 19.50 lakh persons. Khadi sales is expected to reach more than Rs 1800 cr.
 14. It is estimated that Village Industries production during 2016-17 will cross Rs.45,000 crore creating employment for more than 163 lakh persons.
 15. **Coir Board** was provided with an assistance of approximately Rs.35 crore per year. Coir production was more than 5.00 lac MT every year creating employment for 7 lakh persons each year. The exports of coir and coir products reached a record high of Rs.1,900 crore during 2015-16.
 16. 300 **Solar Charkhas** were put up in Village Khandwa, District Nawada, Bihar and in District Amravati, Maharashtra through Mahatma Gandhi Institute for Rural Industrialization (MGIRI), Wardha.
 17. **A Framework for Revival and Rehabilitation of MSMEs** was notified in May, 2015. Revised guidelines have been issued by RBI in 2016. All the banks are mandated to constitute a Committee for distressed MSMEs to prepare a Corrective Action Plan for their rehabilitation.
 18. **Under Performance and Credit Rating Scheme:** More than 45,000 MSME units were rated during 2014-16 (Upto November 2016).
 19. The National Small Industries Corporation Ltd. (NSIC) supported MSMEs by supplying more than 9 lac MTs of raw materials every year during 2014-15 and 2015-16. During 2016-17, it has supplied more than 7.5 lakh MT of raw material till November 2016. NSIC started 36 Livelihood Business Incubators (LBIs) including under PPP mode.
 20. **Under Credit Linked Capital Subsidy Scheme**, Rs. 987.72 crore of subsidy has been released to 15,684 MSEs during 2014-16 (Till 31 December 2016).
 21. **Under Credit Guarantee Trust Fund for MSEs Scheme:** During 2014-16 (Till 27 December

- 2016), about 13 lakh proposals with credit guarantee of over Rs. 56,000 crore have been approved.
22. Through **Tool Rooms**, 4,60,301 persons have been trained during 2014-16.
23. **National Manufacturing Competitiveness Programme (NMCP):**
- **Lean Manufacturing competitiveness Scheme:** 622 awareness programmes organized. Rs. 39.29 cr. released for implementation of Lean Manufacturing Technology in 100 Mini clusters.
 - **Technology Up gradation and Quality Certification Support to MSMEs:** 366 Product Certification and 300 Energy Efficient Technologies (EET) approved. 102 awareness programmes on Product Certification and 96 awareness programmes on EET have been organized. An amount of Rs. 27.99 crore has been released.
 - **Support for Entrepreneurial and Managerial Development of SMEs through Incubators:** 348 new ideas and 106 Host Institutes approved. Rs. 12.91 cr released.
 - **Design Clinic scheme** Rs. 16.78 crore released benefitting more than 6700 MSMEs.
 - **Enabling manufacturing Sector to be competitive through Quality Management Standards and Quality Technology Tools:** 219 awareness programmes organized. Fund of Rs. 3.75 crore has been released.
 - **ZED Certification:** The scheme was launched on 18 October 2016 by Hon'ble Prime Minister of India. 20 awareness programmes organized. An amount of Rs. 10.84 crore has been released.
 - **IPR:** 106 awareness programmes organized. An amount of Rs. 4.76 cr. has been released.
24. **Vendor Development Programme for Ancillarisation:** 118 National Vendor Development Programmes (NVDPs) and 660 State Vendor Development Programmes (SVDPs) organized. An amount of Rs. 8.86 cr has been released.
25. **MSME Testing Centres\ MSME Testing Stations:** During 2014-16, more than 5,49,000 tests performed for the benefit of about 13,900 MSMEs (Till 30 November 2016). Rs. 22.80 cr. revenue earned during 2014-16 (Till 30 November 2016).



Major Schemes


- 3.1 The Ministry of MSME runs numerous schemes targeted at skill development, financial assistance, technological assistance and quality upgradation of MSMEs. A snapshot of all the schemes is provided below:

Table 3: List of Schemes of the Ministry of MSME.	
I. Scheme for 'Providing financial assistance on International Cooperation'	
Description	<p>The scheme provides for the following:</p> <ul style="list-style-type: none"> (a) Visit of MSME business delegations to delegations to other countries for exploring new areas of technology infusion\upgradation, facilitating joint ventures, improving market of MSMEs products, foreign collaborations, etc. (b) Visit and Participation by Indian MSMEs in international exhibitions, trade fairs and buyer-seller meets in foreign countries. (c) Participation in International exhibitions\trade fairs held in India in which there is international participations. (c) Holding international conferences and seminars on topics and themes of interest to the MSME. <p>The scheme provides financial assistance towards the airfare and space rent of entrepreneurs. Status: A sum of Rs. 3.6 crore was spent in 2015-16 to support 55 events benefitting 875 entrepreneurs. During the year 2016-17(upto December 2016), Rs. 4.47 crore has been spent to support 79 events benefitting 1011 entrepreneurs. Recent developments: The Ministry has substantially eased the application process by reducing the list of required documents, and has provided for online applications vide Office Memorandum dated June 1, 2016 (Available at: http://msme.gov.in/WriteReaddata/DocumentFile/IC%20Scheme%20guidelines%20dated%201st%20June,%202016.PDF).</p>
Intended beneficiaries	<ul style="list-style-type: none"> (a) State\Central Government Organisations; (b) Industry\Enterprise Associations; and (c) Registered Societies\Trusts and Organisations associated with the promotion and development of MSMEs
Implementation	SME Division
Funds Allocated (In Rs. Crore) (2016-17)	<p>Rs. 5.00 crore</p>  <p>The Minister of Small Business Development, South Africa, Ms. Lindiwe Zulu meeting the Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra, in New Delhi on October 13, 2016.</p>

Major Schemes

II. Scheme for 'providing financial assistance for performance and credit rating									
Description	The objective of the Scheme is to create awareness amongst micro & small enterprises about the strengths and weaknesses of their operations and also their credit worthiness. The Scheme is implemented by National Small Industries Corporation (NSIC) and Rating under the scheme is being carried out through empaneled rating agencies i.e. CRISIL, ONICRA, ICRA, SMERA, Brickwork, India Ratings and CARE.								
	<p>The Ministry reimburses a portion of the rating fee based on the turnover of the enterprise:</p> <table> <tr> <th>Turn Over</th><th>Fee to be reimbursed by Ministry of MSME</th></tr> <tr> <td>Up to Rs.50 lacs</td><td>75% of the fee charged by the rating agency subject to a ceiling Rs. 15,000\-</td></tr> <tr> <td>Above Rs.50 lacs to Rs.200 lacs</td><td>75% of the fee charged by the rating agency subject to a ceiling of Rs.30,0001-</td></tr> <tr> <td>Above Rs.200 lacs</td><td>75% of the fee charged by the rating agency subject to a ceiling of Rs.40,000\-</td></tr> </table> <p>Status: During the last two years an assistance of Rs. 125 crore has been provided for rating of 36,348 micro and small enterprises under this scheme.</p> <p>The process is undergoing transition to a web-based model and only rating agencies empaneled by the RBI and SEBI are allowed to rate the units.</p> <p>Recent developments: To increase the ease of doing business, on September 9, 2016 the Ministry has eased the compliance requirements by allowing applicants to furnish three years of certified accounts in case audited accounts are not available.</p>	Turn Over	Fee to be reimbursed by Ministry of MSME	Up to Rs.50 lacs	75% of the fee charged by the rating agency subject to a ceiling Rs. 15,000\-	Above Rs.50 lacs to Rs.200 lacs	75% of the fee charged by the rating agency subject to a ceiling of Rs.30,0001-	Above Rs.200 lacs	75% of the fee charged by the rating agency subject to a ceiling of Rs.40,000\-
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Above Rs.200 lacs	75% of the fee charged by the rating agency subject to a ceiling of Rs.40,000\-								
Intended beneficiaries	Any enterprise registered in India as a micro or small enterprise.								
Implementation	SME								
Funds Allocated (In Rs. Crore) (2016-17)	28.00								
III. Scheme for providing establishment of new institutions (EDIs), strengthening the infrastructure for EDIs under ATI Scheme.									
Description	<p>The revised guidelines (effective from 01.09.2016) provide for financial assistance in the form of grant for:-</p> <ol style="list-style-type: none"> Infrastructure support and capacity building of training institution of Ministry of MSME and the existing State Level EDIs; Research and Studies on MSME related matters; MSME Chain; and Training (Skill Development programmes\Training of Trainers) by training institution of Ministry of MSME. <p>No financial assistance will be provided under the revised scheme for setting up of a new EDI. The private training institutions\NGOs are not covered under the scheme for financial assistance.</p> <p>Nature of assistance:</p> <p>The maximum assistance under the scheme to a State level EDI will be restricted to Rs.250 lakh in each case. This grant would be utilized for development of physical infrastructure, equipment, faculty training and development of capability in undertaking studies and research on issues related to MSME sector.</p> <p>Research and Studies: The maximum assistance will be Rs.15 lakh in each case.</p> <p>Training (SDP): Assistance will be provided to training institutions of Ministry of MSME for conducting Skill Development Programmes.</p>								
Intended beneficiaries	Training Institutions of Ministry of MSME and existing State level EDIs.								
Implementation	Ministry of Micro, Small and Medium Enterprises [Screening Committee Headed by Joint Secretary (SME)].								

Major Schemes

Funds Allocated (In Rs. Crore) (2016-17)	Rs.79.99 Crore (B.E.: 2016-17).
IV. Scheme for providing financial assistance on marketing support under Marketing Assistance Scheme	
Description	<p>The Ministry of MSME provides assistance for the following:</p> <ul style="list-style-type: none"> (a) Organizing Exhibitions abroad and participation in International Exhibitions\Trade Fairs. (b) Co-sponsoring of Exhibitions organized by other organisations\ industry associations\ agencies. (c) Organizing Buyer-Seller Meets, Intensive Campaigns and Marketing Promotion Events. <p>Status: During the financial year 2015-16 (up to January, 2016) the NSIC participated \ organised 72 domestic exhibitions and participated in 6 international exhibitions (abroad) & organized 3 international level exhibitions in India. Under Marketing Assistance Scheme 904 units participated in these exhibitions.</p> <p>The Ministry provides financial assistance of up to 95% of the airfare and space rent of entrepreneurs, http://msme.gov.in/WriteReadData/Scheme\MAScheme-New-18112014.pdf.</p>
Intended beneficiaries	MSMEs, Industry Associations and other organizations related to MSME sector.
Implementation	<p>SME</p> <p>On behalf of Government, NSIC is implementing “Marketing Assistance Scheme” to promote marketing efforts and to enhance the competency of the small enterprises for capturing the new market opportunities by way of organizing\ participating in various domestic & international exhibitions\trade fairs.</p>
Funds Allocated (In Rs. Crore) (2016-17)	<p>14.00</p>  <p>The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra visiting after inaugurating the “MSME EXPO-2016 Pavilion”, during the 36th India International Trade Fair (IITF-2016), at Pragati Maidan, in New Delhi on November 15, 2016. The Minister of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh is also seen.</p>
V. Scheme for providing financial assistance to set up new enterprises under PMEGP	
Description	<p>The scheme aims 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. Another objective is 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. A third objective is to increase the wage earning capacity of artisans and contribute to increase in the growth rate of rural and urban employment.</p>


Major Schemes

	<p>The Scheme is implemented by Khadi and Village Industries Commission (KVIC), as the nodal agency at the National level. At the State level, the Scheme is implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs) and banks.</p> <p>The maximum cost of the project/unit admissible under manufacturing sector is Rs.25 lakh and under business/service sector is Rs.10 lakh.</p> <p>Status: During the period 2014-15 to 2016-17 (upto 31.12.2016), a total of 1,20,673 units were grounded, which provided employment to 8,90,408 persons.</p>								
	<p>Recent developments: The Ministry has launched an online portal where the latest information regarding the number of applications received is available. The portal can be accessed at http://www.kviconline.gov.in/pmegpeportal/dashboard/index.jsp. More than 341543 applications have been received on the portal as on 31 December, 2016. This online portal enables online application, processing, sanction, margin money claims by banks as well as online disbursement of funds and monitoring of the various projects sanctioned for a period of three years from the inception of the project.</p>								
Intended beneficiaries	<p>Any individual, above 18 years of age is eligible to seek assistance. If the project size is above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakh in the business \ service sector, the applicant must be at least Class VIII Pass.</p> <p>Only new projects are considered for sanction under PMEGP. Self Help Groups (including those belonging to BPL provided that they have not availed benefits under any other Scheme), Institutions registered under Societies Registration Act, 1860; Production Co-operative Societies, and Charitable Trusts are also eligible.</p>								
Implementation	ARI.								
Funds Allocated (In Rs. Crore) (2016-17)	1120.0 (RE)								
VI. Scheme of Fund for Regeneration of Traditional Industries (SFURTI)									
Description	<p>The objectives of the scheme is to organize traditional industries and artisans into clusters to make them competitive and provide support for their long term sustainability, sustained employment, to enhance marketability of products of such clusters, to equip traditional artisans of the associated clusters with the improved skills, to make provision for common facilities and improved tools and equipment for artisans, to strengthen the cluster governance systems with the active participation of the stakeholders, and to build up innovative products, improved technologies, advanced processes, market intelligence and new models of public-private partnerships.</p> <p>The scheme covers three types of interventions:</p> <ol style="list-style-type: none"> Soft interventions – Activities to build general awareness, counselling, skill development and capacity building, exposure visits, market development initiatives, design and product development, etc. Hard interventions – Creation of common facility centres, raw material banks, upgradation of production infrastructure, warehousing facility, tools and technological upgradation, etc. Thematic interventions – Interventions on a cross-cutting basis for brand building, new media marketing, e-commerce initiatives, research and development, etc. <p>The financial assistance provided for any specific project shall be subject to a maximum of Rs 8 (eight) crore to support Soft, Hard and Thematic interventions.</p> <table border="1"> <thead> <tr> <th>Type of clusters</th><th>Per Cluster Budget Limit</th></tr> </thead> <tbody> <tr> <td>Heritage Clusters (1000-2500 artisans)</td><td>Rs 8 crore</td></tr> <tr> <td>Major Clusters (500-1000 artisans)</td><td>Rs 3 crore</td></tr> <tr> <td>Mini-Clusters (Upto 500 artisans)</td><td>Rs 1.5 crore</td></tr> </tbody> </table>	Type of clusters	Per Cluster Budget Limit	Heritage Clusters (1000-2500 artisans)	Rs 8 crore	Major Clusters (500-1000 artisans)	Rs 3 crore	Mini-Clusters (Upto 500 artisans)	Rs 1.5 crore
Type of clusters	Per Cluster Budget Limit								
Heritage Clusters (1000-2500 artisans)	Rs 8 crore								
Major Clusters (500-1000 artisans)	Rs 3 crore								
Mini-Clusters (Upto 500 artisans)	Rs 1.5 crore								

Major Schemes

	<p>Status: The scheme was revamped during 2014 with an outlay of Rs. 149.44 crore for developing 71 clusters. 71 clusters have been given in-principle approval by Scheme Steering Committee (SSC) and 60 DPRs have been given final approval. Out of these 9 clusters are expected to start functioning in December 2016 and others are in different stages of completion. A total amount of Rs. 80.09 crore including Rs.49.80 crore during the year 2016-17 has been released upto 31.12.2016 under SFURTI.</p> <p>A total of 54091 artisans are likely to be benefitted under 60 clusters and total financial support for these 60 clusters will be Rs.118.63 crore.</p>
Intended beneficiaries	Non-Government organizations (NGOs), institutions of the Central and State Governments and semi-Government institutions, field functionaries of State and Central Govt., Panchayati Raj institutions (PRIs), Private sector by forming cluster specific SPVs, Corporates and corporate Responsibility (CSR) foundations with expertise to undertake cluster development.
Implementation	<p>ARI.</p> <p>The MSME Ministry has constituted a Scheme Steering Committee as the apex coordination and monitoring body. The KVIC, Coir Board, NiMSME (Hyderabad), IED (Odisha), IIE (Guwahati), IMED, J&K KVIB are the Nodal Agencies for scheme implementation in their respective areas. In addition, other Nodal Agencies are being identified for implementation.</p>
Funds Allocated (In Rs. Crore) (2016-17)	75.00
VII. A Scheme for Promotion of Innovation, Rural Industry & Entrepreneurship (ASPIRE)	
Description	<p>The scheme has the following objectives:</p> <ul style="list-style-type: none"> (i) Create new jobs and reduce unemployment, (ii) Promote entrepreneurship culture in India, (iii) Grassroots economic development (iv) Facilitate innovative business solution for unmet social needs, and (v) Promote innovation to strengthen the competitiveness of MSME sector. <p>The scheme components are</p> <ul style="list-style-type: none"> (i) Create a database of technologies available with various Government \ private agencies and set up a Network of Technology Centres for sharing of best practices and experiences; (ii) Develop the required skilled Human Resources necessary for mentoring and handholding the incubates; (iii) Set up Livelihood Business Incubators (LBI) under National Small Industries Corporation (NSIC), KVIC or Coir Board or any other Institution\agency of GOI\State Govt. (iv) Incubation and Commercialisation of Business Ideas Programme through technical \ research institutes Ministries of GOI and Private incubators. (v) Business Accelerator programme for scaling up. (vi) Create a framework for Start-up Promotion through Small Industries Development Bank of India (SIDBI) by using innovative means of finance to enable ideas\innovation & to convert these into commercial enterprises. <p>The Objective of LBIs is</p> <ul style="list-style-type: none"> (a) To set up business incubators so that eligible youth can be adequately incubated in various skills and be provided the opportunity to set up their own business enterprises; (b) To impart entrepreneurship, and skill development training to youth; (c) To provide mentoring and hand holding with facilitation for funding with a view to empower them to set up own business enterprises. (d) To promote new low-end-technology\livelihood based enterprises.

Major Schemes

	<p>The following activities are covered under the scheme:</p> <p>A. Livelihood Business Incubators by NSIC, KVIC, Coir Board or any other Institution or any other Institution or Agency of Govt. of India\State - Setting up LBI's (100lakh for NSIC & others. And INR 50 lakh for eligible agencies under ppp) for plant & machinery only.</p> <p>B. Technology Business Incubators -</p> <ol style="list-style-type: none"> Incubation center <ul style="list-style-type: none"> Support for Existing Incubators(INR 30 lakh for incubator capex) Setting up of New Incubator(INR 100 lakh for incubator capex) Incubation of Ideas (INR 3 lakh per idea)
	<ol style="list-style-type: none"> Creation of Enterprise out of innovative idea (Seed Capital fund@ INR 1.00 cr. per incubator for enterprise creation@ 50% of project cost or 20 lakh per successful idea whichever is less) Accelerator workshop <p>Status: The scheme was introduced in 2015-16. As on 31.12.2016, 50 Livelihood Business Incubators (LBIs) and 5 Technology Business Incubator (TBIs) proposals have been given approval out of which 21 LBIs have been operationalized. Total support to be provided to these 55 Incubators is Rs. 41.11 crore.</p>
Intended beneficiaries	<p>(a) Existing incubation centres currently operating under different Ministries and Departments of the Government of India or Institutions including National\Regional level institutions of GOI\State Governments.</p> <p>(b) To set up new incubation centres, eligible private institutions including Industry Associations, along with the Academic Institutions, R&D laboratories, Universities, Government entities and Technology Parks, Technical institutions with a proven track record in promotion of innovative\technology based entrepreneurship in the agro-rural landscape.</p>
Implementation	<p>ARI.</p> <p>NSIC, KVIC and the Coir Board are nodal agencies tasked to replicate the "Rapid Incubation Model". In addition, Private partner institutions and entities can also set up livelihood incubation centres under PPP mode with NSIC, KVIC or Coir Board, or any other Institution\agency of GOI\State Govt.</p>
Funds Allocated (In Rs. Crore) (2016-17)	<p>20.00 (RE)</p>  <p>The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra launching the "ASPIRE FUND", at a function, in Mumbai on October 20, 2016.</p>

Major Schemes

VIII. Scheme for providing insurance cover to khadi artisans under Aam Admi Bima Yojana (AABY)	
Description	<p>The scheme aims to provide group insurance cover to khadi artisans. This scheme was formulated by KVIC in association with the Life Insurance Corporation of India (LIC). The scheme provides the following coverage:</p> <p>(a) For death due to: (1) natural causes – Rs.30,000; and (2) accident – Rs.75,000.</p> <p>(b) For permanent disability (loss of two eyes or two limbs) – Rs.75,000. For partial disability (loss of one eye or one limb) – Rs.37,500.</p> <p>(c) Free Add-on benefit: Scholarship of Rs.100 per month for the children of Khadi Karigar, studying in 9th to 12th standard subject to a maximum of 2 children per family.</p> <p>Status: More than 2.93 lakh khadi artisans have already been covered under this scheme so far.</p>
Intended beneficiaries	Khadi Karigar (Spinners and Weavers) aged between 18 years and 59 years and below and marginally above poverty line.
Implementation	ARI. KVIC is the implementing agency.
Funds Allocated (In Rs. Crore) (2016-17)	0.50
IX. Coir Workers Group Personal Accident Insurance Scheme	
Description	The Coir Board Group Personal Accident Insurance scheme was converged with the Pradhan Manthri Suraksha Bima Yojana (PMSBY) during July 2016. As of now a total number of 6101 coir workers are enrolled under PMSBY.
Implementation	ARI. Coir Board is the implementing agency.
X. Scheme for providing financial assistance to Khadi institutions under MPDA	
Description	<p>Government has introduced w.e.f 01.04.2010, a flexible, growth stimulating and artisan oriented Market Development Assistance (MDA) Scheme, in place of the erstwhile system of Rebate. Under MDA, financial assistance is provided to institutions @ 20% of the value of production of khadi and polyvastra, to be shared among artisans, producing institutions and selling institutions in the ratio 40:40:20. MDA provides institutions flexibility to use the assistance for improving the outlets, products and production processes, besides giving incentive to customers, etc. The scheme has been modified as MPDA by amalgamating existing Market Development Assistance on production (Khadi & Poly) Scheme and additional components of Publicity, Marketing and Market promotion (including Export Promotion) & Infrastructure (inclusive of new component of Marketing Complexes\Khadi Plaza) out of VI Grant. Under the Modified MDA (MMDA), Pricing would be fully de-linked from the cost chart and products can be sold at market-linked prices at all stages of production. Incentives would be extended to Artisans and Karyakartas.</p> <p>Further, production & marketing support for products, which are self-sustainable, will be phased out. Modified MDA shall be calculated at 30% of the Prime Cost, {cost of raw material plus conversion charges up to grey cloth plus processing charges without margins [establishment expenditure (25%) and trading, insurance & bank interest (8%)]}. The Modified MDA shall be distributed amongst producing institutions (40%), selling institutions (20%) and artisans (40%).</p> <p>Status: An amount of Rs. 171.53 crore has been disbursed by KVIC towards MDA (Khadi) in 2014-15. In 2015-16, Rs. 167.74 crore have been disbursed by KVIC towards MDA (Khadi). And during 2016-17 (upto 30th December, 2016), Rs.232.59 crore have been disbursed by KVIC towards MDA (Khadi).</p>
Intended beneficiaries	The Khadi institutions, having valid Khadi certificate and categorized as A+, A, B and C, are only eligible to avail MDA grant from KVIC.

