

MSME Umbrella Programme

Policies and Programmes

Volume III

Communication and Outreach

- **Communication audit and assessment report**
- **Communication strategy and actionable media plan**
- **Schemes @ Cluster: Summary of cluster workshops conducted by MSME Umbrella Programme**
- **Schemes @ Cluster: Summary of cluster workshops conducted in partnership with SEQUA**

Communication Audit and Assessment Report

Submitted to GIZ

By

The Communication Hub

In association with

MaRS Monitoring & Research
Systems



Contents

BACKGROUND	5
Introduction	5
Objective	5
Report Structure	5
PART 1:	6
Communication Audit	6
Section 1: Methodology	6
Section 2: FINDINGS	6
2.1. Activities requiring communication support	6
2.1.1. Communication Activities with existing MSME units with regard to EDP and ESDP	6
2.1.2. Communication Activities with prospective entrepreneurs with regard to IMC	6
2.1.3. Communication Activities with unemployed youth with regard to SDP	7
2.2. Communication Planning and Capacity	7
2.3. Communication Challenges	7
2.4. Communication Outcomes	8
2.5. Communication Success Stories	8
2.6. Proactive Communication Activities	8
2.7. Channels for communication	9
Industry Associations	9
NGOs	9
Use of IT for communication	9
Use of Social Media	10
Word of Mouth	10
2.8. Interactions with the DCs office	10
2.9. Advocacy Support Expected from the DCs Office	10
PART 2:	12
Communication Needs Assessment	12
Section1: Methodology	12
1.1 Target Respondents for the survey	12
Micro and small enterprises	12
Prospective Entrepreneurs	12
Unemployed youth	12
1.2 Interviews	12

1.3	Sample Size	12
Section 2: FINDINGS.....		14
2.1:	MICRO AND SMALL ENTERPRISES.....	14
2.1.1.	Registration.....	14
2.1.2	Awareness of public procurement policy	14
2.1.3	Awareness of support and facilities provided by the central government for small industries15	
2.1.4	Awareness of state level Development Institutes	15
2.1.5	Visiting DIs.....	16
2.1.6	Satisfaction with the experience of visiting DIs	17
2.1.7	Awareness of schemes.....	18
2.1.8	Source of awareness	19
2.1.9	Willingness to know about MSME support schemes.....	20
2.1.10	Media preference to learn about the schemes	21
2.1.11	Training preferences	22
2.1.12	Willingness to register	22
2.1.13	Message that they would like to receive	23
2.1.14	Media habits	23
	Newspapers	23
	Radio	23
	TV News	24
2.1.15	Accessing Internet.....	24
2.2:	PROSPECTIVE ENTREPRENEURS.....	26
2.2.1.	Perception on available opportunities.....	26
2.2.2.	Possibility of becoming an entrepreneur.....	26
2.2.3.	Support for entrepreneurship.....	27
2.2.4	Knowledge of government department that offers services and support to aspiring entrepreneurs	27
2.2.5	Knowledge of DI MSME	28
2.2.6	Attitude towards Government Departments and Schemes	28
2.2.7	Expectations from Government Departments and Schemes	29
2.2.8	Training Needs	30
2.2.9	Media Habits	30
2.2.10	Accessing Internet.....	31

2.3: UNEMPLOYED YOUTH.....	32
2.3.1 Perception on available opportunities.....	32
2.3.2 Support for entrepreneurship.....	32
2.3.3 Media Habits	33
2.3.4 Accessing Internet.....	34

Communication Audit and Assessment Report

BACKGROUND

Introduction

Office of DC MSME is the nodal agency for advocacy, hand holding and facilitation for the small industries sector in India. It runs more than 20 support programmes and schemes for MSMEs mainly in the area of “credit, marketing, skill development, technology up gradation and cluster development” amounting to more than INR 1100 crore/annum. With the current status of low awareness about the programmes, low spending of funds and low coverage, the office of DC MSME, in association with GIZ, has appointed The Communication Hub (TCH) and MaRS Monitoring & Research Systems Private Limited (MaRS) to develop an effective, actionable, and well -defined communication strategy.

Towards providing inputs to the communication strategy as well as carrying out a situational assessment for DC MSME, the consultants conducted a communications needs assessment survey among micro and small enterprises, prospective entrepreneurs and unemployed youth, along with a communication ‘audit’ among DIs and key stakeholders. Insights from the communication audit were presented to a larger forum of directors of DIs from across the country, and their feedback was obtained on the same.

Objective

The communication audit was carried out with the objective of gathering information on how DIs are currently reaching out to their targeted audiences. The three key target audiences for the DIs were identified as existing MSME units, prospective entrepreneurs and unemployed youth. Interviews were conducted with Directors of select DIs across the country and with key officials involved in the communication planning and execution at the DI. Communication materials were also accessed.

Communication Needs Assessment was carried out to among existing micro and small enterprises, prospective entrepreneurs and a specified segment of unemployed youth. The broad objectives were to assess the awareness levels of, experiences with and attitudes to the various schemes and activities of MSME, types of support sought, and media habits of the target segments.

Report Structure

This report is presented in two parts.

Part 1: Communication Audit

Part 2: Communication Needs Assessment

PART 1:

Communication Audit

Section 1: Methodology

The consultants met the directors of 10 DIs across the country. In addition, the consultants also met officials at the DC's Office in Delhi. In-depth discussions with Directors and the officers were carried out by senior professionals from the agency.

The DIs that were revisited for the communication audit were:

S.No.	DI Location	S.No.	DI Location
1	Kanpur	6	Indore
2	Cuttack	7	Kolkata
3	Bengaluru	8	Hyderabad
4	Chennai	9	Delhi
5	Mumbai	10	Jaipur

Section 2: FINDINGS

2.1. Activities requiring communication support

There are three distinct target audiences for the DIs, namely existing units, prospective entrepreneurs and unemployed youth. These target audiences are targeted by the DI for:

1. Entrepreneurship Development Programmes (EDP) and Entrepreneurship Skill Development Programmes (ESDP)
2. Industrial Motivational Campaigns (IMC)
3. Skill Development Programmes

2.1.1. Communication Activities with existing MSME units with regard to EDP and ESDP

1. Newspaper advertisements are used to reach out to the target audience segments.
2. DI offices also use their websites, which in some cases they have revamped themselves.
3. When the DIs want to promote certain schemes among the existing enterprises, the DI office puts up hoardings and banners at the industrial area and industry association offices and campus.
4. The industry associations remain a major contact point for the DI, when the programmes run by the DI are targeted to establishments that are members.

2.1.2. Communication Activities with prospective entrepreneurs with regard to IMC

1. For Industrial Motivational Campaigns the target group is prospective entrepreneurs. The main objective of the campaign is to motivate young educated youth to take up entrepre-

neurship. For IMCs, seminars are conducted in professional colleges like engineering, polytechnics and ITIs.

2. The respective DIs maintain data base of target institutions and maintain formal/official contacts/communication with them
3. The seminars are conducted by the DI office professionals using power point presentations which talk about entrepreneurship in general, government schemes, how to raise finance, qualities of an entrepreneur and MSME DI's office and its services.
4. The participants of these seminars are also given reading material that has been developed by the DI office. This material is locally developed by the respective DIs as per their need.

2.1.3. Communication Activities with unemployed youth with regard to SDP

1. For Skill Development Programmes (primarily for unemployed youth) the DIs use newspaper advertisements (via DAVP). They are published in both local/regional language dailies as well as in English dailies
2. In many cases, the DIs take the support of NGOs to reach the youth, especially in interior districts.

2.2. Communication Planning and Capacity

There is no specific annual communication plan. Communication efforts are need based. The DI offices get an activity wise target from the HO and they release advertisements as and when the need arises. Communication activity at the DI level is mainly restricted to drafting of ads but the final design and placements are mainly decided at central level. Ads across different states look identical. The DIs however are free to choose the newspaper in which the advertisement will appear and they make this decision based on their judgment of which newspaper would be most suitable for which target audience.

The DIs face a manpower constraint and the officers often have to multi-task. There is no separate officer responsible for public relations and promotional activities. There is no fund for local advertisements. The DI office does not have any separate publicity budget. Some DIs also feel that the communication budget even at the Head Office level is very low.

The lack of budget sometimes forces the DI to release joint ads for 2 activities targeted at different audiences; this understandably leads to confusion amongst the target beneficiaries.

2.3. Communication Challenges

The main challenge perceived is that the target segments are not aware of the MSME DI. In addition, the lack of '**standardization**' as pointed out by some DIs, posed a problem - *"The schemes' guidelines are ambiguous and open to interpretation – there are many instances of conflict when the same guideline is interpreted differently by different officers at the DI as well as at the DC's office. The guidelines need to be standardized and communicated to all stakeholders for operational ease"*. Some DIs say that they lack flexibility in designing the advertisements.

With regard to other stakeholders like PSUs, who are needed to participate in programmes like 'Vendor Development', one DI director was of the opinion that there is a need for strong advocacy with the PSUs so that they are more willing to participate. Currently the DI office has to 'beg and plead' for their participation, he said.

There's a perception amongst the various DIs that officers may also require to be trained in IPC skills.

2.4. Communication Outcomes

- The DIs felt that the response rate for Skills Development Programmes is low. This is a result of both sub-optimal communication efforts and, in some cases, due to the fact that some of the programmes are reserved for ST candidates, and the ST population is very low in the particular geographic area of operation of the DI.
- The response rate of training programmes for MSME entrepreneurs is perceived to be low due to overall lack of awareness and penetration; it was opined by officers that-
 - The programmes of MSME DI touch less than 1% of existing entrepreneurs.
 - Less than 5% of the entrepreneurs know about all the government sponsored schemes and programmes.
- Very few of the existing units avail the MSME programmes. The major reason attributed for this is that the enterprises do not see value in the training programmes and do not let their employees go for training on working days.
- DI officers felt that separate communication drives should be undertaken to make the MSMEs aware of the DI, make them knowledgeable about the services offered by DI and how these can add value to their business.

2.5. Communication Success Stories

- Recently one DI advertised a Barcode related programme using multiple channels- Newspaper, Website, Industry Association and Facebook. The response that they got was 100 applications for a batch of 25.
- For the training workshop for IPR (Intellectual Property Rights) in one case, the response was good as the DI did not use the word IPR prominently but instead titled the workshop "Workshop on Copyright, Trademark and Patents (IPR)". This was a successful programme as the industry understood clearly what the workshop was about.
- One DI director mentioned a successful communication partnership with private sector players (Edutech) to reach out through video conferencing; generating private sponsorship for programmes on Doordarshan was another initiative.
- An example of using mobiles for targeted messaging on upcoming exhibitions and awards was mentioned as a success.

2.6. Proactive Communication Activities

Some proactive measures taken by certain DIs are:

- One DI office is attempting to develop an **entrepreneurs club** along the lines of the model developed by Stanford University, which has been very successful. According to this model, it is not the existing students of colleges and institutes who are targeted, but the alumni of such organizations.
- One Director, with his team, has been personally networking and motivating entrepreneurs to participate in the '**best entrepreneur**' award.
- One DI office has engaged **gram pradhans** and community leaders to mobilize students for skill development programmes. This outreach had yielded positive results for the DI in terms of:

- The DI could mobilize students.
- The Gram Sabha offered training venue for the trainings.
- The DI could also fulfill its quota for ST/SC students.
- One DI had used indoor publicity at its DI campus regarding “Calibration Certificate Validity Date” and this was a successful effort.
- E-Bulletin was introduced in one DI for in-house publicity and was deemed to be a successful initiative.

2.7. Channels for communication

Industry Associations

- The DIs feel that the Industry associations are a vital medium in the execution of any communication strategy.
- District Industry Centers and Khadi and Village Industry Boards have good potential to be other important channels of communication.
- For tasks like product certification workshops, barcode workshops and standardization workshops, the DI offices work along with the local industry associations. They find two advantages in communication through the industry associations:
 - Firstly through the association they get across to the relevant industry group easily, and
 - Secondly it creates a noticeable media buzz
- DI directors opined that they get fairly good response from industry associations when it comes to promotion of NMCP related schemes.

NGOs

- In one particular DI that was visited, NGOs have proved extremely helpful in communicating about and organizing training programmes, especially in outlying districts.
- The DIs also contact NGOs for reaching out to the unemployed youth. For some DIs, experience with NGOs has been very productive in this regard.
- In some DIs a lack of trust towards NGOs was noticed. The lack of transparency in the operations of many NGOs was identified as the reason for this trust deficit.

Use of IT for communication

Some initiatives by individual DIs visited included:

- Using Google Docs to monitor.
- Integrating website with media tools like Picasa from Google.
- Integrating Google-docs in the DI website for storage of documents.
- Adding feedback and query section in the website, where prospective entrepreneurs can send in queries and receive answers.
- Accepting online applications – one DI director mentioned 25%-30% of applicants coming through online applications.
- Facility of online tracking of NSIC registration.
- Tracking of reimbursement of ISO online by the applicant.

- In one DI over 2000 persons have registered on the website in the past one and half years; this was cited as an example of how well the site was reaching out.

Use of Social Media

- One DI has created a Facebook page for itself and is highly enthusiastic about it.
- The DI also shares photographs on its Facebook page. The FB page has received very good response from the target segment, with more than 200 'likes' in the first month. The DI office also has a twitter account.
- The FB page has also allowed the users to easily share information and have a discussion around related topics.
- At an aggregate level social media, however, is yet to gain wide acceptance.
- While most DIs are yet to take a stand, one DI director opined that he is currently not positively disposed, as "something serious like this should not be put up on social media, as social media is only for fun and entertainment."

Word of Mouth communication

- Word of mouth is considered among the most effective channels by the DIs.
- When one industry or student reaps the benefit of the training then they become the goodwill ambassador for the DI.
- Example cited: in one town the first 'Namkeen' unit was set up with technical help from the DI and the positive outcomes of that unit led to the creation of a 'Namkeen Cluster' there.
- In one year, in one DI, the uptake for the barcode programme was low, but as the word spread through one-to-one communication, the uptake increased.

2.8. Interactions with the DC's office

- It was expressed that centrally driven programmes are sometimes not explained fully to officials in the field. For example a questionnaire on cloud computing was sent targeting MSMEs. The officials at some DIs had difficulty in understanding the concepts and administering the questionnaire.
- There is a need for more effective internal communication. MSME Delhi HQ is not perceived to respond to queries from the field on time. Lack of smooth internal communications makes communicating from DIs difficult and sometimes ineffective.

2.9. Advocacy Support Expected from the DC's Office

- It was stated that DC MSME office should engage in significant advocacy activities, especially with Banks and State Government industries department to promote the DIs. With regard to banks the advocacy could be in two areas:
 - Train them on NMCP related schemes like CLSS etc.
 - Orient them on risk assessment of new micro and small enterprises projects to enable them to see these more positively.
- Banks, according to the directors we met, currently do not treat the students from the DI with any special preference. The banks should be made aware of what the DI is doing and that these students have actually learned certain skill sets that they can productively use. This would change the banks' perception and they will be more willing to lend to such students.

- It was also felt that DC MSME should engage more actively in advocacy with other stakeholders like PSUs.
- MSME DI and DICs should work in close co-ordination. They should be communicating and interacting with each other regularly. DICs have field level data which the MSME DI can use to reach out to potential target audiences. DICs also have the potential to become display hubs for attractive communication materials.

PART 2:

Communication Needs Assessment

Section1: Methodology

1.1 Target Respondents for the survey

The survey was carried out among three sets of target respondents- micro/small enterprises, prospective entrepreneurs, and unemployed youth.

Micro and small enterprises

Prior experience of the agencies in carrying out surveys among small manufacturing enterprises revealed that the industrial estates in the different towns comprise some of the largest MSME clusters and therefore become amenable to proper sampling. We had used the same sampling base for this survey.

Prospective Entrepreneurs

A Prospective entrepreneur was defined as

1. Current education level - Graduate engineer or holder of an Engineering diploma or a Management graduate
2. Age below 30 years
3. On asking -How likely are you to be an entrepreneur within a few years?- has responded 'very likely' or 'somewhat likely'

Unemployed youth

The unemployed youth selected for the survey were defined as

1. Education- HSC/SSC and not above
2. Currently unemployed
3. On asking - How likely are you to be an entrepreneur within a few years?- have responded 'very likely' or 'somewhat likely'

1.2 Interviews

Interviews were conducted using a fully structured questionnaire.

1.3 Sample Size

The survey was carried out in 17 towns, as follows

North Zone- Delhi, Lucknow, Jaipur, Ludhiana

East Zone- Kolkata, Ranchi, Patna, Bhubaneswar, Guwahati

West Zone- Mumbai, Pune, Ahmedabad, Indore

South Zone- Chennai, Hyderabad, Bangalore, Cochin

Total sample sizes for each of the target segments were

- MSM Enterprises 410
- Prospective entrepreneurs 510
- Unemployed youth 510

The sample spread by towns is given below

Town	MS Enterprises	Prospective Entrepreneurs	Unemployed youth
Delhi	40	50	50
Lucknow	20	25	25
Jaipur	20	25	25
Ludhiana	20	25	25
Kolkata	40	50	50
Ranchi	15	20	20
Patna	15	20	20
Bhubaneswar	20	25	25
Guwahati	15	20	20
Mumbai	40	50	50
Pune	25	30	30
Ahmedabad	25	30	30
Indore	20	25	25
Chennai	25	30	30
Hyderabad	25	30	30
Bangalore	25	30	30
Cochin	20	25	25
TOTAL	410	510	510

Section 2: FINDINGS

2.1: MICRO AND SMALL ENTERPRISES

2.1.1. Registration

43% of the units surveyed were registered units.

Those who have not registered are divided on their reasons for non-registering.

- The most quoted reason, by about 40%, is that “my business is too small to be registered”.
- Taken together, however, all other reasons cited by the rest point to the fact that the establishments have not registered because they felt it might prove to more problematic to do so, when compared to the benefits that may accrue.

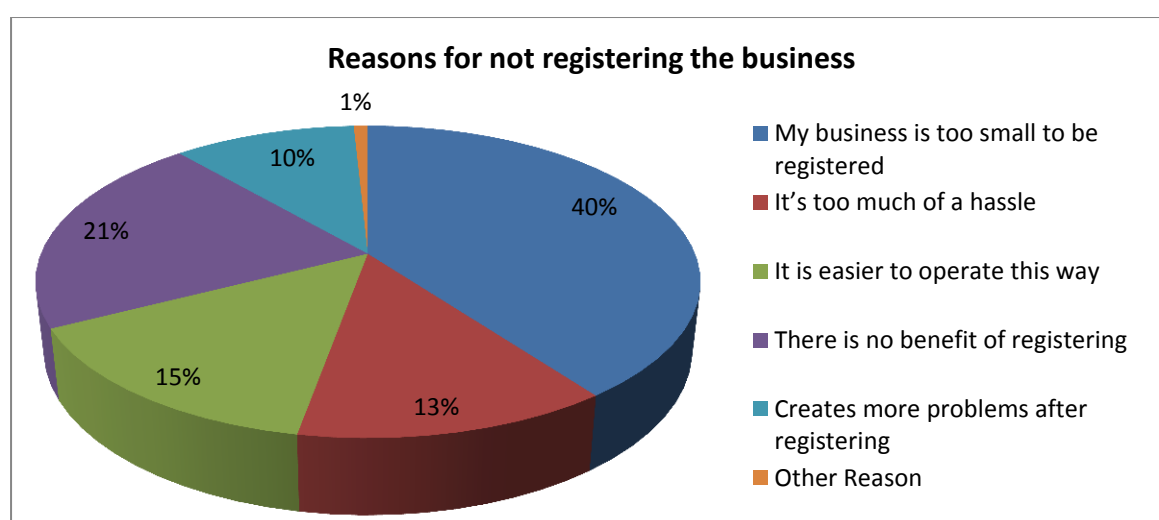


Table- Reasons for not registering by size classes

Turn Over (Rs)	Reasons for not registering the business				
	My business is too small to be registered	It's too much of a hassle	It is easier to operate this way	There is no benefit of registering	Creates more problems after registering
1L-5L	32.6%	17.4%	17.4%	19.6%	10.9%
6L-10L	44.4%	7.4%	18.5%	18.5%	11.1%
11L-20L	50.0%	7.1%	10.7%	21.4%	10.7%
21L-40L	50.0%	25.0%	12.5%	12.5%	
41L+	11.1%	22.2%		44.4%	22.2%

2.1.2 Awareness of public procurement policy

Little less than a third, 31% of the micro and small enterprises stated they were aware of the public procurement policy.

- This proportion was highest in the north (52%) followed by west (46%).
- East and south registered about 24% and 20%.

- Awareness level increases with the size of the establishments, being as low as 15% for establishments with reported turnover being less than 5 lakhs to about 49% with turnover above 40 lakhs.

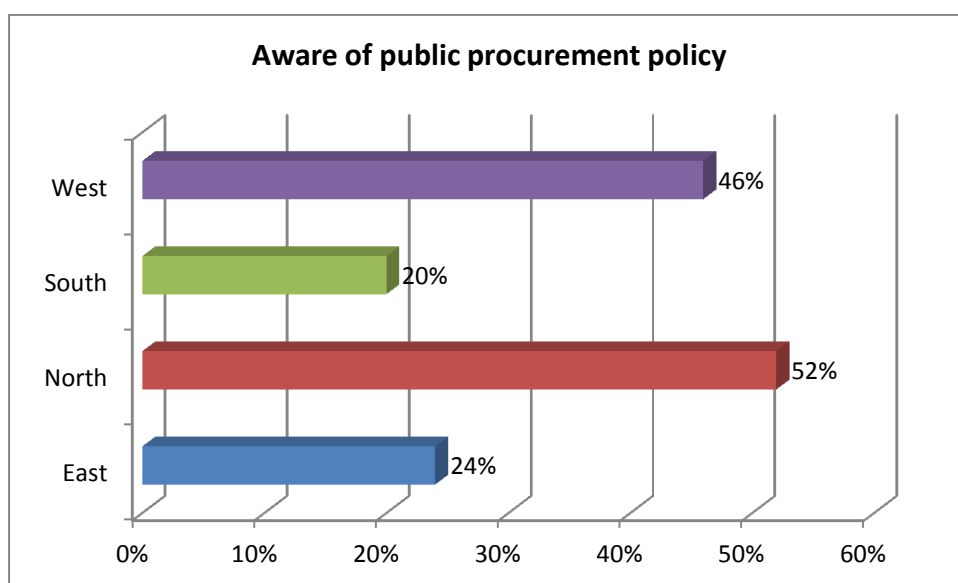


Table- Awareness of public procurement policy by size classes

Turnover (Rs)	Aware of public procurement policy
1L-5L	15.2%
6L-10L	25.7%
11L-20L	25.7%
21L-40L	40.3%
41L+	49.4%
Not Mentioned	41.9%

2.1.3 Awareness of support and facilities provided by the central government for small industries

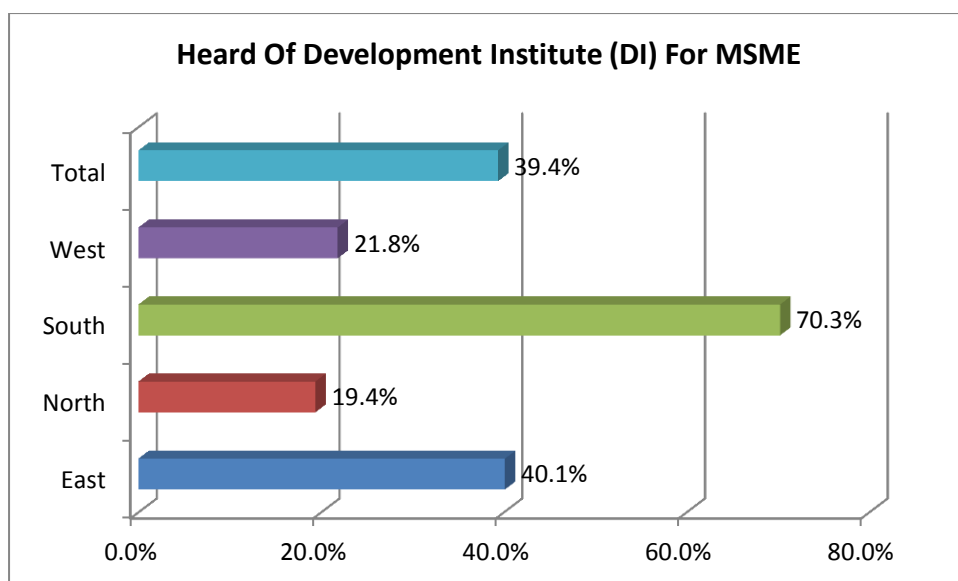
At the city level, there appears to be almost no awareness of the support and facilities provided by the central government for small industries.

- Only 5% of the micro and small industries surveyed were aware that central government provided support and help to them.
- This lack of awareness was more or less at the same level across the zones and size classes.

2.1.4 Awareness of state level Development Institutes

A significant 40% of the micro and small industries surveyed had heard of that there was a Development Institute in the state that helped and supported small industries.

- Awareness level was highest in the South zone, at 70%, followed by the East zone at 40%.
- Only about 20% of the units surveyed in North and West zones exhibited awareness of DIs.

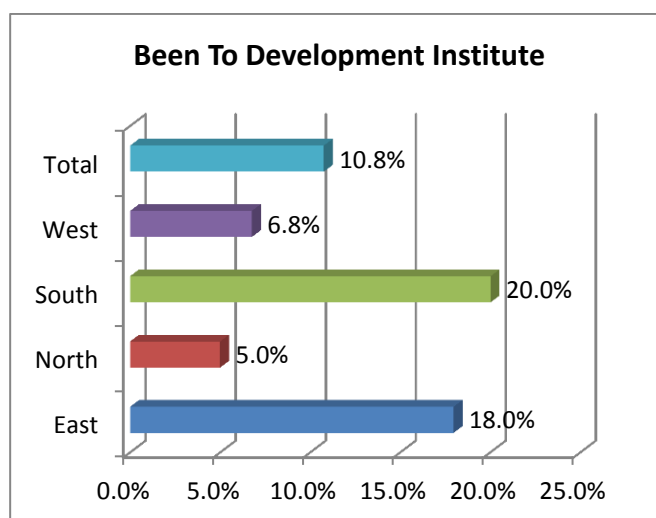


2.1.5 Visiting DIs

Of those who had heard of DIs, about 11% stated that they had visited the institute.

