

Vendor Development Programme for Ancillarisation

Objectives:

(a) Vendor Development Programmes (VDPs) are being organized by MSME Development Institutes located in every corner of the country to provide common platform for business as well as selling organizations to inter-act with each other with a view to identifying emerging demands of the buyer organizations while simultaneously providing an opportunity for displaying the capabilities of the small scale entrepreneurs and their industrial ventures. Such programmes have proved to be of immense use in locating suitable entrepreneurs by a number of buying organizations including the Public Sector Enterprises, various Wings of Defense, Railways and others in indigenising a number of products which hitherto have been imported at a colossal cost.

(b) Two types of VDPs are being organized by MSME DIs - National Level VDPs - cum- Exhibitions and State Level VDPs. In National Level VDPs of 3 days duration, large scale organizations such as BEL, BHEL, TELCO, BSNL, IOC, NHPC, NTPC etc. Interact with MSEs in establishing potential vendors. In these National Level VDPs, an exhibition is also put up for displaying the products of MSMEs and large scale organizations. In State Level VDPs, only one or two buying large scale organisation functioning in the state participates in the programme and interact with MSMEs (sellers) in the Buyer-Seller Meets. Business enquiries ranging from `5 crore to `20 crore per VDP are being generated through National Level VDPs. The Plan Scheme of Vendor Development Programme is operational since 1995 i.e 8th Plane Period and continuing as on date.

Salient Features:

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Achievements and Up to date Progress :

- During the 10th Plan 156 VDPs were conducted by MSME Development Institutes in every part of the country, out of which 56 VDPs were organized at National level and have attracted participation of 5794 small scale units and 782 large scale organizations with business enquiries to the tune of `250 crores.

- During 2008-09, 28 VDPs were organized by MSME Development Institutes. These programmes attracted participation of 3039 MSMEs and 488 large scale organizations
- During 2009-10 , 26 VDPs were organized by MSME Development institutes. These programmes have attracted for a participation of 2376 MSEs and 291 large scale organisations. The expenditure incurred in conducting these programmes in ` 106 Lakh.
- During 2010-11 , 34 VDPs shall be organized by MSME-Development institutes. The details of which is enclosed.

Details of Participation of Industries in VDPs during the last three years :

Year	Nos of VDP. Conducted	National Level	Expenditure(In Lakh)	In State Level	No. of SSI	No. of LSEs	Total of participants
2006-07	34	09	-----	25	1200	119	1319
2007-08	29	09	94	20	3743	182	3925
2008-09	28	20	88	08	3039	488	3527
2009-10	26	21	106	05	2376	291	2667
Total	117	59	288	58	10358	1080	11438

(C) Product Specific VDPs and Cluster based VDPs are being proposed during the current year and this will help MSME to creat long term business relationship with large scale organizations.

Eligibility:

All Micro and Small, Medium & Large Enterprises can participate in the Vendor Development Programmes.