Major Schemes

Implementation	ARI. KVIC is the implementing agency.
Funds Allocated (In Rs. Crore) (2016-17)	Rs 341.63 crore
XI. Scheme for providing financial assistance for R & D activities of Coir Board under Central Sector Plan Scheme of Science & Technology (S&T) of the Coir Board	
Description	Coir Board has been mandated with undertaking, assisting or encouraging scientific technological and economic research and maintaining and assisting one or more research institutions. Two R&D institutes namely; CCRI Alleppey and CICT Bangalore are functioning under Coir Board. Grant is released to the two R&D institutes; CCRI Alleppey and CICT Bangalore by the Government through the Coir Board for R&D activities and creation of infrastructure & Civil construction \ repairs etc. relating to R&D activities only as specified in the Action Plan under different Programme Heads of the Scheme.
Intended beneficiaries	Assistance is provided only to the two R&D institutes functioning under the Coir Board
Implementation	ARI. Coir Board is the implementing agency.
Funds Allocated (In Rs. Crore) (2016-17)	Total Rs.7.00 crore has been allocated under Coir (S&T), which is earmarked for Coir Board.
XII. Scheme for providing financial assistance to Coir units under Coir Udyami Yojana (CUY)	
Description	This is a credit linked subsidy scheme for setting up of Coir units with project cost up to Rs.10.00 lakh plus one cycle of working capital, which shall not exceed 25% of the project cost. Working capital will not be considered for subsidy. The funding pattern of the Scheme is, (a) Bank Loan\ Credit Role - 55% (b) Government Grant (Margin Money – Subsidy) – 40% (c) Beneficiaries Contribution - 5% Status: During 2016-17, Rs.8.81 crore (up to December, 2016) has been spent as margin money in setting up of 391 units whose project value is estimated at Rs.22.02 crore, creating employment for approximately 1564 persons.
Intended beneficiaries	i) Any individual above 18 years of age with Indian Citizenship. ii) There will be no income ceiling for assistance for setting up of project under Coir Udyami Yojana (CUY) Scheme. iii) Assistance under the Scheme is only available for projects for the production of coir fibre \yarn\products etc. coming under coir sector. iv) Assistance will be made available to individuals, Companies, Self Help Groups, NGO, Institutions registered under Societies Registration Act 1860, Production Co-operative Societies, Joint Liability Groups and Charitable Trust. The SC\ST, Women, NER and Andaman and Nicobar Island and Lakshadweep beneficiaries will be given priority.
Implementation	ARI. Coir Board is the implementing agency.
Funds Allocated (In Rs. Crore) (2016-17)	15.0 (RE)
XIII. Coir Vikas Yojana	

Major Schemes

Description	<p>Six schemes are operating under this umbrella Scheme:</p> <p>(a) Scheme for providing financial assistance to Coir units for export - The main objectives of the scheme are:</p> <ul style="list-style-type: none"> (i) To expand the share of Indian coir products in global market; (ii) To assess main competitors, product ranges, price, general setting and promotional strategies; (iii) To motivate distribution channels to promote coir products; (iv) To assess tariff\ non-tariff barriers on coir vis-a-vis competing products and pursue their possible elimination\ reduction through bilateral negotiations; (v) To explore virgin markets; (vi) Identify next-tier markets through proper study for implementation of aggressive marketing strategies; (vii) To augment modernization through technology transfer; (viii) To engage consultancy services\ professional agents for specific assignments\ projects relating to export promotion; <p>Financial assistance of up to Rs. 2.50 lakh is provided to the eligible coir exporters to participate in the international fairs\ BSM\ delegations etc. Assistance for publicity material up to 25% of the production cost with over all ceiling of Rs. 25000\ - is also admissible.</p> <p>(b) Scheme for providing training to the aspiring Coir workers for capacity development and quality improvement - Objective of the scheme is to train personnel for the cadres of supervisors\ instructors\ artisans to meet the requirement of skilled man power for the development of coir industry.</p>
	<p>(c) Scheme for providing financial assistance to Coir units for infrastructure development - Coir Board is implementing the Plan Scheme 'Development of Production Infrastructure' with the objective of providing modern infrastructure facilities to the coir production units resulting in the improvement of productivity and quality and also creation of employment opportunities especially for women in the rural areas.</p> <p>(d) Scheme for providing insurance to coir workers under "Coir Workers Group Personal Accident Insurance Scheme - The Coir Board Group Personal Accident Insurance scheme was converged with the Pradhan Manthri Suraksha Bima Yojana (PMSBY) during July 2016. As of now a total number of 6101 coir workers are enrolled under PMSBY.</p> <p>Status: During the last two years, Rs. 50 crore has been spent on skill development, and marketing assistance. This has resulted in more than 27,000 people receiving training. Additionally 15,476 women were trained under the Mahila Coir Yojana and 162 companies were encouraged to participate in 17 fairs organized within and outside the country.</p>
Intended beneficiaries	<p>(a) Scheme for providing financial assistance to Coir units for export - All micro, small and medium exporters, with FOB turnover of less than Rs.2.00 crore worth coir and coir products in the previous year and micro, small & medium entrepreneurs of coir and coir products, registered with the Coir Board, would be eligible for assistance under the scheme.</p> <p>(b) Scheme for providing training to the aspiring Coir workers for capacity development and quality improvement - Objective of the scheme is to train personnel for the cadres of supervisors\ instructors\ artisans to meet the requirement of skilled man power for the development of coir industry.</p> <p>(c) Scheme for providing financial assistance to Coir units for infrastructure development - All new coir processing units registered with Coir Board under Coir Industry (Registration) Rules, 2008 and registered with the DIC of the respective region of the entire coir sector of the country with project cost exceeding Rs. 5 lakh each are eligible.</p> <p>(d) Scheme for providing insurance cover to Coir workers - Coir workers aged 18 years and above engaged in the industry (no upper age limit) are covered under the Insurance Scheme. The disabled coir worker or nominee of the disabled \ deceased coir worker can apply for the claim.</p>

Major Schemes

Implementation	ARI. Coir Board is the implementing agency.
Funds Allocated (In Rs. Crore) (2016-17)	20.30 (RE)

XIV. Marketing Assistance & Technology Upgradation (MATU) Scheme (Revised w.e.f. 29.06.2016 vide O.M. No. 5(1)\2016-MDA dated 29.06.2016)	
Descrip- tion	To encourage manufacturing Micro and Small Enterprises (MSEs) in tapping and developing domestic \ overseas markets, popularising adoption of Bar Coding of products, facilitate marketing linkages and educate on relevant topics of marketing by organising International & National Workshop\ Seminar. Component of the MATU Scheme (elaborated in detail in following Sections):- 1. Domestic Trade Fairs \ Exhibitions 2. International Trade Fairs \ Exhibitions 3. International\National Workshops\Seminars on Marketing\Public Procurement\ Packaging etc. 4. Vendor Development Programmes 5. Reimbursement on obtaining Bar code
Intended benefi- ciaries	Micro\Small Enterprise should have EM part II\ Udyog Aadhar Memorandum
Implementation	DC MSME through MSME-DI.
Funds Allocated (In Rs. Crore) (2016-17) Expenditure till 31.12.2016	BE-17.50 crore Rs. 3.6 crore

(1) Domestic Trade Fair\ Exhibitions – A component under MATU Scheme	
Description	To encourage manufacturing Micro and Small Enterprises (MSEs) in their effort of tapping and developing domestic markets. The Financial assistance of 80% of space rent paid for General category units and 100% for SC\ ST\women\NER\PH units limited to Rs.20,000\ - for booth size of 6 Sq. Mtrs. and Rs.50,000\ -for technology trade fair\exhibition.100% of Contingency expenditure (include travel, publicity and freight) for all categories of units subject to maximum Rs.10,000\ -. Status: Targets have been allotted to MSME-DIs for participation of MSEs units in the domestic exhibitions\ fairs. Financial assistance of Rs. 14.67 lakh has been providing to 89 MSE units out of the 206 MSEs units permitted to participate in various approved domestic trade fairs under the Scheme up to 31.12.2016. The O\o DC(MSME) has participated in 19 domestic trade fairs during 2016-17 till 31.12.2016
Intended benefi- ciaries	Micro\Small Enterprise should have EM part II\ Udyog Aadhar Memorandum
Implementation	DC MSME through MSME-DI.

Major Schemes

Funds Allocated (In Rs. Crore) (2016-17)	BE - 4.50 crore., RE – 1.12 crore
Expenditure (till 31.12.2016)	Rs. 0.14 crore
(2) International Trade Fairs\Exhibitions - A component under MATU Scheme.	
Description	<p>Objective:- To encourage Small & Micro exporters in their efforts at tapping and developing overseas markets.</p> <p>International Trade Fairs \ Exhibitions: The Financial assistance of 80% of space rent paid for General category units and 100% for SC\ST\women\NER\PH units limited to Rs.1.00 lakh for booth size of 6 Sq. Mtrs. 100% of air fare, economic class for one person maximum Rs 1.25 lakh for all category units.</p> <p>Status: During FY 2016-17 (till 31.12.2016), the Office of DC (MSME) has participated in 12 International Trade Fairs in which 162 units has participated. Total expenditure till 31.12.2016 is Rs. 1.40 crore.</p>
Intended beneficiaries	Micro\Small Enterprise should have EM part II\ Udyog Aadhar Memorandum (UAM).
Implementation	DC MSME
Funds Allocated (In Rs. Crore) (2016-17)	BE-5.00 crore, RE – 3.67 crore
Expenditure (till 31.12.2016)	Rs. 1.40 crore
(3) International\National Workshops\Seminars on Marketing\Public Procurement\Packaging etc. - A component under MATU Scheme.	
Description	<p>Objective: To facilitate marketing linkages and educate on relevant topics of marketing by organising International & National Workshop\ Seminar.</p> <p>Under this Scheme component, scale of assistance would be Rs 2.5 lakh maximum for National Workshop\Seminar and Rs 5.0 Lakh maximum for International Workshop\Seminar including cost of travel, boarding & lodging for international experts.</p> <p>Status: During FY2016-17 (till 31.12.2016), 1437 MSEs have benefitted with an expenditure of Rs. 0.33 crore.</p>
Intended beneficiaries	Micro\Small Enterprise should have EM part II\ Udyog Aadhar Memorandum (UAM).
Implementation	DC MSME
Funds Allocated (In Rs. Crore) (2016-17)	BE- 0.50 crore, RE – 0.46 crore
Expenditure (till 31.12.2016)	Rs. 0.33 crore.
(4) Vendor Development Programme - A component under MATU Scheme.	

Major Schemes

Description	<p>Vendor Development Programme (VDP) provides a common platform for buyer and sellers including displaying the products and services of MSMEs and requirements of Large Scale buyers organizations. The significance of VDP has increased manifold in view of the Public Procurement Policy for MSEs Order 2012.</p> <p>Vendor Development Programmes:</p> <p>State Level Vendor Development Programme (SLVDP) will focus on Vendor-Vendee match with duration of one day and Rs. 30,000/- per programme.</p> <p>National Level Vendor Development Programme (NLVDP) will focus on organizing Industrial Exhibition cum Buyer-Seller Meet with duration of 2-3 days. The maximum sanction per program would be of Rs 8.00 lakh (max.) & minimum recovery of 60% for "A" class city; sanction of Rs 6.00 lakh(max.) & minimum recovery 50% per program for all other cities except NE states\ J&K\ Himachal Pradesh – max. sanction Rs 5.00 lakh & minimum recovery 20% per program.</p> <p>Status: During the year 2016-17, 18 National Level VDPs and 126 State Level VDPs have been organized by MSME-DIs throughout the country as on 31.12.2016.</p>
Intended beneficiaries	Micro\Small Enterprise should have EM part II\ Udyog Aadhar Memorandum
Implementation	DC MSME through MSME-DI.
Funds Allocated (In Rs. Crore) (2016-17)	BE-5.00 crore, RE – 4.50 crore
Expenditure (till 31.12.2016)	Rs. 0.88 crore

(5) Reimbursement of registration fee for Bar Code - Component under MATU Scheme.

Description	<p>Bar Coding can have a significant impact on the success of any enterprise\company and organization. The basic objective of financial assistance is to enhance the marketing competitiveness of Micro & Small Enterprises (MSEs) by way of :</p> <p>Providing 75% of one-time registration fee and annual recurring fee (for first three years) paid by MSEs to GS-1 India.</p> <p>Status: Total 539 units benefitted through an expenditure of Rs. 0.85 crore during 2016-17 (upto 31.12.2016).</p>
Intended beneficiaries	Micro\Small Enterprise should have EM part II\ Udyog Aadhar Memorandum (UAM).
Implementation	DC MSME through MSME-DIs
Funds Allocated (In Rs. Crore) (2016-17)	BE-2.00crore, RE – 1.61 crore
Expenditure (till 31.12.2016)	Rs. 0.85 crore


XV. Support for Entrepreneurial and Managerial Development of SMEs through Incubators

Description	<p>The main objective of the scheme is to promote emerging technological and knowledge based innovative ventures that seek the nurturing of ideas from professionals beyond the traditional activities of Micro, Small & Medium Enterprises (MSMEs). Such entrepreneurial ideas have to be fostered and developed in a supportive environment before they become attractive for venture capital.</p> <p>Present Status 2016-17:- During 2016-17, 24 Host Institute \Business Incubators and 60 innovative ideas have been approved up to December, 2016</p>
Intended beneficiaries	Any individual or MSME having innovative idea near commercialization can apply to the host institution (e.g. IITs, NITs, Technical colleges, research institutes, etc.).

Major Schemes

Implementation	DC MSME. The incubational support will be provided by Host Institutions, like: (i) Indian Institutes of Technology (IITs) (ii) National Institutes of Technology (NITs) (iii) Engineering Colleges (iv) Technology Development Centers, Tool Rooms, etc. (v) Other recognized R&D or Technical Institutes/Centers, Development Institutes of DIP&P in the field of Paper, Rubber, Machine Tools, etc.
Funds Allocated (2016-17)	Rs. 10.00 Crore (BE), RE – 6.00 crore
Expenditure	Rs.4.19 Cr (01.04.2016 to 31.12.2016)
XVI. Building Awareness on Intellectual Property Rights (IPR) for MSME	
Description	This support programme aims to promote assessment studies to identify the IPR needs of identified MSME clusters/industries and to recommend measures for strengthening of IP portfolio. Financial assistance is provided for taking up - (1)Awareness\ Sensitization Programme, (2) Pilot Studies for Selected Clusters\ Groups of Industries, (3)Interactive Seminars \ Workshops, (4)Specialized Training, (5)Assistance for Grant on Patent\ GI Registration, (6)Setting up of 'IP Facilitation Centre and (7)Activities with International Agencies. These initiatives are being implemented through various eligible implementing agencies prescribed in the scheme guidelines, to encourage MSMEs for their overall development.
	Status: Progress during 2016-17 (up to 31-12-2016) (i) Setting up of 4 Intellectual Property facilitation centers (IPFCs) (ii) Organized 35 Awareness \ Sensitization Programmes (iii) 06 Workshops \ Seminars (iv) 1 Short term Training Programmes. (v) Financial assistance released to seven units for registration of Patents and GIs.
Intended beneficiaries	Industry associations and other technical experts.
Implementation	DC MSME
Funds Allocated (2016-17)	Rs. 3 Crore (B.E.), RE – 2.75 crore
Expenditure	Rs. 1.97 crore (01.04.2016 to 31.12.2016)
XVII. Lean Manufacturing Competitiveness Scheme	
Description	The objective is to enhance the manufacturing competitiveness of MSMEs through the application of various Lean Manufacturing (LM) techniques. The scheme was scaled up in September, 2013 considering the recommendations of an evaluation report prepared by the Quality Council of India. The scaled up Lean Manufacturing Competitiveness Scheme approved with a Total Project cost of Rs 240.94 cr. (GOI contribution Rs 204.94 cr.) for 12th Five Year Plan for 500 mini clusters. Status: Till date (31.12.2016) under up scaled scheme during 2016-17 (i) 64 Nos. Awareness Programs organized (ii) 75 Nos. SPVs formed (iii) 44 Lean Consultant selected in the SPVs for Lean intervention (iv) 26 Nos. Cluster have completed in Lean intervention

Major Schemes

Intended beneficiaries	a. Interested industry associations. b. Groups of 10 MSMEs which qualify under MSME-Development Act, 2006 and form an SPV (Mini Cluster).
Implementation	NPC and QCI
Funds Allocated (2016-17) Expenditure	BE - Rs 14 Crore, RE – 13.55 crore Rs.13.01 Cr (01.04.2016 to 31.12.2016)
XVIII. Funding support for implementing 'Design' projects	
Description	<p>The objective of the Design Clinic Scheme is to enhance industry understanding and application to design and innovation and to promote design as a value adding activity and integrate it into main stream business and industrial process to MSMEs. The Ministry provides funding support for implementation of various activities under design clinic scheme.</p> <p>Design clinic scheme is being implemented through National Institute of Design (NID), Ahmedabad which is the principal implementing agency and other implementing agencies like Indian Institute of Science (IISc) Bangalore and Council for Scientific and Industrial Research (CSIR).</p> <p>Status: During 2016-17 (till 31.12.2016):</p> <ul style="list-style-type: none"> (i) 76 Nos. of Professional Design Projects approved (ii) 13 Nos of Design Awareness Seminars organized, (iii) 7 Nos. of Orientation Programmes allocated. (iv) 1 No. of National Level Workshop conducted
Intended beneficiaries	1. MSMEs or Group of MSMEs as prime applicants. 2. Others (academic institutes, design consultants) as co-applicants along with a designated MSME (prime applicant) 3. Individuals (e.g. design students) as co-applicants in collaboration with the academic institution and MSME (prime applicant)
Implementation	NID, Ahmadabad, CSIR, Delhi and IISC, Bangalore
Funds Allocated (2016-17) Expenditure	BE - Rs 10 crore, RE – 7.18 crore Rs. 7.18 Cr (01.04.2016 to 31.12.2016)
	 <p>The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra releasing the publication at the National Workshop on Design Clinic Scheme under National Manufacturing Competitiveness Program, in New Delhi on December 29, 2016.</p>

Major Schemes

XIX. Technology and quality up-gradation (TEQUP) support to MSMEs.	
Description	<p>The first objective of the Scheme is to sensitize the manufacturing MSMEs for use of energy efficient technologies and manufacturing processes so as to reduce cost of production and the emissions of GHGs. The second objective is to improve the product quality of MSMEs and to encourage them towards becoming globally competitive.</p> <p>The following major activities are :</p> <ol style="list-style-type: none"> Funding support for organizing training and awareness activities on energy efficiency. Funding support to MSMEs, industry associations and expert agencies for conducting energy audits, preparing audit reports and DPR. Financial support through banks (SIDBI) to MSMEs for adopting energy efficient technologies. Reimbursement of expenditure incurred on product certification. Funding support for infrastructure development. Skill Development. <p>Status:- 2016-17 (up to 30.12.2016),</p> <ul style="list-style-type: none"> 47 Product Certification reimbursements for an amount of Rs 35.00 Lacs, 22 Awareness Programmes. 114 Nos. of EET cases have been assisted towards implementing energy efficient technology for reimbursement of 10.83 crore.
Intended beneficiaries	MSMEs
Implementation	DC MSME
Funds Allocated (2016-17)	BE - Rs 20 Crore, RE – Rs. 19.50 crore
Expenditure	Rs.10.83 Cr (01.04.2016 to 31.12.2016)
XX. Scheme for promotion of ICT in Indian Manufacturing sector	
Description	<p>The prime objective of the scheme is to motivate MSMEs to adopt ICT tools and applications in their production and business processes through Cloud Computing Services with a view to improve their competitiveness in both the domestic and international markets. Cloud Computing is emerging as a cost effective and viable alternative in comparison to in-house IT infrastructure installed by MSMEs.</p> <p>Major Activities:</p> <ol style="list-style-type: none"> To create awareness amongst MSMEs for usage of Cloud Computing Services. The awareness programmes are being organized by MSME-DIs. To provide financial assistance in the form of subsidy for availing Cloud Computing Services. This activity is being implemented by Specialized Institution (SI) namely Telecommunication Consultants India Ltd. (TCIL), New Delhi through Cloud Computing Service providers(CCSP).
	<p>Status: TCIL has been appointed to work as Specialized Institution. MOU with TCIL has already been signed. Selection of service to MSMEs and Service Providers is in progress. 3 Awareness Programs have been conducted till date (31.12.2016), during 2016-17.</p>
Intended beneficiaries	MSMEs
Implementation	Through TCIL. Project Monitoring & Advisory Committee (PMAC) headed by AS & DC MSME.
Funds Allocated (2016-17)	BE - Rs 5.00 crore, RE – 0.13 crore
Expenditure	Rs. 0.13 crore (01.04.2016 to 31.12.2016)