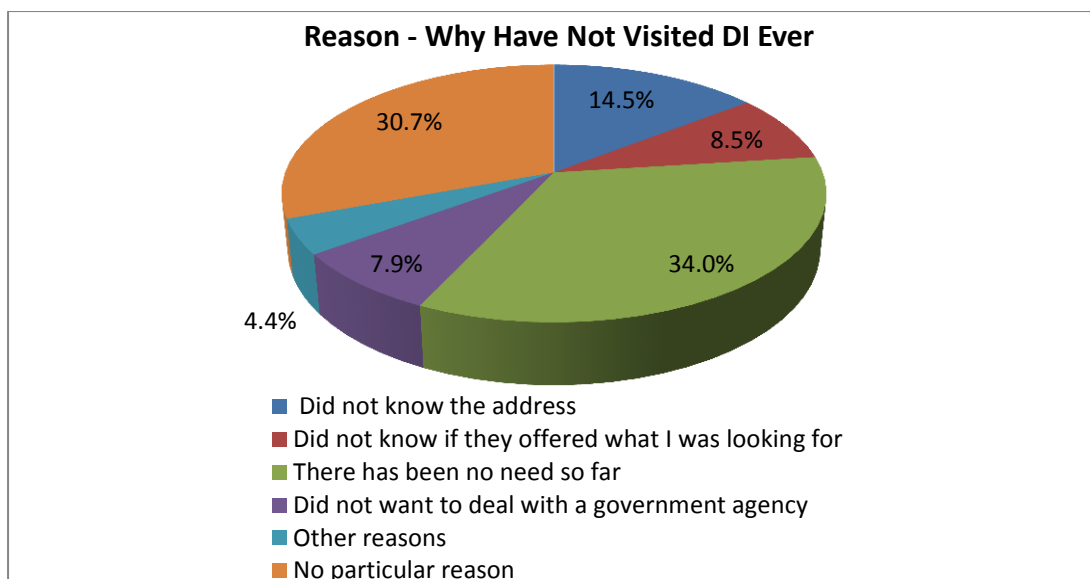
- South and East exhibited the highest proportions of those who had visited the DI, at about 20%.
- North and West exhibited much lower levels.
- The visiting frequency was somewhat higher among larger units.

Turnover (Rs)	Been To Development Institute
1L-5L	5.1%
6L-10L	8.6%
11L-20L	10.0%
21L-40L	12.9%
41L+	11.7%
Not Mentioned	29.0%



Reasons for not ever visiting DI varied.

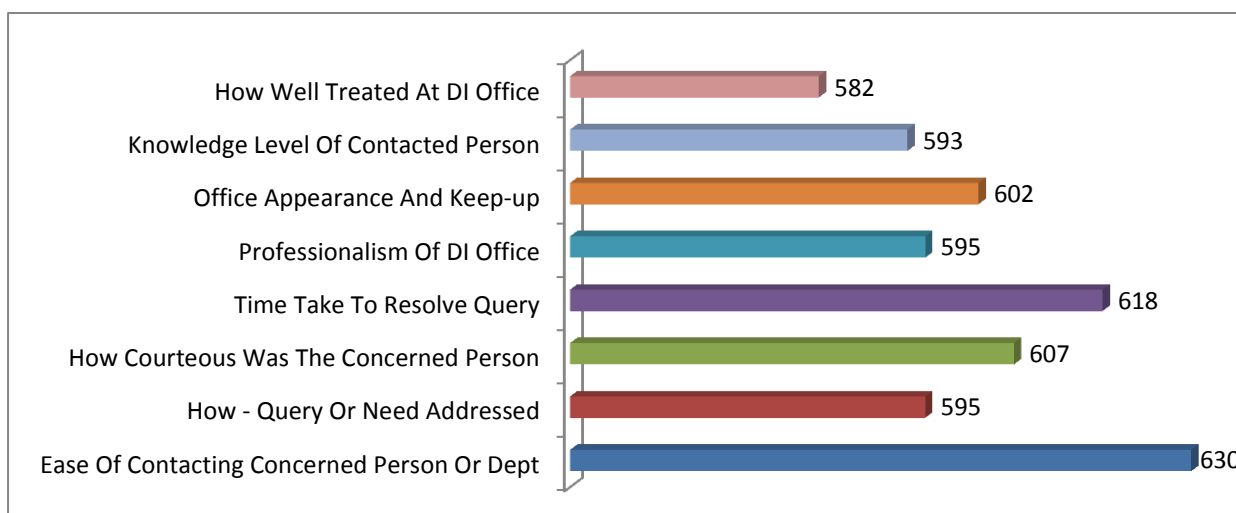
- About a third, 34%, said that there has not been any need so far to visit DI.
- Another 31% did not give any particular reason.
- 15% said they did not know the address.
- Only 8% said that they did not want to deal with the government.



2.1.6 Satisfaction with the experience of visiting DIs

Satisfaction levels of those who visited the DIs on their experience of interacting with the institute and staff was measured on a scale of 1000 (maximum). The respondents did not exhibit significant satisfaction scores. On all dimensions of interaction, the scores obtained were about 600 or less.

- Less than 600 score was registered on satisfaction with the way treated at the DI office (582), knowledge level of the contacted person (593), professionalism encountered at the office (595) and the way the query was handled (595).

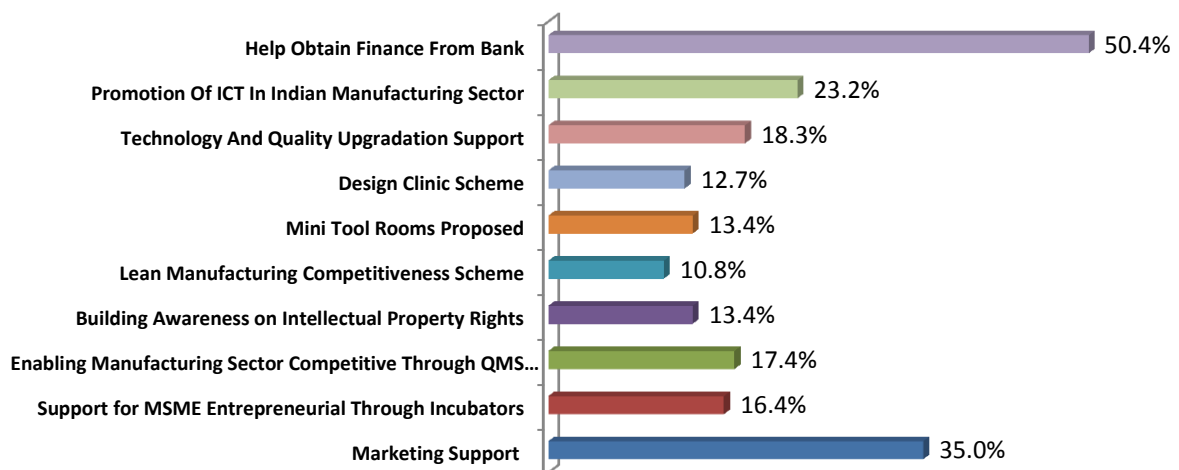


Turnover (Rs)	Ease Of Contacting Concerned Person Or Dept	How - Query Or Need Addressed	How Courteous Was The Concerned Person	Time Taken To Resolve Query	Professionalism of DI Office	Office Appearance And Upkeep	Knowledge Level Of Contacted Person	How Well Treated At DI Office
1L-5L	600	640	600	640	640	600	560	540
6L-10L	633	600	533	617	533	567	517	467
11L-20L	614	471	571	586	500	557	543	486
21L-40L	500	525	550	588	513	525	513	575
41L+	633	611	622	589	644	667	633	633
Not Mentioned	767	711	722	689	711	667	733	711

2.1.7 Awareness of schemes

That there are various schemes by the government to support and help the small manufacturing industries also did not yield high awareness among the respondents, except to some extent, awareness of marketing support and help in obtaining finance from banks.

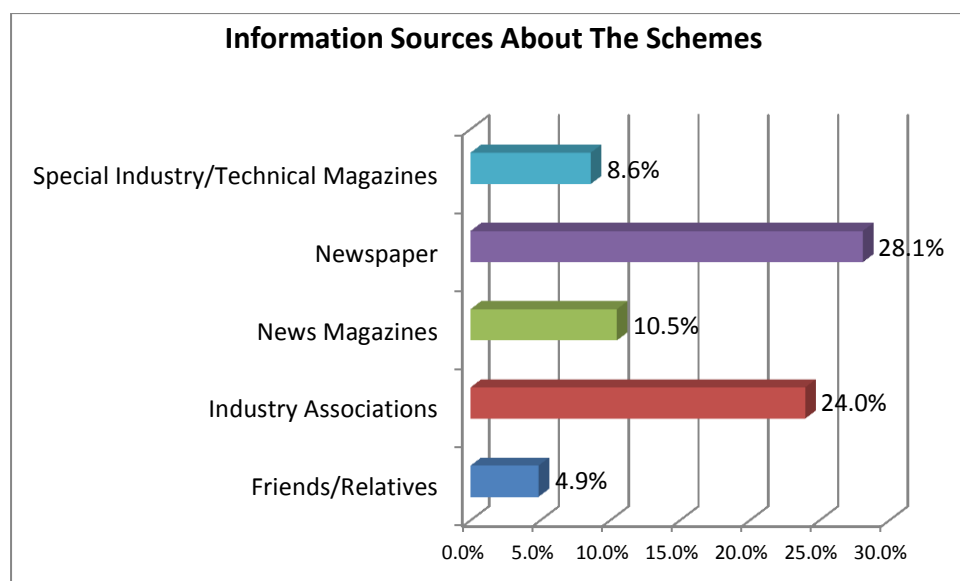
- About half, 50% of the respondents stated they were aware of the fact that the government provides help to small industries to obtain finance from the banks. This proportion was 40% among the very small units but increased to 64% among units with turnover over INR 40 lakhs.
- Availability of marketing support was recalled by 35% of the units.
- None of the other schemes exhibited awareness level of over 20%.



	Turnover (Rs)				
	1L-5L	6L-10L	11L-20L	21L-40L	41L+
Marketing Support	32.30%	25.70%	35.70%	46.80%	41.60%
Support for MSME Entrepreneurs Through Incubators	9.10%	14.30%	18.60%	19.40%	28.60%
Enabling Manufacturing Sector Competitive Through QMS QTT	12.10%	17.10%	11.40%	17.70%	32.50%
Building Awareness on Intellectual Property Rights	7.10%	10.30%	11.40%	12.90%	26.00%
Lean Manufacturing Competitiveness Scheme	3.00%	8.60%	15.70%	14.50%	16.90%
Mini Tool Rooms Proposed	16.20%	17.10%	17.10%	11.30%	14.30%
Design Clinic Scheme	10.10%	8.60%	14.10%	14.50%	16.90%
Technology And Quality Upgradation Support	10.10%	11.40%	20.00%	22.60%	26.00%
Promotion Of ICT In Indian Manufacturing Sector	16.20%	15.70%	22.90%	37.10%	28.60%
Help Obtain Finance From Bank	40.40%	47.10%	42.90%	61.30%	63.80%

2.1.8 Source of awareness

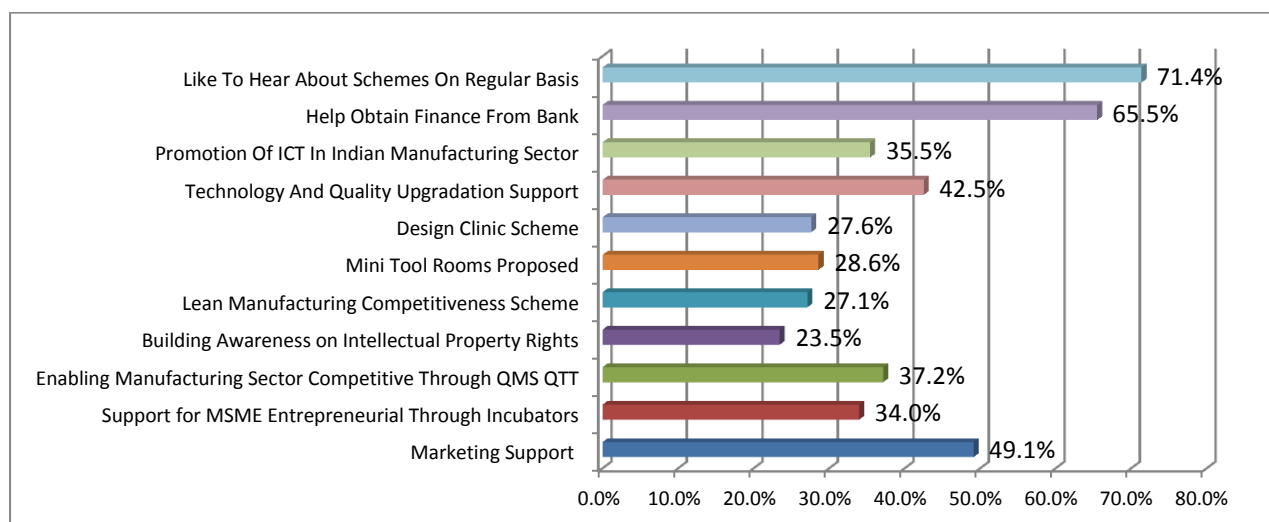
Of those who are aware of some scheme or the other, the main source of awareness reported by them was newspapers (28%) followed by industry associations (24%).



2.1.9 Willingness to know about MSME support schemes

Overall about three quarters of the respondents said that they would like to be informed about the schemes. However, other than schemes on finance and marketing support, not much enthusiasm was exhibited about other schemes.

- About two thirds, 66%, said that they would like to know about financial assistance schemes.
- About half, 49%, would like to know about marketing schemes.
- Technology and quality up gradation support was mentioned by about 43%.
- Overall, the larger units exhibited higher need for knowledge on the schemes.

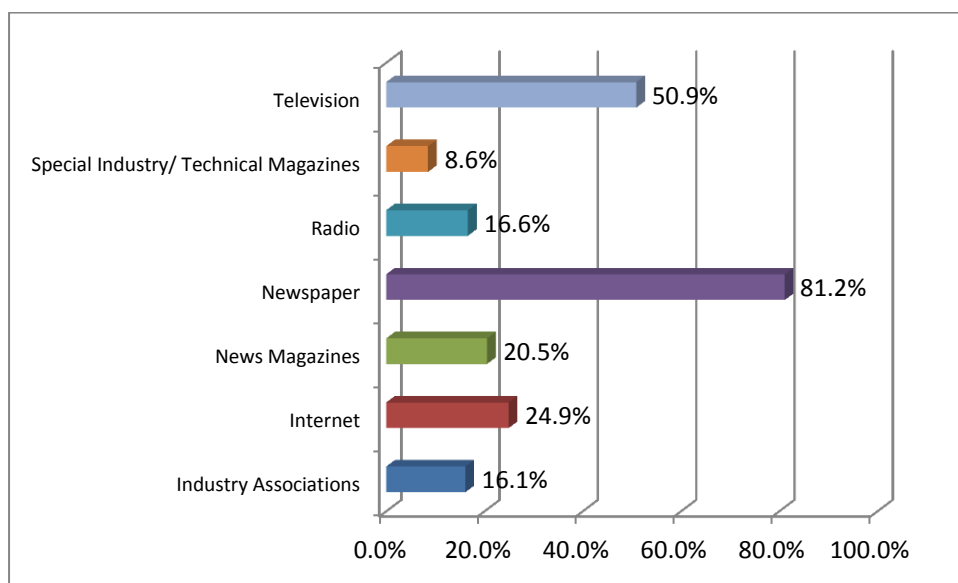


Schemes	Turnover				
	1L-5L	6L-10L	11L-20L	21L-40L	41L+
Marketing Support	52.5%	28.6%	48.6%	54.8%	54.5%
Support for MSME Entrepreneurs Through Incubators	24.2%	25.7%	34.3%	37.1%	48.1%
Enabling Manufacturing Sector Competitive Through QMS QTT	27.3%	28.6%	27.1%	37.1%	62.3%
Building Awareness on Intellectual Property Rights	17.2%	15.7%	24.3%	24.2%	35.1%
Lean Manufacturing Competitiveness Scheme	19.2%	17.1%	22.9%	33.9%	41.6%
Mini Tool Rooms Proposed	25.3%	15.7%	22.9%	25.8%	44.2%
Design Clinic Scheme	23.2%	17.1%	22.9%	33.9%	40.3%
Technology And Quality Upgradation Support	33.3%	30.0%	37.1%	46.8%	63.6%
Promotion of ICT In Indian Manufacturing Sector	25.3%	17.1%	34.3%	40.3%	54.5%
Help Obtain Finance From Bank	70.7%	71.4%	61.4%	72.6%	54.5%
Like To Hear About Schemes On Regular Basis	69.7%	70.0%	58.6%	74.2%	85.7%

2.1.10 Media preference to learn about the schemes

Newspaper, television and internet emerge as the most favorite media for the units to know about the schemes.

- 81% mentioned newspapers, the proportions remaining more or less the same across all turnover classes. The same pattern was evident in case of television which emerged as the second most preferred at about 51%.
- Internet was the third most preferred at 25%. However internet was highly favored among larger units (44% preference among 40 lakh plus turnover units) with considerably lower preference among the smaller units at about 10%.

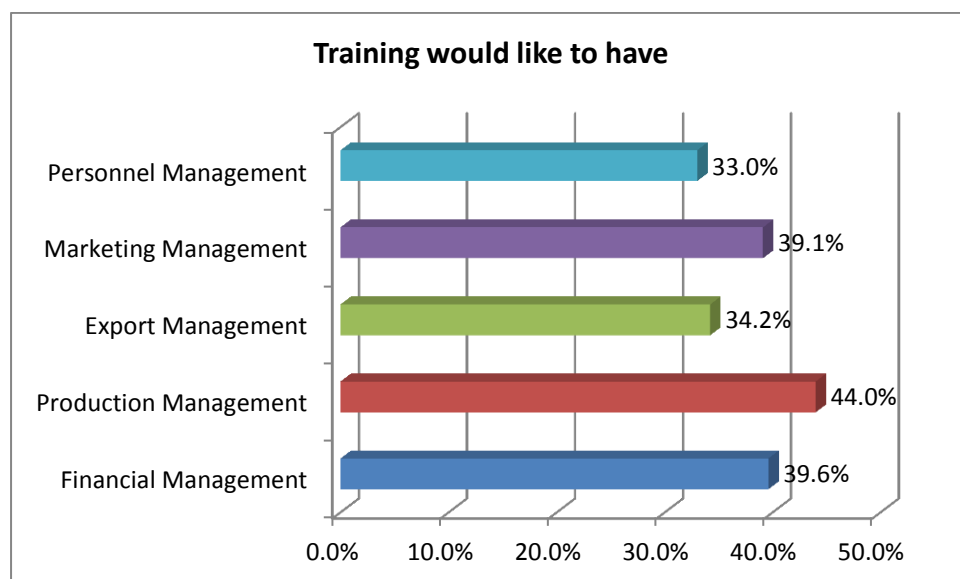


Turnover (Rs)	Industry As-sociations	Internet	News Mag-azines	Newspaper	Radio	Special In-dustry/ Technical Magazines	Television
1L-5L	11.2%	11.1%	15.2%	81.8%	16.2%	5.1%	49.5%
6L-10L	12.9%	10.0%	15.7%	85.7%	11.4%	4.3%	50.0%
11L-20L	8.6%	10.0%	20.0%	78.6%	18.6%	5.7%	57.1%
21L-40L	14.5%	35.5%	27.4%	79.0%	30.6%	4.8%	50.0%
41L+	23.2%	44.2%	24.7%	77.9%	14.3%	19.5%	44.2%

2.1.11 Training preferences

About 70% expressed willingness to undergo some training or the other, if offered by the government

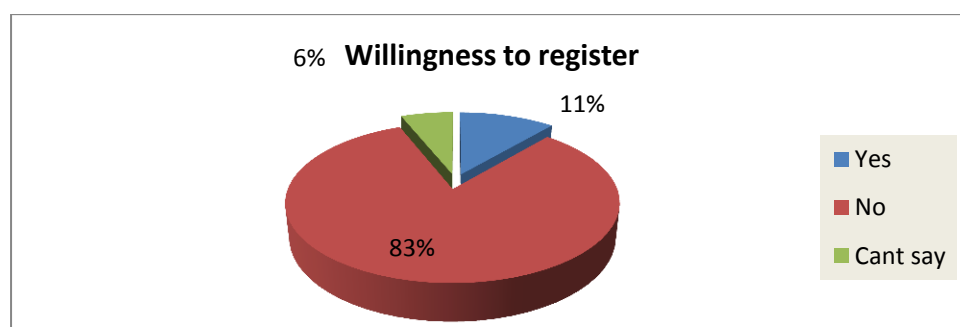
- Training on production management tops the list, with 44% wishing for the same
- Financial and marketing management are two others that register about 40% preference



Training would like to have					
Turnover (Rs)	Financial Management	Production Management	Export Management	Marketing Management	Personnel Management
1L-5L	31.3%	31.3%	21.2%	23.2%	22.2%
6L-10L	30.0%	34.3%	25.7%	21.4%	20.0%
11L-20L	31.4%	30.0%	31.4%	37.1%	28.6%
21L-40L	37.1%	58.1%	41.9%	51.6%	40.3%
41L+	51.9%	58.4%	37.7%	50.6%	40.3%

2.1.12 Willingness to register

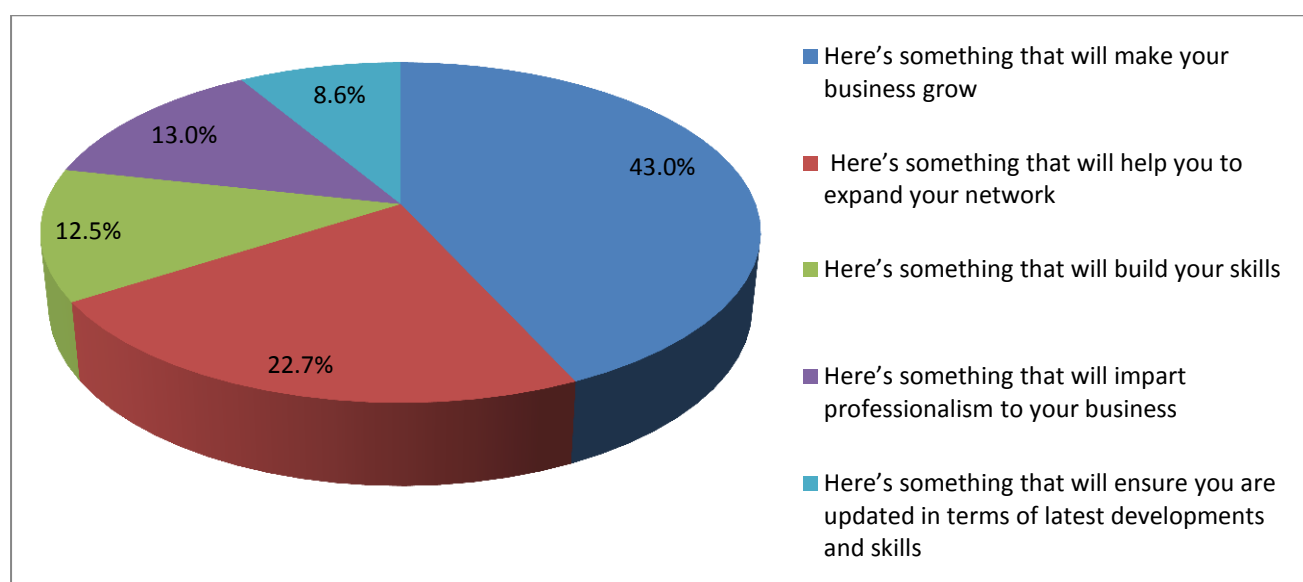
Only 11% of the units who are not currently registered are willing to be registered.



2.1.13 Message that they would like to receive

The respondents were given a set of possible messages that the government may use to attract them to avail of its schemes.

- The message that received the most preference is –‘Here is something that will make your business grow’ - 43% vote
- The next most popular was, with 23% vote- ‘Here is something that will help you to expand your network’.



2.1.14 Media habits

Newspapers

- About 60% do not read English newspapers
- Over 75% spend more than 15 minutes every day reading regional language newspapers

	Time Spent on reading Newspaper				
	Do not read	Less than 15 minutes	15-30 minutes	30-60 minutes	More than 60 minutes
Regional language paper	4.6%	17.4%	43.8%	27.9%	6.4%
English Language paper	59.4%	18.1%	17.4%	4.6%	0.5%

Radio

Listening to radio does not appear to be a favourite past time of the MSE owner

	Time Spent on listening to Radio				
	Do not listen	Less than 15 minutes	15-30 minutes	30-60 minutes	More than 60 minutes
Radio News	70.4%	13.0%	9.5%	4.9%	2.2%
Radio programmes	52.6%	13.2%	19.1%	9.0%	6.1%

TV News

- About two thirds do not listen to English news on TV
- Over 75% spend more than 15 minutes every day listening to regional language TV news

	Time spent on listening to TV News				
	Do not listen	Less than 15 minutes	15-30 minutes	30-60 minutes	More than 60 minutes
English language news	62.3%	15.4%	13.0%	7.1%	2.2%
Regional Language news	5.4%	17.4%	44.0%	27.9%	5.4%

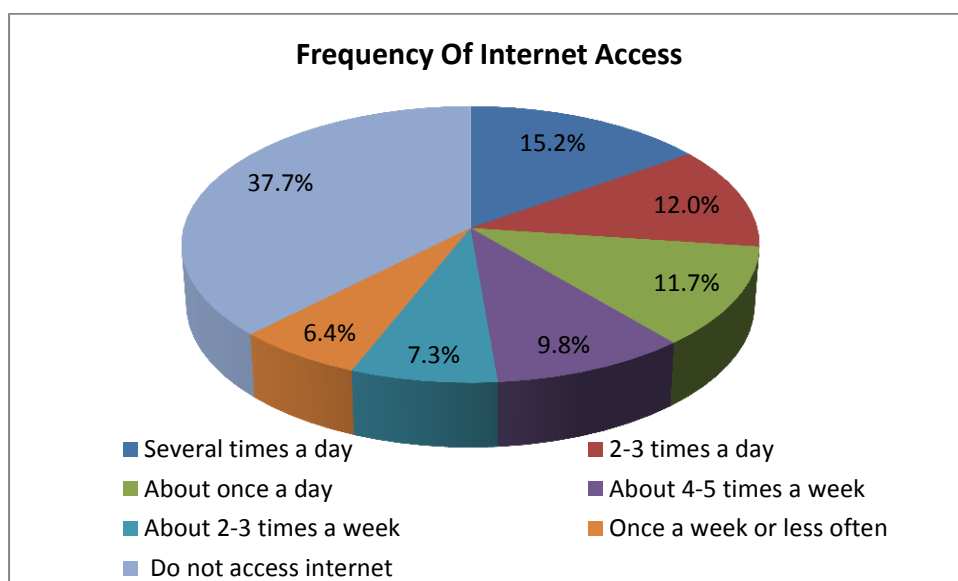
TV Entertainmentchannels

- More than two thirds do not view English language entertainment channels
- About 75% spend more than 30 minutes every day watching regional language entertainment channels, about 30% spending more than an hour.