XXI. Financial Support to MSMEs in ZED certification	
Description	<p>The scheme envisages promotion of Zero Defect and Zero Effect (ZED) manufacturing amongst MSMEs and ZED Assessment for their certification so as to:</p> <ul style="list-style-type: none"> • Develop an Ecosystem for Zero Defect Manufacturing in MSMEs. • Promote adaptation of Quality tools/systems and Energy Efficient manufacturing. • Enable MSMEs for manufacturing of quality products. • Encourage MSMEs to constantly upgrade their quality standards in products and processes. • Drive manufacturing with adoption of Zero Defect production processes and without impacting the environment. • Support 'Make in India' campaign. • Develop professionals in the area of ZED manufacturing and certification. <p>Under this scheme 22,222 MSMEs will be rated and certified under ZED Maturity Assessment Model, 5,000 MSMEs will be rated & certified under the ZED Defence Model, 7368 MSMEs will be supported for Gap Analysis, Handholding, Consultancy for their improving rating, etc.</p> <p>Scheme concept:</p> <p>The scheme embodies an extensive drive to create proper awareness in MSMEs about ZED manufacturing and motivate them for assessment of their enterprise for ZED and support them. After ZED assessment, MSMEs can reduce wastages substantially, increase productivity, expand their market as IOPs, become vendors to CPSUs, have more IPRs, develop new products and processes etc.</p> <p>The total cost of the project is Rs. 491.00 crore (Government contribution Rs 365.00 crore, Beneficiaries MSMEs contribution Rs 126.00 crore) for 12th Five Year Plan.</p>
Intended Beneficiaries	MSMEs
Implementation	Quality Council of India
Funds Allocated (2016-17) Expenditure	BE - Rs 20 crore, RE – Rs. 11.03 crore Rs.10.84 crore (01.04.2016 to 31.12.2016)
XXII. Scheme for Micro & Small Enterprises Cluster Development Programme (MSE-CDP)	
Description	<p>The Ministry has adopted the cluster development approach as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) and their collectives in the country.</p> <p><u>Objectives of the Scheme -</u></p> <p>(i) To support the sustainability and growth of MSEs by addressing common issues such as improvement of technology, skills and quality, market access, access to capital etc.</p> <p>(ii) To build capacity of MSEs for common supportive action through formation of self-help groups, consortia, upgradation of association etc.</p>

Major Schemes

	<p>(iii) To create \ upgrade infrastructural facilities in the new \ existing industrial areas \ clusters of MSEs.</p> <p>(iv) To set up Common Facility Centres (for testing, training centre, raw material depot, effluent treatment, complementing production processes etc.)</p> <p>Major activities:</p> <ol style="list-style-type: none"> Funding support from setting up of 'Common Facility Centres (CFC)'. Funding support from setting up of 'Common Display Centres (CDC) for Women Entrepreneurs'. Funding support for 'Infrastructure Development Projects (new \ upgradation)'. <p>Status: During the financial year 2016-17 (upto 31st December 2016), 3 Common Facility Centres and 3 Infrastructure Development Projects have been completed.</p>
Intended beneficiaries	<ol style="list-style-type: none"> Funding support for setting up of Common Facility Centres (CFCs)- Implementing agencies such as organisations of State Governments, National and International Institutions engaged in development of MSME sector or any other institution \ agency approved by the Ministry of MSME. Funding support from setting up of Common Display Centres (CDC) for Women Entrepreneurs - Association of Women Entrepreneurs. Funding support for Infrastructure Development Projects (new \ upgradation) -Implementing agencies such as organisations of State Governments.
Implementation	DC MSME
Funds Allocated (In Rs. Crore) (2016-17)	BE - Rs. 135.00 crore, RE - 123.00 crore.
Expenditure (Till 31.12.2016)	Rs.94.64 crore
XXIII. Credit Linked Capital Subsidy Scheme	
Description	The scheme is applicable to new and existing Micro & Small Enterprises (MSEs) engaged in manufacturing. MSEs are being facilitated by providing 15% capital subsidy to a maximum limit of Rs.15.00 lakh (investment in approved plant & machinery upto Rs.1.00 crore) for induction of well-established and improved technologies. Presently, 51 Sectors \ sub-sectors with approved Machinery\Technologies are covered under the scheme.
	<p>Status: Since, inception of the scheme 43971 MSEs have availed subsidy which is Rs. 2607.05 crore till 31-12-2016.</p> <p>During the current financial year 2016-17 (upto 31.12.2016), 3,391 MSEs have availed the subsidy.</p>
Intended beneficiaries	The scheme is applicable to new and existing MSEs.
Implementation	<p>Office of the Development Commissioner (MSME) is implementing the scheme through 12 Nodal Banks \ Agencies.</p> <p>MSEs need to directly contact Nodal Banks \ Agencies through their Banks \ PLIs for getting credit linked capital subsidy.</p>

Major Schemes

Funds Allocated (In Rs. Crore) (2016-17)	BE - Rs. 298.00 Crore, RE – 565.52 Rs. crore																									
Expenditure (till 31.12.2016)	Rs. 216.43 crore																									
XXIV. Credit Guarantee Fund Scheme - Provision of collateral free credit for MSMEs																										
Description	<p>Banks and financial institutions are provided funding assistance under this scheme so that they can in turn lend collateral free credit to MSMEs.</p> <p>The Scheme covers collateral free credit facility (term loan and\ or working capital) extended by eligible lending institutions to new and existing micro and small enterprises up to Rs. 100 lakh per borrowing unit. The guarantee cover provided is up to 75% of the credit facility up to Rs.50 lakh (85% for loans up to Rs. 5 lakh provided to micro enterprises, 80% for MSEs owned\ operated by women and all loans to NER) with a uniform guarantee at 50% of the credit exposure above Rs.50 lakh and up to Rs.100 lakh.</p> <p>Status: As on 27th December, 2016, cumulatively 26,89,606 proposals have been approved for guarantee cover for a total sanctioned loan amount of Rs. 1,24,201.36 crore.</p>																									
Intended beneficiaries	Banks and financial institutions can apply to office of DC-MSME\MSME-DIs for availing support. MSMEs need to directly contact the respective banks for getting credit.																									
Implementation	DC MSME																									
Funds Allocated (In Rs. Crore) (2016-17)	BE - Rs 50.00 cr, RE – Rs. 17.78 crore.																									
Expenditure (till 31.12.2016)	Actual Exp Rs. 17.78 cr																									
XXV. Scheme for National Awards																										
Description	<p>The Ministry of Micro, Small and Medium Enterprises (MSME) with a view to recognize the efforts and contribution of MSMEs gives National Awards annually to selected entrepreneurs of MSME, under the scheme of National Awards. The awards were instituted in the 1983. The awards are given to MSMEs for outstanding performance in Outstanding Entrepreneurship, Product \Process Innovation, Lean Manufacturing Techniques and Quality Products, Khadi & Village Industries Sector, Coir Industries Sector and to Banks excellence in lending to Micro & Small Enterprises.</p> <p>Special Awards are also given to honor one Outstanding Women entrepreneur, one SC\ST entrepreneur and one entrepreneur from NER in the category of outstanding entrepreneurship awards for small enterprises. Selection of the awardees is made on the basis of the set criteria exclusively designed to evaluate performance of MSMEs.</p> <p>The First, Second and Third National Awards of DC(MSME) carry a cash prize of Rs.3.00 lakh Rs.2.00 lakh and Rs.1.50 lakh respectively, a certificate and a trophy.</p> <p>Status:</p> <p>Details of number of awards are given as under:</p> <table><tr><th>S. No.</th><th>Office</th><th>2013 (Nos.)</th><th>2014 (Nos.)</th><th>Total</th></tr><tr><td>1</td><td>DC(MSME)</td><td>42</td><td>40</td><td>82</td></tr><tr><td>2</td><td>KVIC</td><td>44</td><td>45</td><td>89</td></tr><tr><td>3</td><td>Coir Board</td><td>23</td><td>31</td><td>54</td></tr><tr><td></td><td>Total</td><td>109</td><td>116</td><td>225</td></tr></table>	S. No.	Office	2013 (Nos.)	2014 (Nos.)	Total	1	DC(MSME)	42	40	82	2	KVIC	44	45	89	3	Coir Board	23	31	54		Total	109	116	225
S. No.	Office	2013 (Nos.)	2014 (Nos.)	Total																						
1	DC(MSME)	42	40	82																						
2	KVIC	44	45	89																						
3	Coir Board	23	31	54																						
	Total	109	116	225																						

Major Schemes

	<p>National Award Function: A total of 225 awards for the 2 years i.e. 2013-14 and 2014-15 to the selected entrepreneurs were given in a National Award Function organized by office of DC (MSME) on 18.10.2016 at Punjab Agriculture University, Ludhiana. Shri Narendra Modi, Hon'ble Prime Minister of India graced the function and gave away the awards to the 27 selected entrepreneurs\ enterprises and Shri Kalraj Mishra, Hon'ble Union Minister, MSME, Shri Giriraj Singh, Hon'ble Minister of State and Shri H.P. Chaudhary, Hon'ble Minister of State and other senior officers of the Ministry gave away the awards to the remaining entrepreneurs\ enterprises.</p>
Intended beneficiaries	All MSMEs
Implementation	DC MSME
Funds Allocated (In Rs. Crore) (2016-17)	BE - Rs. 4.00 crore, RE – Rs. 3.10 crore
Expenditure (till 31.12.2016)	Rs. 2.57 crore
XXVI. Scheme for 'Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme to Women'	
Description	<p>The scheme envisaged economic empowerment exclusively of women through trade related training, information, and counseling activities related to trades, products, services etc. The Scheme provides for financial loans through NGO's who are also provided GoI grant for capacity building. This assistance is provided for self-employment ventures by women for pursuing any kind of non-farm activities.</p> <p>There is a provision for Government of India Grant up to 30% of the loan\credit maximum upto Rs.30.00 lakh as appraised by lending institution\banks.</p>
Intended beneficiaries	<p>a. Women entrepreneur benefitted under the scheme set up their own enterprises for undertaking non-farm activities like food processing, readymade garments & tailoring, paper & leaf cup plates, beauty parlours etc</p> <p>b. Training & counselling programmes: Institutions such as (EDIs), NIMSME, NIESBUD,IIE, MSME-DIs, EDIs sponsored by state Govt will be provided need based Government grant upto-Rs.5.00 lakh per project primarily for empowerment of women. GoI grant up to Rs.1.00 lakh per programme to training institutions\NGOs subject to their contribution minimum 25% and 10 % in case of NER.</p>
	<p>c. Components of GoI Grant: ESDP Training programme for women beneficiaries, Honorarium for Project staffs, Computer Hardware with internet facilities and software for MIS, Traveling expenses to NGO for coordination\monitoring the project, Audit fee, Insurance, Participation in Exhibition\Exposure visit for market development.</p> <p>d. Implementation: All nationalized Banks are eligible to implement the scheme for sanctioning loan. Project proposals for assistance under the scheme may be submitted online by the eligible NGOs.</p>
Implementation	DC MSME
Funds Allocated (In Rs. Crore) (2016-17)	BE: Rs. 3.00 crore, RE – Rs. 2.42 crore.
Expenditure till 31.12.2016	Nil

XXVII. Scheme for 'Entrepreneurship Skill Development Programmes (ESDP)'	
Description	<p>The four kinds of training programmes conducted by MSME-DIs include Motivation Campaigns, Entrepreneurship Development Programmes, Entrepreneurship Skill Development Programme, and Management Development Programmes, which cover diverse skill, set need of new and existing entrepreneurs.</p> <p>Recent developments: The Ministry has set up an online portal for the ESDP scheme at: http://dcmsme.ov.in/Enterprise&skillDevelopment.htm. The list of available courses, apex organisations under the scheme are available here. In addition, the portal also provides a facility to search for trained manpower.</p> <p>Status: Total 8145 persons have participated in training programmes (EDPs\ESDPs), under the scheme till 31-12-2016. Besides this 21626 persons have participated in Industrial Motivational Campaigns (one day programmes) conducted by MSME-DIs all over the country.</p>
Intended beneficiaries	Individuals and MSMEs.
Implementation	DC MSME
Funds Allocated (2016-17)	BE - Rs. 3.00 crore, RE – Rs. 3.00 crore
Expenditure incurred till December 2016	Rs. 2.18 Crore
XXVIII. Scheme for Promotion of MSMEs in N.E. Region and Sikkim	
Description	<ul style="list-style-type: none"> • Setting up new and modernize existing Mini Technology Centres- The Scheme envisage financial assistance to State Governments for setting up new and modernize existing Mini Technology Centres. The quantum of financial assistance is equal to 90% of the cost of machinery \ equipment \ buildings, not exceeding Rs. 10.00 crore. Government of India funding would not be admissible towards cost of land. • Development of new and existing Industrial Estates-Financial assistance for development of new and existing Industrial Estates. 80% of the cost of infrastructure facilities not exceeding Rs. 8.00 crore will be sanctioned for development of new and existing Industrial Estates. The infrastructure facilities will include power distribution system, water, telecommunication, drainage & pollution control facilities, roads, banks, storage and marketing outlets etc. • Capacity Building of Officers-Capacity Building of officers engaged in promotion and development of MSMEs, by deputing them for various Techno-managerial training programmes in MSME Institutions such as NI-MSME, Hyderabad & MSME Technology Centres The expenditure towards training fee and the boarding\lodging expenses of officers would be borne by Government of India under the scheme and would be paid directly to the Training Institutions. • Other Activities-The Scheme funds can also be used for undertaking various activities such as Research Studies, Strengthening of Institutes etc. These can be specially designed Projects formulated by State Governments or other organizations for development and promotion of enterprises in the areas of honey, bamboo, organic products etc. IT modules for ease of doing business for micro and small enterprises working in NER and Sikkim can also be developed. Each such intervention can be upto Rs. 1.00 crore. <p>Status: Till 31st December 2016, under the scheme, Rs.2.50 crore have been sanctioned to Government of Nagaland for Tool Room and Training Centre, Dimapur. In addition, two more states, Government of Tripura and Government of Assam have applied for funds under the scheme.</p>
Intended beneficiaries	All MSMEs
Implementation	DC MSME

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4.1 Khadi Village Industries Commission (KVIC)



4.1.1 Khadi & Village Industries Commission (KVIC) established under the Khadi and Village Industries Commission Act, 1956 (61 of 1956), is a statutory organization under the aegis of the Ministry of MSME.

4.1.2 **Objectives:** The main objectives of KVIC include:-

- The social objective of providing employment in rural areas;
- The economic objective of producing saleable articles; and
- The wider objective of creating self-reliance amongst people and building up a strong rural community spirit.

4.1.3 **Functions:** The functions of KVIC as prescribed under the KVIC Act, 1956 (61 of 1956) and Rules made there under, include:

- i. to plan and organize training of persons employed or desirous of seeking employment in khadi and village industries;
- ii. to build up directly or through specified agencies reserves of raw materials and implements and supply them or arrange supply of raw materials and implements to persons engaged or likely to be engaged in production of handspun yarn or khadi or village industries at such rates as the Commission may decide;
- iii. to encourage and assist in the creation of common service facilities for the processing of raw materials or semi-finished goods and otherwise facilitate production and marketing of khadi or products of village industries;

- iv. to promote the sale and marketing of khadi or products of village industries or handicrafts and for this purpose forge links with established marketing agencies wherever necessary and feasible;
- v. to encourage and promote research in the technology used in khadi and village industries, including the use of non-conventional energy and electric power with a view to increasing productivity, eliminating drudgery and otherwise enhancing their competitive capacity and to arrange for dissemination of salient results obtained from such research;
- vi. to undertake directly or through other agencies, studies of the problems of khadi or village industries;
- vii. to provide financial assistance directly or through specified agencies to institutions or persons engaged in the development and operation of khadi or village industries and guide them through supply of designs, prototypes and other technical information, for the purpose of producing goods and services for which there is effective demand in the opinion of the Commission;
- viii. to undertake directly or through specified agencies, experiments or pilot projects which in the opinion of the Commission, are necessary for the development of khadi and village industries;
- ix. to establish and maintain separate organizations for the purpose of carrying out any or all of the above matters.

4.1.4 Organisation:

4.1.4.1 The Commission functions with its Head Office at Mumbai and six Zonal Offices located at New Delhi; Bhopal; Bangalore; Kolkata; Mumbai and Guwahati and 37 State\Divisional Offices spread all over the country.

4.1.4.2 The organization design of the KVIC is as given below:

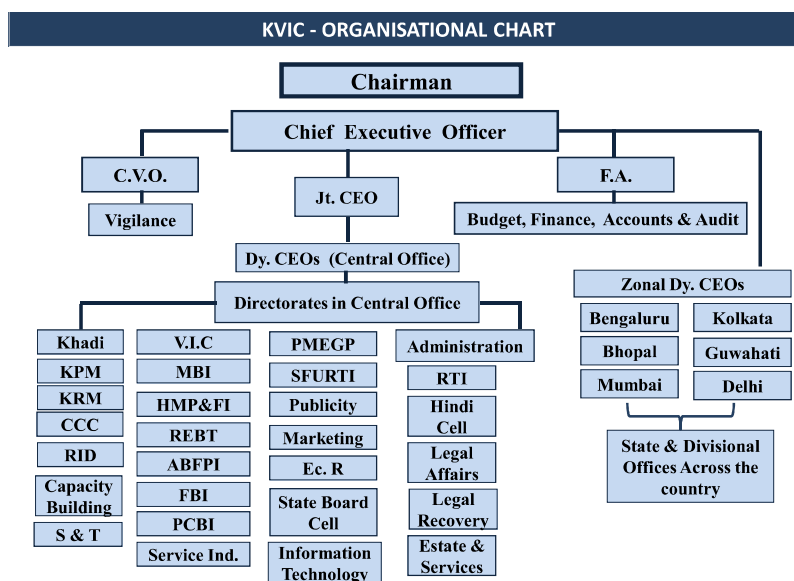


Figure 4-1: Organisation Chart of KVIC

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4.1.4.3 KVIC undertakes training activities through its 39 departmental and non-departmental training centres. Marketing is taken up through its 08 departmentally-run Khadi Gramodyog Bhavans located in urban areas and 7050 institutional\retail sales outlets located at different parts of the country.

4.1.4.4 Khadi and Village Industries (KVI) programmes are implemented through 33 State\Union Territories (UTs) Khadi and Village Industries Boards (KVIBs); 2,313 registered institutions; Banks\Financial institutions. The Khadi programme is implemented through institutions registered either with KVIC or State\UT KVIBs.

4.1.5 Growth in the Khadi industry

4.1.5.1 Khadi and Village Industries activities are the key source of livelihood for around 14 million rural and urban people who largely include spinners, weavers and other artisans spread across the country. The comparative performance of KVIs during 2013-14 and 2014-15 is given in the table below, and shows robust growth.



The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra unveiled the world's largest Wooden Charkha (spinning wheels), at IGI Airport, in New Delhi on July 05, 2016. The Minister of State for Petroleum and Natural Gas (Independent Charge), Shri Dharmendra Pradhan, the Minister of State for Culture (Independent Charge), Tourism (Independent Charge) and Civil Aviation, Dr. Mahesh Sharma, the Minister of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh and other dignitaries are also seen.

**Table 4: Comparative performance of Khadi and Village Industries
(Rs. In crore, Employment: In lakh persons)**

S. No.	Industry	2013-14	2014-15	Percentage increase	2015-16	Percentage increase
I	Production					
A.	Khadi	811.08	879.98	8.49	1065.60	21.09
B.	Village	25298	26689	5.50	33424.62	25.24

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II	Sales					
A.	Khadi	1081.04	1170.38	8.26	1510.00	29.02
B.	Village	30073.16	31965	6.29	40384.56	26.34
III	Employment					
A.	Khadi	10.98	11.06	0.73	11.07	0.1
B.	Village	119.40	123.19	3.17	126.76	2.90

4.1.6 Marketing activities

- KVIC has taken up designing and marketing of products targeting the youth of the country including introduction of khadi denim and khadi T-shirts.
- KVIC has put in place the franchisee system for setting up of new outlets in different parts of the country.
- 185 Khadi Institutions (KIs) outlets have been modernized and computerized resulting in increase in sales in the range of 20% to 30%.
- KVIC as well as Khadi institutions are working with the reputed retailers to offer suitable online platform for retailing khadi and khadi products through digital marketing.
- KVIC has given 'Khadi Mark' certification to groups such as Raymond's, Arvind Mills, Peter England – Birla group etc. for increasing sale of khadi.
- KVIC has taken steps for supplies to departments and Central Public Sector Undertakings.
- KVIC is working with reputed fashion designers to make khadi products more appealing to the youth by introducing unique design and style.
- KVIC has launched Khadi Gift Coupon & Khadi Gift hampers.


4.1.7 Implementation of MSME schemes

KVIC is an implementing\ nodal agency for schemes initiated by the MSME Ministry. Given below is a list of schemes being implemented by KVIC.


Table 5: Major schemes being implemented by KVIC

S. No.	Scheme	KVIC Activities
1.	PMEGP	<ul style="list-style-type: none"> • This Scheme is being implemented through KVIC as the national level nodal agency. Details of the scheme are given in Ch. 3, Table 4. • Awareness camps are conducted by KVIC at state and district level to propagate the scheme. • Exhibitions are conducted at district, state and zonal level for providing marketing support.

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S. No.	Scheme	KVIC Activities
		<ul style="list-style-type: none"> KVIC conducts review of the implementation at the national and zonal level with implementing agencies and banks. Major initiatives since 2014: <ol style="list-style-type: none"> 314 Model Projects and two video on “Production of Khadi cloth and garment” and “Handmade Paper unit” have been prepared and put up on KVIC website for the benefit of potential beneficiaries. 150 model projects prepared by National Small Industries Corporation (NSIC) have also been linked to the website. In order to ensure that the delays in Entrepreneurship Development Programme (EDP) training is reduced, KVIC has entered into an agreement with National Academy of Rural Development and Self-Employment Training Institute (RUDSETI) for conduct of EDP training for PMEGP applicants as well as handholding and mentoring them for a period of two years.
		