	Time spent on viewing TV Entertainment Programmes				
	Do not view	< 30 minutes	30-60 minutes	One-two hours	> 2 hours
English language channels	71.4%	13.2%	9.5%	5.4%	0.5%
Regional language channels	4.6%	22.5%	42.5%	23.2%	7.1%

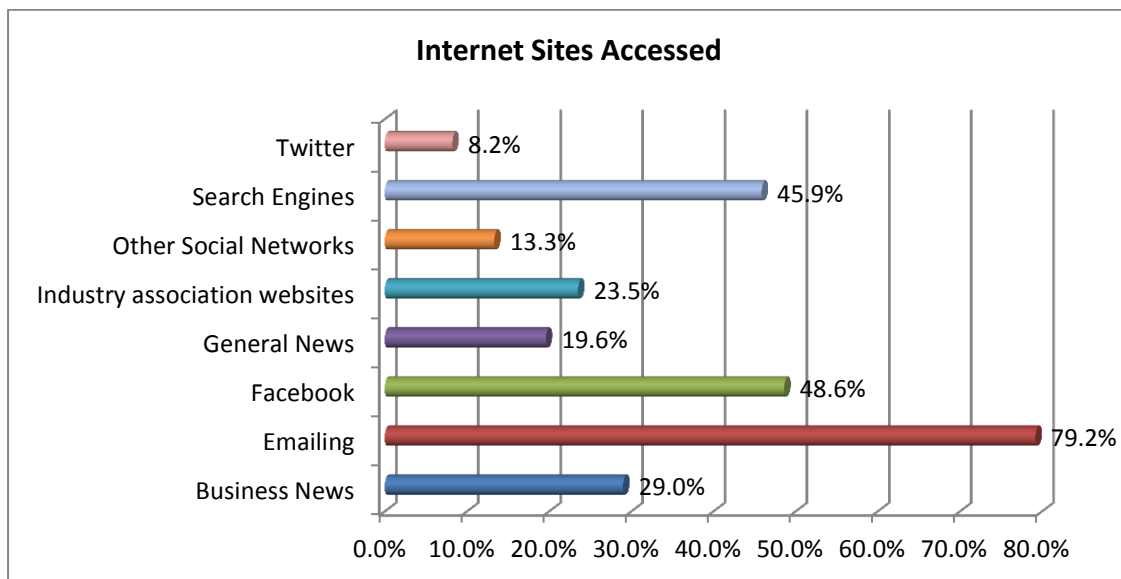
2.1.15 Accessing Internet

- Over a third, 38%, do not access internet
- About 40% access the net at least once a day
- Frequency and incidence of accessing internet increases with increase in enterprise size. Almost everyone accesses the internet; only about 6% do it once a week or less.



Turnover (Rs)	Several times a day	2-3 times a day	About once a day	About 4-5 times a week	About 2-3 times a week	Once a week or less often	Do not access internet
1L-5L	6.1%	6.1%	9.1%	4.0%	9.1%	4.0%	61.6%
6L-10L	4.3%	7.1%	12.9%	11.4%	8.6%	10.0%	45.7%
11L-20L	12.9%	8.6%	8.6%	15.7%	1.4%	5.7%	47.1%
21L-40L	11.3%	19.4%	6.5%	14.5%	14.5%	8.1%	25.8%
41L+	26.0%	14.3%	23.4%	10.4%	6.5%	6.5%	13.0%
TOTAL	15.2%	12.0%	11.7%	9.8%	7.3%	6.4%	37.7%

- Among those who access internet, email appears to be a regular activity - about 79%
- Use of Facebook and Search engines are the next two most frequent activities on the net
- 29% access business news.

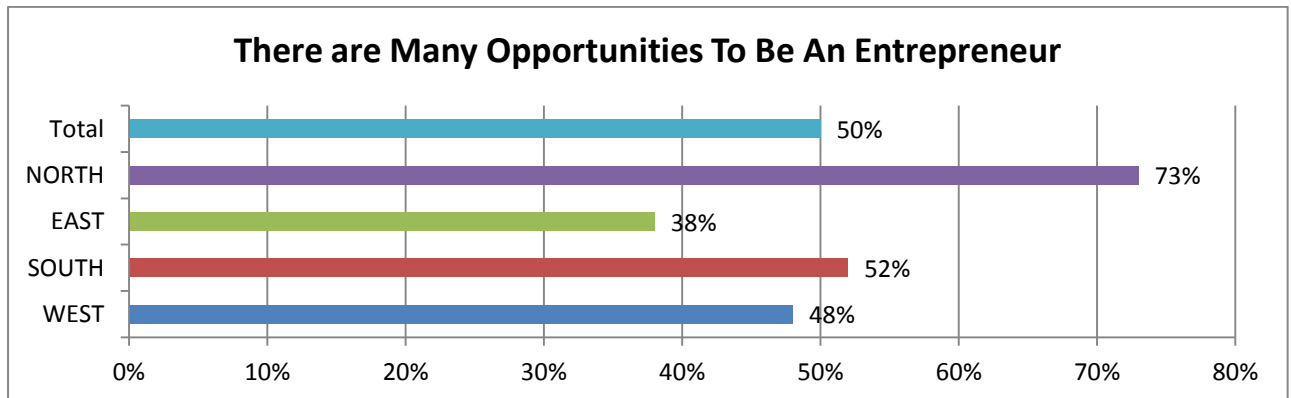


Internet Sites Accessed								
Turnover (Rs)	Business News	Emailing	Facebook	General News	Industry association websites	Other Social Networks	Search Engines	Twitter
1L-5L	21.1%	73.7%	39.5%	28.9%	5.3%	7.9%	52.6%	7.9%
6L-10L	26.3%	84.2%	42.1%	13.2%	10.5%	15.8%	50.0%	5.3%
11L-20L	24.3%	70.3%	56.8%	21.6%	13.5%	16.2%	43.2%	13.5%
21L-40L	37.0%	82.6%	47.8%	8.7%	21.7%	8.7%	32.6%	15.2%
41L+	16.4%	77.6%	40.3%	17.9%	29.9%	9.0%	43.3%	6.0%

2.2: PROSPECTIVE ENTREPRENEURS

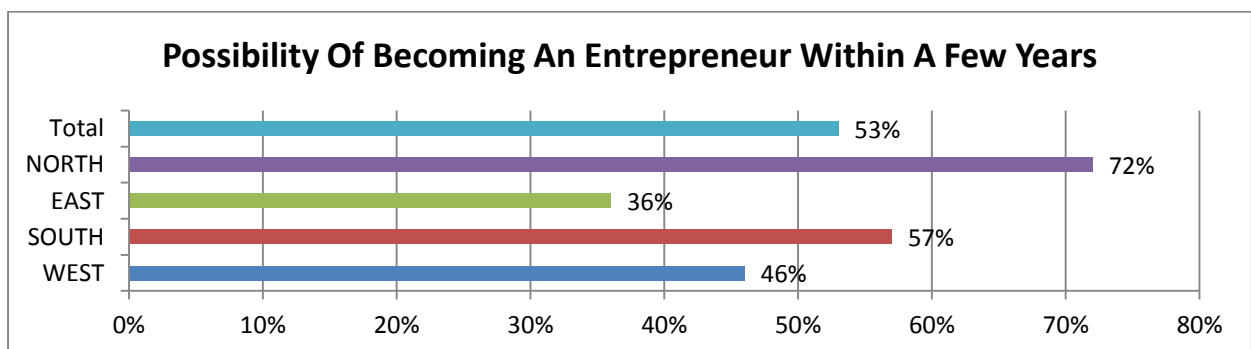
2.2.1. Perception on available opportunities

- About half of the prospective entrepreneurs strongly agree that there are many opportunities in India today to become an entrepreneur.
- The sentiment is highest in the north zone (73%), followed by south (52%). West and east are much lower at 48% and 38% respectively.



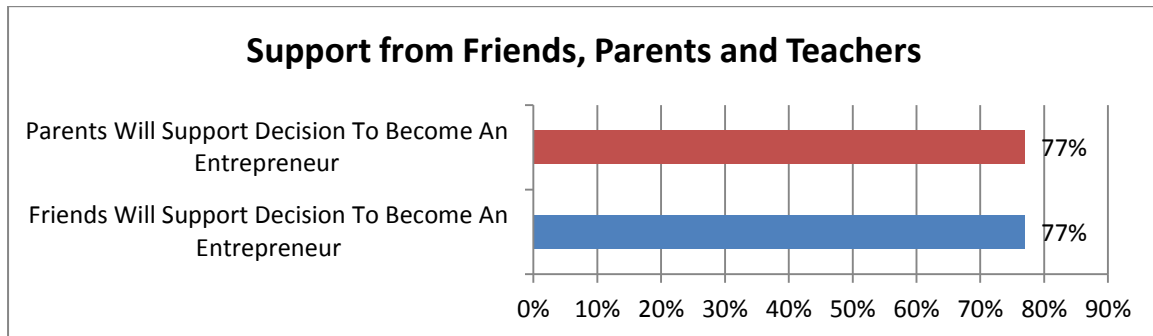
2.2.2. Possibility of becoming an entrepreneur

- About half (53%) state that they are very likely to turn entrepreneur within a few years.
- North zone again scores the most with respect to propensity of the young prospective entrepreneurs to be so within next few years-72% say that it is very likely.
- South comes next, with 57% exhibiting high likelihood.
- West and East take the third and last places respectively.



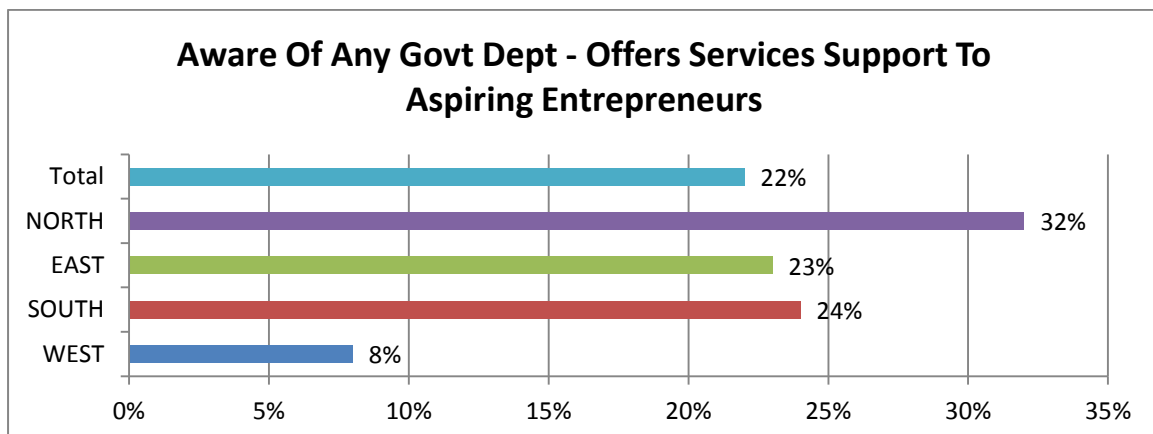
2.2.3. Support for entrepreneurship

- Most of the prospective entrepreneurs were confident about receiving support from friends and parents relating to their efforts to become an entrepreneur.



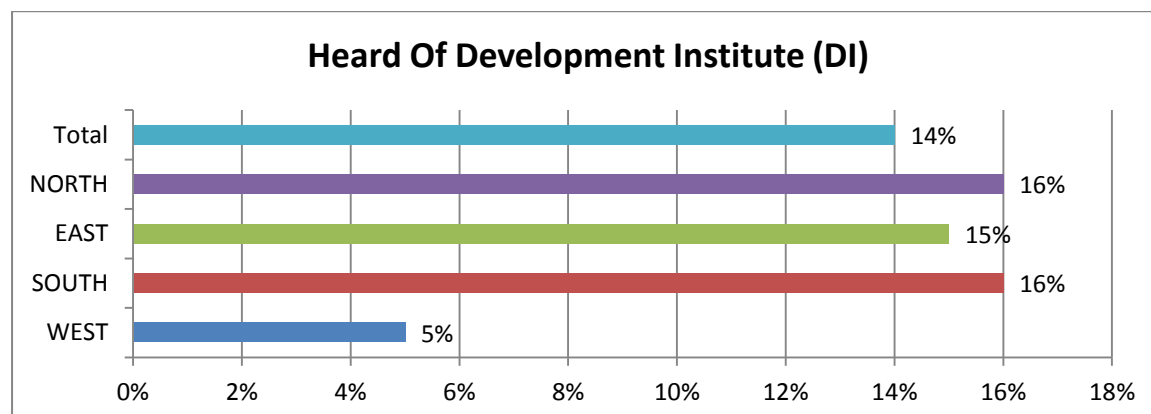
2.2.4 Knowledge of government department that offers services and support to aspiring entrepreneurs

- Only about a fifth of the respondents said that they were aware of the fact that government offers support to aspiring entrepreneurs.
- This proportion was highest in the north (32%) and least in west (8%)



2.2.5 Knowledge of DI MSME

- About 14% respondents said that they had heard of the Development Institute (DI).
- While this proportion was more or less the same in the south, east and north zones, it was very low, 5%, in the west zone.



2.2.6 Attitude towards Government Departments and Schemes

- Over two thirds of the respondents believe that “government schemes are very complicated” as well as that “it is not easy to get information on schemes available from the government”.
- Consequently for most of them, the attitude to availing such schemes is that “I will only avail if I know someone else who has tried it”.
- Two thirds again believe that for raising capital they will go to relatives or friends rather than avail government assistance.
- About half also believe that schemes are meant for existing business units rather than for entrepreneurs.

Statement	% Agree				
	WEST	SOUTH	EAST	NORTH	Total
Government schemes are very complicated	71%	65%	57%	86%	70%
For raising capital/money for my business I will go to my relatives (father, uncle) or friends	62%	65%	55%	84%	66%
It is not easy to get information on schemes available from the government	67%	56%	58%	61%	61%
I will only avail of a government scheme if I know someone else who has tried it	63%	60%	40%	60%	56%
Government schemes only benefit existing businesses	49%	56%	47%	48%	50%

2.2.7 Expectations from Government Departments and Schemes

Most Important Quality

- 'Accessibility' remains the most expected quality from government by the prospective entrepreneurs (29%).
- 'Flexibility' and 'Quick response time' emerge as the two other important expected attributes from the government.

	Most Important Quality expected from Government Departments and people						
	Flexibility	Ease of access	Quick response time	Updated technology	Market analysis	Regular communication	Ability to respond to specific needs of individual enterprises
WEST	20%	23%	37%	14%	2%	5%	1%
SOUTH	18%	30%	15%	25%	10%	3%	1%
EAST	37%	21%	16%	14%	6%	5%	1%
NORTH	26%	41%	12%	13%	2%	2%	3%
Total	25%	29%	20%	16%	5%	4%	1%

Most Appealing Benefit

- 'Skill development' and 'providing project profile' emerge as two most appealing benefits that government could provide to them.
- Networking also remains high as a perceived benefit that would motivate them to access government departments/ schemes.

	We can help you with project profiles	We can help you to network	We can help you to build your skills	We can advise you on procedures and paper-work	We can advise you on finance and loans	Others
WEST	15%	17%	32%	18%	19%	0%
SOUTH	24%	34%	31%	11%	1%	0%
EAST	29%	12%	21%	18%	20%	0%
NORTH	28%	25%	17%	16%	10%	3%
Total	24%	22%	25%	16%	12%	1%

2.2.8 Training Needs

Most of the prospective entrepreneurs would like training in various aspects.

- Financial management emerges as the most sought after at 78%.
- Marketing management courses were mentioned by 70%.

Courses they would like to go for	%				
	WEST	SOUTH	EAST	NORTH	Total
Financial Management	79%	80%	74%	79%	78%
Production Management	45%	80%	57%	80%	66%
Export Management	63%	57%	51%	72%	61%
Marketing Management	60%	77%	61%	83%	70%

2.2.9 Media Habits

Newspapers

- About 15% do not read English newspapers but 55% spend more than 15 minutes perday on this
- About 70% spend more than 15 minutes every day reading regional language newspapers

	Time spent on Reading Newspaper				
	Do not read	Less than 15 minutes	15-30 minutes	30-60 minutes	More than 60 minutes
Regional language paper	5%	25%	43%	25%	2%
English Language paper	15%	30%	43%	10%	2%

Radio

- Listening to radio news does not appear to be a favourite past time of the prospective entrepreneur
- On the other hand, over 50% listen to radio programmes for more than 15 minutes per day.

	Time spent on listening to Radio				
	Do not listen	Less than 15 minutes	15-30 minutes	30-60 minutes	More than 60 minutes
Radio News	62%	12%	22%	4%	1%
Radio programmes	36%	13%	25%	23%	3%

TV News

- 30% do not listen to English news on TV ;about 50% spend over 15 minutes a day on this.
- Regional language TV news is listened to by about two thirds of them for over 15 minutes a day.

	Time spent on listening to TV News				
	Do not listen	Less than 15 minutes	15-30 minutes	30-60 minutes	More than 60 minutes
English language news	30%	23%	35%	10%	2%
Regional language news	10%	24%	41%	24%	2%

TV Entertainment channels

- Only about a quarter do not view English entertainment channels. 48% watch for more than half an hour a day
- About 68% spend more than 30 minutes every day watching regional language entertainment channels, about 40% spending more than an hour.

	Time spent on viewing TV Entertainment Programmes				
	Do not view	< 30 minutes	30-60 minutes	One-two hours	> 2 hours
English language channels	26%	26%	31%	15%	2%
Regional language channels	10%	23%	29%	23%	16%

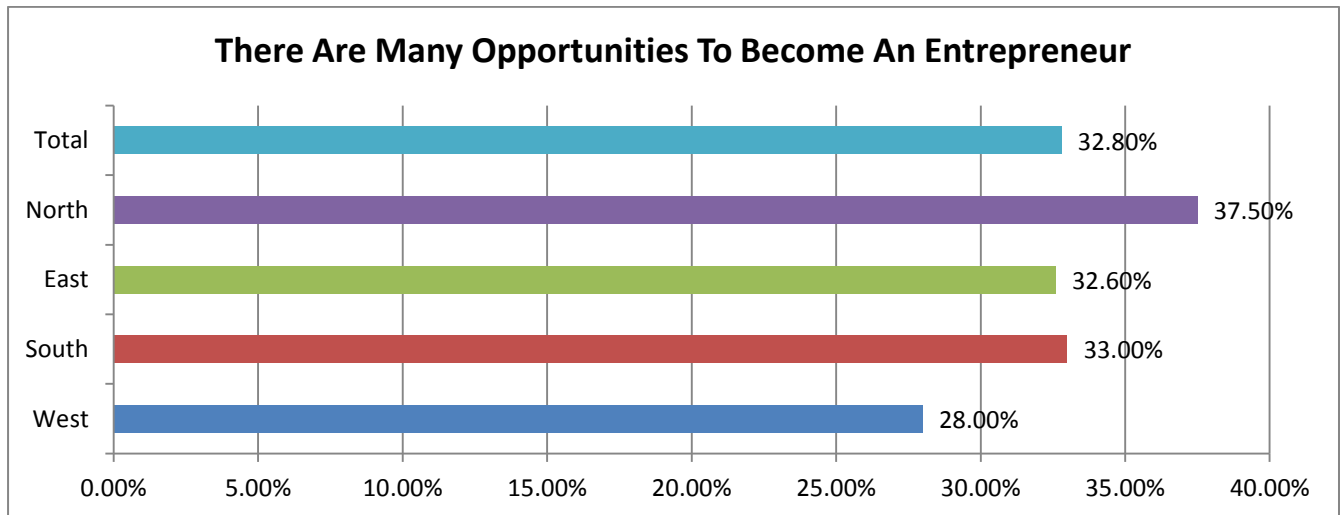
2.2.10 Accessing Internet

- Everyone accesses internet in this segment of prospective entrepreneurs
- About 84% access the net at least once a day
- Among those who access internet, email remains a regular activity (for about 80%)
- Use of Facebook is the most incident, by about 84%
- 60% access search engines regularly.

2.3: UNEMPLOYED YOUTH

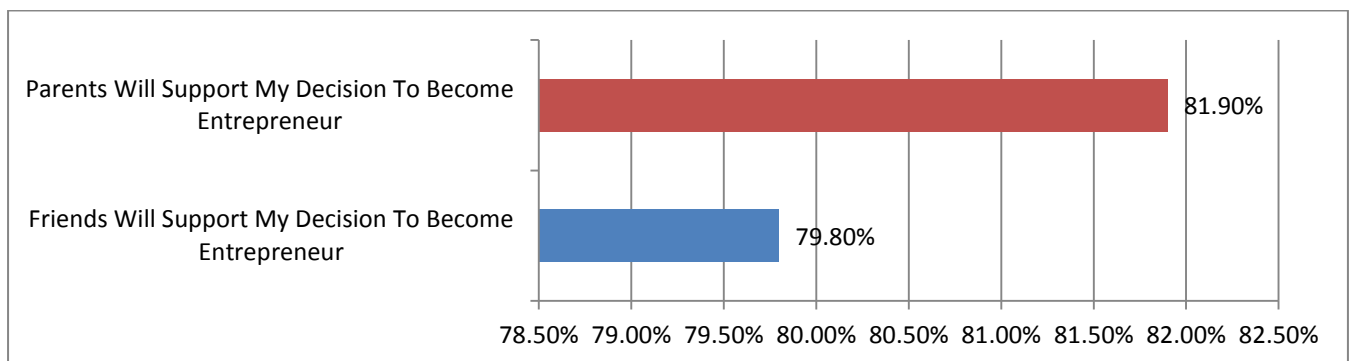
2.3.1 Perception on available opportunities

- About a third of the unemployed youth believe that there are many opportunities to become an entrepreneur.
- The proportions remain more or less the same in all the four zones.



2.3.2 Support for entrepreneurship

- About 80% believe that their friends and parents will support their decision to become an entrepreneur.



2.3.3 Media Habits

Newspapers

- About 54% do not read English newspapers and 23% spend more than 15 minutes per day on this
- About 65% spend more than 15 minutes every day reading regional language newspapers

	Time spent on Reading Newspaper				
	Do not read	Less than 15 minutes	15-30 minutes	30-60 minutes	More than 60 minutes
Regional language paper	15.2%	20.3%	48.3%	14.1%	2.2%
English language paper	53.9%	21.7%	18.2%	5.5%	0.6%

Radio

- Listening to radio news does not appear to be a favourite past time of the unemployed youth
- On the other hand, over 65% listen to radio programmes for more than 15 minutes per day

	Time spent on listening to Radio				
	Do not listen	Less than 15 minutes	15-30 minutes	30-60 minutes	More than 60 minutes
Radio News	53.1%	19.9%	19.6%	6.1%	1.2%
Radio programmes	15.2%	18.8%	37.5%	19.8%	8.6%

TV News

- 62% do not listen to English news on TV, about 24% spend over 15 minutes a day on this
- About two thirds of them listen to regional language news on TV daily

	Time spent on listening to TV News				
	Do not listen	Less than 15 minutes	15-30 minutes	30-60 minutes	More than 60 minutes
English language news	61.7%	14.9%	17.4%	5.5%	0.5%
Regional language news	16.1%	17.2%	41.8%	22.7%	2.3%

TV Entertainment channels

- A little more than half do not view English entertainment channels. Only about 25% watch for more than half an hour
- About 77% spend more than 30 minutes every day watching regional language entertainment channels, about 42% spending more than an hour.

	Time spent on viewing TV Entertainment Programmes				
	Do not view	< 30 minutes	30-60 minutes	One-two hours	> 2 hours
English language channels	54.8%	17.6%	16.4%	9.9%	1.3%
Regional language channels	1.9%	21.1%	35.2%	27.4%	14.4%

2.3.4 Accessing Internet

- 24% of unemployed youth do not access internet
- About 45% access the net at least once a day
- Of those who access internet, email is a regular activity for about 63%
- Use of Facebook is the most incident, by about 64%
- 55% access search engines regularly.

COMMUNICATION STRATEGY AND ACTIONABLE MEDIA PLAN

for Office of DC MSME

Ministry of MSME, Govt of India

Submitted by

The Communication Hub

in association with

MaRS Monitoring & Research Systems Pvt. Ltd.

May 2013



Contents Page

	Page No.
1. Background	3
2. Situational Analysis	7
3. Defining the Communication Task and the Key Audiences	13
4. The need to focus on Brand building	23
5. Recommendations on Media	26
6. Time frame for Implementation	36
7. Costs for one year	39

1. Background

1.1 Introduction

The Office of the Development Commissioner (Micro, Small and Medium Enterprises) [DC MSME] is the nodal agency for advocacy, hand holding and facilitation for the small industries sector in India. The office assists the Ministry in formulating, coordinating, implementing and monitoring different policies and programmes for the promotion and development of MSMEs in the country. In addition, it provides a comprehensive range of common facilities, technology support services, marketing assistance, etc., through its network of 30 Micro, Small and Medium Enterprises Development Institutes (MSME-DIs), 28 Branch MSME-DIs, as also its Field Testing Stations, Testing Centers, Training Institutes, Technology Development Centers and network of Tool Rooms.