2	Workshed Scheme for Khadi Artisans	Financial assistance for construction of worksheds is provided to khadi artisans belonging to BPL category through the khadi institutions with which the khadi artisans are associated. Under this Scheme, Assistance to 4324 artisans has been provided during 2014-15. Assistance to 1100 artisans has been provided during 2015-16 (up to 31st January 2015) against the target of providing assistance to 1100 artisans.
3	Strengthening Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure	This scheme was formulated in order to facilitate the need-based support towards the Khadi sector for nursing the sick/problematic institutions, and institutions whose production, sales and employment have been declining while they have potential to attain normalcy, and to support creation of marketing infrastructure in other identified outlets. Under this scheme, financial assistance has been provided to 58 existing weak Khadi institutions for strengthening of their infrastructure and for renovation of selected 30 khadi sales outlets.

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S. No.	Scheme	KVIC Activities
4	Khadi Reform and Development Programme (KRDP)	<p>Department of Economic Affairs, Ministry of Finance has tied up financial aid from Asian Development Bank (ADB) originally amounting to US\$150 million which has been restructured to US\$105 million over a period of two years for implementing a comprehensive Khadi Reform Programme worked out in consultation with ADB and KVIC.</p> <ol style="list-style-type: none"> Direct Reform Assistance (DRA) under KRDP is provided to 92 Khadi institutions including both normal and special category. 2028 KIs have obtained Khadi Mark Certificate. 8079 NMC and 1358 improved Looms have been procured by the KIs, under KRDP and provided employment to the artisans i.e. spinners & weavers under this programme. 3827 persons inclusive of spinners\weavers and staff have been trained under various discipline. 184 Sales outlets have been renovated by the KIs Out of Rs.99.40 crore received under KRDP scheme from the Ministry of MSME, Rs.98.84 crore has been released for implementation of KRDP activities so far. 
5.	Interest Subsidy Eligibility Certificate (ISEC) Scheme	ISEC is an important mechanism of funding the Khadi programme. It was introduced in May 1977 to mobilize funds from banking institutions at the concessional interest rate of 4%. The remaining interest is borne by the KVIC.
6.	MPDA	An amount of Rs. 171.53 crore has been disbursed by KVIC towards MPDA (Khadi) in 2014-15. In 2015-16 (up to 31st January 2016), Rs. 151.64 crore have been disbursed by KVIC towards MDA (Khadi). Details of the scheme are given in Ch. 3, Table 4.
7.	Aam Admi Bima Yojana	Details of the scheme are given in Ch. 3, Table 4.

4.1.8 Other initiatives by KVIC

- **Exhibitions** - Efforts are made by KVIC to organise a number of exhibitions, in different parts of the country, as a cost effective publicity and market promotion instrument. Special efforts were made in this regard and a total of 38 exhibitions \events were organised in

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various parts of the country in 2014-15. During 2015-16, 43 exhibitions\events have been organized\ participated. During 2016-17 (upto Nov. 2016), 8 Exhibitions, 12 Events and 23 PMEGP Exhibitions have been organized\participated.



- **Quality Control** - KVIC has made arrangements with the National Institute of Design (NID), Ahmedabad; 'Dastakar', Andhra Pradesh; IIT, Delhi and Textiles Committee, Mumbai towards quality control. Under KVIC, so far 124 quality control laboratories have been established across the country for the purpose of ensuring quality control of various Village Industries products.
- **Research and Development** - KVIC undertakes research and development activities through in-house research and also by sponsoring projects to other R&D organisations. In addition to the Mahatma Gandhi Institute for Rural Industrialization (MGIRI), Wardha, KVIC also undertakes R&D activities through Central Bee Research and Training Institute (CBRTI), Pune; Dr. Ambedkar Institute of Rural Technology and Management (AIRTM), Nashik; Kumarappa National Handmade Paper Institute (KNHPI), Sanganer, Jaipur; Central Village Pottery Institute (CVPI), Khanapur, Karnataka and Khadi Gramodyog Prayog Samiti (KGPS), Ahmedabad.
- **Registration of New Khadi Institutions** - KVIC has direct enlisted\ registered new institutions with a view to enhancing production. 90 such new khadi institutions were registered with KVIC and KVIBs in 2015-16.
- **Khadi Artisans Welfare Trust Fund (KAWTF)** - KAWTF is conceptually meant to be run on the lines of a Provident Fund. Membership of KAWTF is mandatory for all khadi and polyvastra producing institutions affiliated to KVIC and State KVIBs. Fund has been functioning in 21 States and the concerned State Government manages it. A total of 1945 khadi institutions have become its members.

4.1.9 Budgetary support to KVIC

- The Ministry of MSME provides funds to KVIC for undertaking various activities under Plan and Non-Plan heads. These funds are provided primarily by way of grants and loans and KVIC in turn re-allocates them to its implementing agencies, namely the State KVIBs; institutions registered under the Societies Registration Act, 1860 and cooperative societies registered under the Cooperative Acts of the State Governments; implementing banks, District Industries Centres, etc. The Commission's administrative expenditure including pension payments is met out of Non-plan Government budgetary support.
- The details of funds provided from budgetary sources (both under Plan and Non-Plan head) during the last three years and in the Budget Estimate 2015-16 are given in the following Table:

Table 6: Budgetary support to KVIC

Year	Allocation (RE) (Rs. In crore)		Funds Released (Rs. In crore)	
	Plan	Non- Plan	Plan	Non- Plan
2013-14	1395.17	219.28	1204.88	218.23
2014-15	1452.00	229.09	1384.40	227.31
2015-16	1579.65	244.71	1520.49	244.18
2016-17	1582.40	285.40	1322.89*	228.20*

*Releases upto 31.12.2016

4.2 Mahatma Gandhi Institute for Rural Industrialisation

- 4.2.1 The existing Jamnalal Bajaj Central Research Institute (JBCRI), Wardha was revamped with the help of IIT, Delhi as a national level institute under the Ministry of MSME in October 2008 called Mahatma Gandhi Institute for Rural Industrialization (MGIRI).
- 4.2.2 **Objectives** - The main objectives of the institute as enunciated in its Memorandum of Association include:
- To accelerate rural industrialization for sustainable village economy so that KVI sector co-exists with the main stream.
 - Attract professionals and experts to Gram Swaraj
 - Empower traditional artisans
 - Innovation through pilot study\field trials
 - R&D for alternative technology using local resources
- 4.2.3 **Functions** - The activities of MGIRI are being carried out by its six Divisions each headed by a Senior Scientists\ Technologist.
- Chemical Industries Division: The main focus of this division is to promote quality consciousness and consistency in the area of food processing, organic foods and other products of rural chemical industries. It also provides a comprehensive quality

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testing support and is working towards developing field worthy kits, techniques and technologies to facilitate the cottage and small scale units in this area.

- ii. Khadi and Textiles Division: The activities mainly carried out by this division are to improve the productivity, value addition and quality of products manufactured in khadi institutions by introducing new technologies and by providing quality assurance support.
- iii. Bio-processing and Herbal Division: This division prepares technology packages and simple quality assurance methods to facilitate production and utilization of organic manures, bio-fertilizers and bio-pesticides to promote rural entrepreneurs.
- iv. Rural Energy and Infrastructure Division: This division has been mandated to develop user-friendly and cost-effective technologies utilizing commonly available renewable resources of energy to facilitate rural industries and also to carry out audit of traditional rural industries so as to make them energy efficient.
- v. Rural Crafts and Engineering Division: This Division is to help upgrade the skills, creativity and productivity of rural artisans and encourage value-addition and improve the quality of their products.
- vi. Management & Systems Division: This division provides information and communication technology based solutions for rural industries with a view to enhance their global competitiveness.

4.2.4 Organisation - MGIRI has a General Council(GC) which has a maximum of 35 members and the President of the GC is the Minister, Ministry of MSME, Govt. of India and an Executive Council(EC), comprising of not more than 15 members with Secretary, Ministry of MSME, Govt. of India as the Chairman. The Director of the Institute is the Member Secretary of both GC and EC.

4.2.5 Major activities and achievements in 2016-17

4.2.5.1 Employees of the institute participated in 20 National level seminars, conferences and workshops for the presentation of research works and knowledge sharing among the scientific communities.

4.2.5.2 MGIRI participated in 16 National level exhibitions, expos and IITF 2016 for the creation of awareness about the MGIRI technologies, products and services.

4.2.5.3 There are 6 research papers that have been published in national and international journals till December, 2016.

4.2.5.4 During the period 2014- 2016 MGIRI came up with a number of technologies, 9 of which can be listed as follows:

- Home scale Blunger
- Solar potter's wheel suitable for small terracotta articles
- Heavy duty energy efficient potter's wheel

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- Energy efficient AC power driven potter's wheel
- Plant Growth promoter (Amino acids) based on Cow urine and waste human hair
- Ambadi and Palas based Health Drink
- Poly herbal Shampoo
- Pro biotic honey based on Lactobacillus Coagulance.

4.2.5.5 MGIRI was instrumental in installing 50 solar charkhas during 2016-2017. MGIRI has also filed 25 patents during the last two years as compared to one since inception.

4.2.5.6 Work on the 18 Improved machines\products\processes \services for Rural Industries sector has been completed including low cost media for spirulina, Arjun based drink granules, solar power operated blunger, Gang turn wood lathe, Cap fitting machine, low cost pugmill, Solar blower for black smithy, slicer cum stick making machine, solar dal mill, fruit grading machine Dabba packing machine, roving winding machine etc. Apart from the above, 48 each of garment & woven designs created for Khadi sector and uploaded on www.greenkhadidesigns.com for access to khadi sector artisans and entrepreneurs.

4.2.5.7 One MoU have been signed with NRDC, New Delhi for co-operation in research & development, sharing of knowledge, IPR\Patent and dissemination of MGIRI technology\product\process into the field.

4.2.5.8 MGIRI imparted training to 878 trainees in 96 sessions to various aspirant and existing entrepreneurs, representatives of NGOs, field agencies, artisans, students, farmers, SHGs etc. from all over the country for dissemination of technologies, products, processes, designs etc. for enterprise development and skill up gradation.

4.2.5.9 MGIRI has provided quality testing and guidance services to 14 various agencies such as KVI institutions, entrepreneurs, students, farmers etc. for 37 different product samples to improve and maintain the quality of the products as per Indian standards.

4.2.6 Budgetary support to MGIRI

4.2.6.1 The Union Government through Ministry of MSME provides funds to MGIRI for undertaking its various activities. The details of funds provided during the last four years to MGIRI are as under:

Table 7: Budgetary support to MGIRI

Year	Budget allocation (RE) (Rs. In crore)	Funds released (Rs. In crore)
2013-14	11.00	8.01
2014-15	4.10	4.10
2015-16	3.63	3.10
2016-17	6.50	3.87

*Releases upto 31.12.2016

4.3 Coir Board

4.3.1 The Coir Board is a statutory body established under the Coir Industry Act, 1953 for promoting

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the overall development of the coir industry and improvement of the living conditions of the workers engaged in this traditional industry.

4.3.2 Objective

4.3.2.1 India is the largest coir producer in the world accounting for more than 80 per cent of the total world production of coir fibre. The coir sector in India is very diverse and involves households, co-operatives, NGOs, manufacturers and exporters. This is the best example of producing beautiful artifacts, handicrafts and utility products from coconut husks which is otherwise a waste. The coir industry employs more than 7.00 lakh persons of whom a majority is from rural areas belonging to the economically weaker sections of society. Nearly 80% of the coir workers in the fibre extraction and spinning sectors are women. The Coir Board is tasked with promoting the overall development of the coir industry and improvement of the living conditions of the workers engaged in this traditional industry.

4.3.3 Functions

4.3.3.1 The functions of the Coir Board for the development of coir industry, inter-alia, include:

- Promoting exports of coir yarn and coir products and carrying on propaganda for that purpose.
- Regulating under the supervision of the Central Government the production of husks, coir yarn and coir products by registering coir spindles and looms for manufacturing coir products as also manufacturers of coir products.
- Undertaking, assisting or encouraging scientific, technological and economic research and maintaining and assisting in the maintenance of one or more research institutes;
- Collecting statistics from manufacturers of and dealers in, coir products and from other persons as may be prescribed, on any matter relating to the coir industry, the publication of statistics so collected.
- Fixing grade standards are arranging when necessary for inspection of fibre, coir yarn and coir products.
- Improving the marketing of coconut husk, coir fibre, coir yarn and coir products in India and elsewhere and preventing unfair competitions;
- Setting up or assisting in the set up of factories for the producers of coir products with the aid of power.
- Promoting co-operative organization among producers of husks, coir fibre and coir yarn and manufactures of coir products.
- Ensuring remunerative return to producers of husks coir fibre and coir yarn and manufacturers of coir products;
- Advising on all matters relating to the development of the coir industry.

4.3.4 Organisation

- The Govt. of India vide Gazette Notification No. SO 2677 (E) dated 30.09.2015 re-constituted the Board with 18 members for a period of 3 years.

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- The Coir Board has also got a new Chairman, Shri C.P. Radhakrishnan, Ex-Member of Parliament, who took charge from 27 January 2016.
- The Coir Board currently has 20 members, including Chairman, Coir Board.
- The Head Quarters of the Board is located at Coir House, M.G. Road, Kochi, and Kerala.
- The Board is running 50 establishments including 29 Showrooms and Sales Depots and 1 Sub Depot set up in various parts of India. There are a total number of 334 employees in the Board.

4.3.5 Major activities and achievements

4.3.5.1 During the last three years, the Ministry has been focusing on the development of the coir sector. Coir production has increased by more than 10,000 metric tonne and has now crossed 5,40,000 metric tonne. Production of coir fibre has crossed 4,16,220 MT upto 31st December, 2016 against the fibre production of 5,49,300 MT during last financial year.

4.3.5.2 The coir industry has expanded beyond Kerala while towns such as Pollachi have almost become coir towns with their economies revolving around coir based products. Coir Industry is an agro-based rural industry currently employing over 7.21 lakh workers (80% of the workforce is women) in the major coconut producing states of the country.

4.3.5.3 The production of coir and coir products has seen consistent growth over the past four years.

Growth in production of coir products 2013-17				
	2013-14	2014-15	2015-16	2016-17
Fibre	539,815	542000	549300	416220
Yarn	323,900	325200	329600	249750
Coir products	213,800	214600	217500	164800
Rope	64,780	65040	65920	49900
Coir products	64,700	65040	65850	49850
Rubberized coir	86,370	86700	87900	66600

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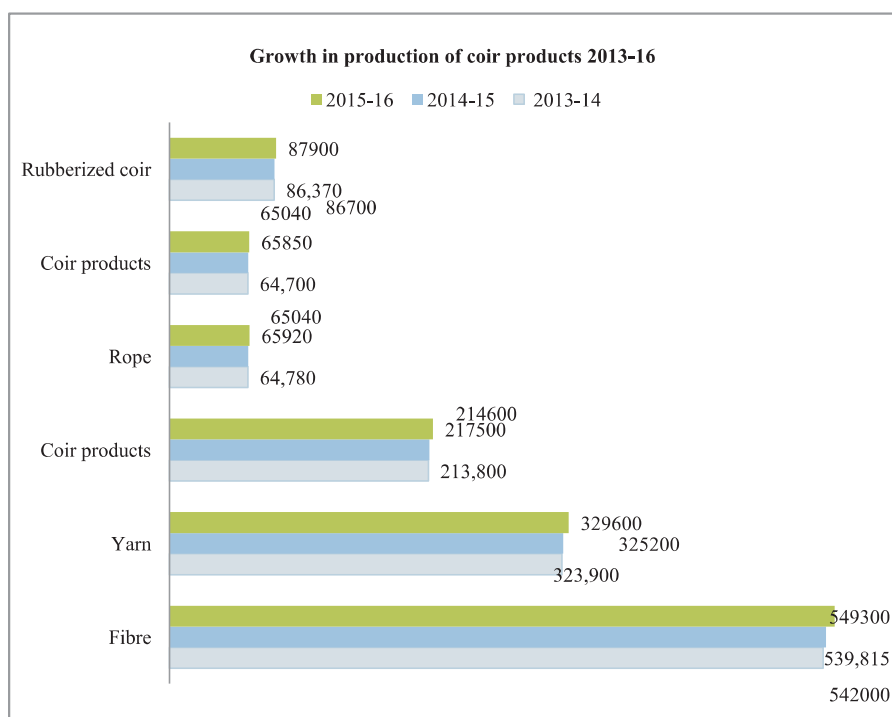
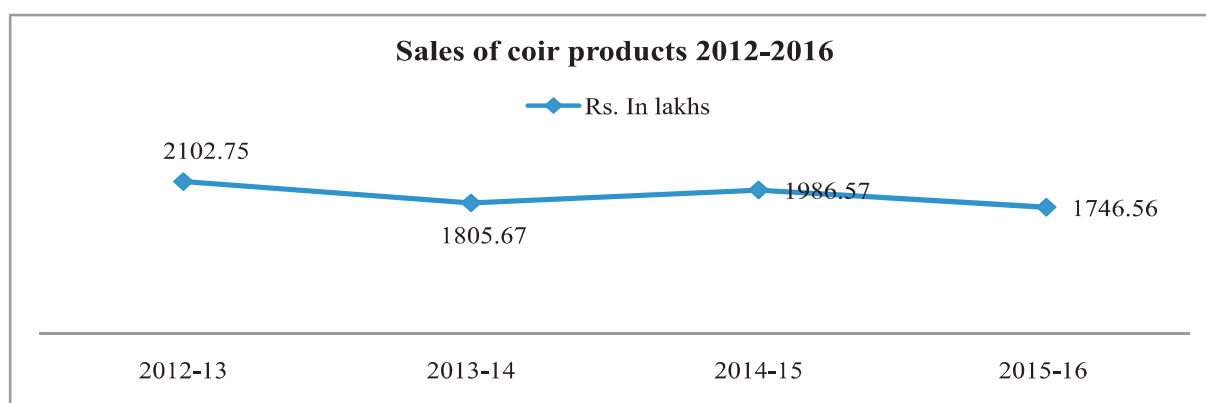


Figure 4-1: Growth in production of coir products 2013-16

4.3.5.4 The Domestic Market Promotion includes efforts for enhanced sale of coir products through Board's showrooms and sales outlets and also popularizing coir and coir products by way of publicity, organizing exhibitions in different parts of the country, through audio and visual media, sales campaign, press advertisement and through pamphlets, hoardings etc. The Coir Board has participated in 65 exhibitions during 2016-17 (up to 31st December, 2016) for popularization of coir and coir products in the domestic markets.

4.3.5.5 The total sales of coir and coir products through Coir Board's showrooms and sales depots during the last four years are given in Figure 4-5.



*Provisional Estimate for 2016-17 (upto December 2016) is Rs. 863.35 lakh.

Figure 4-2: Sales of coir products 2012-2016

4.3.5.6 With the efforts of the Coir Board, the provisional figures of export of coir and coir products reached a level of Rs. 1370.25 crore during the year 2016-17 (up to 31st December, 2016) recording a growth of around 9% in value terms in the corresponding period of previous year. It is expected that the total exports of coir and coir products will cross Rs.2000.00 crore during the current financial year.

4.3.5.7 Development of production infrastructure – The Coir Board provides financial assistance for setting up new coir units and modernization of existing units for the sustainable growth of coir sector. The Scheme is project based. Initial investment is made by the entrepreneur and subsidy is released as reimbursement after commencement of operation of the units. During 2016-17 (up to December 2016), financial assistance released to 12 coir units to the tune of Rs. 55.76 lakh.

4.3.5.8 During the year 2016-17 (up to December 2016), the Board has imparted training to 2211 Coir Artisans in spinning of Coir Yarn & value added products manufacturing.

4.3.6 Schemes implemented by the Coir Board

4.3.6.1 **Coir Udyami Yojana** - This is a credit linked central sector scheme whose objectives are modernisation of the Coir Industry and enhancement of utilization of coconut husk and to provide more employment for women in rural areas. During 2016-17, Rs.8.81crore (up to December, 2016) has been spent as margin money in setting up of 391 units whose project value is estimated at Rs.22.02 crore, creating employment for approximately 1564 persons. During the remaining period of this financial year 227 units will be set up.

4.3.6.2 **Coir Vikas Yojana** – This scheme aims at all round sustainable development of coir industry through enhanced raw material utilisation, development of skills and employment of rural people, especially women, and marketing the coir products within the country and abroad. During the last two years, a sum of more than 50 crore has been spent for these purposes. This expenditure resulted in more than 27,000 people receiving training in value addition in coir products, 15,476 women were trained under Mahila Coir Yojana and 159 companies were encouraged to participate in 22 countries.



Statutory bodies, and other bodies under the MSME Ministry

4.3.6.3 Mahila Coir Yojana - The Mahila Coir Yojana is the first women oriented self-employment Scheme in the coir industry which provides self-employment opportunities to the rural women artisans in regions producing coir fibre. One artisan per household is eligible to receive assistance under the Scheme. The women spinners are trained for two months in spinning coir yarn on motorised ratt at the Board's Training Centres. The scheme envisages distribution of motorized ratts\motorized traditional ratts and other coir processing equipments which can be operated by women at 75% subsidy subject to a maximum of Rs. 7500\ - after completion of the 2 months training programme. During 2016-17 (up to December 2016), financial assistance released to 137 women were benefited for procuring coir processing equipments.

4.3.7 Budgetary support by Ministry of MSME to Coir Board

4.3.7.1 The Government of India provides funds to Coir Board for undertaking its various activities under Plan and Non-plan heads. The details of budgetary support provided to Coir Board during the last four years are given below.

Table 9: Budgetary support to the Coir Board

Year	Allocation (RE) (Rs. In crore)		Funds Released (Rs. In crore)	
	Plan	Non- Plan	Plan	Non- Plan
2013-14	57.07	19.20	45.10	19.17
2014-15	41.90	26.75	38.58	26.60
2015-16	34.90	23.95	31.55	23.73
2016-17	42.30	30.75	34.55	26.74

*Releases upto 31.12.2016



4.4 National Small Industries Corporation Limited (NSIC)

4.4.1 National Small Industries Corporation (NSIC) is an ISO 9001-2008 certified Government of India Enterprise under Ministry of Micro, Small and Medium Enterprises (MSME). NSIC has been working to promote aid and foster the growth of micro, small and medium enterprises in the country. NSIC is a profit making dividend paying company.

4.4.2 Objective

4.4.2.1 The mission of NSIC is "To promote and support Micro, Small and Medium Enterprises by

providing integrated support services encompassing, Marketing, Finance, Technology and other Services.”.

4.4.2.2 The vision of NSIC is “*To be premier organization fostering the growth of Micro, Small and Medium Enterprises in the country.*”

4.4.3 Functions

4.4.3.1 NSIC performs three distinct categories of activities in order to fulfill its mission.

4.4.3.1.1 It runs a number of schemes, and is also an implementing partner for a number of schemes of the Ministry of MSME. These schemes\ activities include:

- Marketing Assistance
- Bank Credit Facilitation
- Performance & Credit Ratings
- Raw Material Assistance
- Single Point Registration
- Infomediary Services
- NSIC Consortia and Tender Marketing Scheme
- Marketing Intelligence
- Bill Discounting
- Infrastructure
- National Schedule Caste and Schedule Tribe Hub

4.4.3.2 NSIC provides technical support to MSMEs through 'NSIC Technical Services Centres' (NTSCs) and a number of TICs & LBIs spread across the country. The range of technical services provided through these centres includes skill development in Hi-Tech as well as conventional trades, material and product testing.

4.4.3.3 One of the programmes being implemented by NSIC is to create self-employment opportunities by imparting training in entrepreneurship building to the unemployed people who want to set up new small business enterprises in any of the manufacturing \ services sectors or seek employment opportunities. For this purpose, NSIC has started a new initiative by entering into franchisee arrangements with private partners interested for setting up of Training-cum-Incubation Centres (NSIC-TIC) at various locations across the country under Public-Private Partnership (PPP) mode.

4.4.4 Organisation

4.4.4.1 The policy guidelines to the Corporation are provided by the Board of Directors consisting of a full time Chairman-cum-Managing Director; two Functional Directors; two Government nominee Directors and three non-official part-time Directors.

Statutory bodies, and other bodies under the MSME Ministry

4.4.4.2 NSIC operates through countrywide network of 160 offices and 7 Technical Centres in the Country. To manage operations in African countries, NSIC operates from its office in Johannesburg, South Africa. In addition, NSIC has set up Training-cum-Incubation Centre & with a large professional manpower and also provides a package of services as per the needs of MSME sector.

4.4.5 Major activities and achievements

4.4.5.1 Marketing support

Marketing has been identified as one of the most important tool for business development. NSIC acts as a facilitator and has devised a number of scheme to support enterprises in their marketing efforts, both in domestic and foreign markets. The NSIC does this primarily through:

- a. **Raw Material Distribution** - NSIC provided raw material support to the MSMEs of more than 19 lakh metric tonne, supporting around 12,000 units in the last two years. During the current financial year (up to November, 2016) supply of 7.58 lakh metric ton materials has been facilitated to MSMEs.
- b. **Consortia and Tender Marketing** – NSIC formed 219 consortia during last two years to facilitate MSEs in participation in Government tenders. In the Year 2015-16, tender information of Rs 35196 crore was shared with MSEs. In the current year up to December 2016, tender information worth 13514.57 crore has been shared with MSEs.
- c. **Exhibitions** - NSIC during the year 2015-16 participated \ organized 100 exhibitions in India and participated in 6 international exhibitions (abroad) wherein 1841 units participated.

In the current financial year (upto December 16), NSIC participated \organized\ cosponsored 146 exhibitions and participated\organized 10 international exhibitions (abroad), wherein 2379 units participated.

- d. **Buyer – Seller Meets** – NSIC, during the Year 2015-16 conducted 124 Buyer-seller meets and in the current financial year (upto December 2016), organized 76 Buyer-seller meets for the purpose of facilitating MSEs to become vendor of large buyers.
- e. **Marketing Assistance Scheme** - Apart from organizing\participating, in Exhibitions \ Buyer-seller meets, as mentioned at c & d above. NSIC conducted 233 marketing campaigns\workshops in the year 2015-16 and 136 in the year 2016-17 (Up to December 2016) to create awareness of various schemes\ programs for facilitating MSMEs.

4.4.5.2 Credit support –

- a. NSIC meets credit needs of MSMEs through tie-up arrangements with Banks. NSIC has entered into tie-up arrangements with various Banks for providing Credit Facilitation

to the MSME sector. A complete list is available online at: <http://www.nsic.co.in/bankfaci.asp>.

- b. NSIC finances Procurement of Raw Materials & Marketing. It does so by making arrangements with bulk manufacturers for procuring the materials and supplying the same to MSMEs. NSIC provides financial assistance for raw material procurement by making the payment to suppliers.
- c. NSIC is implementing a “Performance & Credit Rating Scheme” for Micro and Small enterprises. In this Scheme, 12975 units were rated during the year 2015-16 and in the current financial year (up to December’16), 10645 units have been rated. Details of the scheme are given in Chapter 3, Table 4.

4.4.5.3 Other support services

4.4.5.4 NSIC supports single point registration for Government purchase to build the capacities of MSEs for participation in Government tenders and contribute in Government Public Procurement processes. MSMEs are also empowered to participate in tenders of Government departments \ institutions through consortia and tender marketing scheme. NSIC’s marketing portal provides e-marketing platform to MSMEs to enhance their business through MSME Global Mart Web Portal (www.msmemart.com).

4.4.5.5 NSIC is one of the nodal agencies for setting up Livelihood Business Incubators under the ASPIRE scheme of the Ministry of MSME. Details of the scheme are given in Chapter 3, Table 4.

4.4.5.6 NSIC facilitates skill development by imparting training according to requirements of industries by linking with them so as to strengthen on-going training programmes through updated knowledge from the industries.

4.4.5.7 NSIC, through rapid incubation centres, provides support to the prospective entrepreneurs and start-up companies to start product manufacturing.

4.4.5.8 It also provides under one roof different technologies, inputs for launching micro enterprises and also financing opportunities extended by various banks and financial institutions.

4.4.5.9 Entrepreneurship Orientation Programme - Purpose of EOP is to create awareness among the students for setting up of new Enterprise after completion of their studies instead of searching for jobs only. This program makes participants familiar about role and importance of MSMEs in Indian Economy, process of setting up of Enterprise, preparing Project Reports, Identifying marketing possibilities as well as with the issues regarding various statutory requirements such as Income Tax, VAT etc. Details are available at: <http://www.nsic.co.in/eop1014.asp>.

4.4.5.10 International cooperation - The focus of activities at the enterprise level is on the entrepreneurs and the objective is to initiate long term and sustainable enterprise to enterprise cooperation between Indian small enterprises and enterprises in target countries. This is achieved by exchanging business delegations and organizing one-on-one business

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meetings among the enterprises of both the countries. Main features of International Cooperation includes, exchange of business \ technology missions with various countries; facilitating enterprise to enterprise cooperation, Technology Transfers & other forms of sustainable collaboration; explore new markets & areas of co-operation; identification of new export markets by participating in exhibitions abroad; sharing of Indian experiences with other developing countries.

4.4.6 Business Performance of NSIC

4.4.6.1 The total business has been more than Rs. 20,000 crore in both years 2014-15 and 2015-16, and the profit before tax continuously increased, standing at Rs. 158 crore during 2015-16.

4.4.6.2 The gross margin and profit before & after tax earned by the Company during 2013-14 2014-15, 2015-16 and up to December 2016 is depicted in the table below:

Table 10: Financial performance of NSIC 2013-2017

Particulars	2013-14 (Rs. in Lac)	2014-15 (Rs. in Lac)	2015-16 (Rs. in Lac)	2016-17 (Up to Dec. 16) (Rs. In Lac)
Gross Margin	27,750	33,577	37711	24450
Net Profit before Tax	11,471	13,259	15,695	9926
Less : Provision for Tax	3,877.19	4,399.40	5,549	3435
Net Profit after tax	7,593.80	8,859.97	10146	6491



4.4.6.3 Government Purchase - The revenue from the Schemes of Government Purchase and Infomediary Services during the year 2015-16 was Rs.1744.71 lac and during the current financial year (up to November 2016). Corporation has generated revenue of Rs, 1139.55 lac under these schemes.

4.4.6.4 In 2016-17, NSIC paid a dividend of Rs. 2905.02 lac i.e. 30% of the PAT for the year 2015-16 to the Government of India. .

4.5 NIMSME

4.5.1 NIMSME was originally set up as Central Industrial Extension Training Institute (CIETI) in New Delhi in 1960 under the then Ministry of Industry and Commerce, Government of India. The Institute was shifted to Hyderabad in 1962 as a registered society in the name of Small Industry Extension Training Institute (SIET). After the enactment of MSMED Act, 2006, the Institute expanded focus of its objectives and re-designed its organization structure. In line with the new Act, the Institute was rechristened as National Institute for Micro, Small and Medium Enterprises (NIMSME). It is currently an organization under the aegis of the Ministry of Micro, Small and Medium Enterprises (formerly Ministry of SSI & ARI), Government of India.

4.5.2 Objectives:

4.5.2.1 The primary objective of NIMSME was to be the trainer of trainers. Today, with the technological development and ever-changing market scenario, the organisation's involvement has undergone changes too. From being merely trainers NIMSME has widened its scope of activities to consultancy, research, extension and information services.

4.5.2.2 In line with the national objective of economic development through industrialization, and based on the expertise that is available, the Institute has identified thrust areas that need emphasis and exploration. These are: Entrepreneurship Development, Technology Up-gradation & Transfer, Policy Issues, NGO Networking, Environment Concerns, Cluster Development, Management Consultancy, Quality Management Services, Financial Services, and Information Services.

4.5.2.3 NIMSME's long-term mission is to excel at the following:

- Turning new corners in Information Technology.
- Spotlighting of topical issues through conferences, seminars, etc.
- Greater attention to need based programmes.
- Shift towards client driven approach and innovative interventions.
- Programme evaluation.
- Emphasis on research publications.

4.5.3 Functions

4.5.3.1 Enterprise promotion and entrepreneurship development being the central focus of NIMSME's functions, the Institute's competencies converge on the following aspects:-

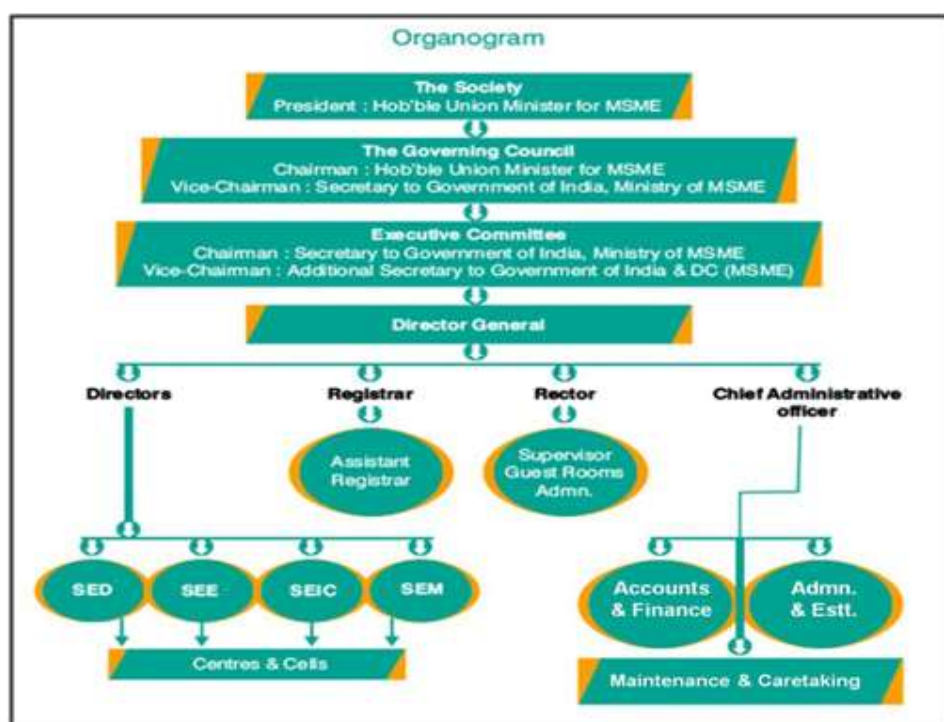
- Enabling enterprise creation;
- Capacity building for enterprise growth and sustainability;

Statutory bodies, and other bodies under the MSME Ministry

- Creation, development and dissemination of enterprise knowledge;
- Diagnostic and development studies for policy formulation; and
- Empowering the under-privileged through enterprise creation.

4.5.4 Organisation

4.5.4.1 The apex body of the Institute is the Governing Council, headed by the Hon'ble Minister of MSME, Shri Kalraj Mishra. The organization chart of NIMSME is provided below.



4.5.4.2 Activities of the Institute are organized through its four Schools of Excellence (Enterprise Development; Enterprise Management; Entrepreneurship and Extension; and Enterprise Information and Communication), with each School consisting of theme-focused centre's and cells. The Academic Council is the nucleus coordinating body which formulates academic activities and programmes with quantitative and qualitative benchmarks by providing a framework for assessment and evaluation addressing contextual variations.

4.5.5 Major activities and achievements

4.5.5.1 The performance of the Institute in FY 2015-16 and in 2016-17 (as at end of December, 2016) is given in the Table below:

Statutory bodies, and other bodies under the MSME Ministry

Table 11: Performance of Ni-MSME during 2015-16 and 2016-17 (till 31-12-2016)

Programmes	2015-16		2016-17	
	Programmes	Trainees	From April to December, 2016	
			Progs.	Trainees
Entrepreneurship Development Programmes				
Programmes under Assistance to Training Institutions Sponsored by M\o MSME:				
ni-msme as Apex Institution				
Completed			24	720
In progress	754	22599	111	3330
Programmes by Partner Institutions	321	9275	0	0
Other Programmes:-				
National	865	27267	739	26084
International	21	357	09	227
Seminars and Workshops	36	2390	28	1421
Consultancy and Research	24	0	19	0
TOTAL	2021	61888	930	31782

4.5.5.2 Major National Programmes: Programmes conducted during the year 2016-17 (till 31 December, 2016) include:

- a. Six two-day Training Programmes on Entrepreneurship Development in Solar Energy at Bengaluru (23 & 24 April; 30 April & 1 May, and 7 & 8 May, 2016); at New Delhi (17-19 June and 1-3 July, 2016) and at Pune (2-3 July, 2016).
- b. One-week Training programme in Soft and Hard Interventions in MSME Clusters during 23 – 27 May, 2016.
- c. 195 Entrepreneurship & Skill Development Programmes during April – December, 2016 in four different trades, viz., Sewing Machine Operation, Mobile\Handset Repair, Beautician & Hair Dresser, and Data Entry Operation for minority candidates at different locations in the States of Maharashtra & Telangana sponsored by Maulana Azad National Academy for Skills (MANAS), Ministry of Minority Affairs, Govt. of India.
- d. 331 Skill Development Programmes for Construction Workers in the State of Andhra Pradesh sponsored by Andhra Pradesh Building & Other Construction Workers Welfare Board, Govt. of Andhra Pradesh.
- e. Seven one-day Outreach programmes in Food Processing in the State of Punjab during 18 – 27 May, 2016 at Akli, Baresh, & Jhanda Kalan, Mansa district; Kalyan Sukha, & Deon Bathinda district; Koharianwali, Fazilka district; and Badal, Mukatsar district.

4.5.5.3 International Programmes:

- a. Terms of Trade (ToT) on Non-Tariff Barriers (NTB) and Non-Tariff Measures (NTM) Environment in SAARC (25 April, 2016)

Statutory bodies, and other bodies under the MSME Ministry

- b. Twelve-week training programme on “Communication Skills in English and Promotion of Micro Small and Medium Enterprises (EPMSMEs)” for executives from different countries (8 August – 28 October, 2016).
- c. Twelve-week training programme on “Communication Skills in English and Tourism and Hospitality for executives from different countries (8 August – 28 October, 2016).
- d. Eight-week training programme on Capacity Building for Providing Alternative Livelihood Opportunities for Poor (CBALO) for executives from different countries (5 September – 28 October, 2016)
- e. Eight-week training programme on Empowerment of Women through Enterprises (EWE) for executives from different countries (5 September – 28 October, 2016)
- f. Eight-week training programme on Innovative Strategies for SME Development (ISSD) for executives from different countries (5 September – 28 October, 2016)
- g. Eight-week training programme on Training Methods and Skills for Managers (TMSM) for executives from different countries (14 November, 2016 – 6 January, 2017)
- h. Eight-week training programme on SME Financing—Approaches and Strategies (SMEFAS) for executives from different countries (14 November, 2016 – 6 January, 2017)
- i. Eight-week training programme on Total Quality Management & ISO 9001:2008\14001\22000\27000 & Six Sigma (TQM) for executives from different countries (14 November, 2016 – 6 January, 2017)

4.5.5.4 NIMSME organized job melas in various States in which 36,111 persons were selected for wage employment.

4.5.5.5 The number of programmes conducted, the participants trained and the number of trainees who achieved self-employment or managed to find wage employment, since 2013-14 to 2015-16, are listed in the following table. As may be seen from Figure 4-9, the percentage of people in self-employment, as well as in wage employment has been increasing consistently over the years.

Table 12: Percentage of trainees with wage employment\ self-employment 2013-16

Year	Program (in numbers)	Trainees (in numbers)	Achievement (success rate)				
			Wage employed		Self employed		Overall %
			No.	%	No.	%	
2013-14	1,045	30,910	8,111	26.24	8,781	28.41	54.65
2014-15	1,599	47,136	10,358	21.97	6,358	13.49	35.46
2015-16	1,075	31,874	14,130	44.30	6,313	19.18	64.10

4.5.5.6 NI-MSME has also provided training programmes for international executives and it has organized 09 programmes in which 227 international executives from 76 countries participated.

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4.5.5.7 For the first time, NI-MSME also conducted training for trainers on international business in Bhutan.

4.5.5.8 NI-MSME has also published 40 works on various topics during the last two years and it has provided Research and Consultancy on 23 projects sponsored by different organizations.

4.5.5.9 In 2016 (April to December), 52 Job Melas were conducted in which 3,512 candidates were selected. The details of the Job Melas are indicated in the following table:

4.5.6 Budgetary support from Ministry of MSME

Table 13: Job Melas conducted state-wise during April -December 2016

State	No .of Job Melas Conducted	No. Of Employers	No. of Candidates Attended	No. of Candidates Selected
A.P	16	81	2037	599
Karnataka	1	15	270	105
Kerala	2	12	154	43
Odisha	2	12	173	50
Pondicherry	2	40	1583	799
Tamilnadu	4	57	1900	403
Telangana	24	136	2515	873
Uttar Pradesh	1	30	2850	640
Total	52	383	11482	3512

Targeted activities for the North-Eastern region, women, disabled persons, and International cooperation

5.1.1 'The Seven Sisters' of North East (Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura) and their one brother state Sikkim, collectively have nearly 4.24 lakh MSMEs, which provide employment for about 13.27 lakh people as against 214.38 lakh enterprises at national level that provide employment for 501.93 lakh people. However, as Figure 5-1 shows (Sixth Economic Census), the percentage of establishments in the North East has remained low compared to the rest of the country, and the challenge is to ensure greater enterprise creation in this region.

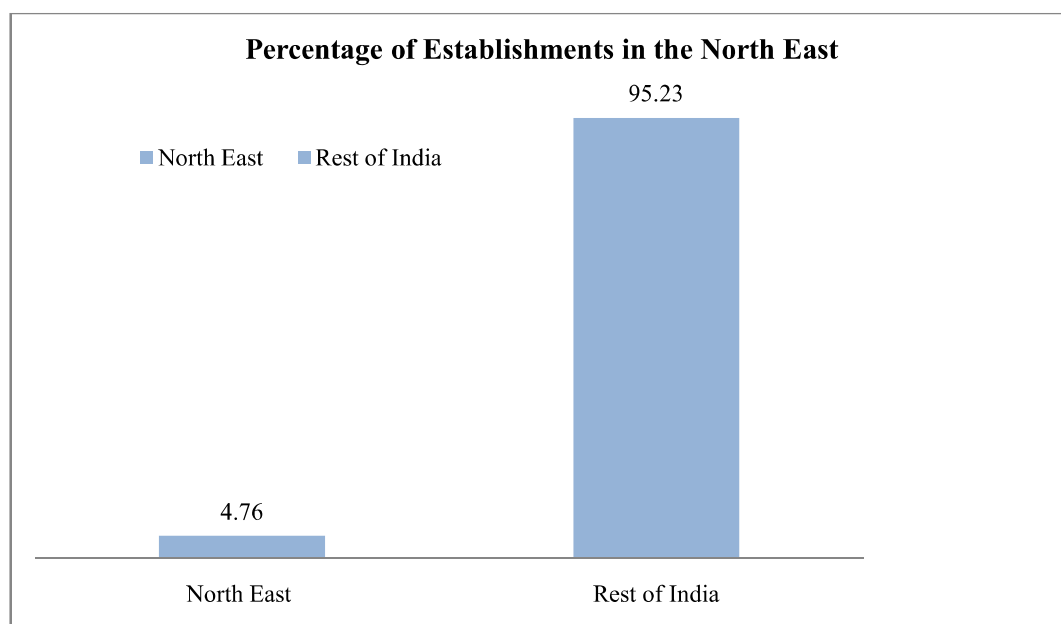


Figure 5-1: Percentage of establishments in the North East

5.1.2 Recent achievements in the North-East region

5.1.2.1 As per the achievement report of Development Commissioner (MSME), 2016, 19% (2014-15) and 17% (2015-16) of unit setup under PMEGP in north east states in India and 4.67 % (2014-15) and 13% (2015-16) entrepreneurs trained on Entrepreneur Development Programmes (EDP). Further, five Host Institutions and 12 new ideas were approved under Entrepreneurial Development of SMEs through Incubators, 16 awareness programmes on Quality Management Standards \ Quality Technology Tool and two awareness programmes on Intellectual Property Facilitation Centre (IPFC) conducted and one MSME and two MSME units benefited under ISO 9000\14001\HACCP Certification Reimbursement Scheme and bar code during 2014-16.