DC MSME runs more than 20 support programmes and schemes for MSMEs mainly in the areas of credit, marketing, skill development, technology up gradation and cluster development amounting to more than INR 1100 crore/annum. These programmes and schemes reach out to diverse beneficiaries across the country, including existing entrepreneurs, as also potential entrepreneurs including unemployed young people who seek to acquire or upgrade specific skills that may help them on the road to self-employment and entrepreneurship development.

The communication activities of the Ministry have been largely subsumed under its publicity division that regularly reaches out to its audiences primarily through newspaper advertising and channels such as outdoor publicity and the use of print materials and brochures. Informal insights had revealed overall awareness of what the office had to offer among the target segments was low, and it was believed that coverage of its programmes could be stepped up through better engagement with its beneficiaries. DC MSME wished to thus develop a comprehensive communication strategy that would help guide its efforts in a more strategic manner and provide a blueprint for prioritization of its publicity and advertising efforts as also guidance on the most optimum and judicious mix of channels and approaches that it may engage to reach its varied audiences.

The office of DC MSME, in association with GIZ, appointed The Communication Hub (TCH) and MaRS Monitoring & Research Systems Private Limited (MaRS) to develop an effective, actionable, and well - defined communication strategy. This document presents the communication strategy and also the actionable plan.

1.2 The Need for Strategic Communication

In the absence of a well-defined communication strategy, organizations incur expenditure on reaching out to their constituencies using multiple ways and means that are assumed to not only reach the correct audience but also have the desired impact. While judgment drawn from insights and experience is not always off the mark, often the impact of such communication efforts is sub-optimal. A strategy based upon an understanding of the intended audience's needs as also their access to information channels, provides a more resource efficient and effective way of reaching out.

A communication strategy thus helps set direction, provides guidance on an appropriate audience-message-media mix, and also gives the programme management a way of tracking whether efforts appear to be in the right direction and at the right level. It sets clear cut communication objectives for each audience and also points to a judicious mix of approaches to achieve those objectives through communication. It acquires particular significance when programmes move from a supply-driven to a demand generation mode, thus implying the need to position benefits and offers in a manner that's persuasive, appropriately targeted and relevant to the audience it is intended for.

1.3 Process followed for development of the strategy

The consultants met with key stakeholders to understand and better define the issues at hand and collected and reviewed documents and materials available. As a first step, it was important to understand the programme from the 'providers' perspective' as also from the 'audience's lens' so as to better appreciate the efforts undertaken at present as also understand the priorities and concerns of the target beneficiaries.

Towards providing inputs to the communication strategy as well as carrying out a situational assessment for DC MSME, the consultants carried out a Communications Needs Assessment survey among micro and small enterprises, prospective entrepreneurs and unemployed youth, along with a communication 'audit' among DIs and key stakeholders. Insights from the communication audit were presented to a larger forum of directors of DIs from across the country, and their feedback was obtained on the same.

The communication audit was carried out with the objective of gathering information on how DIs are currently reaching out to their targeted audiences. The three key target audiences for the DIs were identified as existing MSME units, prospective entrepreneurs and unemployed youth. Interviews were conducted with Directors of selected DIs across the country and with key officials involved in the

communication planning and execution at the DI. Communication materials available at DI level were also accessed.

A Communication Needs Assessment was carried out among existing micro and small enterprises, prospective entrepreneurs and a specified segment of unemployed youth. The broad objectives were to assess the awareness levels of, experiences with, and attitudes to the various schemes and activities of MSME, the nature of support sought, and media habits of the target segments.

The coverage of DIs for the communication audit was as given below:

S. No.	DI Location	S. No.	DI Location
1	Kanpur	6	Indore
2	Cuttack	7	Kolkata
3	Bengaluru	8	Hyderabad
4	Chennai	9	Delhi
5	Mumbai	10	Jaipur

The survey was carried out in 17 towns, as follows:

North Zone- Delhi, Lucknow, Jaipur, Ludhiana

East Zone- Kolkata, Ranchi, Patna, Bhubaneswar, Guwahati

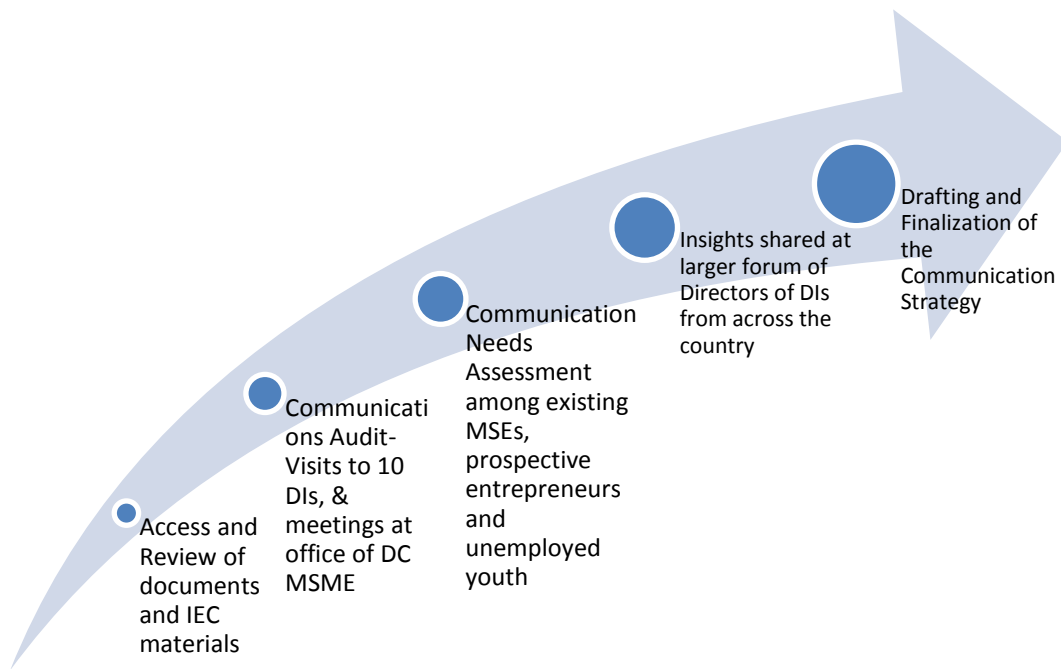
West Zone- Mumbai, Pune, Ahmedabad, Indore

South Zone- Chennai, Hyderabad, Bangalore, Cochin

Total sample sizes for each of the target segments were:

- MSM Enterprises 410
- Prospective entrepreneurs 510
- Unemployed youth 510

The information gathered from the audit and the survey was analyzed by the research team. An integrated report presenting detailed findings on the same has been submitted separately. The findings provided the basis for development of the communication strategy that was then further fleshed out using industry-level available media data to derive a media plan for broadcast. The steps are summarized in the chart below.



Process of Strategy Development

2. Situational Analysis

In order to design an effective communication strategy, the first step is to understand the context both in terms of the provider side and also in terms of the audience perspectives. The 'demand side' challenges that emerged from the Communication Needs Assessment survey were quite significant. These are highlighted below separately for existing and potential entrepreneurs.

2.1 Demand- side challenges: Existing Micro and Small Entrepreneurs

Low awareness of what is on offer

The pre requisite for accessing and availing of services is awareness among the beneficiaries of the availability of services, and beyond that, comprehensive knowledge of the different schemes and facilities available. The survey among existing enterprises revealed a mixed picture on this front. While a significant 40% of the micro and small enterprises surveyed had heard that there was a Development Institute in the state that helped and supported small industries, the variation was important: from 70% awareness in the South zone to as low as 20% of the units surveyed in North and West zones. Thus, it is apparent that a lot depends on individual initiative to generate awareness at the DI level.

Similarly, overall awareness of schemes was very low (except for support with bank finance and to some extent marketing, all other schemes indicated an awareness level of less than 20%). Newspapers and industry associations appeared to be the main source of awareness. However, willingness to know more was evident, although again it was more in terms of bank finance and marketing support.

There was also low awareness of the public procurement policy, with the highest being in the North zone at about 50%, and lowest in the South at 20%.

Similarly, awareness and conviction regarding the benefits of registering the enterprise appeared low, with only 40% of those interviewed having registered at the time of the survey.

Mixed experience in accessing services and schemes

The survey also tried to understand the experience of MSEs that had accessed the DIs for various services. Of the persons who had heard of the DI, only about 11% had visited the same. It's obvious that the benefit of visiting had not been fully appreciated or understood. Besides, there appears to be a bias in the kind of units that have visited- larger units seem more inclined to visiting, not the smaller ones. Interestingly, while there was no inherent barrier verbalized in terms of the DI being a 'government

institute', it seemed more like a case of no definite reason perceived to access the services (only 8% said that they did not want to deal with the government).

Once visited, satisfaction ratings were not very high. Average scores for satisfaction when DIs were approached hovered around 50%- whether it was the way one was treated, the handling of the query, perceived knowledge level, professionalism, etc

Perceived relevance of schemes is not very high

About a third of the respondents in the survey, 34%, said that they had not felt the need so far to visit the DI. It is evident that somewhere the core benefit of schemes and how they would help existing business does not seem to have got clearly communicated, especially for those that do not appear to be 'directly' related to finance, or marketing-e.g. those pertaining to incubator support, IPR, ICT, Quality Management Standards, Quality Technology Tools, and such like.

This is also apparent from the choice that respondents made when it came to selecting messages that they found most appealing from among a set that promoted schemes and facilities. The message that received the most preference was – *'Here is something that will make your business grow'* - , with 43% of respondents selecting this. The next most popular was, with 23% vote- *'Here is something that will help you to expand your network'*. It's obvious that the other messages- 'building skills', imparting professionalism', 'keeping one updated' - were not viewed as strong benefits, and their link with growing one's business was not seen to be compelling. Even where it is acknowledged, it was probably not strongly associated with what the government can offer.

2.2 Demand- side challenges: Potential Entrepreneurs

Low awareness of available support

The Communication Needs Assessment survey showed only about one fifth of the segment characterized as 'potential entrepreneurs' were aware that government offers support to aspiring entrepreneurs. Again, this figure was marked by wide variation with the proportion being highest in the North (32%) and least in the West (8%). Only about 14% respondents said that they had heard of the Development Institute.

A revealing fact was that about half also believed that the schemes were meant for existing business units rather than for entrepreneurs.

Not –very- favourable image of schemes from government

Over two thirds of the respondents believed that “government schemes are very complicated” as well as that “it is not easy to get information on schemes available from the government”. Consequently, for most of them, the attitude to availing such schemes was that “I will only avail if I know someone else who has tried it”. This underlies the value of generating ‘satisfied adopters’ as word-of-mouth plays an important role in generating demand for the schemes and services.

In line with the above image among prospective entrepreneurs of government schemes being complicated to access and utilize, two thirds of the respondents believed that for raising capital they will go to relatives or friends rather than avail government assistance.

When asked about attributes that they prioritized or desired in such schemes, ‘accessibility’ emerged high, finding favour by 29% of the prospective entrepreneurs. ‘Flexibility’ and ‘Quick response time’ emerged as the two other important desired attributes from the government when it came to schemes and services.

Despite reservations articulated such as the above, training was highly sought after, with financial and marketing management mentioned by higher than 70% of those interviewed.

To sum up, the two key audience segments (existing and potential MSEs) exhibit low awareness of what the office of DC MSME has to offer. Where awareness exists, it is limited to some specific aspects such as certain training programmes, some schemes etc- thus indicating that information received and retained by the audience is incomplete and lacking in clarity.

Importantly, there is an attitudinal barrier that exists when it comes to accessing schemes that are managed and operated by the government, with a perception that they might be complicated to navigate. Further, experience of accessing information and services by those who have done so, is mixed; satisfaction scores are at an average level. And finally, regional variation in terms of awareness, access, and satisfaction scores are quite significant.

2.3 Supply-side constraints

The communication audit undertaken at 10 DIs that were visited across the country, revealed that specific challenges on the 'supply side' existed that acted as constraints when it came to carrying out communication initiatives. The main issue appears to be the lack of a clearly articulated communication plan or set of priorities, and the consequent rolling out of publicity and advertising on an ad-hoc basis, which tended to be sporadic and reactive. There was no separate and specific budgetary head for overall communication activities, and at DI level, advertising budgets were taken out of scheme or training budgets, with limited flexibility in terms of how this may be used. Further, the choice of media for e.g. selection of newspapers, is often based on a judgment call, and not necessarily on readership data.

The lack of a separate budget also meant that any initiatives sought to be undertaken had to necessarily be limited to what could be planned under the limited funds available under other existing heads. This often discouraged any experimentation or attempt at going beyond the standard newspaper inserts for publicity and announcements. The situation was compounded by the fact that there was no separately assigned manpower at DI level that had communication as its main task.

Besides the constraints described above, the situation was also perceived to be marked by less-than-optimal internal communication within the organization, and this was seen to impede the conduct of smooth external communications.

2.4 Communication Initiatives undertaken

Within the several constraints that exist, a fair amount of publicity-related activities continue to be undertaken at DC and DI level. The Advertising and Publicity Division of the office of DC MSME released more than 1100 advertisements in the financial year that was just completed. These related to programme based advertisements on EDPs, SDPs, MDPs, Vendor Development programmes and other training programmes conducted by MSME DIs, and were designed and released in the national and local newspapers in Hindi, English and other vernacular languages through DAVP. Apart from these regular advertisements, special advertisements were also released on the occasion of the MSME Expo, the National Awards function and on occasions such as the death anniversary of Shri Rajiv Gandhi. Regular advertisements on tenders, EOIs, administrative matters, etc were also released. Finally, scheme based advertisements for generating awareness on schemes like Bar Code, ISO 9000, Udyami Helpline, were also released.

Electronic media was used although in a limited manner. A short documentary film was produced through the Films Division, and radio spots for eg on the Helpline, were broadcast. The National Awards function received live coverage on television. The Division also continued to scan news and articles pertaining to the MSME sector in more than 25 newspapers on a daily basis. It also organized Press Conferences on special occasions such as during the MSME Expo.

A monthly journal in English and Hindi, Laghu Udyog Samachar, is published to disseminate updated information for the benefit of prospective and existing entrepreneurs. The journal disseminates information on policies and programmes of the Central and the State Governments. It also provides useful information about field activities and carries statistical and economic information as well as articles on various issues pertaining to the MSMEs. During the last year, more than 30 advertisements were booked from different stakeholders across the country to be published in Laghu Udyog Samachar. In addition, the Department also develops communication materials such as motivational booklets, brochures and folders. These have included a handbook on A Guide to Self-Employment, a brochure on MSME in India, and a booklet on the key initiatives of the Ministry in recent years.

In addition to routine newspaper advertising, existing MSME units are also reached through websites of DIs. In some cases, these websites have been revamped at the DI level. When the DIs want to promote specific schemes among the existing enterprises, they also put up hoardings and banners at the industrial area and industry association offices and campus. In fact the industry associations remain a major contact point for the DI, for programmes targeted to establishments that are members.

For Industrial Motivation Campaigns, DIs conduct seminars in professional colleges like engineering, polytechnics and ITIs. They update a data base of target institutions and maintain formal contacts and communication with them. The seminars are conducted by the DI office professionals using power point presentations, which talk about entrepreneurship in general, government schemes, how to raise finance, qualities of an entrepreneur and MSME DI's office and its services. The participants of these seminars are also given reading material that has been developed by the DI office. This material is locally developed by the respective DIs as per their need.

Reaching out to unemployed youth is often done by taking the help of NGOs that work in interior districts. In some cases, DIs have taken proactive steps such as engaging with the Gram Pradhans, and

this has paid off in terms of being able to reach youth from the backward segments, as also in terms of the Gram Sabha making available space for training programmes.

The audit revealed that several interesting initiatives were taken to reach out to their constituencies through efforts made by individual Directors and officers at DIs. For example, one DI had advertised a Barcode related programme using multiple channels- newspaper, website, industry association and Facebook, and the use of such reinforcement communication had resulted in a response of 100 applications for a batch of 25. In another example, the DI changed the title of a programme so as to make it more easily comprehensible to the industry- instead of calling it a workshop for IPR (Intellectual Property Rights) it was titled “Workshop on Copyright, Trademark and Patents (IPR)”. This proved to a successful tactic. Another DI director mentioned a successful communication partnership with private sector players (Edutech) to reach out through video conferencing; generating private sponsorship for programmes on Doordarshan was another initiative that had been undertaken. An example of using mobiles for targeted messaging on upcoming exhibitions and awards was an example of an initiative in communication that was reported to have met with success.

Another example that came to light was the development by a DI of an ‘entrepreneurs club’ along the lines of the model developed by Stanford University, which has been very successful. According to this model, it is not the existing students of colleges and institutes who are targeted, but the alumni of such organizations.

In some DIs, initiatives have been taken to step up the use of IT for communication. This has included the use of Google Docs for monitoring purposes, adding interactive sections in the website, and such like. While social media has yet to catch on, there was some evidence of its use at one DI that had created a Facebook page for itself that has apparently received a good response from the target segment. This particular DI office also has a twitter account.

3. Defining the Communication Task and the Key Audiences

3.1 The task for communication

The previous section highlighted the challenges that exist both on the ‘demand’ as well as the ‘supply’ side and also provided some indication of the efforts that are underway to reach out to various audiences within the existing constraints. In order to be able to set direction for communication, it is important to arrive at the key tasks that strategic communication is expected to perform. As communication does not exist independent of the programme, the vision for communication has to necessarily be linked to the overall vision and mission that the office of DC MSME sets for itself. As stated on the website, the office sees its core objective as being ‘imparting greater vitality and growth impetus to the Micro, Small and Medium Enterprises (MSME) in terms of output, employment and exports and instilling a competitive culture based on heightened technology awareness.’ Given this, the task for communication can be defined as ***encouraging, facilitating and enhancing entrepreneurship by reaching out and engaging with existing and potential entrepreneurs, fostering strategic partnerships, and strengthening communication capacity at all levels within the organization.***

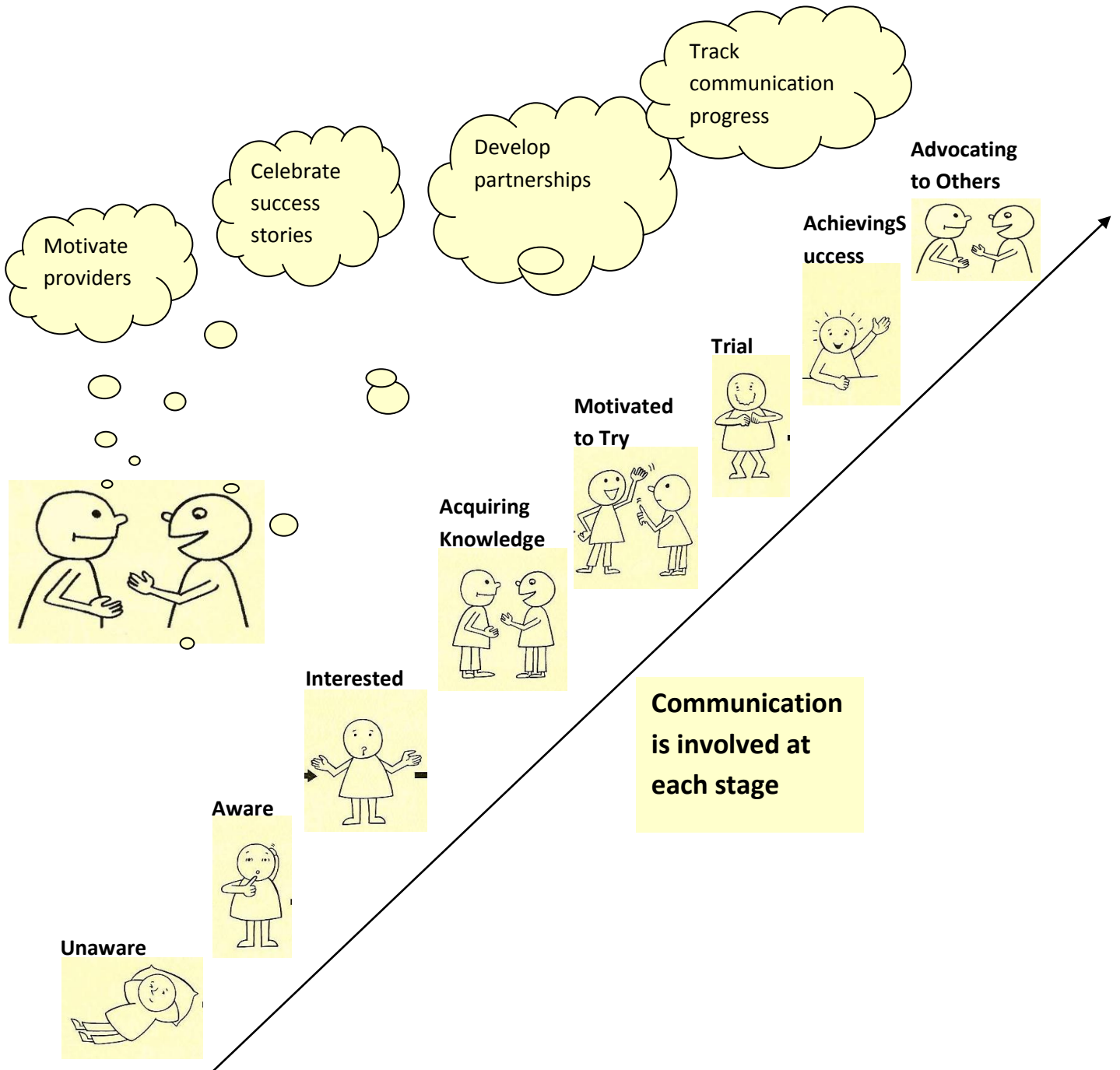
The above would entail aiming for a situation where audiences are **aware** of the services offered, **recognize the value** of the same in enhancing the quality, growth and profitability of enterprises, **trust** the support offered, **access** appropriate services, and go on to **play the role of ‘satisfied’ customers** who in turn become channels of communication and advocacy. It would also mean that the supply side of provision of services is enhanced so as to be able to communicate a culture of openness and ease of access, while at the same time communicating the value of dependability and support that would help take enterprises to heightened levels of competitiveness and growth.

The 5 core communication tasks may be summed up as:

- Enhance visibility: generate awareness
- Build relevance: communicate value
- Highlight ease of access
- Facilitate engagement
- Spread the good word: use testimonial approaches

The diagram overleaf sums up the tasks for strategic communication.

Goal: To encourage, facilitate and enhance entrepreneurship through strategic communication



3.2 Key Audiences for the Communication Strategy

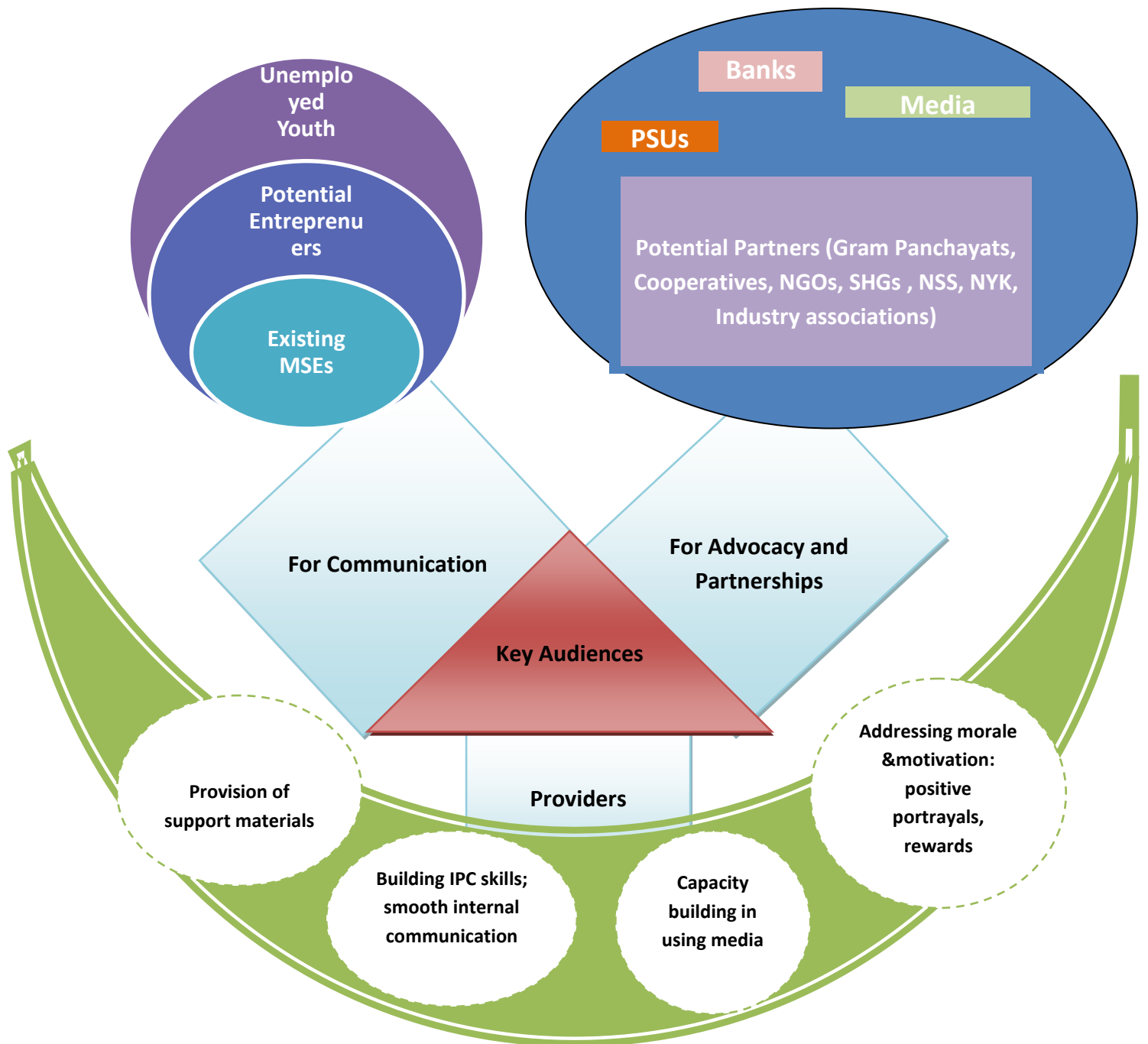
Given the holistic definition of communication and the comprehensive tasks set out for it in the previous section, the audiences for the strategy must go beyond those as traditionally defined in terms of people that the office of DC MSME tries to reach out to, through publicity and announcements. The audience needs to include not just the potential and existing MSE units (the 'receivers' of communication) but the 'providers' too, and has to necessarily include a component of advocacy and partnerships. Working with providers using strategic communication can include:

- ☐ Building skills in interpersonal communication and audience interface
- ☐ Building capacity in using media and communication effectively
- ☐ Supporting providers in their communication with materials such as visual aids, display materials, and such like
- ☐ Addressing morale and motivation by providing recognition to good performing DIs

Advocacy with a range of potential 'partners' would help provide additional 'arms' of communication for the office of DC MSME and help it reach out to larger numbers given organizational and budgetary constraints. Thus, audiences may be categorized into 3 broad segments

- Audiences for Communication: Existing MSE units, and potential entrepreneurs (including unemployed youth)
- Providers or Stakeholders on the service delivery side (including personnel from office of DC MSME and DIs)
- Audiences for advocacy and partnership (including PSUs, Banks, Media, Potential partners such as the Gram Panchayats, Cooperatives, NGOs, SHGs of women, NSS in colleges and NYK, Industry associations, and such like)

The diagram overleaf summarizes the key audience segments.



Audience Segment	Current Situation	Communication Task	Communication Message	Monitoring Indicator
Existing MSEs	Overall low awareness of schemes, services, facilities available at DIs	Increase awareness of schemes and services offered by DIs	The services offered by the DI are a valuable support for your enterprise	% MSEs aware of schemes & services offered by DIs
	Inadequate awareness of public procurement policy	Enhance knowledge of public procurement policy	The office of DC MSME has something to offer you at every stage of development of your enterprise (from concept development through product design, quality standards, finance support, marketing, promotion and technology upgradation)	% MSEs aware of public procurement policy
	Low perceived relevance of registration of enterprise	Provide compelling reasons for, and benefits of registration		% MSEs who can correctly state benefits of registering enterprise
	Mixed experience in accessing services at DIs	Motivate enterprises to access services by building image of friendly and competent services		% MSEs willing to consider registration
	Low perceived relevance of services offered for growth and development of enterprise	Share success stories and testimonials of those who have benefited by accessing DI's services	We are your dependable ally that can ensure your enterprise stays ahead in an age of cutting edge competition	% MSEs who have approached DIs for information and services
			Others like you have benefited by associating with our programmes and schemes- come and hear their stories of success	% MSEs who are satisfied with interactions at DI
		Position DI as the first port of call for growth and development of micro and small enterprises in a competitive world		% MSEs who know of others who have benefited by accessing services and schemes of DI
				% MSEs who agree with the statement that services offered by DIs are relevant and valuable in an age of competition

Audience Segment	Current Situation	Communication Task	Communication Message	Monitoring Indicator
Potential entrepreneurs (including unemployed youth)	<p>Low awareness of available support</p> <p>Perception that schemes and services are for existing rather than potential enterprises</p> <p>Not-very-favourable image of schemes and services offered by government</p> <p>Willingness to avail of services influenced by word-of-mouth and knowledge of someone else who has tried the same</p>	<p>Build awareness of the fact that government has schemes and services that offer valuable support to potential entrepreneurs</p> <p>Motivate youth and potential entrepreneurs to build necessary skills so as to set up profitable enterprises</p> <p>Build confidence that with the right advice and support, it is possible to set up an enterprise of one's own</p> <p>Build image of DI as the first port-of-call for skills building and for support in setting up micro and small enterprises</p> <p>Share success stories and testimonials of those who have benefited by accessing DI's services</p>	<p>If you wish to become an entrepreneur, we are here to guide you and support you in your effort</p> <p>The DI will advise you on which schemes and services you will benefit from; your enterprise can be supported at all critical stages of its development</p> <p>We are your dependable ally that can help you set up an enterprise and ensure that it stays ahead in an age of cutting edge competition</p> <p>It is easy to access and avail of our schemes; our staff are there to guide and assist you</p> <p>Others like you have benefited by associating with our programmes and schemes-come and hear their stories of success</p>	<p>% potential entrepreneurs aware that government has schemes & services to help MSEs</p> <p>% who believe it is easy to avail of the schemes and support</p> <p>% unemployed youth who are aware of training programmes offered by DIs</p> <p>% potential entrepreneurs who believe the DI will be the first port of call for acquiring skills and information to establish and grow one's enterprise</p> <p>% who have approached DIs for information and services</p> <p>% who are satisfied with interactions at DI</p> <p>% who know of others who have benefited by accessing services and schemes of DI</p>

Audience Segment	Current Situation	Communication Task	Communication Message	Monitoring Indicator
Providers of Services	<p>Lack of overarching communication plan or prioritization at Central level</p> <p>No separate budget for communication and outreach at DI level</p> <p>No dedicated and trained manpower at DI for advertising and publicity</p> <p>Lack of flexibility in selecting channels and approaches at DI</p> <p>Perceived gaps in smooth internal communication between DI and office of DC MSME, DI and DICs</p> <p>No recognition of communication initiative and innovation at DI level</p> <p>Lack of well-designed, simple, user-friendly communication and display materials</p>	<p>Design overarching communication strategy and action plan</p> <p>Allocate communication budgets taking into account needs of advertising to end users, brand building, communication training, and advocacy</p> <p>Assign & train specific human resource for communication at DI level</p> <p>Sensitize officials at all levels on processes to facilitate internal communication</p> <p>Provide recognition to communication initiatives at DI level that have made an impact</p> <p>Design and develop communication support materials</p>	<p>Well designed communication can provide an impetus to the programme at all levels</p> <p>Office of DC MSME and DIs must strive to communicate an image of ease of access and user-friendliness, while at the same time reinforcing the value of what they have to offer to existing and potential MSEs</p> <p>Both internal and external communication quality taken together influence the image of service providers</p> <p>Seek partnerships and innovative ways to reach out to your constituencies; share your learnings with other DIs and with office of DC MSME</p>	<p>Communication Strategy designed and Action Plan developed</p> <p>Creative agency brought on board to design and launch mass media campaign</p> <p>Manpower assigned to communication identified</p> <p>Plan for Communication Training developed and rolled out</p> <p>System for regular communication between DC's office and DIs set up; forum for regular interaction between DIs and DICs, DIs and partners such as Industry Associations, NGOs, etc identified and set up</p> <p>Communication materials for display and distribution developed and produced in regional language</p>

Audience Segment	Current Situation	Communication Task	Communication Message	Monitoring Indicator
Banks	Overall, do not treat students coming from DI programmes with special preference	<p>To generate awareness among banks regarding the special skill sets possessed by students who have undergone training facilitated by DIs</p> <p>To orient them on risk assessment of new micro and small enterprises projects so that these are viewed more favourably</p>	Alumni who have undergone training facilitated by DIs are skilled and well equipped to be considered as potential entrepreneurs for financial support from banks and lending institutions	Number of existing and potential MSEs who have successfully obtained support from banks
Media	MSE as a sector and its achievements are not a priority area of focus	<p>To sensitize media through workshops, regular press conferences, site visits, on the role of DIs in facilitating entrepreneurship</p> <p>To engage with the media so that they build goodwill for DC MSME and the DIs by featuring success stories, interactive Q & A columns, etc</p>	<p>The media has a powerful role to play in creating an enabling environment that supports and advocates the cause of growth of MSEs</p> <p>Press and electronic media can play a facilitating role by providing space for interactive discourse relating to MSEs, such as Q&A columns, talk shows, panel discussions, etc</p> <p>The media can share success stories of entrepreneurship and thereby provide a 'demonstration'</p>	<p>Number of sensitization workshops, press briefings, and press notes prepared by DC MSME and DIs in an effort to engage with the media</p> <p>% increase in space and time provided by the press and electronic media on topics concerning MSEs</p>

			effect and motivate future entrepreneurs	
PSUs	Not very active in participation in vendor development programmes	To encourage PSUs to support MSEs and to hold updation seminars on the public procurement policy	<p>MSEs can provide products and services that respond well to the needs to PSUs</p> <p>The MSE sector looks to support from PSUs to achieve greater growth and quality standards</p>	<p>% increase in procurement of goods and services from MSEs by PSUs</p> <p>% of PSU decision-makers who agree with the statement that MSEs provide quality goods and services that respond well to the needs of PSUs</p>
Potential Partners (Gram Panchayats, SHGs, NGOs, Industry Associations, NSS, NYKs, Co-operatives)	While not perceived to be resistant to supporting the MSEs, at present are not fully engaged with them and require greater orientation on the potential and outcome of partnerships	<p>To sensitize potential partners on the role played by the office of DC MSME and the DIs in facilitating entrepreneurship</p> <p>To provide reasons for and benefits that would accrue for all concerned if panchayats, industry and youth associations, NGOs etc forged stronger links with existing MSEs and came forward to spread awareness regarding skills building programmes for youth</p>	<p>The office of DC MSME has something to offer at every stage of development of a micro and small enterprise (from concept development through product design, quality standards, finance support, marketing, promotion and technology upgradation)</p> <p>We are a dependable ally that can ensure an MSE stays ahead in an age of cutting edge competition</p> <p>Associations and organizations such as yours can partner with DC</p>	<p>Number of partnerships developed and active in reaching out to end users of services and schemes</p> <p>Number of beneficiaries reached through such partnerships</p>

			MSME and DIs to reach out to larger numbers who can benefit from what is on offer	
Private service sector entities (eg organizations like Edutech for video conferencing support, private sponsorship for TV and radio programmes, mobile phone company tie-ups to reach out on announcements relating to awards, exhibitions, fairs, etc, private computer training institutes to reach youth)	Lack in depth awareness of the MSE sector and do not see any specific role they can play in supporting DC MSME and DIs	To generate awareness on the kind of win-win situations that would arise through strategic partnerships in communication with the office of DC MSME and DIs	<p>The office of DC MSME has something to offer at every stage of development of a micro and small enterprise</p> <p>We are a dependable ally that can ensure an MSE stays ahead in an age of cutting edge competition</p> <p>Private service sector entities such as yours can partner with DC MSME and DIs to reach out to larger numbers who can benefit from what is on offer</p>	<p>Number of partnerships developed and active in reaching out to end users of services and schemes</p> <p>Number of beneficiaries reached through such partnerships</p>

4. The need to focus on Brand-building

Central to any overarching communication strategy for the office of DC MSME is the need to be able to project an image that is seen to be of value to the audience, and that is strongly and automatically associated with the term 'MSME'. A critical part of any organization's image is the communication messages it sends out and with which it is identified. Over time, a 'brand' is established through the consistent and frequent use of distinctive images and messages.

There are several elements that go into the building of brand identity, the most basic of which is the logo. The office of DC MSME has a well-defined, simple and striking logo that it uses consistently across all communication it sends out. In line with the need to be consistent, the template for print announcements relating to programmes and schemes is also standardized, using the same fonts.

However, it is important to recognize that identity is not just about these factors. Brand identity and image is something that is built and then reinforced by the perceptions of the quality, services and the intangible associations that accompany the brand. It is important that such associations are at all times positive and strong.

The communication audit revealed that Directors at Dis visited had strong positive associations with the term 'MSME' and suggested that some of these may be considered while attempting a brand building exercise for the office of DC MSME. Some nostalgia was evident in recall by staff of an earlier period when the brand was seen to be quite strong, reinforced by 'slogans', songs and catch lines such as 'udne ki aasha', 'industrialize or perish'.

As a sector, MSME was seen by the staff to stand for the following:

- ☐ After agriculture, we are the largest employer
- ☐ We have the maximum social relevance!
- ☐ Flexibility exists in our operation
- ☐ Because of us, the public sector is made more competitive!
- ☐ In a sense, we are the economic backbone of the country
- ☐ The MSME sector continues to grow!

As a service offered by the office of DC MSME, what was suggested as a **core benefit** was:

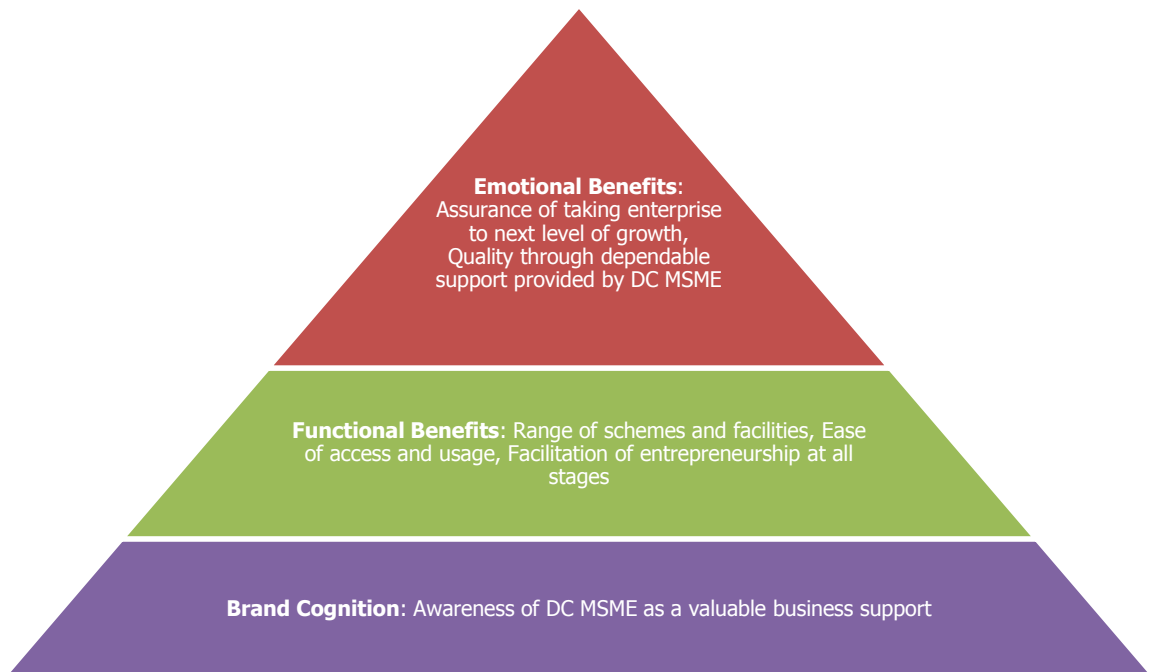
☐ **We have something to offer you through all critical stages of development of your enterprise!**

Thus, any exercise at brand building should start with the basic functional benefits offered by the brand as given above, and then layer on to it emotional expectations and associations to be able to offer a holistic brand value proposition. Starting with the minimum base of the brand equity pyramid as depicted at the end of this section (awareness of DC MSME as a business support), the brand should offer the functional benefits of a range of schemes and facilities, ease of access and usage, and facilitation of entrepreneurship at all stages. Beyond that, it should offer emotional benefits such as assurance of taking an enterprise to the next level of growth and quality through dependable and cutting edge support.

As the office of DC MSME commences the exercise of developing a branding strategy, the first step would be to arrive at a consensus on what the office should be seen to stand for and convey. This, as stated earlier, needs to go beyond functional benefits and encompass emotional associations and attributes. Beyond being just a logo, the brand strategy for the office of DC MSME should be a continuous message, image or feeling that carries through everything that comes from the office and what it has to offer.

It is also important to ensure that the concept of internal branding is not ignored. The employees working in the organization must be aware that they are representing the brand that holds value both to its external constituencies as well as to the staff within the organization.

An effective brand building strategy will help DC MSME and the DIs improve their reputation, increase their relevance and increase their visibility to the target audience. This may be done in several ways, some of which could include providing a steady stream of useful information to end users, so that over time they come to look upon DC MSME and Dis with trust and bankability. Another strategy could be to partner with prominent and credible organizations so as to add value and strength to the brand. Sharing dramatic results or success stories is another strategy that can go a long way in building the reputation of the brand. Finally, as the next section will indicate, adoption of certain newer modes of reaching out, such as social media, can also enhance brand value.



Brand Equity Pyramid

5. Recommendations on Media

5.1 Approach to Selection of Media

The previous sections outlined the key audiences, communication tasks, and also the nature of messages that need to be communicated to specific audiences. The choice of channel or communication medium follows as a natural corollary from the above.

It is evident that a large part of what the office of DC MSME and the DIs would need to continue to do is **information provision**, encompassing the schemes, programmes, services on offer, and targeting specific constituencies for each. Information provision can use the traditional channels of print and outdoor media and also include booklets, brochures, and journals. It can also utilize newer forms of reaching out such as web based communication and social media. The use of existing places for display such as DI offices, DICs, and such like must be considered for putting up posters and other print materials. Television and radio spots to provide information on services provided by DC MSME and to publicize the helpline may be developed. Also, it may be useful to consider developing a set of short films that provide concise information on different topics. These films can be screened at appropriate forums such as inaugurations of training programmes. The short films can very easily be uploaded on the website as well.

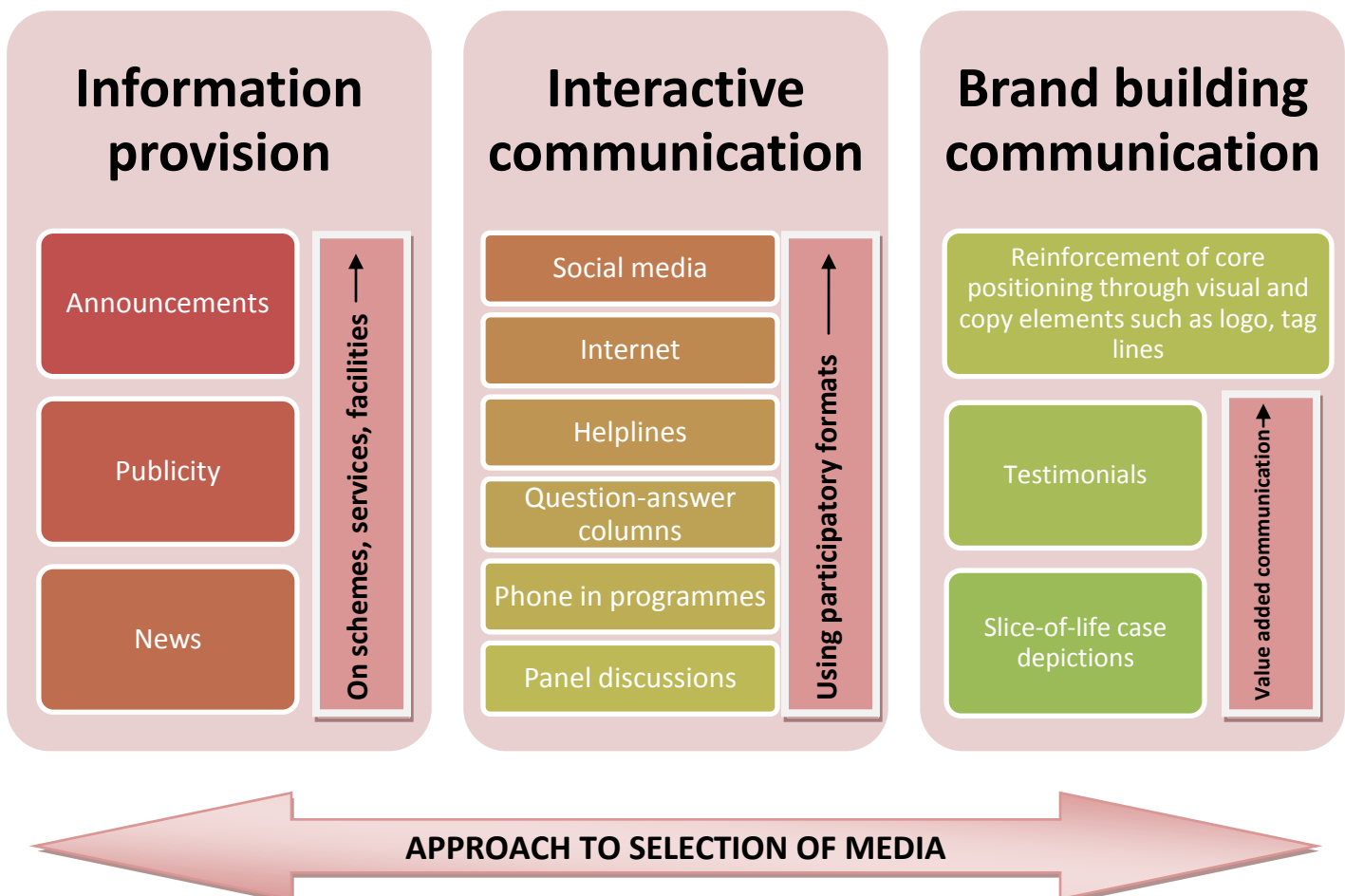
However, going beyond this, it would be very important to use an approach that allows for **interactivity** so that communication is two-way and not passive. Given that audiences would need to engage with the messaging so that they can clarify doubts, reassure themselves on benefits and be clear on expectations regarding outcomes, it is vital that the choice of media includes options that allow for dialogue and engagement rather than passive receipt of messaging. Such options could include:

- Stepped up use of the helpline, including exploring ways to localize its operation so as to make for quicker turnaround time and more relevant information
- Partnering for wider use of seminars, which are seen to be very effective in terms of eliciting a good response
- Phone-in-radio programmes/ talk shows:- these are seen to be a good medium to answer queries, and interact with the end-audience; in particular the needs assessment survey indicated that radio listenership is fairly prevalent among the unemployed youth segment

- Question-answer columns in trade magazines, Laghu Udyog Samachar, and newspapers- these are seen to have vast potential
- Adding a feedback and query section in the website, where prospective entrepreneurs can send in queries and receive answers
- Regular press conferences and briefings
- Social media as an expanded presence with interactivity and common ownership (a separate note on this is provided later)

In addition to the information-provision and interactive communication channels, the third plank would consist of brand building communication, covered in the previous section. While it would be important to dedicate separate resources for this, it's imperative that all communication undertaken by the office of DC MSME and the DIs follows a consistency in terms of the brand values that it communicates.

The approach to selection of media is summarized in the figure below.

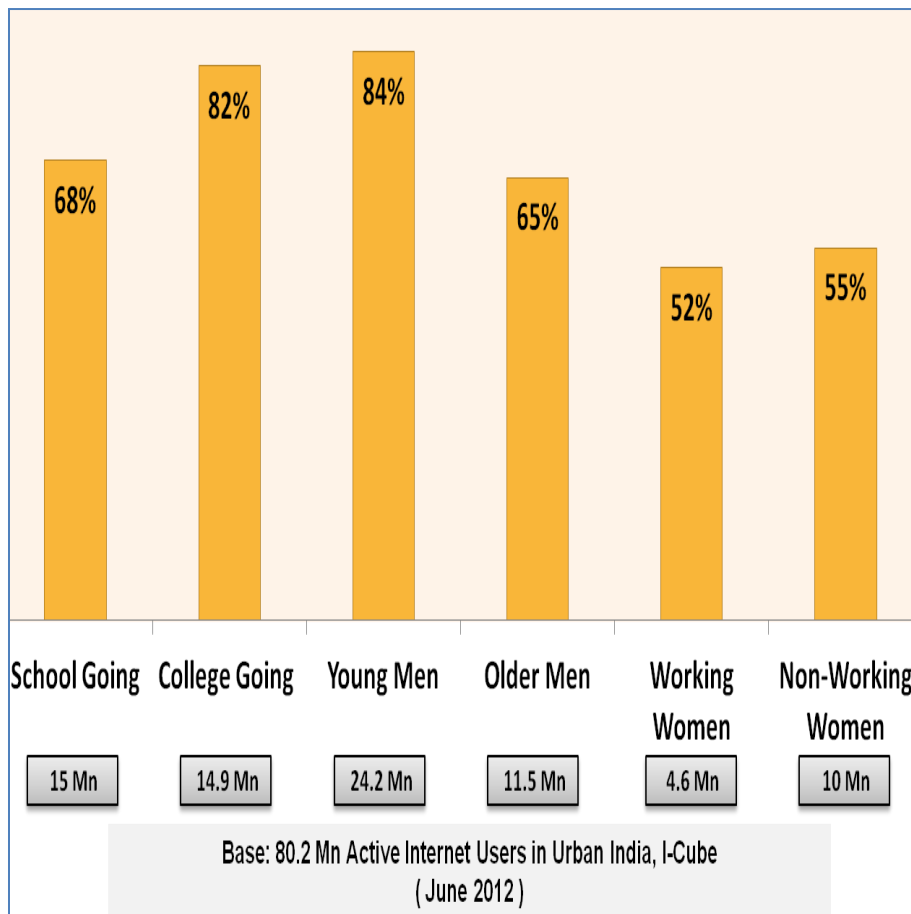
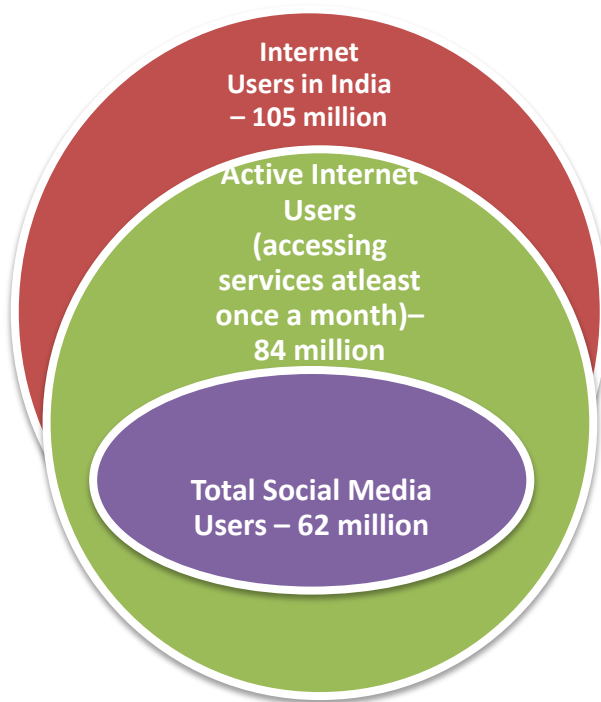


5.2 The Use of Social Media

It would be essential to explore how social media can be used as an integral part of the overall communication strategy to reach out to the various audiences prioritized by DC MSME. As a new and emerging powerful tool, social media represents a virtual means of interaction between people, providing a place where people create, share, and discuss information and ideas. Dependent on mobile and web-based technologies, there are innumerable tools that can be considered, varying from straightforward dissemination-based tools such as 'buttons' and 'badges' to tools that make for greater engagement such as video sharing, blogs, texting and social networks.