Targeted activities for the North-Eastern region, women, disabled persons, and International cooperation

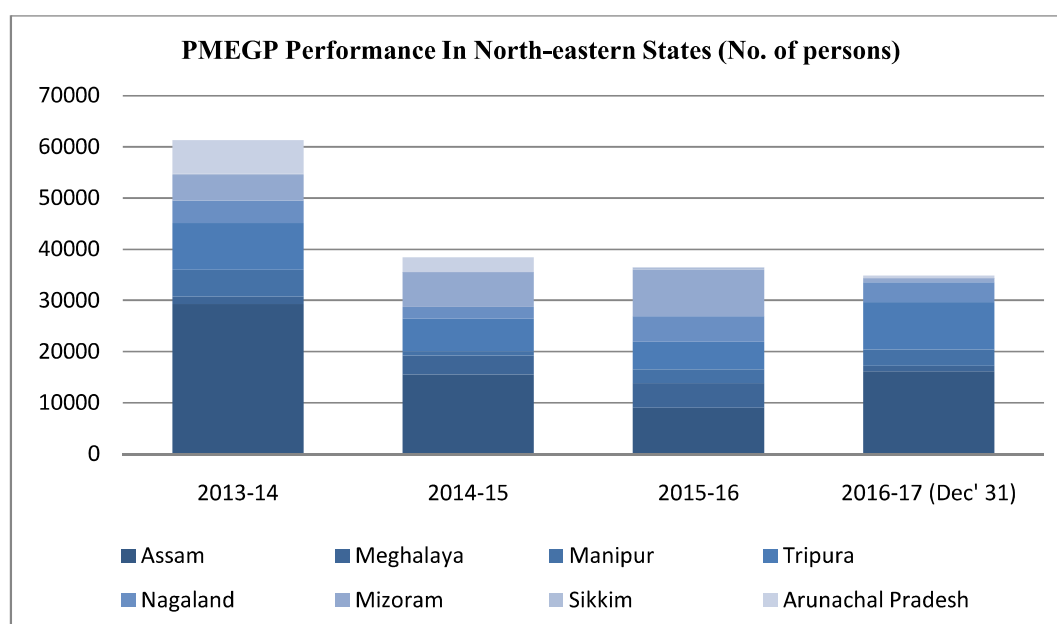


Figure 5-2: PMEGP performance in NE states

5.1.3 Budgetary outlay reserved for the North East Region

5.1.3.1 Pursuant to the Government's Policy of earmarking 10% of the total funds for NER, under the Schemes\Programme of M\o MSME, an outlay of Rs. 300 crore in BE 2016-17 had been earmarked exclusively for the Region. Details of funds earmarked to ARI Division and funds released by the Ministry to KVIC and Coir Board for the NER during the last three years and 2016-17 are given in the Table below.

Table 12: Funds released to KVIC and Coir Board for NER 2013-17

Year	Budget Allocation (RE) for ARI Division	10% Budget Allocation to NER	Expenditure NER
2014-15	1500.00	151.00	101.40
2015-16	1754.18	175.40	163.47
2016-17*	1726.20	172.60	113.51

*Releases upto 31.12.2016

5.1.4 DC-MSME

5.1.4.1 The Office of DC (MSME) has MSME-DIs at Gangtok (Sikkim); Guwahati (Assam); Imphal (Manipur); Agartala (Tripura) and also branch MSME-DIs at Aizwal (Mizoram); Dimapur (Nagaland); Itanagar (Arunachal Pradesh); Diphu (Assam); Silchar (Assam); Tezpur (Assam); Shillong (Meghalaya) and Tura (Meghalaya).

5.1.4.2 To strengthen the MSME initiatives in the NER, the Development Commissioner (MSME), GOI is committed and planned to implement the following activities during 2016-17 in all north east states of India through Ministry of Development of North Eastern Region, GOI (a number of training activities are being conducted by NIMSME, details are available at: <http://msme.gov.in>).

Targeted activities for the North-Eastern region, women, disabled persons, and International cooperation

gov.in\WriteReadData\Book\EDP_Calendar_Training_Programme_Final_Inner_2nd_Draft.pdf):

- Sensitizing all State government officials in NER on various latest schemes (PMEGY, ASPIRE, MSE-EDP etc.)
- Provide various trainings to officers of District Industry Centers & other line departments & NGOs\MFIs on EDP in various sectors including Agriculture and allied sectors, Tourism etc.
- Provide Enterprise development trainings to existing MSMEs.
- Other flagship schemes of GOI like Startup India, Stand up India & MUDRA etc.

5.1.4.3 Public Procurement Policy for MSEs Order 2012

Description	<p>The Policy:</p> <ul style="list-style-type: none"> ➤ Public Procurement Policy for MSEs order, 2012 has been notified under section 11 of MSMED Act 2006. ➤ The Policy is effective from 1st April, 2012 (Gazette notification on 26th March, 2012.) and Overall procurement goal of minimum 20% has become mandatory w.e.f. 1st April, 2015. ➤ The objective of Policy is promotion and development of Micro and Small Enterprises by supporting them in marketing of products produced and services rendered by them. However the policy rests upon core principle of competitiveness, adhering to sound procurement practices and execution of supplies in accordance with a system which is fair, equitable, transparent, competitive and cost effective. ➤ Overall procurement goal of minimum 20% is mandatory from 1st April 2015. ➤ Every Central Ministry \Dept.\Central PSUs required to set an annual target for 20% procurement from MSE Sector. ➤ A sub-target of 4% out of 20% target of annual procurement is earmarked for procurement from MSEs owned by SC\STs entrepreneurs. ➤ Ministry \Department\CPSUs highlight the details of procurement made from MSEs in their Annual Report. ➤ All MSEs having registration as per provisions of the Policy i.e registration with District Industries Centre(DIC) or Khadi and Village Industries Commission(KVIC) or Khadi and Village Industries Board (KVIB) or Coir Board or National Small Industries Commission (NSIC) or directorate of Handicrafts and handlooms and Udyog Aadhaar Registration or any other body specified by Ministry of MSME (so far no body has been specified) are eligible to avail the benefits of Policy.
Benefits provided	<ul style="list-style-type: none"> ➤ Tender sets may be obtained by the MSEs free of cost; ➤ Exemption from payment of Earnest Money Deposit (EMD) for MSEs; ➤ MSEs quoting prices within price band L-1 + 15% shall be allowed to supply upto 20% of tendered value at L-1 subject to lowering of prices by MSEs to L-1. ➤ 358 items are reserved for exclusive procurement from the MSEs
Implementation	Central Ministries\ Central Departments\ CPSUs
Monitored by	Review Committee headed by Secretary, MSME.

Targeted activities for the North-Eastern region, women, disabled persons, and International cooperation

5.1.5 KVIC in the North-East

5.1.5.1 In order to ensure effective implementation and monitoring of Khadi and Village Industries (KVI) programmes in the NER, Khadi and Village Industries Commission (KVIC) have a Zonal Office at Guwahati and other field offices in NE States. KVI programmes are being implemented in the region through State KVI Boards, registered institutions, cooperative societies and entrepreneurs.

5.1.5.2 Village industries which are being set up in these hilly and backward areas include forest based industries, pottery, beekeeping, processing of cereals and pulses, fibre, fruit & vegetable processing industries, soap, activities like carpentry and blacksmithy and also khadi and polyvastra.

5.1.5.3 KVIC is implementing the following schemes in the North East:

- **PMEGP** - Special efforts have been made by KVIC to provide employment in NER under PMEGP. In 2016-17 (up to 31.12.2016), a total number of 6813 projects were assisted by utilizing margin money subsidy of Rs. 75.66 crore. In the current year, a total number of 10,658 projects were sanctioned by banks involving margin money subsidy of Rs. 120.27 crore.
- **AABY** - A total of 3916 artisans have been covered under the Aam Admi Bima Yojana of KVIC so far to provide insurance to the khadi artisans\weavers.
- **Exhibitions**: Transport subsidy is provided by KVIC to the participant institutions in these exhibitions. KVIC also continued reservations of 10 per cent of space in Khadi Gramodyog Bhawan, New Delhi for the products produced by the units located in NER.

5.1.6 Khadi and village industries in the North East

5.1.6.1 KVI production in the North Eastern region has increased consistently over the past five years. Figure 5-1 shows that the production of Khadi has increased in every single state within the region during this period.

5.1.6.2 The absolute number of persons employed by KVIs has also increased consistently since 2012. Figure 5-2 shows a consistent increase in the number of persons employed in every single state within this period. In addition, there are a total of 46 Khadi artisan institutions in the North East region employing 9.56 lakh artisans. The complete information is available at: <http://www.kviconline.gov.in/claims/artisanData/index.jsp>.

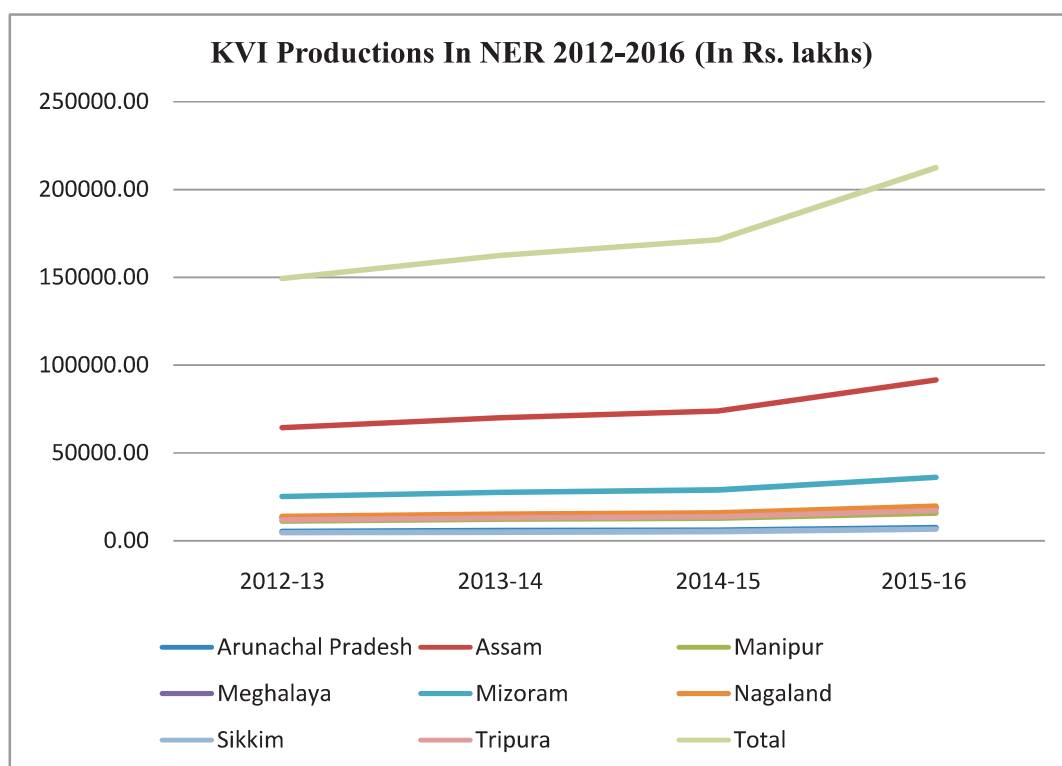


Figure 5-3: KVI Productions in NER 2012-16

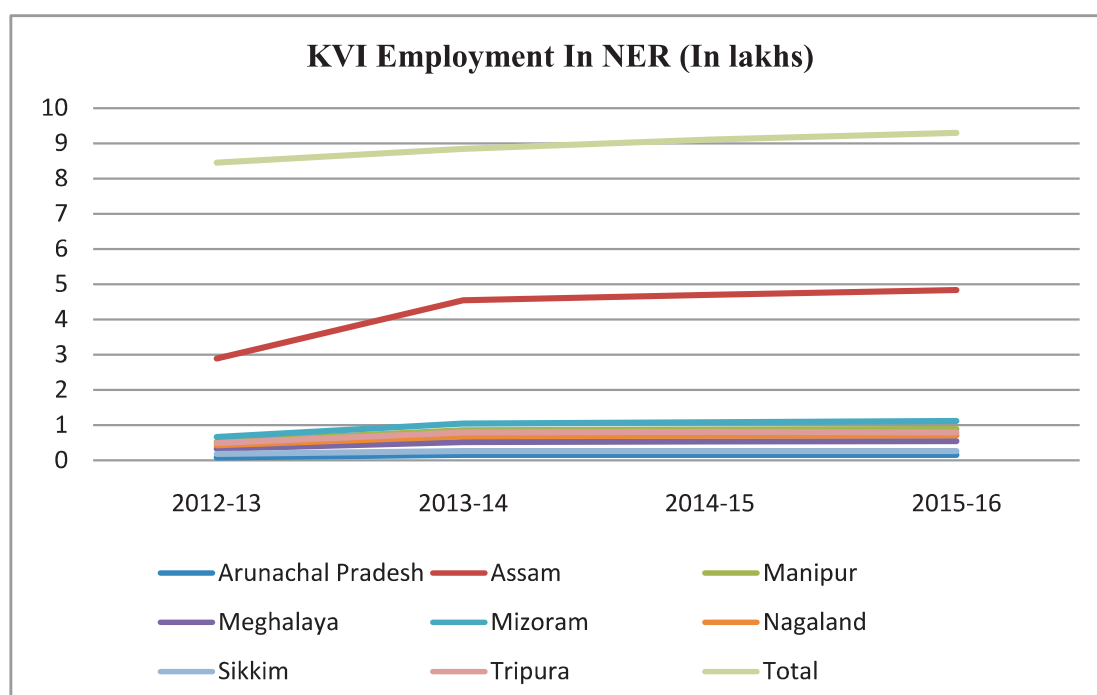


Figure 5-4: KVI Employment in NER

Targeted activities for the North-Eastern region, women, disabled persons, and International cooperation

5.1.7 NSIC in North Eastern region

5.1.7.1 NSIC has a network of offices in NER. This includes Branch Office at Guwahati and Sub-Offices at Tinsukia (Assam), Imphal (Manipur); Dimapur (Nagaland); Itanagar (Arunachal Pradesh); Shillong (Meghalaya) and Agartala (Tripura). NSIC Incubation Centre, Guwahati provides training in various trades like Fashion Designing, Food Processing \ Bakery; Fancy Bag & School Bag manufacturing; Decorative Candle Making Course and Computer Hardware and Networking programme.

5.1.7.2 During the year, NSIC, Guwahati participated \ organized several exhibitions.

5.2 Activities targeted at the welfare of women

5.2.1 As per the Sixth Economic Census, there are a total of 8050819 establishments under female entrepreneurs in India. Figure 5-4 provides the state-wise breakup of the percentage of establishments under female entrepreneurship for every state. As can be seen, Tamil Nadu has the highest percentage of female entrepreneurs at 13.5% out of the total establishments within the state, whereas UTs and North Eastern states rank at the bottom.

5.2.2 The top five economic activities as per establishments owned by women were (a) agriculture (34.3%), (b) manufacturing (29.8%), (c) trade (18.23%), (d) other services (5.38%) and accommodation and food services (2.77%). While these numbers are encouraging, significant work is required to increase the percentage of female entrepreneurship within the country.

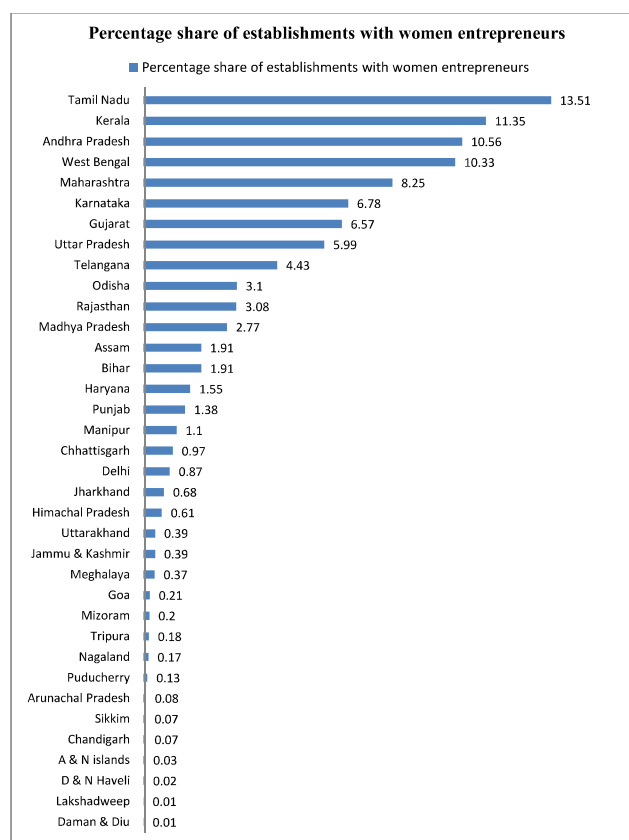


Figure 5-5: Percentage of women entrepreneurship in establishments, state-wise

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- 5.2.3 The Sixth Economic Census provides details of the sources of financing of women entrepreneurs. As can be seen, most women entrepreneurs are self-financing their establishments. There is therefore a need to ensure women have better access to formal\ governmental channels of finance.

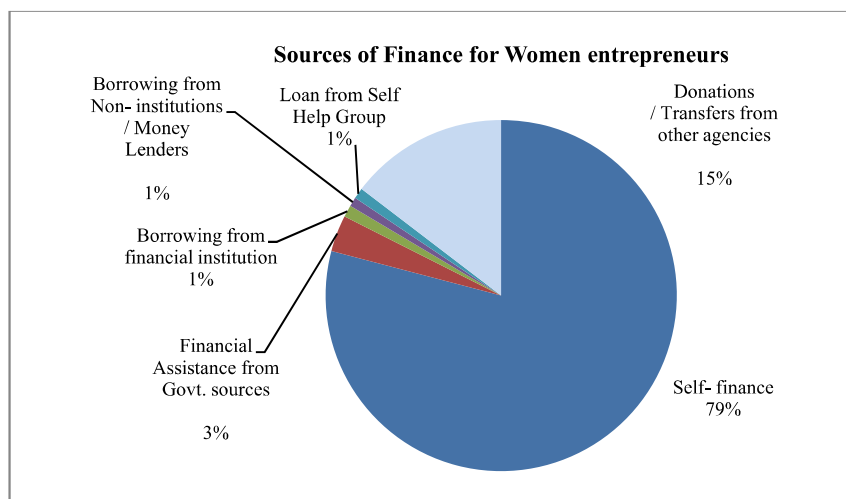


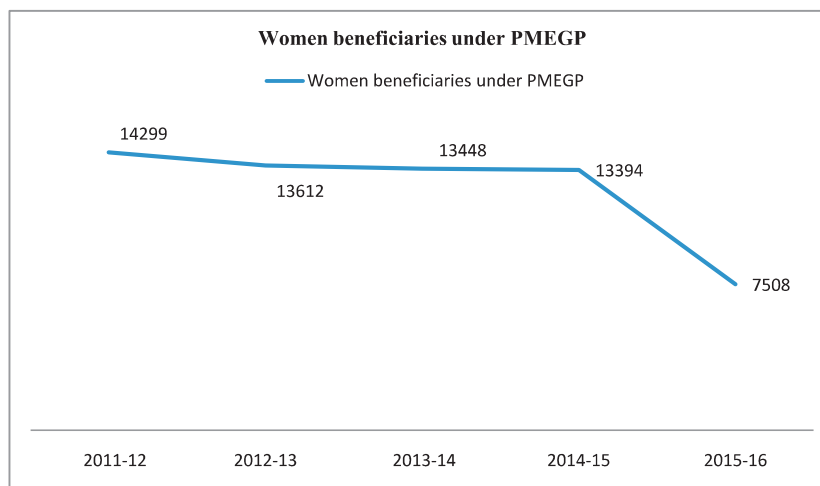
Figure 5-6: Sources of Finance for Women entrepreneurs

- 5.2.4 About 70 per cent of the employees of India's largest apparel exporters are women. Recent studies have estimated that India's GDP would grow by an additional 1.4 percent every year if women were to participate as much as men in the economy.
- 5.2.5 The main focus of the schemes\programmes undertaken by the Organisations of the Ministry is thus to provide\facilitate a wide range of services and programmes required for accelerating the development of MSMEs. Nevertheless, there are a few schemes\programmes which are individual\ beneficiary oriented. While, there are several schemes, wherein women are provided extra benefits\concessions\assistance, M\o MSME is implementing two specific schemes for women i.e. the scheme of TREAD and Mahila Coir Yojana. The details of concessions for women may be seen in the respective scheme guidelines as available on the Ministry's website www.msme.gov.in.
- 5.2.6 **Stand Up India** – The objective of the scheme is to facilitate bank loans between Rs. 10 lakh and Rs. 1 crore to at least one SC and ST borrower, and one woman borrower per bank branch for setting up a Greenfield enterprise. At least 51 percent of the shareholding and controlling stake of the enterprise must be held either by an SC, ST or woman. Rs. 500 crore has been provided for this purpose. The Scheme will facilitate at least two such projects per bank branch, one for each category of entrepreneur. This will benefit at least 2.5 lakh entrepreneurs.
- 5.2.7 **PMEGP** - Relaxation is provided to women beneficiaries under Prime Minister's Employment Generation Programme (PMEGP). Since inception i.e. 2008-09 to 31.12.2016, 91,083 projects have been assisted to women entrepreneurs under PMEGP.

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Data on number of women beneficiaries for each year over the past five years is as follows:

Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 (upto 31.12.2016)
Women beneficiaries under PMEGP	14299	13612	13448	13394	7508	3178



*Provisional Estimate for 2016-17 (upto December 31st, 2016) is 3178

Figure 5-7: Women beneficiaries under PMEGP 2011-2016

5.2.8 DC-MSME

5.2.8.1 Participation in International Trade Fairs\ Exhibitions - For Women\SC\ST entrepreneurs & entrepreneurs from North Eastern Regions, Govt. of India reimburses 100% space rent and economy class air fare

5.2.8.2 MSE-CDP: GoI grant is 90% for CFCs in NE & Hill States, Clusters with more than 50% (a) micro\ village (b) women owned (c) SC\ST units.

5.2.8.3 Infrastructure Development: The MSME Ministry provides grants for infrastructure development under the CDP scheme. The GoI grant is restricted to 60% of the cost of project of Rs 10.00 crore. However, GoI grant is 80% for projects in NE & Hill States, industrial areas\ estates with more than 50% (a) micro (b) women owned (c) SC\ST units.