As per ***Social Media in India, Internet and Mobile Association of India (IAMAI) and IMRB, 2013***, some interesting statistics that have an important bearing on the communication strategy for MSME, are given below (all figures are for December 2012):

- 77% of the users use mobile for social media
- 97% of social media usage is done on Facebook
- Other top social sites include Google plus, LinkedIn, Twitter, Orkut and Ibibo
- Average time spent on social media is around 30 minutes
- 35% of total social media users are from small towns of population up to 5 lakhs
- Highest proportion of social media usage is in the categories 'young men' and 'college going students'
- Young men are defined as both employed and unemployed between 21-35 years
- College going students are defined as youth studying in colleges between 18-25 years of age



Importantly, while making a decision on the use of social media, it would be necessary to consider the amount of resources (time and effort) that can be invested in the same and the nature of impact desired. For example, buttons and badges are low cost tools that do not need too much time or effort. Blogs need much more time and are more costly to set up and manage. Social networks are low cost but need a fair amount of staff time and effort.

One recommendation would be to use social media tools that facilitate viral sharing of information and messages, in that by reaching out to one, they in turn reach out to many for e.g. image and video sharing sites like YouTube or social network sites like Facebook. Also, the use of mobile technology may be actively considered as it is personal, portable and affordable, and ensures sharing of information through messaging and websites.

Finally, social media should be used as a part of overall communication efforts and not as a stand-alone tool. It would also be important to monitor and evaluate the impact of using social media, for which several free tools are available that may be considered.

5.3 Media Plan for Brand building Campaign at National Level

Media habits of the audience segments

For a strategic communication campaign to be undertaken at the national level with the objective of building a strong brand value proposition, two main target audiences have been identified. They are:

1. Micro and small enterprises
2. Potential entrepreneurs

The communication needs assessment of these audience segments revealed the following media habits.

Newspapers

- About 60% of MSE owners do not read English newspapers. Only about 20% spend 15 minutes or more reading English newspapers
- On the other hand, over 75% of MSE owners spend more than 15 minutes every day reading regional language newspapers
- Among the graduate + potential entrepreneurs, about 85% read English newspapers and about 55% spend more than 15 minutes per day on the same
- Reading of regional language newspapers is also high among the graduate + potential entrepreneurs. About 70% spend more than 15 minutes every day reading regional language newspapers
- On the other hand, about 54% of the unemployed youth with education level HSC/SSC do not read English newspapers, and 23% spend more than 15 minutes per day on this. But about 65% spend more than 15 minutes every day reading regional language newspapers

Radio

- Listening to radio does not appear to be a favourite pastime of the MSE owner; 70% do not listen to news broadcasts on radio at all and only about 15 % listen to radio programmes for 30 minutes a day or more
- Similarly listening to radio news does not appear to be a favourite pastime of the prospective entrepreneur and only 26% listen to radio programmes for more than 30 minutes per day

- Unemployed youth also exhibit similar listenership on radio, with 27% listening to radio news for over 15 minutes a day and 27% listening to radio programmes for over 30 minutes a day

TV News

- About two thirds of the MSE owners do not listen to English news on TV but over 75% spend more than 15 minutes every day listening to regional language TV news
- On the other hand, 70% among the graduate + potential entrepreneurs listen to English news on TV and about 50% spend over 15 minutes a day on this. A majority of them also listen to regional language TV news, with about two thirds doing so for over 15 minutes a day
- Among the unemployed youth with HSC/SSC education level, regional language TV news remains the most important channel, with over 85% spending more than 15 minutes a day on this

TV Entertainment channels

- More than two thirds of owners of micro and small enterprises do not view English entertainment channels. Only about 15% watch for half an hour or more
- About 75% of the owners spend more than 30 minutes every day watching regional language entertainment channels, about 30% spending more than an hour
- However, among the graduate + potential entrepreneurs, about 75% view English entertainment channels. 48% watch for more than half an hour a day. About 68% also spend more than 30 minutes every day watching regional language entertainment channels, about 40% spending more than an hour on this
- Similarly, among the unemployed youth, about 77% spend more than 30 minutes every day watching regional language entertainment channels, about 42% spending more than an hour on this

Accessing Internet

- Over a third, 38%, of the micro and small enterprise owners do not access internet and about 40% access at least once a day
- Among the owners who access internet, using email remains a regular activity by about 79%, followed by use of Facebook (49%) and search engines (46%). 29% access business news

- Among the graduate + potential entrepreneurs, everyone accesses the internet, about 84% accessing at least once a day
- Among those who access the internet, using email remains a regular activity for about 80% and use of Facebook remains the most incident, by about 84%. 60% access search engines regularly
- 24% of unemployed youth do not access the internet and about 45% access the net at least once a day
- Of those who access the internet, email is a regular activity for about 63%, and use of Facebook remains the most incident, by about 64%. 55% access search engines regularly

Media Plan: Criteria and Assumptions

Coverage

DC MSME maintains a large and national level network with 30 Development Institutes (DIs). The media habits of the target audiences, reported above, revealed that regional media will be an important vehicle for the campaign. It will require a very large exercise and significant resources to launch the campaign across the entire nation. So it is recommended that the same can be done in two phases.

Phase 1- to be undertaken in the first year is proposed to be launched in select towns

Phase 2- to be undertaken in the rest of the towns in the second year

The Media plan given in this section has been developed and presented for phase 1. The towns selected for this phase are:

North- Delhi, Kanpur, Jaipur, Ludhiana

East- Kolkata, Cuttack, Ranchi

West- Mumbai, Ahmedabad, Indore

South- Chennai, Hyderabad, Bangalore

Selected Media

To develop the media plan, the specified media for the proposed campaign are:

- English, Hindi and Regional language Newspapers- Bengali, Marathi, Gujarati, Tamil, Telugu, Kannada

- English, Hindi and Regional language TV news channels - Bengali, Marathi, Gujarati, Tamil, Telugu, Kannada
- English, Hindi and Regional language TV entertainment channels- Bengali, Marathi, Gujarati, Tamil, Telugu, Kannada

Radio has not been considered at this stage as it is recommended that it be kept out of strategic brand communication but may be included for announcements of schemes and programmes as well as panel discussions by DIs at respective town level.

Internet also emerged in the communication needs assessment as an important channel. However it is recommended that given the channel characteristics and the manner in which the social media operates, it may be considered as a separate component with a distinct development and usage plan.

Reach and OTS assumptions

The media plan has been worked out based on two assumptions:

- The campaign when implemented must reach at least 40% of the target audience
- Each must have at least 2 opportunities to see (OTS) the campaign

Media Plan

Given the above, the proposed Media Plan has been arrived at as below.

Newspaper

Language	Vehicle	Size- sq cm	# of ins	Rate- Rs per sq cm	Amount - Rs
Hindi	Dainik Jagran	240	2	10,530	5,054,400
Bengali	ABP	240	2	4,950	2,376,000
Marathi	Maharashtra Times	240	2	2,160	1,036,800
Guajarati	Gujarat Samachar	60	2	5,190	622,800
Tamil	Daily Thanthi	240	2	3,500	1,680,000
Telugu	Eenadu	240	2	6,160	2,956,800
Kannada	Vijay Karnataka	240	2	2,280	1,094,400
English	Times Of India	240	2	16,230	7,790,400
			16		22,611,600

Television

Vehicle	Duration- seconds	Number of Spots	Free Commercial Time	Rate per 10 sec	Amount
ABP News	10	1000	10000	3,000	3,000,000
Star Plus	10	1000	10000	40,293	40,293,000
Zee Bangla	10	1000	10000	10,000	10,000,000
Zee Marathi	10	1000	10000	7,000	7,000,000
ETV Gujarati	10	1000	10000	1,500	1,500,000
Sun TV	10	1000	10000	20,000	20,000,000
GEMINI TV	10	1000	10000	16,000	16,000,000
Suvarna	10	1000	10000	3,000	3,000,000
Star Movies	10	1000	10000	4,500	4,500,000
		9000	90000		105,293,000

TOTAL

Medium	Cost (Rs)
Print	22,611,600
Television	105,293,000
Grand Total	127,904,600
Less anticipated discount- 45%	57,557,070
TOTAL	70,347,530

6. Time frame for Implementation

Tasks/ Activities	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Information Provision Activities				
Develop a comprehensive docket: print materials in English & Hindi: brochures, booklets, etc				
Translate into regional languages and replicate and print the above at DI level				
Develop an integrated set of posters in English & Hindi for use at DIs, DICs, Tool Rooms, etc				
Translate posters ; replicate and print at DI level				
Design the layout and content of hoardings and send soft copies to DIs across the country				
Translate hoardings into regional languages at DI level and use as per local implementation plan				
Produce a set of short films in English/ Hindi for screening at relevant forums				
Undertake sub-titling in regional language at DIs				
Upload films on national portal and DI websites				
Develop plan for use and monitoring of social media tools for communication				
Develop a database of case stories/ success stories				
Regular release of case stories through press, radio, television				
Design and release ads on helpline				
Develop a press kit with information on schemes, services, case studies, statistics				
Translate press kit into regional languages: DI level				
Regular announcement ads on schemes and training programmes				

Tasks/ Activities	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Interactive Communication Activities				
Plan and convene regular press briefings				
Arrange site visits for media personnel				
Schedule a regular series of panel discussions and phone in shows on MSME related topics on radio and television				
Design and manage a Q & A column in one or more magazines/ trade journals				
Develop and manage an interactive section on the website				
Track nature of queries received through columns, helplines, phone in shows, website				
Design and develop content for social media sites eg advertisements, videos for uploading, etc				
Activate/initiate use of social media				
Identify and develop partnerships for communication at DI level (eg SHGs, NGOs, etc)				

Tasks/ Activities	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Brand Building Communication Activities				
Bring on board a creative agency to work on branding and to design a mass media campaign				
Pre- test the creatives with the relevant target audiences				
Launch the nationwide campaign using multiple channels such as print, radio and television				
Undertake an impact assessment to determine recall, comprehension, appeal and persuasiveness of campaign				

Tasks/ Activities	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Capacity Building in Communication				
Disseminate Communication Strategy and Action Plan at DI level through regional workshops				
Identify a core set of personnel at DI and DC MSME office level who will be assigned the portfolio of communication management				
Develop a 2-3 day training curriculum for the above covering topics such as media relations, choice of channels, identifying partnerships in communication, monitoring of communication, etc				
Implement a series of training workshops for the concerned personnel				
Design a monitoring and reporting mechanism for implementation of communication activities at DI level				

7. Costs for one year

Cost approximations under broad heads are given below. This has taken into account the allocation for the 12th Five Year Plan (Rupees 25 crores over 5 years, or approximately 5 crores per year) and has assumed additional resource generation for the brand building nationwide campaign, as also the setting aside of 5% of scheme/training programme budgets for routine advertisements related to the same.

	Rupees Lakhs
Design & Development of print materials, posters, hoardings, press kits	46
Production of a set of short films	60
Development of database of case stories	25
Use of press, radio, TV for regular announcements, panel discussions, spots	250
Production and dissemination of Laghu Udyog Samachar	15
Press Conferences and Site Visits	30
Development & Use of Social Media	35
Innovative Communication Initiatives and Partnerships	60
Brand building campaign at National Level	700
Impact Assessment of Campaign	24
Regional Workshops to disseminate Communication Strategy	15
Training of DC MSME and DI staff assigned to Communication	15
Total (Rupees lakhs)	1275

Schemes @ Clusters

Report of 7 workshops conducted by MSME Umbrella Programme

1. EXECUTIVE SUMMARY

Office of the Development Commissioner (MSME) provides a wide spectrum of services to the Micro, Small and Medium enterprises. These include different schemes and support facilities including testing, tool, training for entrepreneurship development, preparation of project and product profiles, technical and managerial consultancy, assistance for exports, pollution and energy audits etc.

One of the important reasons for slow intake in the utilization of schemes is the lack of knowledge and understanding of the scheme and their likely benefits. The current knowledge dissemination system is limited. Therefore, there is need to disseminate information on scheme in more integrated manner which might cover from basic knowledge about the scheme to complete degree of comfort in applying for the scheme including the eligibility criteria, application format and steps to get application sanctioned . In the current passive scenario is difficult for an MSME to comprehend the scheme to a level to apply on its own. There are multiple schemes with similar objective, and also same scheme with multiple objectives. This kind of scenario has resulted into multiple stakeholders for each scheme for implementation. Therefore a meaningful explanation for MSMEs about the scheme is a major challenge.

The programme, *schemes@clusters* was initiated by GIZ as pilot project with the assumption that focused and customized information delivery to MSMEs would help them in the better utilization of schemes. The focus of the initiative was to go beyond the awareness creation and provide handholding by onsite assistance for accessing the support schemes and query resolutions. In the long run such an exercise would help in developing an institutional relationship between associations, MSME DIs and other implementing agencies and associations which might undertake more pro-active role in the utilization of these schemes.

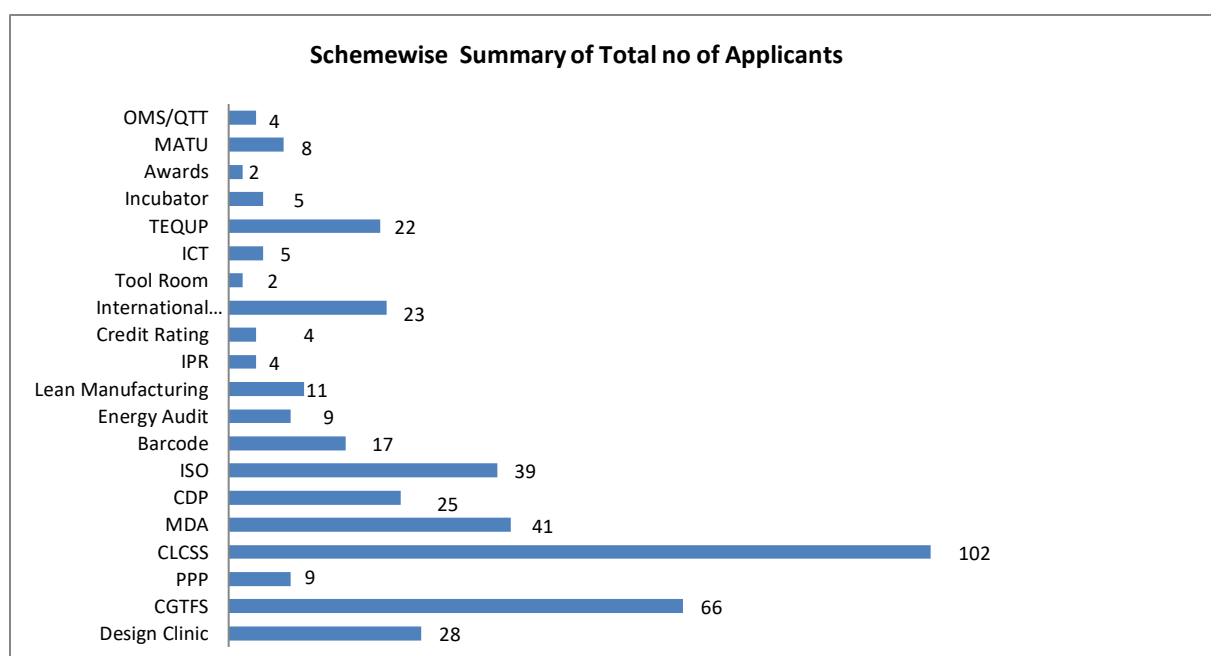
Under Pilot initiative, workshops at seven locations have been conducted viz. Dehradun, Uppal-Hyderabad, Belgaum, Tuticorin, Bhopal, Aurangabad and Ranchi. The summary of participation of MSMEs is as under:

Location	No. of participants	No of firms interested in applying for schemes	No. of projects
Dehradun	27	15	27
Hyderabad	70	34	43
Belgaum	103	29	72
Tuticorin	143	50	88
Bhopal	39	19	32
Aurangabad	145	26	101
Ranchi	90	31	63

TOTAL	617	204	426
--------------	------------	------------	------------

A Total of 617 firms participated in the seven events conducted during the pilot. 204 firms showed interest in applying under different schemes and took benefit of one to one counseling and shows intention/ applied under 426 different components of the schemes.

The counseling taken under different schemes under *schemes@clusters* workshops was as under:



It is clear from the above chart that CLCSS is the most popular among MSMEs followed by Credit Guarantee Fund Scheme and MDA scheme for which the participants sought advice and intend to avail.

The experience of conducting workshop and scheme feedback is summarized as under at the seven locations.

MOBILIZATION OF PARTICIPANTS @ WORKSHOPS

Pre-Event

Mobilization of sufficient number of participants for the workshop was a challenging work. After first workshop at Dehradun it was learnt that leaving everything (especially the work of participation mobilization) to local partner (association) is a mistake. It has been observed that associations in general are very shy to share their member database. It is therefore necessary to work in advance on trust building exercise with associations to optimize the use of the local resources especially the targeted units. It was therefore, decided to initiate the dialogue with the local partner much in advance and also sent one person in advance to coordinate mobilization work. It was also

learnt that the involvement of local support institutions i.e. DIC, MSME (DI) and leading financial institutions like SIDBI and local industry leaders of all local associations including other than the partner BMO is crucial to make the event a success.

The Workshop

Initially we thought to have a three days programme. One day for presentations and two days for one to one meetings. Gradually, it was realized that holding MSMEs for full day deliberations would be difficult. The programme was slightly modified and converted into half day presentations and overviews of schemes including state government schemes by DIC. The second half of the first day was utilized for one to one meetings followed by one or two more days depending on the number of interested enterprises. Therefore, the best suited duration was two and half hours for workshop in the pre-lunch season followed by discussions on one or two important schemes evolved during the pre-lunch discussions for selective and interested participants in the post period. It has been observed that group schemes like MSE-CDP, international cooperation and CLCSS interest most during the one to one session.

The presentations were very interactive with number of questions. In some case experiences were shared especially by the participants those who have availed the scheme benefits. The interesting fact which came up was that those who benefitted from schemes were generally benefitted for more than one scheme. In Tuticorin workshop, it was observed that all four MSMEs who utilized schemes utilized more than two schemes. Therefore, the handholding especially in case of ice breaking is very important. The understanding of one scheme helps in getting the benefit of other schemes also.

All Seven workshops were very interactive in nature the presentation orientation was interactive nature from the beginning itself. To make it more interactive the participants were encouraged to share their experiences.

Post workshop

Two days post workshop consultation was a very good idea. The two days were mostly utilized for counseling work. An interesting part of these two days consultation was that it gave added opportunities to participate in consultation for those who missed the workshop. For instance sixteen new participants turned up on day two who missed first day workshop in Tuticorin. The common discussion during these two days post workshop session across seven locations was on the following issues

- How to apply and where to apply?
- Application form

- Time taken in processing
- Complaints of existing applicants
- Enquiry on support on certain specific issue i.e. support for website making, trademark etc.

It was realized that there is need for follow up after two- four weeks of the workshop with the firms who participated in one to one counseling.

COMMON ISSUES EVOLVED DURING THE WORKSHOPS

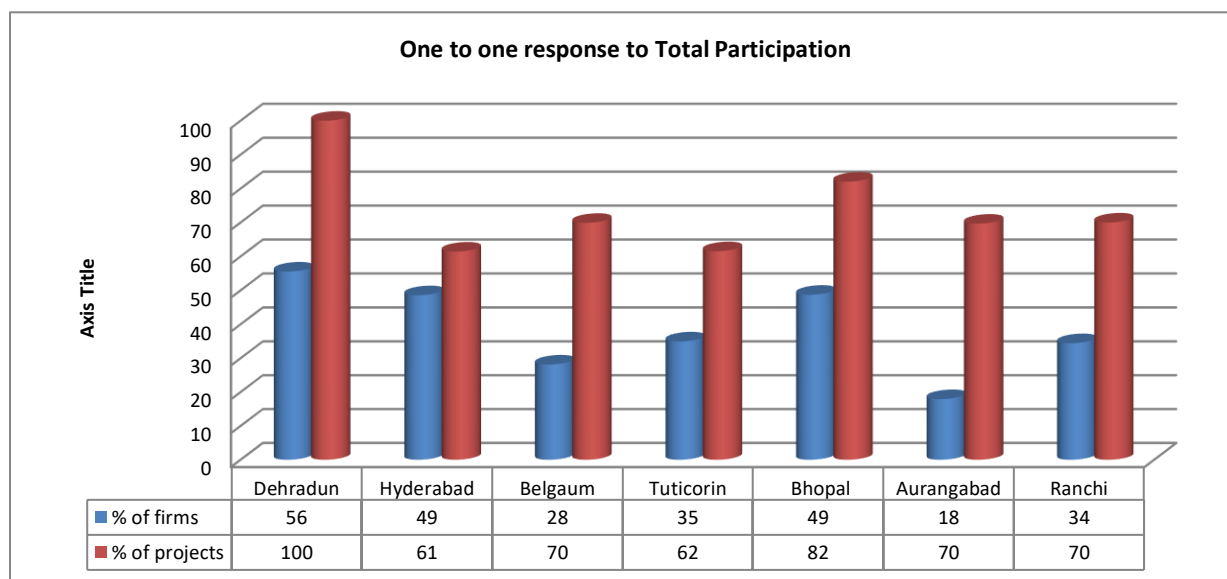
The schemes based on their application submission opportunity may be classified under two heads. RFP based schemes and open ended schemes.

It has been observed that availing the schemes that are provided through Request for Proposal are definitely useful but are not being used due to lack of awareness and absence of immediate support. It has been experienced that most of the MSMEs lack basic critical knowledge to take advantage of such RFP based utilization of scheme. It is, therefore, required that these schemes be popularized first, ideally preceding the release of RFP.

Open ended schemes are further divided in to individual schemes and group schemes. Group schemes are generally requires extra handholding and created social capital for the successful implementation of the scheme. It was realized that to reach level of initial threshold of applying initial background work is necessary.

IMPORTANT SCHEMES AND FEEDBACK

Surprisingly the response of *Scheme@clusters* programme was very encouraging. A large number of interested enterprises came forward to avail these schemes.



Out of the total participants more than one third showed interest towards applying under one or more schemes. Out of 204 firms participated in one to one meetings showed interest to apply for more 426 applications under different schemes.

There important schemes enquired by the participants were:

Cluster-Wise Potential Applicants for Important Schemes				
Sl. No.	Workshop Place	CLCSS	CGFS	MDA
1	Dehradun	2	0	1
2	Uppal	10	1	1
3	Belgaum	18	9	6
4	Tuticorin	23	25	8
5	Bhopal	7	3	7
6	Aurangabad	23	22	15
7	Ranchi	19	6	3
	Total	102	66	41

Credit Linked Capital Subsidy Scheme (CLCSS)

The Scheme namely Credit Linked Capital Subsidy Scheme (CLCSS) is for Technology Upgradation of Micro and Small Enterprises. The Scheme aims at facilitating Technology Up-gradation of Micro and Small Enterprises (earlier known as Small Scale Industries). The Scheme was launched in October, 2000 and revised from 29.9.2005. The revised scheme aims at facilitating Technology Upgradation of Micro and Small Enterprises by providing 15% Capital Subsidy (limited to maximum 15.00 lakh) for purchase of Plant & Machinery. Maximum limit of eligible loan for calculation of subsidy under the scheme is Rs.100 lakh.

This scheme was one of the most popular across at all locations. A total 102 intent received for the scheme. Technology up-gradation is perceived as an important area for the efficiency and productivity of any manufacturing

enterprises. However, a number of negative views reflected by MSMEs. Generally, lack of transparency from the bank in sighting the reasons of rejection. The non availability of SIDBI branch at some locations i.e. Belgaum and Tuticorin. It is therefore suggested that If SIDBI may camp to such distant locations at least once in a month; the off-take for the scheme will increase very fast. Other important Challenges about the scheme are

- There is a lack of awareness even among the banks.
- Non availability of right serving branches.
- The list of machinery under scheme though available on MSME website but still banks is not very proactive in showing list of machinery while applying for the schemes.
- There is no clarity on when one can take next benefit under the scheme

Credit Guarantee Fund Scheme (CGFS)

The Government launched the Credit Guarantee Fund Scheme for Small Industries (now renamed as Credit Guarantee Fund Scheme for Micro and Small Enterprises) in August, 2000 with the objective of making available credit to MSEs, particularly Micro Enterprises, for loans up to Rs. 100 lakh without collateral/ third party guarantees. The scheme is being operated by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) set up jointly by the Government of India and SIDBI . CGFS Scheme was most interesting schemes for MSMEs which was among most discussed schemes during question and hour sessions. Most of the participants complained that banks are not keen to utilize these schemes and they still focus on the collaterals rather than credit Guarantee to provide loans to MSMEs. The Banks needed to be advised by ministry to provide more focus on utilization of the scheme.

Performance and Credit Rating Scheme

There were very few takers of this among the workshop participants. Most of the participants felt that rating provided under the scheme is not very useful for firms.