5.2.8.4 Under the Entrepreneurship Development Programme, 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. In addition, a stipend is provided for such attendees.

5.2.8.5 In 2016, a special project for making khadi Napkins was taken up in Jammu for supporting the militancy affected families. Around 287 women got work under this project.

5.2.8.6 Sixty Muslim women were trained at KVIC training Centres at Chandbaugh, New Delhi who are earning around Rs. 200 per day by stitching napkins.

5.2.9 NSIC - During the year 2016-17 (up to December, 2016), NSIC has provided training to

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21313 women under various training programmes. Data and updated information to be provided on number of women trained in each year for the past five years.

5.2.10 Trade Related Entrepreneurship Assistance And Development (TREAD) Scheme For Women

5.2.10.1 The scheme envisages economic empowerment exclusively of women through trade related training, information and counseling extension activities related to trades, products, services etc. The Scheme provides for financial loans through NGOs who are also provided GoI grant for capacity building. This Assistance is provided for self-employment ventures by women for pursuing any kind of non-farm activity. Details of the scheme are available in Chapter 3, Table 3.

5.2.10.2 Table 13 provides details of the number of women beneficiaries under the scheme over the past three years, and the total grants released for the same.

Table 13: Number of women benefitted under the TREAD scheme and grants released

Year	Number of women benefitted	Total grant released (Rs. in crore)
2014-15	8265	2.54
2015-16	3560	2.00
2016-17	5000 (proposed)	Nil till 31.12.2016 (BE 3.00, RE 2.42)

5.3 Persons with disabilities

5.3.1 This Ministry is maintaining 'reservation roster' as per the instructions on the subject. The vacancies arising out of 100 point roster for the disabled persons for the Ministry and its attached O\o DC (MSME), are regularly intimated to the Department of Personnel and Training for filling up of such posts. Besides, other facilities (like conveyance allowance), as per the Government of India's instructions, also provided to the disabled persons working in various offices of the Ministry.

5.3.2 The NSIC and NIMSME are providing necessary reservation\preference for the training in different fields of entrepreneurship development and related training modules.

5.4 Activities with regard to International cooperation

5.4.1 Worldwide, the MSMEs have been accepted as the engine of economic growth for promoting equitable development. It is estimated that in terms of value, MSME sector accounts for about 45% of the manufacturing output and around 40% of the total exports of the country. MSMEs play an important role in export promotion of the country. To maintain its niche in the international and global markets, MSMEs are required to remain globally competitive. They have to continuously update themselves to meet the challenges emerging out of changes in technology, changes in demands, emergence of new markets, etc.

5.4.2 With agility and dynamism, the sector has shown admirable innovativeness and adaptability to the recent economic downturn and recession. However, MSMEs have been facing great challenge in the era of globalization and liberalization. With its consistent growth performance and abundant high skilled manpower, India provides enormous opportunities for investment, both domestic and foreign. To exploit this potential, M\o MSME and its organisations, through its various Schemes and Programmes, are providing support to the Indian MSME sector by

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giving them exposure of the international market; foreign technology; sharing of experiences and best management practices in the international arena. In continuation of this endeavour, M/o MSME has entered into long term agreements, Memorandum of Understanding\Joint Action Plan with 18 countries viz., Tunisia, Romania, Rwanda, Mexico, Uzbekistan, Lesotho, Sri Lanka, Algeria, Sudan, Cote d'Ivoire, Egypt, Republic of South Korea, Mozambique, Botswana, Indonesia, Vietnam, Mauritius and Sweden.

5.4.3 International Cooperation Scheme



5.4.3.1 This scheme is an ongoing Scheme of the Ninth Plan (under implementation since 1996), which has been continued for the Twelve Plan (2012-13 to 2016-17) with an outlay of Rs.24.50 crore. For the Annual Plan 2016-17, a provision of Rs. 4.00 crore was earmarked. Technology infusion and/or upgradation of Indian micro, small and medium enterprises (MSMEs), their modernisation and promotion of their exports are the principal objectives of assistance under the Scheme. The scheme supports the following activities:

- Visit of MSME business delegations to other countries for exploring new areas of technology infusion\ upgradation, facilitating joint ventures, improving market of MSMEs products, foreign collaborations, to visit international exhibitions\trade fairs etc.
- Visit & participation by Indian MSMEs in international exhibitions, trade fairs and buyer-seller meets in foreign countries.
- Participations in International exhibitions\trade fairs held in India in which there is international participations.
- Holding international conferences and seminars on topics and themes of interest to the MSME.

5.4.3.2 Activities undertaken under the scheme:

A sum of Rs. 3.60 crore was spent in 2015-16 to support 55 events benefitting 875 entrepreneurs. During the year 2016-17 (upto December 2016), Rs. 4.47 crore has been spent to support 79 events benefitting 1011 entrepreneurs.

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6.1 Official language

- 6.1.1 The Union of India is constitutionally obligated to use the Hindi in Devanagari script as its official language. Government policy aims at progressively increasing the use of Hindi in official work. Effective steps were taken during the year in the Ministry of MSME to ensure the compliance of Official Language Policy, implementation of the annual programme and compliance with the various orders of the Government of India on the recommendations of the Committee of Parliament on Official Language.
- 6.1.2 Progress has been made in the progressive use of Hindi in official business. The Ministry has a fully functional Hindi language website at: <http://msme.gov.in/mobhin/Home.aspx>. The Office of the DC also has a fully functional Hindi website at: <http://laghu-udyog.gov.in/>.
- 6.1.3 All documents such as general orders, notifications, press communiqué, contract, agreement, tender forms and notices, resolution, rules, memorandum\office memorandum, administrative reports and official papers laid before a House or both the Houses of Parliament under the section 3(3) of the Official Languages Act, 1963 were issued bilingually, i.e. both in Hindi and English. General orders meant for departmental use were issued in Hindi only. All letters received in Hindi were replied to in Hindi.
- 6.1.4 The Departmental Official Language Implementation Committee under the Chairmanship of the Joint Secretary (In-Charge of Hindi) in the Ministry of MSME has already been constituted. Quarterly meetings of the Committee were organized regularly and important decisions for use of Hindi in official work were taken. Effective steps for ensuring compliance of the decisions have also been taken.
- 6.1.5 **Correspondence in Hindi:-** Letters to State Governments, Union Territory and Central Government offices located in regions 'A' and 'B' were issued in Hindi, to the extent possible. Similarly, letters were sent in Hindi to Central Government offices located in region 'C' as per the targets laid down in the Annual Programme. About 86% correspondence was made in Hindi in region 'A', 81% in region 'B' and 72% in region 'C' up to the quarter ending September, 2016.
- 6.1.6 **Section specified for working in Hindi:** - There is a full-fledged Hindi Section in the Office of the DC (MSME) to ensure compliance with the Official Language Policy of the Government and to implement the directives of the Government of India. 18 sections specified for doing their cent-percent work in Hindi
- 6.1.7 **Monitoring and Inspections:** In order to ensure compliance with the Official Language Policy, monitoring is done through reviewing the quarterly progress reports. During the year, sections of the Ministry and attached organizations under control of Ministry of MSME were inspected to ensure use of Hindi in official work and compliance with the Official Language policy. All the officers\officials are trained.

6.1.8 **Hindi Month:** Hindi month was celebrated from 14th September, 2016 to 13th October, 2016 in the Ministry of Micro, Small and Medium Enterprises. To encourage and motivate the employees for doing official work in Hindi, various competitions like Hindi Typing, Hindi Essay Writing, Noting and Drafting in Hindi, General Hindi, Speech in Hindi, Hindi Antyakshari, Hindi Quiz, Hindi Kavita and Hindi work in the sections etc. were organised. Hindi Workshops were also organized during the period. A large number of officers and employees participated in these events with enthusiasm. The messages of the Hon'ble Home Minister, the Cabinet Secretary and Hon'ble Minister (MSME) on the occasion of Hindi Day, 2016 were circulated in the Ministry of MSME as well as in its attached and subordinate offices for information and compliance.

6.1.9 Use of Hindi in statutory bodies:

6.1.9.1 KVIC: Khadi and Village Industries Commission (HQ), Mumbai has a full -ledged Hindi Department which is responsible to implement the official language policy and guidelines issued from time to time by the Department of Official Language, Ministry of Home Affairs. Hindi Fortnight was celebrated from 14th – 28th September, 2016 in which various Hindi competitions were held and during the period winner participants of five competitions held were rewarded. The meetings of Official Language Implementation CCommittee and Hindi Committee and workshops were organized regularly in the Commission. The website of the commission is bilingual. The full compliance of the section 3(3) of Official Languages Act, 1963 is ensured in the commission.

6.1.9.2 *Coir Board:* Coir Board, being a part of the Govt. of India, under the administrative control of Ministry of MSME, is continuing its efforts to promote the use of official language of the Union in all its establishments. Quarterly Hindi workshops were conducted during the reporting year in Head Office with a view to make the staff aware of Official Language programmes and also to motivate them to use Hindi in their official work. Official Language inspections were conducted in Coir Bhavans\Sub Offices of the Board along with internal audit inspections. Five workshops were organized during September and October, 2016 wherein 70 and 16 officials were trained.

6.1.9.3 *NSIC:* NSIC continuously strives to promote the use of Hindi in official work. A full-fledged Hindi Section with adequate staff is functioning at the corporate office of Delhi. The meetings of Official Language Implementation Committee and Hindi Workshops were regularly organized in NSIC. During the year, Hindi Fortnight was celebrated from 5th September, 2016 to 19th September, 2016 in which various Hindi competitions were organized.

6.1.9.4 *Mahatma Gandhi Institute for Rural Industrialization (MGIRI):* Hindi fortnight was celebrated from 14th to 28 September, 2016 in the institute. During this various events were organized wherein Dr. Ravi Kumar delivered his lectures. Prize winners of the Hindi competitions held in the institute were rewarded.

6.2 Vigilance

6.2.1 The Vigilance Division of the Ministry is headed by a part-time Chief Vigilance Officer (CVO) of the rank of Joint Secretary who functions as the nodal point for all vigilance matters, in consultation with the Central Vigilance Commission and Investigating Agencies.

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- 6.2.2 The Ministry is implementing the guidelines\instructions issued by the Department of Personnel & Training and the Central Vigilance Commission on creating greater awareness of vigilance among the users of its services. During the period under report, a total of 153 references\vigilance complaints were received from various sources in the Ministry\ Attached Office\Organizations under the Ministry.
- 6.2.3 Vigilance Awareness Week was observed from 31st October, 2016 to 5th November, 2016.
- 6.2.4 The Vigilance Division also deals with the appeals preferred by employees of the organizations functioning under the Ministry on the penalties imposed on them as also complaints, etc. received against the functionaries of these organizations. The following functions are also performed by the Division:-
- (i) Maintenance of Annual Performance Appraisal Reports (APARs) of Officers and Staff including online system of SPARROW <https://sparrow.eoffice.gov.in>
 - (ii) All cases falling under CCS (Conduct) Rules, 1964 including Annual Property Return Statement of the employees and information under Lokpal.
 - (iii) Safe custody of mortgage bonds\deeds.
 - (iv) Vigilance clearance for administrative purposes.
- 6.2.5 During the period under report, 136 complaints were closed in consultation with Central Vigilance Commission, wherever applicable. Many complaints are at an advanced stage of investigation.

6.3 Citizen's Charter

- 6.3.1 Citizens' \ Clients' Charter for M\o MSME have been prepared and the same can be viewed at Ministry's website. This Charter consists of vision is a Declaration of the Ministry, incorporating its mission and commitment to the Micro, Small and Medium Enterprises and for the people of India, in general.
- 6.3.2 The Information and Facilitation Counter of the Ministry, located on the ground floor (between Gate No. 4 and 5), Nirman Bhavan, New Delhi, provides information on the services and activities of the Ministry and its organisations. It also receives RTI applications as well as fees, if any, by RTI applicant.
- 6.3.3 Annual Reports and Handbook on Self Employment have been published and are available for the information of potential entrepreneurs, policy makers and others. The website of the Ministry, i.e., www.msme.gov.in provides all the relevant information and link to its organisations.
- 6.3.4 The detailed Citizens'\ Clients' Charter of the Ministry is available on the website of the Ministry.
- 6.3.5 **Complaints:** The Department of Administrative Reforms and Public Grievances (DAPRG) have created a portal for public grievances - <http://pgportal.gov.in>. Any person can lodge his grievance on this portal. All grievances received by DAPRG, Prime Minister's Office

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and President Secretariat are forwarded to the concerned Ministries through this portal\ software. Grievance pertaining to other Ministries\Subordinate organisations can be transferred online. M\o MSME, O\o DC (MSME), NSIC and all the 24 Responsibility Centres have been provided link to <http://pgportal.gov.in>. The MSME Ministry and its organisations are promptly attending to the grievances. The address, phone and fax numbers of the Information and Facilitation Counter and the Grievance Cell are as follows:-

Particulars	Website Address	Organisation
1. Grievance Cell Additional Development Commissioner, Office of the Development Commissioner (MSME), Room No.716, Nirman Bhawan, New Delhi – 110108. Tel: 23061277, Fax: 23061804	www.msme.gov.in	M\o MSME
	www.dcmsme.gov.in	O\o DC (MSME)
	www.nsic.co.in	NSIC, New Delhi
	www.nimsme.org	NI-MSME, Hyderabad
	www.kvic.org.in	KVIC, Mumbai
2. Information and Facilitation Counter, Gate No. 4, Ground Floor, Nirman Bhavan, New Delhi – 110108. Tel. No. 23062219	www.coir-india.com	Coir Board, Kochi
	www.mgiri.org	MGIRI, Wardha

6.4 Right to Information

- 6.4.1 For information under the RTI Act, 2005, citizens may approach the Public Information Officer (RTI) located between Gate No. 4 & 5, Nirman Bhavan, (O\o DC (MSME)), New Delhi on any working day. Information regarding RTI requests and appeals is provided below.

Table 15: Details of RTI applications received and their status

	Requests received	Rejected	Information provided	Transferred to other Public Authority	Returned	Pending Requests
April 2016 – December 31, 2016	406	0	160	220	26	0
2015-16	491	0	127	295	69	0

Table 16: Details of appeals under RTI Act, 2005

	Opening balance	Appeals Received	Initial action to be taken	Information provided	Returned to applicant	Pending appeals
April 2016 – December 31, 2016	7	10	0	17	0	0
2015-16	0	26	0	23	3	0

- 6.4.2 The complete information in respect of the Ministry and the other Public Authorities of the Organisations under this Ministry is regularly uploaded on the website of the Ministry. The details of the CPIOs\ Appellate Authority are also available at respective Office website. The latest list of Nodal CPIOs of the Ministry and its organisations is at Annexure 4.

6.5 Prevention of Sexual Harassment

In accordance with the provisions contained in the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013, an Internal Complaints Committee has been constituted in the Ministry.

During the year 2016-17 (up to December 2016-17) no case is pending with the internal complaints committee.

Annexure

1. PLAN ALLOCATION AND EXPENDITURE DURING 2014-15, 2015-16 AND 2016-17

(Rs. in crore)

Items	2014-15	2015-16	2016-17
A. SME DIVISION			
BE	227.00	129.28	229.00
RE	200.00	143.82	101.22
EXPENDITURE	192.42	95.77 (up to Feb., 2016)	66.69 (up to 31.12.2016)
B. ARI DIVISION			
BE	2042.00	1651.22	1825.00
RE	1500.00	1744.18	1726.20
EXPENDITURE	1427.08	1180.78 (up to Dec., 2015)	1411.00 (up to 31.12.2016)
C. O\o. DC (MSME)			
BE	1058.00	832.01	864.00
RE	800.00	732.00	1107.93
EXPENDITURE	771.69	415.17 (up to Nov., 15)	545.23 (upto Dec., 2016)
TOTAL BE	3327.00	2612.51	2918.00
TOTAL RE	2500.00	2620.00	2935.35
TOTAL EXPENDITURE	2391.19	1691.72	2022.92

2. Projection of Expenditure for months of Jan- March, 2017

(Rs. in Crore)

S. No.	Scheme	BE 2016-17	RE 2016-17	Ac-tual as on 31.01.17	Estimated Exp. in 4th Qtr				Grand Total during 2016-17
					Jan- 17	Feb- 17	Mar – 17	Q4	
SME DIVISION									
1	Performance Credit Rating Scheme	200.00	55.72	49.88	0.00	0.00	5.84	5.84	55.72
2	Marketing Assistance Scheme	20.00	19.80	11.81	0	2.55	1.45	4.00	15.80
3	IC Scheme	8.00	5.00	4.71	0.24	0.30	0.09	0.63	5.10
4	RGUMY	1.00	0.70	0.54	0.00	0.00	0.20	0.20	0.74
5	SC\ST Hub	0.00	20.00	0.00	0.00	5.68	4.24	9.92	9.92
	Total	229.00	101.22	66.94	0.24	8.53	11.82	20.59	87.28

ARI DIVISION

S. N.	Sub Scheme \ De-tailed Head \ Object Head	BE 2016-17		RE 2016-17		Funds released upto (31.12.2016)		Projection for Jan. 17		Projection for Feb. 17		Projection for March. 17		Total Expenditure	
		Plan	N.Plan	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan
1	Khadi Grant														
	Subsidies		26.61										26.61		
	Grant-in-aid Salaries		156.4				134.7								156.38
	Grant-in-aid-General	21.95	102.36	21.95	102.36	20.58	93.49			1.37	8.87			21.95	102.36
	Grant-in-aid-General (SCSP)	3.60		3.60		3.59				0.01				3.60	
	Grant-in-aid-General (TSP)	2.45		2.45		2.45								2.45	
	Grant-in-aid-General (NER)	2.00		2.00		2.00								2.00	
	Total	30.00	285.35	30.00	285.35	28.62	228.20			1.38	30.54		26.61	30.00	285.35
2	Village Industries (VI) Grant														
	Grant-in-aid-General	31.37		24.37		21.10				3.27				24.37	
	Capital assets	3.00		10.00		1.98		0.80				7.22		10.00	
	Total	34.37	0.00	34.37	0.00	23.08		0.80		3.27		7.22		34.37	
3	Khaid, VI and Coir (S&T)														
	Grant-in-aid-General	8.00		8.00		8.00								8.00	
	Grant-in-aid-General	0.90		0.90		0.90								0.90	
	Capital assets	0.10		0.10		0.03		0.1						0.10	
	Total	9.00	0.00	9.00	0.00	8.93		0.07						9.00	
4	Khadi Reform Development Programme (ADB Assistance)														
	Grant-in-aid-General	4.50		4.50		4.50								4.50	
	Grant-in-aid-General (NER)	0.50		0.50								0.50		0.50	
	Total	5.00	0.00	5.00	0.00	4.50						0.50		5.00	
5	Market Promotion and Development Assistance (MPDA)														
	Grant-in-aid-General	270.60		280.50		258.20				12.30		10.00		280.50	

Annexures

S. N.	Sub Scheme \ De-tailed Head \ Object Head	BE 2016-17		RE 2016-17		Funds released upto (31.12.2016)		Projection for Jan. 17		Projection for Feb. 17		Projection for March. 17		Total Expenditure	
		Plan	N.Plan	Plan	N.Plan	Plan	N.Plan	Planz	N.Plan	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan
	Grant-in-aid-General (SCSP)	37.20		37.20		37.20								37.20	
	Grant-in-aid-General (TSP)	23.83		23.83		23.83								23.83	
	Grant-in-aid-General	0.00		0.00											
	Grant-in-aid creation of capital assets	10.00		0.00											
	Total	341.63	0.00	341.53	0.00	319.23			12.30	10.00				341.53	
6	Scheme for Fund for Regeneration of Traditional Industries (SFURTI)														
	Grant-in-aid-General	50.00		50.00		37.15			8.52	4.33				50.00	
	Office Expenses - IT	1.00		1.00						1.00				1.00	
	Other Administrative Expenses	1.00		1.00		0.18				0.82				1.00	
	Professional Services	0.35		0.35		0.03			0.02	0.30				0.35	
	Grant-in-aid-General (SCSP)	9.00		9.00		5.19			0.90	2.91				9.00	
	Grant-in-aid-General (TSP)	6.15		6.15		3.54			0.60	2.01				6.15	
	Grant-in-aid-General (NER)	7.50		7.50		3.70			2.46	1.34				7.50	
	Total	75.00	0.00	75.00	0.00	49.79			12.50	12.71				75.00	
7	Coir Vikas Yojna														
	Grant-in-aid-General	10.47	4.70	10.47	4.70	10.47	4.70							10.47	4.70
	Grant-in-aid Salaries		25.75		31.05		21.89		9.16						31.05
	Grant-in-aid-General (SCSP)	1.80		1.80		1.80								1.80	
	Grant-in-aid-General (TSP)	1.23		1.23		1.23								1.23	
	Grant-in-aid-General (NER)	1.50		1.50		1.50								1.50	
	Total	15.00	30.45	15.00	35.75	15.00	26.59		9.16					15.00	35.75
8	Coir Udyami Yojna														
	Grant-in-aid-General	13.96		11.11		11.11								11.11	