This was due to the following issues:

- The rating lacked an objective criteria most of the participants reported rating process faulty
- The participants also questioned the usefulness of the scheme. Most banks when approached for loans based on the rating under the scheme asked their own rating to be conducted for loans.
- The rating has no international value

Design Clinic Scheme

The Design Clinic Scheme brings design experts in MSMEs on a common platform to enable the MSMEs to access expert advice and cost effective solutions for their real- time design problems. The scheme introduced in the year 2010 comprises of two major parts -Design Awareness and Design Project Funding. The Design Awareness stage comprises various activities like seminars, workshops and diagnostic studies of the clusters. At some locations like Dehradun the sensitization workshops of designing clinic created fairly good awareness. However on the second component of Design Project Funding, projects of students, consultants/designers and consulting organizations are assisted by providing 60% of the project cost by way of Government grant, not a single case came to notice while seven workshops were conducted. Though the scheme drawn considerable amount of interest but some issues stopped most MSMEs from availing it were many. Firstly, there was lack of clarity on how to utilize this scheme. The scheme envisages Regional Design Centers to play major role in implementation, however, currently there are no such regional centers. The process of designer accreditation is also not clear. The role of PMAC at local level was unclear. Local Designers (not empanelled under the Design Clinic scheme) are sometimes preferred by MSMEs. This causes some amount of confusion about whether it is possible to avail the scheme and how to avail it.

Bar Code Reimbursement

The Marketing Assistance/ Support to MSEs scheme aims to popularize the Bar Code registration and motivate the Small and Micro-manufacturing Enterprises to adopt the Bar Code Certification on large scale and to sell their value added products worldwide and enable higher export price realization. It also helps in domestic marketing (wholesale & retail). 75% of annual fee (recurring) of Bar Code certification for the first three years are reimbursed to Micro & Small Entrepreneurs, under the Scheme. It has been noticed under different workshops that Bar Code scheme is popular among sectors where product primarily manufactured for retail sector. In sectors like engineering, auto component etc. the use of bar code scheme is very limited. Those tried to avail the scheme gave feedback that the considering the amount of paperwork and delay, the cost to be reimbursement is very low.

Market Development Assistance

Competitiveness in marketing is sought to be improved through the Marketing Assistance and Technology Upgradation scheme, by using latest techniques and technologies. The broad activities under the scheme include technology upgradation in packaging, development of modern marketing techniques, competition studies, State/ district exhibition, corporate governance practices, marketing hubs, etc. The old MDA scheme is limited in terms of number of fairs available for MSMEs. The list of such fairs is displayed at DC MSME website. The whole process of scheme implementation is very bureaucratic and time consuming. Including the process of reimbursement under the scheme is very lengthy. There was suggestion if the ticket under the scheme is provided by the Ministry.

Scheme for Information and Communication Technology

The scheme is completely unclear on how it is going to be implemented. The existing schemes circular envisage the implementation through Project Management Agency (PMA) which is non existence at this stage. This has created a situation of confusion among MSMEs. The main suggestion given by MSMEs to utilize this scheme was support for website , ecommerce initiatives, support for purchasing hardware and software in the company. This will encourage early adoption of ICT by MSMEs to improve their efficiency and productivity.

Awareness on IPR

The Building Awareness on Intellectual Property Rights (IPR) scheme has been launched to enable Indian MSMEs to attain global leadership position and to empower them in using effectively the tools of Intellectual Property Rights (IPR) of innovative projects. The main features of the scheme are: Awareness/Sensitization Programmes on IPR; Pilot Studies for Selected Clusters/Groups of Industries; Interactive seminars/Workshops; Specialized Training; Assistance for Grant on Patent/GI Registration; Setting up of IP Facilitation Centre (IPFC); and Interaction with International Agencies. These initiatives are being taken in Public-Private Partnership (PPP) mode. At the seven locations Cluster@Scheme awareness programme the awareness was limited and very few participants showed interest in the scheme. Scheme may require more handholding to increase the off-take of the scheme.

MICRO & SMALL ENTERPRISES CLUSTER DEVELOPMENT PROGRAMME (MSE-CDP)

The Micro and Small Enterprises – Cluster Development Programme (MSE-CDP) is being implemented for holistic and integrated development of micro and small enterprises in clusters through Soft Interventions (such as diagnostic study, capacity building, market development, export promotion, skill development, technology upgradation, organizing workshops, seminars, training, study visits, exposure visits, etc.), Hard Interventions (setting up of Common Facility Centers) and Infrastructure Upgradation (create/upgrade infrastructural facilities in the new/existing industrial areas/ clusters of MSEs). The scheme is one of the most popular schemes among Industry associations. At number of location like Aurangabad, Ranchi etc. associations have already initiated to avail this scheme. Tuticorin showed keen interest to start working at 2-3 CFCs. SPV formation is reported as major challenge under the scheme. A cadre of professional may be supported under these schemes to help willing units to form a sustainable SPV with the support from soft interventions. At some locations tendency to monopolize the CFCs was also observed.

2. INTRODUCTION

2.1. BACKGROUND

Office of the Development Commissioner (MSME) provides a wide spectrum of services to the Micro, Small and Medium Industrial sector. These include facilities for testing, tool, training for entrepreneurship development, preparation of project and product profiles, technical and managerial consultancy, assistance for exports, pollution and energy audits etc. One of the important reasons for slow intake in the utilization of different schemes is the lack of knowledge about schemes and their likely benefits. The current knowledge dissemination system is limited to the website or to some extent limited sensitization programmes done by MSME (DI) field offices. Therefore, there is need to disseminate information on scheme in more integrated manner including the eligibility criteria, application format and steps to get application sanctioned by involving important industrial locations/ clusters.

2.2. OBJECTIVES

The key objectives of the current project are to:

- enhance awareness amongst enterprises regarding schemes and policies mainly under NMCP and Public Procurement Policies
- provide onsite assistance for accessing the support schemes and resolution of queries from potential applicants
- gather enterprise feedback regarding design and implementation of schemes and newly introduced online application system for some schemes
- develop institutional relationship between associations, MSME DIs and other implementing agencies
- enhance capacity of associations to carry out such intervention in future

2.3. METHODOLOGY

2.3.1. Pre-Event Activities

Pre- event activities consisted of visit to the location, initial sensitization of local stakeholders and firms for event participation and scheme needs. The pre-event activities were carried out with the following objectives:

a) Identification of local partners

In order to mobilize participants for the event and ensure maximum utilization of the event, local industry associations who were active, were mobilized first.

b) Identification of main industry sectors

In each cluster/location, discussions were carried out with local industry associations to identify the major industrial sectors, their weaknesses, schemes already availed and further requirements. The usefulness of

each scheme was analyzed for each sector to identify the most useful schemes for a particular sector. The event was thus planned in accordance with the needs of the cluster.

c) Planning and organization of workshop

The dates, venue and related arrangements were made in which the local partner associations provided support. The benefits of the workshop were communicated to the association members and the event was promoted through mailers, e-mails etc.

d) Event promotion

To promote the event, invitations through mail as well as email were sent out to association members, with an option of online registration (<http://www.indianclusters.org/workshop/>). The registration form was easy to fill out; giving participants the option of selecting the schemes they were interested in. Further, the participants interested in individual assistance were given the option of booking a slot with the experts during the post workshop scheme clinic. The local partners also assisted in the process of event promotion.

e) MSME Need analysis

The associations, being actively engaged in the development of MSMEs were aware of the active members seeking scheme support, as well as the general weak areas of the industries at large. In order to understand specific requirements and challenges faced by the MSMEs at the location, some industries were visited individually and detailed discussions were carried out highlighting the major weak areas which required external support. These weak areas were analyzed to identify the most suitable support available in the form of government schemes.

f) Creating Scheme awareness

Understanding the need of a particular unit enabled us to identify the most relevant schemes and support programs that may be availed by that unit. This was followed by discussion on eligibility criteria and required documentation for the specific schemes. Depending upon the preparedness of the unit to avail the scheme, required application forms as well as a document checklist was provided, so that they could come prepared to the scheme clinic with requisite documents.

g) Sensitization of local stakeholders for event participation and registration

The units were also made aware of the event taking place in the cluster and interested participants were registered.

2.3.2. Workshop

A full day workshop for interested firms/other stakeholders for different schemes were carried out at various locations. The workshop included detailed presentations and interactive discussion sessions. Each workshop covered the following aspects:

a) Orientation- An introduction to the event and how to best utilize it was given to the participants.

- b) **Overview of all schemes-** General Information about schemes and the objectives they fulfill was conversed.
- c) **Eligible Applicants-** A quick glance at whether one qualifies for making application to a particular scheme.
- d) **How to apply-** Steps outlining the application procedure of the schemes
- e) **Documents Checklist-** For interested participants, this provided a snapshot of the required documentation
- f) **Schemes in Demand-** Based on the specific requirements of the cluster, the most relevant schemes were discussed in detail by representatives from the respective expert agency/nodal agency. This resulted in a highly constructive exchange of ideas amongst the participants and speakers
- g) **Interactive Discussion-** The detailed presentation on schemes was followed by an interactive discussion round where the participants' questions were addressed by the panel.
- h) **Feedback-** General Feedback on the usefulness of the 'Schemes @ Clusters' workshop was collected from the participants. Feedback on Public Procurement Policy was also taken. The participants freely discussed their questions as well as concerns about the policy. In order to make the discussion productive, the participants were also asked to give their feedback by filling up a basic questionnaire provided in the "Schemes Kit", distributed to the participants.
- i) **Booking of slots for Scheme Clinic-** Time slots for one-to-one counseling through next two days were booked for interested participants.

Feedback

Feedback on schemes and support for MSMEs was collected in three ways:

- Interactive discussion and Q&A session
- Questionnaire (Attached in Annexure)
- Feedback form

2.3.3. Post Workshop Scheme Clinic

Two days were exclusively devoted to one-on-one sessions for interested MSMEs. These workshops shed light on various details and nuances of the schemes which were unclear to the participants. These were clarified and as a result the process of application was made easier and smoother for MSMEs.

2.3.4. Challenges Faced

The key challenges faced during the process of mobilization of the participants were:

- Limited availability/access to member databases of different BMOs
- MSMEs' reluctance to come forward to apply for the schemes due to perception of extensive documentation and complicated procedures in applying to government schemes
- Bad experiences in the past while availing schemes made the usefulness of schemes less convincing
- Scheme specific issues of MSMEs

- Complicated nature of scheme guidelines and unavailability of proper information in some aspects

3. WORKSHOPS “SCHEME@CLUSTERS”

3.1. Dehradun Schemes @ Clusters

3.1.1. Summary of the Event

Dates	26th – 28th Feb, 2013
Local Partner	Industries Association of Uttarakhand (IAU), Mohabewala Industrial Area, Dehradun
PRE-EVENT ACTIVITIES	
Main industry sectors	Auto General Engineering Rubber Components Packaging Plastic Textiles Pharmaceuticals
Areas requiring support	Design expertise in machinery Marketing Need of advanced machinery Credit support
DAY 1: WORKSHOP	
Venue	Hotel Softel Plaza, Dehradun
No. of Participants	62
Main Speakers	Mr. Pankaj Gupta, President, IAU Mr. Amit Kumar, GIZ Mr. Anil Goyal, State General Secretary IAU Ms. Kaushalya Bandhu, GM DIC Mr. Rajveer Singh, Apex Clusters Development Services Mr. Nitin Sinha, DGM, NSIC
DAY 2-3: POST WORKSHOP SCHEME CLINIC	
Venue	IAU Secretariat
No. of Participants	15
No. of Applications initiated	27

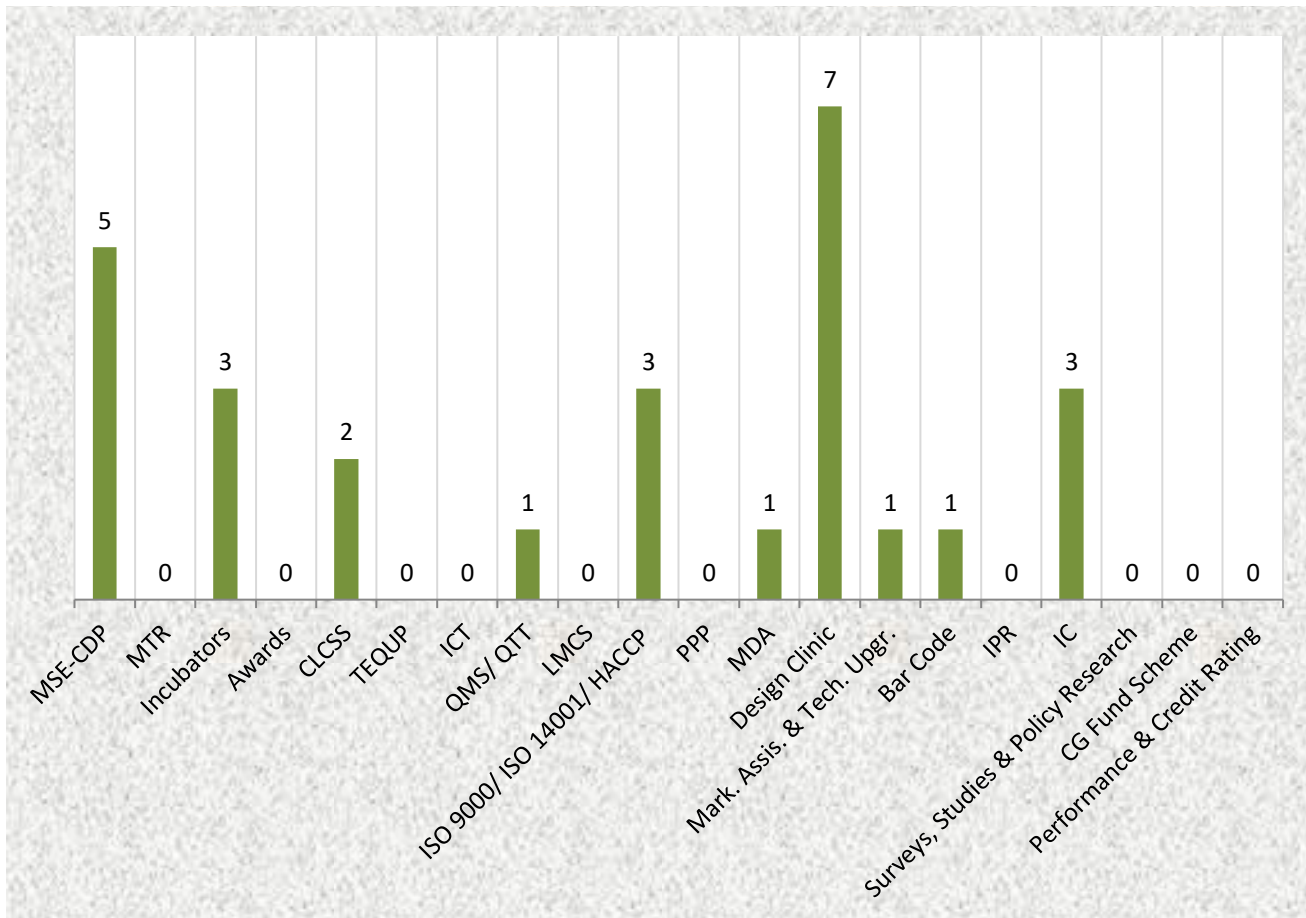
3.1.2. Participant Feedback

Feedback on Schemes
<ol style="list-style-type: none">1. MSE-CDP Scheme (CFC): Coordination between state and central government is a challenge– (for instance land by state government)2. Performance Credit Rating scheme was termed ‘useless’ by most MSEs. A few units stated that the rating process was faulty and does not address the issue of improving the credit rating of the company as most of the banks, do their own rating before sanctioning any kind of loan.3. Public Procurement Policy: The policy is voluntary and lesser known among PSUs. As a result most of the PSUs are not following the Public Procurement Policy. Also there is often no response from PSU when an MSME approaches them as a supplier. Issue of delayed payment by PSU was also raised by many MSMEs.4. Credit Link Capital Subsidy Scheme on Technology Up gradation and Credit Guarantee Fund Scheme (CGFS) - Banks were neither aware not very keen to give loan under CFGS. Generally there was a lukewarm response from banks.5. Scheme for International Cooperation: The feedback from the participants was that the scheme involved extensive documentation and benefit is limited as there is a rider for availing scheme benefit for the 2nd year. Secondly, the process of reimbursement is cumbersome. One suggestion was to simply provide the ticket instead of demanding so much documentation for reimbursing the travel bills
Challenges faced by applicants while availing schemes
<ol style="list-style-type: none">1. There are instances when minimum critical numbers of firms for cluster formation say under MSE-CDP or TEQUP are missing as some locations are not product specific and also units are scattered. Another question raised was whether NSIC eligibility can be incorporated in the public procurement? (tender cost, other benefits/criteria etc)2. One concern of was that if they get themselves registered under MSMED Act, they do not get corporate orders (Because in that case corporate need to make payment within 45 days)3. Lack of information on schemes and procedure for application was also a challenge, most of the units were not aware of the scheme which is most suitable for them.4. A lot of documentation and long time span (from application to reimbursement) was a discouraging factor for the entrepreneurs.5. Most of the units were having the impression that awards are mainly given to export firm and they have no chance for award as they are selling only locally
General discussions

1. IAU is coming up with 100 crore tool room, also tool room cum design centre in collaboration with BHEL
2. 5 members have already received national awards
3. Market Intelligence and SME Support centre is being run by IAU. The support has been agreed by SIDBI

3.1.3. Result

The below chart shows the scheme-wise breakup of the “Intention to Apply” filed for schemes at the post workshop Scheme Clinic.



Scheme-wise breakup of “Intention to Apply” of Scheme Clinic Participants

The most sought after and popular schemes in this cluster were:

- Design Clinic Scheme
- MSE-CDP (especially Hard Interventions for CFC)
- Scheme for Entrepreneurial and Managerial Development of SMEs through Incubators
- Scheme for International Cooperation

Further, the schemes where change were suggested:

- Credit Rating
- Public Procurement Policy
- MDA

3.2. Uppal: Schemes @ Clusters

3.2.1. Summary of the Event

Dates	3 rd – 5 th March, 2013
Local Partner	Uppal Industries Association (UIA)
PRE-EVENT ACTIVITIES	
Main industry sectors	General Engineering Plastic Packaging Ply wood Food processing, Textiles Pharmaceutical
Areas requiring support	Credit Support Marketing
DAY 1: WORKSHOP	
Venue	UPPAL INDUSTRIES ASSOCIATION , K-2, Plot No. 9, RPR-UPL-NH 202, IDA, Uppal, Hyderabad – 500039
No. of Participants	74
Main Speakers	Mr. M. M. Reddy, Immediate Past President, UIA Mr. Amit Kumar, GIZ Mr. A.V. Patel, G.M., Commissionerate of Industries, A.P. Mr. Rajveer Singh, Apex Cluster Development Services
DAY 2-3: POST WORKSHOP SCHEME CLINIC	
Venue	UIA Secretariat
No. of Participants	29
No. of Applications initiated	40

3.2.2. Feedback

The rigorous Interactive Q&A session led to discussion around the following points:

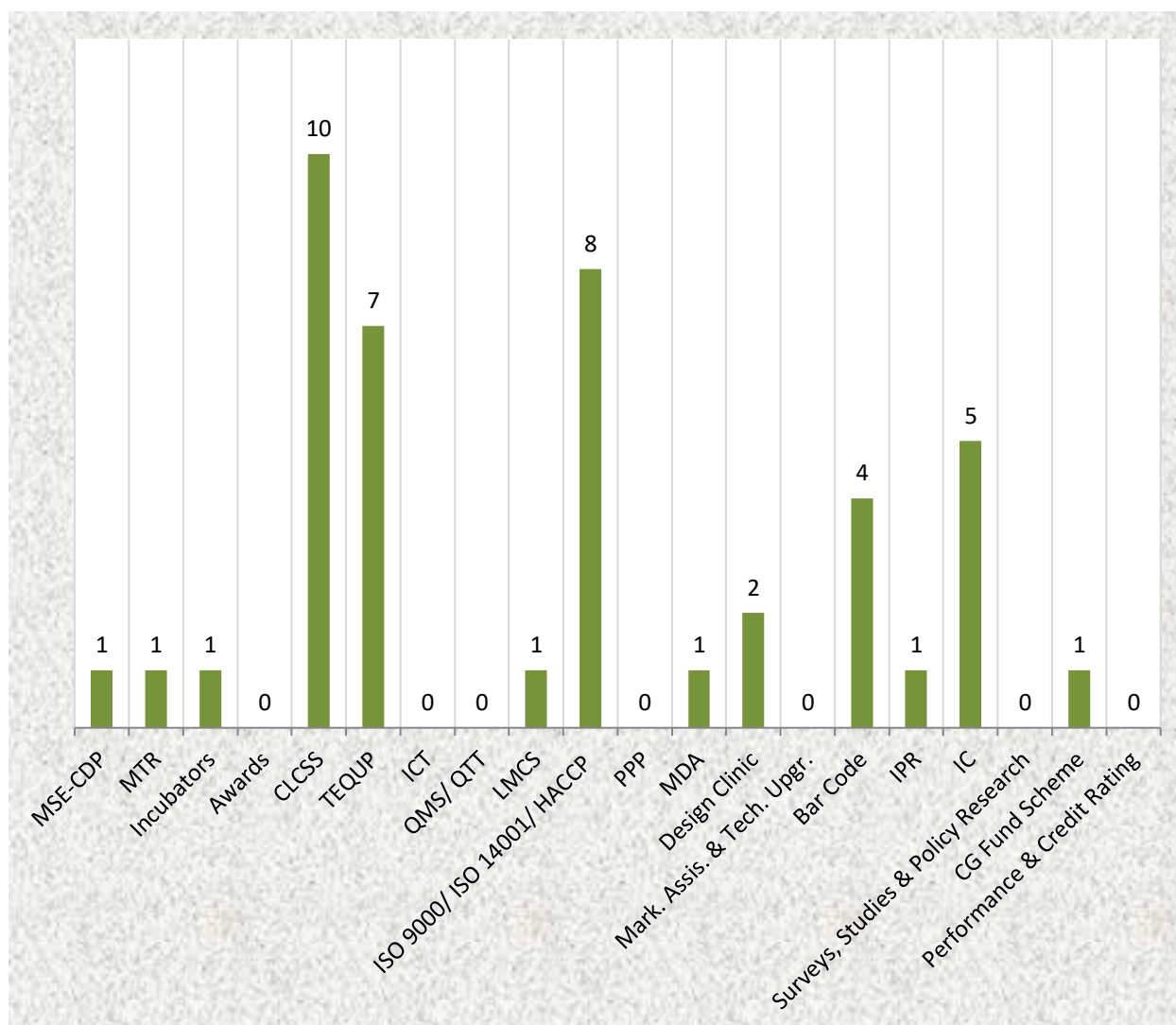
Feedback /Queries on the Schemes
<ol style="list-style-type: none">1. Can an ISO certification taken 2-3 years back be reimbursed now?<ol style="list-style-type: none">a. This was asked by one participant who have availed ISO certification in the past. He didn't apply for the reimbursement because he was not aware of the scheme. He was informed that unfortunately the rule permits applications to be submitted within one year only.2. CGF Scheme- Banks do not come forward and are not interested in giving funds.<ol style="list-style-type: none">a. Banks are a bit reluctant towards this scheme and are not cooperative. This issue was raised by many participants. MSMEs were forced to produce collateral to avoid procedural delays and other objections raised by the Banks.b. When asked to directly contact SIDBI rather than applying in other Banks, participants complained that local SIDBI office was not very proactive in providing the required support.3. Rating- The ratings and certifications for which reimbursement support is provided are not recognized internationally, particularly for the units manufacturing hi-tech products. It will be helpful if the government funds those certifications which are valued and recognised in the international market.4. ISO certification reimbursement takes very long in spite of its comparatively simple process.5. Similarly Patent registration also takes very long and sometimes the whole point is defeated.6. International Cooperation, Bar-Code, and domestic event participations were the most popular schemes.<ol style="list-style-type: none">a. The BMOs have been suggested to create a permanent set up to make maximum utilization of these schemes. Exclusive sessions were conducted for the BMO officials of CIA and UIA to make a target of sending one group every month for various marketing activities and events at international level.7. National Awards: Participant manufacturer perceived that the awards are given to big exporters only. Enterprises supplying to domestic markets are not given preference. However it was clarified that this may be because of superior quality of products by larger export oriented units.
Challenges faced by applicants while availing schemes
<ol style="list-style-type: none">1. If loans/subsidies have been availed for capital goods earlier, is a unit eligible to take loan under CLCSS/ CGFS? Was a frequent query raised by many participants2. CIA: A local BMO queried whether setting up a Convention Center is covered under CFC?

General discussions

1. Clarity was provided on requirement of EM No. in patent registration and its re-imbursement process

3.2.3. Result

The below chart shows the scheme-wise breakup of the “Intention to Apply” filed for schemes at the post workshop Scheme Clinic.