S. N.	Sub Scheme \ De-tailed Head \ Object Head	BE 2016-17		RE 2016-17		Funds released upto (31.12.2016)		Projection for Jan. 17		Projection for Feb. 17		Projection for March. 17		Total Expenditure	
		Plan	N.Plan	Plan	N.Plan	Plan	N.Plan	Planz	N.Plan	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan
	Grant-in-aid-General (SCSP)	2.40		1.40		1.20				0.20				1.40	
	Grant-in-aid-General (TSP)	1.64		0.49		0.00				0.49				0.49	
	Grant-in-aid-General (NER)	2.00		2.00		0.30				1.70				2.00	
	Total	20.00	0.00	15.00	0.00	12.61				2.39				15.00	
9	Loans to Khadi & Village Industries Commission														
	Loan and Advances		0.55		0.35		0.15				0.20				0.35
	Total	530.00	316.35	524.90	321.45	461.76	254.94	0.87		31.84	39.90	30.43	26.61	524.90	321.45
10	A scheme for Promotion of Innovation, Rural Industry & Entrepreneurship (ASPIRE)														
	Grant-in-aid-General	68.80		16.30		9.44				3.78		3.08		16.30	
	Other Administrative Expenses	1.00		0.50		0.07						0.43		0.50	
	Grant-in-aid-General (SCSP)	12.00		0.70		0.11				0.25		0.34		0.70	
	Grant-in-aid-General (TSP)	8.20		0.50		0.07				0.25		0.18		0.50	
	Grant-in-aid-General (NER)	10.00		2.00		1.22		0.50		0.22		0.06		2.00	
	Total	100.00		20.00		10.91		0.50		4.50		4.09		20.00	
11	Prime Minister's Employment Generation Programme (PMEGP)														
	Grant-in-aid-General	35.10		18.00		9.00				9.00				18.00	
	Subsidies-General	706.70		706.70		607.60				89.71		9.39		706.70	
	Subsidies (SCSP)	147.10		147.10		97.87				30.00		19.23		147.10	
	Subsidies (TSP)	102.10		102.10		67.18				15.36		19.56		102.10	
	Grant-in-aid-General (NER)	3.90		2.00		1.00						1.00		2.00	
	Subsidies-NER	144.10		144.10		102.86				12.00		29.24		144.10	

Annexures

S. N.	Sub Scheme \ De-tailed Head \ Object Head	BE 2016-17		RE 2016-17		Funds released upto (31.12.2016)		Projection for Jan. 17		Projection for Feb. 17		Projection for March. 17		Total Expenditure	
		Plan	N.Plan	Plan	N.Plan	Plan	N.Plan	Planz	N.Plan	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan
	Total	1139.00		1120.00		885.51				156.07		78.42		1120.00	
12	Interest Subsidy Eligibility Certificate														
	Grant-in-aid-General	39.54		39.54		39.04				0.50				39.54	
	Grant-in-aid-General (SCSP)	5.90		5.90		5.90								5.90	
	Grant-in-aid-General (TSP)	4.06		4.06		4.00				0.06				4.06	
	Grant-in-aid-General (NER)	0.00		0.00											
	Total	49.50		49.50		48.94		0.00		0.56		0.00		49.50	
13	Mahatma Gandhi Institute for Rural Industrialisation (MGIRI)														
	Grant-in-aid-General	5.00		5.00		3.24		1.4				0.38		5.00	
	Grants for creation of Capital assets	1.50		1.50		0.63		0.7				0.16		1.50	
	Grant-in-aid-Salaries		3.65		3.65		2.41		1.05				0.19		3.65
	Total	6.50	3.65	6.50	3.65	3.87	2.41	2.09	1.05			0.54	0.19	6.50	3.65
	Total	1825.00	320.00	1720.90	325.10	1410.99	257.35	3.46	1.05	192.97	39.90	113.48	26.80	1720.90	325.10
			2145.00		2046.00		1668.34		4.51		232.87		140.28		2046.00

DC (MSME) OFFICE

Sl No.	Name of the Scheme	BE	RE 2016-17	Actual as on 27.01.17	Q 4 (Expected Exp.) Jan to Mar, 2017				Grand Total (As per RE)
					Jan	Feb	Mar	Q4	
I	TECHNOLOGY UPGRADEATION AND QUALITY CERTIFICATION								
	NMCP								
1	Lean Manufacturing Scheme								
	ONER	13.76	13.55	13.01	0.08	0.06	0.40	0.54	13.55
	NER	0.00		0.00				0.00	0.00
	SCSP	0.10		0.00	0.00	0.00	0.00	0.00	0.00
	TSP	0.14		0.00	0.00	0.00	0.00	0.00	0.00
	Total	14.00	13.55	13.01	0.08	0.06	0.40	0.54	13.55
2	Promotion of ICT Tools								
	ONER	4.50	0.13	0.13				0.00	0.13
	NER	0.50		0.00				0.00	0.00
	SCSP	0.00		0.00	0.00	0.00	0.00	0.00	0.00
	TSP	0.00		0.00	0.00	0.00	0.00	0.00	0.00
	Total	5.00	0.13	0.13	0.00	0.00	0.00	0.00	0.13
3 (i)	Technology Upgradation and Quality Certification (TEQUP)								
	ONER	19.50	19.50	10.83	3.00	3.00	2.67	8.67	19.50
	NER	0.50		0.00			0.00	0.00	0.00
	SCSP	0.00		0.00				0.00	0.00
	TSP	0.00		0.00				0.00	0.00
	Total	20.00	19.50	10.83	3.00	3.00	2.67	8.67	19.50
(ii)	Credit Linked Capital Subsidy Scheme								
	ONER	216.000000	357.72	215.54	0.00	142.18	0.00	142.18	357.72
	NER	51.000000	78.16	0.00	0.00	0.00	0.00	0.00	0.00
	SCSP	20.000000	68.97	1.40	0.00	0.60	0.00	0.60	2.00
	TSP	11.000000	60.67	0.56	0.00	0.20	0.00	0.20	0.76
	Total	298.000000	565.52	217.50	0.00	142.98	0.00	142.98	360.48
4	Incubation Centre								

Annexures

Sl No.	Name of the Scheme	BE	RE 2016-17	Actual as on 27.01.17	Q 4 (Expected Exp.) Jan to Mar: 2017				Grand Total (As per RE)
					Jan	Feb	Mar	Q4	
	ONER	10.00	6.00	4.41	0.50	0.85	0.24	1.59	6.00
	Total	10.00	6.00	4.41	0.50	0.85	0.24	1.59	6.00
5	Design Clinics Scheme for MSME Sector								
	ONER	9.50	7.18	7.18	0.00	0.00	0.00	0.00	7.18
	NER	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	10.00	7.18	7.18	0.00	0.00	0.00	0.00	7.18
6 (i)	Quality Management Standards and Quality Technology Tools (QMS\QTT) including Zero Defect Zero Effect								
	ONER	20.00	11.03	11.03	0.00	0.00	0.00	0.00	11.03
	Total	20.00	11.03	11.03	0.00	0.00	0.00	0.00	11.03
(ii)	ISO 9000\14001 Reimbursement								
	ONER	2.70	2.70	2.05	0.50	0.15	0.00	0.65	2.70
	NER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SCSP	0.20	0.03	0.02	0.01	0.00	0.00	0.01	0.03
	TSP	0.10		0.00	0.00	0.00	0.00	0.00	0.00
	Total	3.00	2.73	2.07	0.51	0.15	0.00	0.66	2.73
7	Intellectual Property Facilitation Centre (IPFC)								
	ONER	2.60	2.45	2.12	0.15	0.00	0.00	0.15	2.27
	NER	0.40	0.30	0.09	0.00	0.13	0.00	0.13	0.22
	Total	3.00	2.75	2.21	0.15	0.13	0.00	0.28	2.49
8	Bar Code								
	ONER	2.00	1.61	0.94	0.30	0.30	0.07	0.67	1.61
	Total	2.00	1.61	0.94	0.30	0.30	0.07	0.67	1.61
	Sub Total I	385.00	630.00	269.31	4.54	147.47	3.38	155.39	424.70
II	PMEGP & OTHER CREDIT SUPPORT PROGRAMME								
1	Credit Guarantee Scheme								

Sl No.	Name of the Scheme	BE	RE 2016-17	Actual as on 27.01.17	Q 4 (Expected Exp.) Jan to Mar. 2017				Grand Total (As per RE)
					Jan	Feb	Mar	Q4	
	ONER	4.00	1397.42	1.42	0.00	1396.00	0.00	1396.00	1397.42
	NER	10.00	203.58	3.58	0.00	200.00	0.00	200.00	203.58
	SCSP	20.00	247.10	7.10	0.00	240.00	0.00	240.00	247.10
	TSP	16.00	169.68	5.68	0.00	164.00	0.00	164.00	169.68
	Total	50.00	2017.78	17.78	0.00	2000.00	0.00	2000.00	2017.78
2	India Inclusive Innovation Fund								
	ONER	0.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	NER	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub Total II	51.00	2017.78	17.78	0.00	2000.00	0.00	2000.00	2017.78
III									
	MARKETING DEVELOPMENT ASSISTANCE (MDA)								
1	Marketing Assistance & Technology Upgradation (MATU)								
i.	International Trade Fair								
	ONER	4.98	3.67	1.41	0.33	0.76	0.50	1.59	3.00
	SCSP	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TSP	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	5.00	3.67	1.41	0.33	0.76	0.50	1.59	3.00
ii.	Domestic Market								
	ONER	3.85	1.02	0.14	0.60	0.28	0.00	0.88	1.02
	NER	0.65	0.10	0.00	0.10	0.00	0.00	0.10	0.10
	Total	4.50	1.12	0.14	0.70	0.28	0.00	0.98	1.12
iii.	Export Promotion								
	ONER	0.50	0.46	0.33	0.03	0.10	0.00	0.13	0.46
	Total	0.50	0.46	0.33	0.03	0.10	0.00	0.13	0.46
iv.	Vendor Development Programme for Ancillarisation								

Annexures

Sl No.	Name of the Scheme	BE	RE 2016-17	Actual as on 27.01.17	Q 4 (Expected Exp.) Jan to Mar: 2017				Grand Total (As per RE)
					Jan	Feb	Mar	Q4	
	ONER	4.50	4.00	1.20	1.30	0.90	0.60	2.80	4.00
	NER	0.50	0.50	0.05	0.45	0.00	0.00	0.45	0.50
	Total	5.00	4.50	1.25	1.75	0.90	0.60	3.25	4.50
2	Publicity & Exhibition								
	ONER	0.50	0.25	0.07	0.09	0.05	0.04	0.18	0.25
	Total	0.50	0.25	0.07	0.09	0.05	0.04	0.18	0.25
	Sub Total III	15.50	10.00	3.20	2.90	2.09	1.14	6.13	9.33
IV									
	Promotional Services Institution & Programme								
1	DC (MSME) Officers' Training Programme								
	ONER	1.58	1.35	0.61	0.53	0.21	0.00	0.74	1.35
	NER	0.30	0.55	0.00	0.50	0.05	0.00	0.55	0.55
	SCSP	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TSP	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	2.00	1.90	0.61	1.03	0.26	0.00	1.29	1.90
2	Provision for Workshops\ Trg.								
	ONER	13.00	7.18	7.18	0.00	0.00	0.00	0.00	7.18
	Total	13.00	7.18	7.18	0.00	0.00	0.00	0.00	7.18
3	MDP\EDP\Skill Development								
	ONER	1.20	1.20	0.82	0.20	0.18	0.00	0.38	1.20
	NER	0.50	0.50	0.32	0.09	0.09	0.00	0.18	0.50
	SCSP	0.80	0.80	0.54	0.14	0.12	0.00	0.26	0.80
	TSP	0.50	0.50	0.50	0.00	0.00	0.00	0.00	0.50
	Total	3.00	3.00	2.18	0.14	0.12	0.00	0.26	3.00
4	TREAD								
	ONER	2.75	2.37	0.00	1.00	1.00	0.37	2.37	2.37
	NER	0.25	0.05	0.00	0.05	0.00	0.00	0.05	0.05
	Total	3.00	2.42	0.00	1.05	1.00	0.37	2.42	2.42

Sl No.	Name of the Scheme	BE	RE 2016-17	Actual as on 27.01.17	Q 4 (Expected Exp.) Jan to Mar, 2017				Grand Total (As per RE)
					Jan	Feb	Mar	Q4	
5	MSME-DIs								
	ONER	9.50	10.00	6.86	0.79	1.00	1.35	3.14	10.00
	NER	2.50	3.00	2.41	0.33	0.26	0.00	0.59	3.00
	Total	12.00	13.00	9.27	1.12	1.26	1.35	3.73	13.00
	Sub Total IV	33.00	27.50	19.24	3.34	2.64	1.72	7.70	27.50
V	INFRASTRUCTURE DEVELOPMENT PROGRAMME								
	INFRASTRUCTURE DEVELOPMENT AND CAPACITY BUILDING								
1	Tool Rooms & Tech. Institutions								
	ONER	47.00	30.50	18.86	3.18	7.46	1.00	11.64	30.50
	NER	3.00	3.00	3.00				0.00	3.00
	SCSP	50.00	50.00	50.00	0.00	0.00	0.00	0.00	50.00
	TSP	20.00	20.00	14.45	0.00	0.00	5.55	5.55	20.00
	Total	120.00	103.50	86.31	3.18	7.46	6.55	17.19	103.50
2	Technology Centres Systems Programme (TCSP) - EAP								
	ONER	75.00	155.00	44.29	1.22	27.63	60.55	89.40	133.69
	Total	75.00	155.00	44.29	1.22	27.63	60.55	89.40	133.69
3	Promotion of MSME in NER & Sikkim								
	NER		3.50	0.00	1.50	1.00	1.00	3.50	3.50
	Total		3.50	0.00	1.50	1.00	1.00	3.50	3.50
4	MSME - Cluster Development Programme								
	ONER	88.50	99.00	80.11	7.00	7.00	4.89	18.89	99.00
	NER	15.00	14.00	6.95	3.00	2.00	2.05	7.05	14.00
	SCSP	10.50	6.00	3.55	1.00	1.00	0.45	2.45	6.00
	TSP	21.00	4.00	3.55	0.45	0.00	0.00	0.45	4.00

Annexures

Sl No.	Name of the Scheme	BE	RE 2016-17	Actual as on 27.01.17	Q 4 (Expected Exp.) Jan to Mar. 2017				Grand Total (As per RE)
					Jan	Feb	Mar	Q4	
	Total	135.00	123.00	94.16	11.45	10.00	7.39	28.84	123.00
5	MSME TCs\TSS								
	ONER	11.00	9.00	2.92	0.50	0.12	0.00	0.62	3.54
	Total	11.00	9.00	2.92	0.50	0.12	0.00	0.62	3.54
6	Capital Outlay on Public Works								
	ONER	9.50	12.50	9.50	0.00	3.00	0.00	3.00	12.50
	NER	0.50	3.50	0.50	0.00	3.00	0.00	3.00	3.50
	Total	10.00	16.00	10.00	0.00	6.00	0.00	6.00	16.00
	Sub Total V	351.00	410.00	237.68	16.35	51.21	74.49	142.05	383.23
VI	RESEARCH & EVALUATION STUDIES								
	Upgradation of Data Base								
1	Collection of Statistics								
	ONER	0.25	0.01	0.00	0.01	0.00	0.00	0.01	0.01
	Total	0.25	0.01	0.00	0.01	0.00	0.00	0.01	0.01
2	Quinquennial Census								
	ONER	8.60	1.20	0.16	0.54	0.50		1.04	1.20
	NER	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SCSP	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TSP	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	12.75	1.20	0.16	0.54	0.50	0.00	1.04	1.20
3	National Award (Entrepreneur & Quality)								
	ONER	3.90	3.00	2.48	0.20	0.20	0.12	0.52	3.00
	NER	0.05	0.05	0.03	0.00	0.00	0.00	0.00	0.03
	SCSP	0.05	0.05	0.03	0.00	0.00	0.00	0.00	0.03
	TSP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	4.00	3.10	2.54	0.20	0.20	0.12	0.52	3.06
4	DC(MSME) Library								
	ONER	0.50	0.50	0.45	0.03	0.02	0.00	0.05	0.50

Sl No.	Name of the Scheme	BE	RE 2016-17	Actual as on 27.01.17	Q 4 (Expected Exp.) Jan to Mar, 2017				Grand Total (As per RE)
					Jan	Feb	Mar	Q4	
	NER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	0.50	0.50	0.45	0.03	0.02	0.00	0.05	0.50
5	SENET Project								
	ONER	5.00	3.29	2.11	0.50	0.50	0.18	1.18	3.29
	Total	5.00	3.29	2.11	0.50	0.50	0.18	1.18	3.29
6	Advertising & Publicity								
	ONER	6.00	4.55	3.18	0.00	0.35	0.34	0.69	3.87
	Total	6.00	4.55	3.18	0.00	0.35	0.34	0.69	3.87
	Sub Total VI	28.50	12.65	8.44	1.28	1.57	0.64	3.49	11.93
	Grand Total	864.00	3107.93	555.64	28.41	2204.98	81.37	2314.76	2874.47

Annexures

3. Pending CAG audit paragraphs

Para No.	Gist of para
12.1- Report No. 11 of 2016	Inadequate follow-up of loans in KVIC resulted in non- recovery of Rs. 551.46 crore and funds amounting to Rs. 226.70 crore, meant for development through execution of schemes and programmes, were diverted to service the loans of institutions.

4. List of nodal CPIOs

Sl. No.	Name, Designation and Telephone of CPIO (S\Shri)	Name, Designation and Telephone of Appellate Authority (S\Shri)	Subject Matter
1.	Bhaskar Kalra Under Secretary M\o MSME, Udyog Bhavan,, New Delhi. 23063293	L.Haokip, Director 23061431	Distribution of all the RTI applications related to M\o MSME among the concerned CPIOs. The subject-wise list of CPIOs are available on website www.msme.gov.in
2.	R.C. Tully Director, Office of the DC (MSME), Nirman Bhavan, New Delhi. 011-23062992	Santanu Mitra, Addl. Development Commissioner, Office of the DC(MSME), Nirman Bhavan, New Delhi. 011-23062477	Distribution of all the RTI applications related to Office of the Development Commissioner (MSME) among the concerned CPIOs. The subject-wise list of CPIOs are available on website www.dcmsme.gov.in
3.	Manoj Lal Chief General Manager, NSIC Limited, NSIC Bhavan, Okhla Industrial Estate, New Delhi-110020 011-26310549	A.K. Mittal Director Finance NSIC Limited, NSIC Bhavan, Okhla Industrial Estate, New Delhi-110020 011-26927327	Distribution of all the RTI applications related to the National Small Industries Corporation Limited among the concerned CPIOs. The subject-wise list of CPIOs are available on website www.nsic.co.in
4.	N. Muralia Kishore, Asstt. Registrar, National Institute for Micro, Small and Medium Enterprises (NI-MSME), Yousuf Gauda, Hyderabad – 500 045 040-23633260	M. Chandrasakhar Reddy, Director General, National Institute for Micro, Small and Medium Enterprises (NI-MSME), Yousuf Gauda, Hyderabad – 500 045 040-23608577	All the matters related to NIMSME. The details of CPIOs are available on website www.nimsme.org
5.	Dr. R.K. Singh, Asst. Director, KVIC, 3 Irla Road, Ville Parle (West), Mumbai 022-26711037	Shri Samir Kumar, Director, KVIC, 3 Irla Road, Ville Parle (West), Mumbai 022-26713538	Distribution of all the RTI applications related to Khadi and Village Industries Commission among the concerned CPIOs. The subject-wise list of CPIOs is available on website www.kvic.org.in
6.	Smt. Anita Jacob, Deputy Director, Coir Board, Coir House, M.G. Road, Kochi-682016	P.R. Ajit Kumar Senior Account Officer, Coir Board, Coir House, M.G. Road, Kochi-682016 0484-2351807	All the matters related to Coir Board. The details of CPIOs are available on website www.coirboard.gov.in

Sl. No.	Name, Designation and Telephone of CPIO (S\Shri)	Name, Designation and Telephone of Appellate Authority (S\Shri)	Subject Matter
7.	R. Srinivasan Deputy Director Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001 07150-253512	Dr. P.B. Kale, Director, Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001 07150-253512	All the matters related to MGIRI. The details of CPIOs are available on website www.mgiri.org

5. Contact Addresses

S. No.	Name and Address of the organisation	Website	E-mail	Telephone	Fax
1	Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 107	www.msme.gov.in	min-msme@nic.in	011-23063800 23063802-06	011-23062315 23061726 23061068
2	Office of Development Commissioner (MSME), 7 th Floor, A-Wing, Nirman Bhavan, New Delhi – 110 108	www.dcmsme.gov.in ; www.laghu-udyog.com ; www.smallindustry.com	dc-msme@nic.in	011-23063800 23063802-06	011-23062315 23061726 23061068
3	Khadi and Village Industries Commission, (KVIC), “Gramodaya” 3, Irla Road, Vile Parle (West), Mumbai - 400056, Maharashtra	www.kvic.org.in	kvichq@bom3.vsnl.net.in , ditkvic@bom3.vsnl.net.in , dit@kvic.gov.in	022-26714320-25\ 26716323\ 26712324\ 26713527-9\ 26711073\ 26713675	022-26711003
4	Coir Board, “Coir House”, M.G. Road, Ernakulam, Kochi-682016, Kerala	www.coirboard.nic.in , www.coirboard.gov.in	coir@md2.vsnl.net.in , coirboard@vsnl.com	0484-2351807, 2351788, 2351954, 2354397	0484-2370034
5	National Small Industries Corporation Limited (NSIC), NSIC Bhawan, Okhla Industrial Estate, New Delhi – 110 020	www.nsic.co.in	info@nsic.co.in	011-26926275 26910910 26926370 Toll Free 1-800-111955	011-26932075 26311109
6	National Institute for Micro, Small and Medium Enterprises (NI-MSME), Yousuf Gauda, Hyderabad – 500 045	www.nimsme.org	registrar@nimsme.org	040-23608544-46 23608316-19	040-23608547 23608956 23541260
7	Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001	www.mgiri.org	director.mgiri@gmail.com	0752-253512	0752-240328

Annexures

6. Definition of Micro, Medium and Small Enterprises in India

The MSMEs are defined on the basis of investment in Plant & Machinery and equipments under the MSMED Act, 2006. The present investment limit for MSMEs is as under:

MANUFACTURING ENTERPRISES

- (i) Micro enterprise: investment in plant and machinery upto Rs. 25 lakh
- (ii) Small enterprise: investment in plant and machinery from Rs. 25 lakh to Rs. 5 crore.
- (iii) Medium enterprise: Investment in plant and machinery from Rs. 5 crore to Rs. 10 crore

SERVICE ENTERPRISES

- (i) Micro enterprise: investment in equipments upto Rs. 10 lakh.
- (ii) Small enterprise: investment in equipments from Rs. 10 lakh to Rs. 2 crore.
- (iii) Medium enterprise: investment in equipments from Rs. 2 crore to Rs. 5 crore.



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