Scheme-wise breakup of “Intention to Apply” of Scheme Clinic Participants

The most sought after and popular schemes in this cluster were:

- CLCSS
- ISO
- TEQUP

Further, the schemes where a need for change was felt by participants were:

- Performance & Credit Rating
- Credit Support Schemes

3.3. Belgaum Schemes@Clusters

3.3.1. Summary of the Event

Dates	16 th – 18 th March, 2013
Local Partner	Belgaum Small Scale Industries Association (BSSIA) District Industries Center- Belgaum (DIC)
PRE-EVENT ACTIVITIES	
Main industry sectors	Foundry GE Textile Plastic (including packaging)
Areas requiring support	CLSSS, TQUP, CGFS
DAY 1: WORKSHOP	
Venue	Hotel Adarsha Palace, #3350/2B, College Road, Belgaum-590001
No. of Participants	102
Main Speakers	Mr. Basavaraj Javali , President BSSIA Mr. Shankar Kumar, GIZ Mr. Murali Kumar Vukanti, AGM, SIDBI Mr. A.B. Paraddi, Joint Director, DIC Mr. Rajveer Singh, Apex Clusters Development Services
DAY 2-3: POST WORKSHOP SCHEME CLINIC	
Venue	BSSIA Secretariat
No. of Participants	32
No. of Applications initiated	66

3.3.2. Feedback

The rigorous Interactive Q&A session led to discussion around the following points:

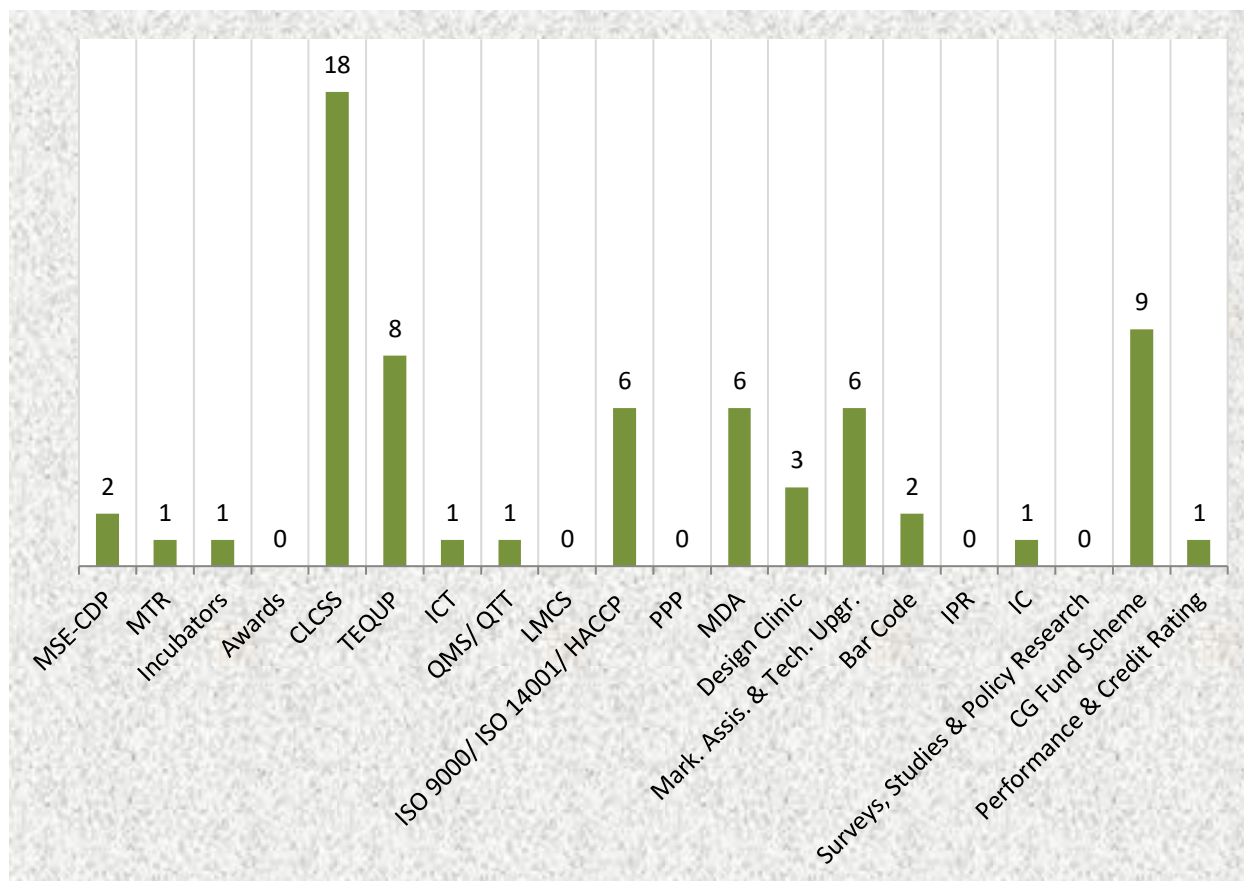
Feedback on Schemes

1. CLCSS: most useful and popular. However following issues were raised by the participant units:
 - a. MSME branches of more public sector banks are needed, as other branches lacked information on government schemes and SME product and hence they don't entertain. Also no specific reasons were cited by the banks for rejection etc.
 - b. Though SIDBI branch is quite supportive, It is located in Hubli which is about 110 Kms from Belgaum.
2. MDA has been availed by a few participants and were satisfied. They shared their experience and motivated others to come forward and utilize the scheme. BSSIA, the local industry association is willing to provide all support to members on availing benefits of the schemes. Requests were registered with the BMO from various participants.
 - a. There were queries on government support available for service enterprises
 - b. Separate session was convened for service sector enterprises on the next day. Participants had shown interest in availing CLCSS. BDSPs who participated expressed interest in providing support to their MSME clients on availing schemes which will in turn help them to get more business.
3. Few applicants brought forward their specific issues of incomplete/partial reimbursement etc. Therefore more active involvement from DI Chennai is required.
4. BSSIA and Honaga SSI Association (not very well formalized) showed interest in CFC.
 - a. Has been advised to form SPVs. Need further follow-up and visits.
5. Women entrepreneurs participated and were active and interested in availing schemes. EDP schemes have already been utilized for training and development purposes.
6. ISO certificate is not much value internationally (particularly for engineering goods). So not much use was seen. CE preferred.
 - a. Separate one to one sessions were conducted and the process and procedures were explained.
 - b. CGFS: Poor response from the banks was highlighted by participants. There is a need to create awareness for banks about the scheme and its utilisation.
7. CLCSS: Banks are not proactive to pass on the benefits of this scheme.
8. Similarly, reimbursement for Credit Rating fee of manufacturing units has not been very useful while

<p>approaching banks etc, as they have their own assessment processes.</p> <p>9. ICT infrastructure- Many participants showed interest, however scheme implementation details are still not available.</p> <p>10. Bar Code not very popular in among MSMEs due to the nature of product.</p> <p>11. International visits- participants showed interest to utilize the scheme</p> <p>12. Design Clinic: Most of the participants showed interest in the scheme. However there is absence clarity on how to use designer services, especially when designer is not empanelled.</p> <p>13. There is already a testing centre in BSSIA. No tool room facility in Belgaum.</p>
Challenges faced by applicants while availing schemes
<p>1. DIC more active than MSME-DI. Even to avail DI schemes, industries visit DIC. A more proactive approach from MSME-DI will help the participants</p> <p>2. Lack of awareness was a major issue. Mr. Basavraj (President, BSSIA): VDP (SME Expo) mentioned about the need of awareness program</p>
General discussions
<p>1. The participants were not very optimistic about availing schemes online. 80 % haven't visited DC-MSME website. Currently, there isn't much awareness about the benefits of ICT, so more such workshops will be very helpful.</p> <p>2. Most difficulty faced in availing: Design Clinic, CLCSS, CGFS</p> <p>3. Most popular: CLCSS, TEQUP, CGFS</p>

3.3.3. Result

The below chart shows the scheme-wise breakup of the “Intention to Apply” filed for schemes at the post workshop Scheme Clinic.



Scheme-wise breakup of “Intention to Apply” of Scheme Clinic Participants

The most sought after and popular schemes in this cluster were:

- CLCSS
- CGFS
- TEQUP
- ISO Certification

Further, the schemes where participants faced most difficulty in application were:

- Design Clinic
- CLCSS
- CGFS

3.4. Tuticorin Schemes @ Clusters

3.4.1. Summary of the Event

Dates	18 th – 20 th April, 2013
Local Partner	Thoothukudi District Tiny and Small Scale Industries Association (THUDITSSIA) District Industries Center- Belgaum (DIC)
PRE-EVENT ACTIVITIES	
Main industry sectors	Mineral based Food Products Textiles Rubber and Plastics Sterlite Copper Fertilizer
Areas requiring support	Technology Upgradation Marketing Support Credit link
DAY 1: WORKSHOP	
Venue	Hotel DSF Grand Plaza, 379, V.E. Road, Thoothukudi
No. of Participants	143
Main Speakers	Mr. P Chinnadurai – President THUDITSSIA Mr. M. Arun Rasith - Asst. Director, MSME-DI Mr. G. Gnanasehar – GM, DIC-Tuticorin Mr. Shankar Kumar, GIZ Mr. Rajveer Singh, Apex Clusters Development Services Mr. T. Kulasekaran – Manager, SIDBI
DAY 2-3: POST WORKSHOP SCHEME CLINIC	
Venue	THUDITSSIA Secretariat
No. of Participants	50
No. of Applications initiated	97

3.4.2. Media Coverage of the Event



Report in The Hindu on Schemes @ Cluster, Tuticorin



Schemes @ Clusters Workshop at Tuticorin

3.4.3. Feedback

The rigorous Interactive Q&A session led to discussion around the following points:

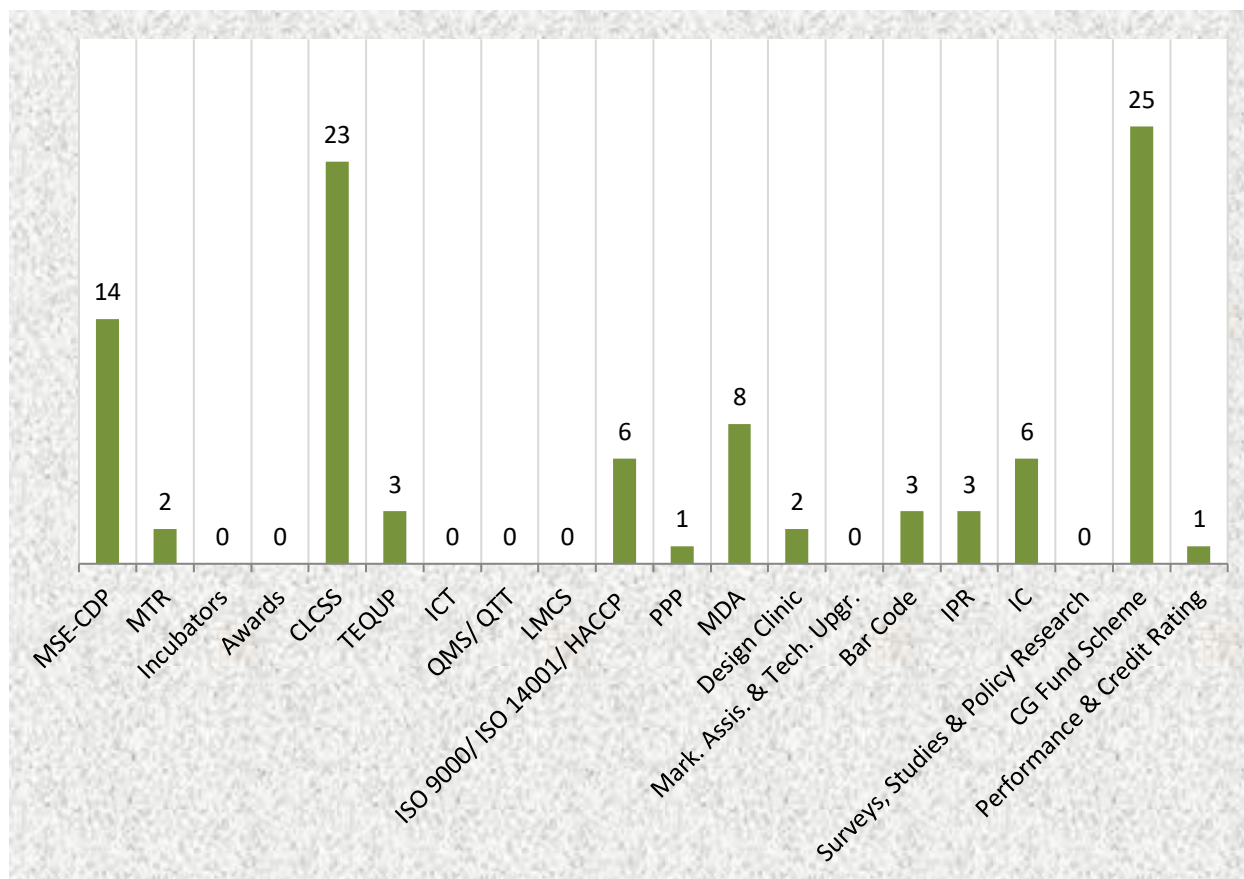
Feedback on Schemes

1. MDA & International Cooperation Scheme: Most of the participants were interested in these schemes as to improve their market reach and develop export opportunities. A sustainable system has been advised on the BMO platform for sending delegations regularly to different national as well as international fairs. THUDITSSIA will also take efforts in sending its members to various countries for better international exposure.
2. PPP: Participants showed keen interest, but need more clarity. The concept, purpose and the policy was explained in detail. The participants requested to ensure smooth and continuous information flow regarding this through the BMO in coordination with MSME-DI and DIC.
 - a. Requested for a follow-up clinic within a month or so along with THUDITSSIA.
3. CGTFS & CLCSS: Tuticorin lacked a supportive SME branch of any Nationalized Bank. Hence there have been a lot of difficulties faced by the MSEs in availing the benefits of credit linked schemes like CLCSS and CGFS.
 - b. Participants told that as a practice banks don't entertain CLCSS application, moreover no specific feedback is given for the rejection of an application etc. For the scheme utilization from SIDBI, the nearest branch is at Madurai which is about 110 Kms from Tuticorin.
4. ISO, Patent Registration & Bar Code: The participants were familiar with ISO certifications even though a very few had benefited from the scheme for reimbursement mainly due to lack of awareness. Many complained on the non-availability of an experienced consultant for providing required business development services in ISO certification in this area. There was request for an elaborate session on this topic later.
5. MSE CDP: CFCs for salt, chemical processing and engineering clusters have been suggested by different industry associations. Two SPVs have been informally agreed on 3rd day of the program. Need of a professional consultant has been requested to assist the MSMEs to utilize the benefit of this scheme as early as possible.

6. Incubators: Few participants have shown interest in availing the scheme. They were advised to approach nearby institutions/regional nodal agencies for implementation of this scheme.
Challenges faced by applicants while availing schemes
<ol style="list-style-type: none"> 1. MSME-DI is quite active and the support from Mr. Arun Rasith - Asst. Director, MSME-DI has been highly appreciated by THUDITSSIA. 2. Lack of proper information flow among the MSMEs has been sighted as a major issue as only 3 units among the 120 plus participants knew about at least one or two schemes. It was felt that there is a need for a proper mechanism to ensure information flow on internet or on through a newsletter of the local association 3. Participants faced difficulty in availing: Design Clinic, CLCSS and CGFS.
General discussions
<ol style="list-style-type: none"> 1. The participants were not very optimistic about availing schemes online. 80 % haven't visited DC-MSME website. Currently, there isn't much awareness about the benefits of ICT, so more such workshops will be very helpful. 2. Most popular: CLCSS, TEQUP, CGFS

3.4.4. Result

The below chart shows the scheme-wise breakup of the “Intention to Apply” filed for schemes at the post workshop Scheme Clinic.



Scheme-wise breakup of “Intention to Apply” of Scheme Clinic Participants

The most sought after and popular schemes in this cluster were:

- CGFS
- CLCSS
- MSE-CDP

3.5. Bhopal Schemes @ Clusters

3.5.1. Summary of the Event

Dates	7 th – 8 th May, 2013
Local Partner	Madhya Pradesh Association of Women Entrepreneurs (MAWE)
PRE-EVENT ACTIVITIES	
Main industry sectors	Gems & Jewellery Readymade Garments Chemicals and Allied Products Herbal and Ayurvedic Products Agriculture and Food Processing Handicrafts Beauty Culture
Areas requiring support	Marketing Credit Technology Upgradation
DAY 1: WORKSHOP	
Venue	Hotel The Residency, 208, Zone-I, Maharana Pratap Nagar, Bhopal
No. of Participants	39
Main Speakers	Ms Archana Bhatnagar, President, MAWE Dr D.S. Mandloi, Director, MSME-DI, Indore Mr. Shankar Kumar, GIZ Mr. Rajveer Singh, Apex Clusters Development Services Mr. G. P. Malviya, Jt Director, Zonal Industries Office, Bhopal Mr. Jatinder Agarwal, Branch Manager, SIDBI, Bhopal
DAY 2-3: POST WORKSHOP SCHEME CLINIC	
Venue	Hotel The Residency, 208, Zone-I, Maharana Pratap Nagar, Bhopal
No. of Participants	19
No. of Applications initiated	32

3.5.2. Feedback

The rigorous Interactive Q&A session led to discussion around the following points:

Feedback on Schemes

1. MSE-CDP: Majority of the participants were not aware of this scheme and hence couldn't apply for it. MAWE has taken the responsibility of leading and coordinating the efforts for a CFC for food processing industry.
2. Design Clinic: Few came forward to avail the benefit of this scheme.
3. MDA: MAWE Members have been utilizing this scheme well and has been popular among their members. MAWE promised that coordinated efforts will be taken forward to help the MSEs of Bhopal. The current year's list has been requested for sending delegations for various listed fairs.
4. International Cooperation: Popular scheme among MAWE members. The support from DIC has been appreciated on this regard. Non-MAWE members were advised to come forward to utilize this scheme to find export opportunities for their products.
5. CGF scheme: Banks were not supportive in providing assistance to MSMEs through this scheme. Many participants were not aware of this scheme and opined that it could be very useful for their expansion plans.
6. CLCSS, TEQUP: Few have utilized this scheme for purchase of new machines. However there were complaints on banks not supporting the entrepreneurs properly and has been a huge time lag for getting the applications processed.
7. ISO/HACCP Certifications: Not much awareness among the participants. Participants were interested in the scheme. DIC official were present for one to one discussions and many applications were mobilized mainly from food processing units.
8. Bar Code: Good demand bar code has been observed. Support on packaging technologies and bar-coding have been sought. Specific one to one sessions were taken for this along with the manager from DIC.

Challenges faced by applicants while availing schemes

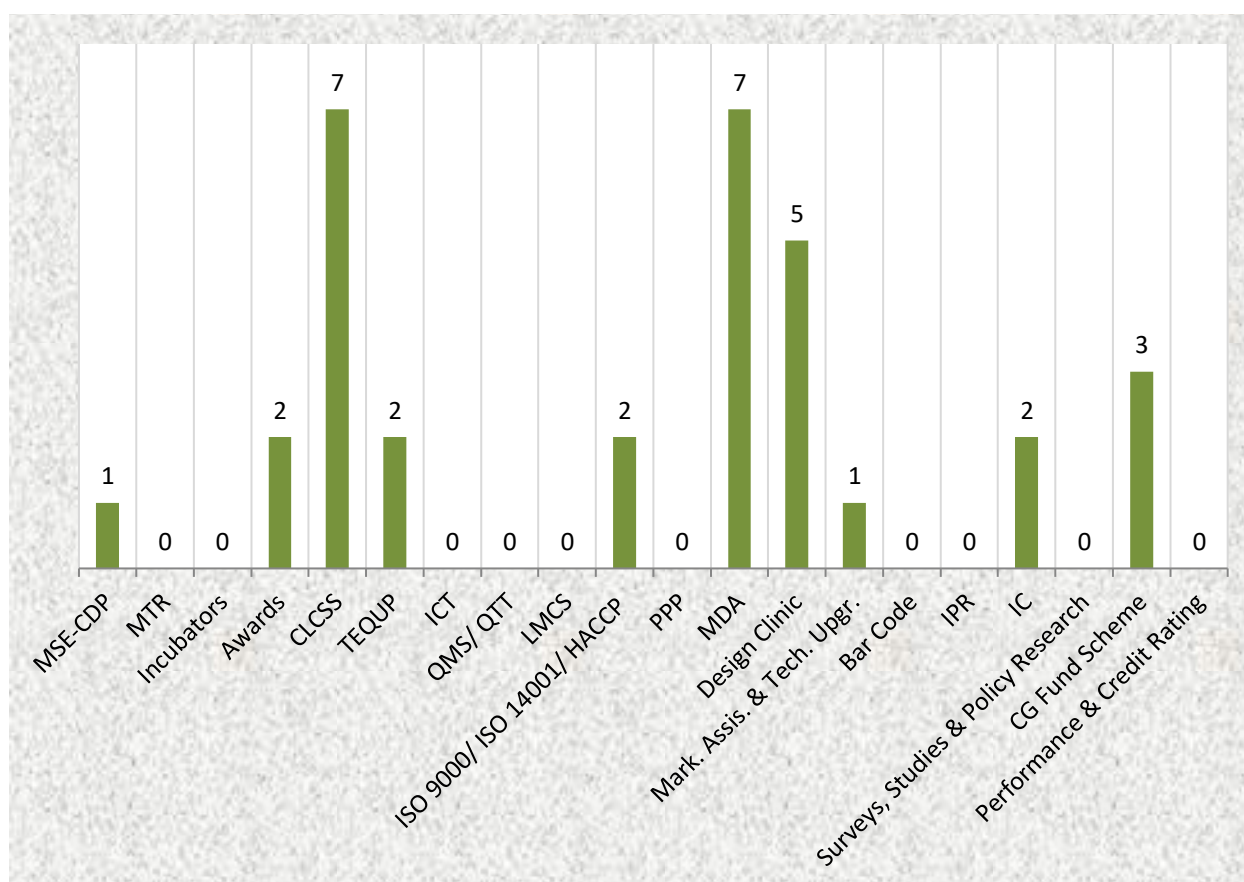
1. The up-to-date information on various schemes was not reaching the entrepreneurs in a timely manner. Hence a permanent secretariat has been suggested to work closely with DIC and strengthen the information flow among MAWE members.
2. There was less awareness among the participants on various schemes and hence they couldn't avail the benefits to a greater extent.
3. State government has been providing 25% subsidy on credit linked investments on plant and machinery as compared with CLCSS and hence a clarity sought about which one to apply and where to etc.
4. Most difficulty faced in availing: CLCSS, CGFS

General discussions

1. MAWE (based in Jabalpur) has been very proactive in availing various schemes as they were well supported by the state departments. The services provided from Mr. G.P. Malviya-Joint Director Industries have provided a major role in promoting the Jabalpur based BMO. Hence a Bhopal chapter of MAWE has been suggested and formed to provide a coordinated effort in bringing in the benefits of various schemes to the entrepreneurs of Bhopal too.
2. Most popular: MDA, Bar Code, International Exposure, ISO

3.5.3. Result

The below chart shows the scheme-wise breakup of the “Intention to Apply” filed for schemes at the post workshop Scheme Clinic.



Scheme-wise breakup of “Intention to Apply” of Scheme Clinic Participants

The most sought after and popular schemes in this cluster were:

- CLCSS
- MDA
- Design Clinic Scheme

3.6. Aurangabad Schemes @ Clusters

3.6.1. Summary of the Event

Dates	27 th – 28 th May, 2013
Local Partner	Marathwada Association of Small Scale Industries & Agriculture (MASSIA)
PRE-EVENT ACTIVITIES	
Main industry sectors	Auto Components CNC Lathe Job Work Machine Components Hydraulic Hose Automat Rallies CNC Power Chocks Engineering Goods Steel Products Manufacturer Engineering
Areas requiring support	Credit link Technology upgradation
DAY 1: WORKSHOP	
Venue	P-15, M.I.D.C. Area, Waluj, Aurangabad - 431 136
No. of Participants	145
Main Speakers	Mr. Sunil P. Bhosale – President, MASSIA Mr. T.R. Sharma – Deputy Director, MSME-DI Mr. Shailesh Rajput – GM, DIC Mr. Shankar Kumar, GIZ Mr. Rajveer Singh, Apex Clusters Development Services Mr. R Meena-Manager, SIDBI, Aurangabad
DAY 2-3: POST WORKSHOP SCHEME CLINIC	
Venue	MASSIA, P-15, M.I.D.C. Area, Waluj, Aurangabad - 431 136
No. of Participants	26
No. of Applications initiated	101

3.6.2. Media Coverage of the Event

'Performance of medium & small industries impressive'

TNN | May 28, 2013, 04.06 AM IST

AURANGABAD: A three-day workshop, organized by the Marathwada Association of [Small Scale Industries](#) and Agriculture (MASSIA) in association with Apex Cluster Development Services, New Delhi and Apex Auto Cluster started on Monday. The sensitisation workshop, entitled 'Government Schemes @ Clusters' and is being held at the MASSIA conference hall in Waluj.

The workshop focuses on how to avail benefits from government schemes for micro, small and medium enterprises (MSME). T R Sharma, the deputy director of MSME District Industries said, "The performance of small and medium enterprises (SME) in India is impressive and comes next to China."

Sharma said that SMEs are currently facing problems regarding technology, credit, market and information especially for micro and small-scale units. He added that the government of India passed the MSME Development Act in 2006 to address various problems related to the MSME sector. "The government has a consultative body for policy related intervention," he added. Sharma also gave an overview of the various schemes by the Ministry of MSME.

Rajveer Singh, managing director of Apex Cluster Development explained the various MSME government schemes and opportunities. He also said that associations should develop a common research centre at the cluster level which will be helpful for the MSEs development, technology upgradation and also boost manufacturing quality.

Singh said that China is aggressively replacing India as an original equipment manufacturer (OEM) as Chinese products are gaining popularity in Indian markets. This tendency should be avoided as India's [GDP](#) ratio has declined from 25% to 16% with respect to the MSE sector.

S B Meena from the Small Industries Development Bank of India (SIDBI) assured that they will help the MSE sector to get benefits extended by Government of India.

MASSIA president, Sunil Bhosale welcomed the dignitaries and members present at the workshop. He said that MASSIA will arrange more such events for the benefit of its members.

Report in Times of India on Schemes @ Cluster, Aurangabad

3.6.3. Feedback

The rigorous Interactive Q&A session led to discussion around the following points:

Feedback on Schemes

1. MDA was the most popular scheme among the MASSIA members. A number of them had already been benefited from the scheme. Participants were keen to utilize the international cooperation scheme as it suited their requirement.
2. ISO/HACCP Certification reimbursement: Very few have utilized this scheme. Even though many knew about the scheme, they couldn't apply as they were unaware of the procedures. Also a consultant in this regard was also not available or known.
3. CGTFS: MSMEs rarely approached SIDBI directly for this scheme. Cases were shared during the session regarding how banks denied providing funds under CGTFS sighting their past experience on the scheme. Participants complained that the objective of the scheme remains only on paper as it is like impossible to avail funds under this scheme.
4. CLCSS, TEQUP: Many complained on the lack of awareness among the bank official regarding this scheme. A case was discussed where a participant was denied on the subsidy due to a communication lapse between the SME branch of a lead bank and SIDBI.
5. MSE-CDP: Many participants came forward to utilize this scheme. CDP was suggested for electronics and engineering clusters. They requested availability of support from a professional consultant to assist in preparations of applications and reports to utilize the scheme.
6. Design Clinic Scheme: Many participants especially from engineering industry have shown interest in this scheme as well as *Patent Registration*. They have asked for a trained personal in the BMO to support them by providing timely consultation for availing the benefit of such schemes in time.

Challenges faced by applicants while availing schemes

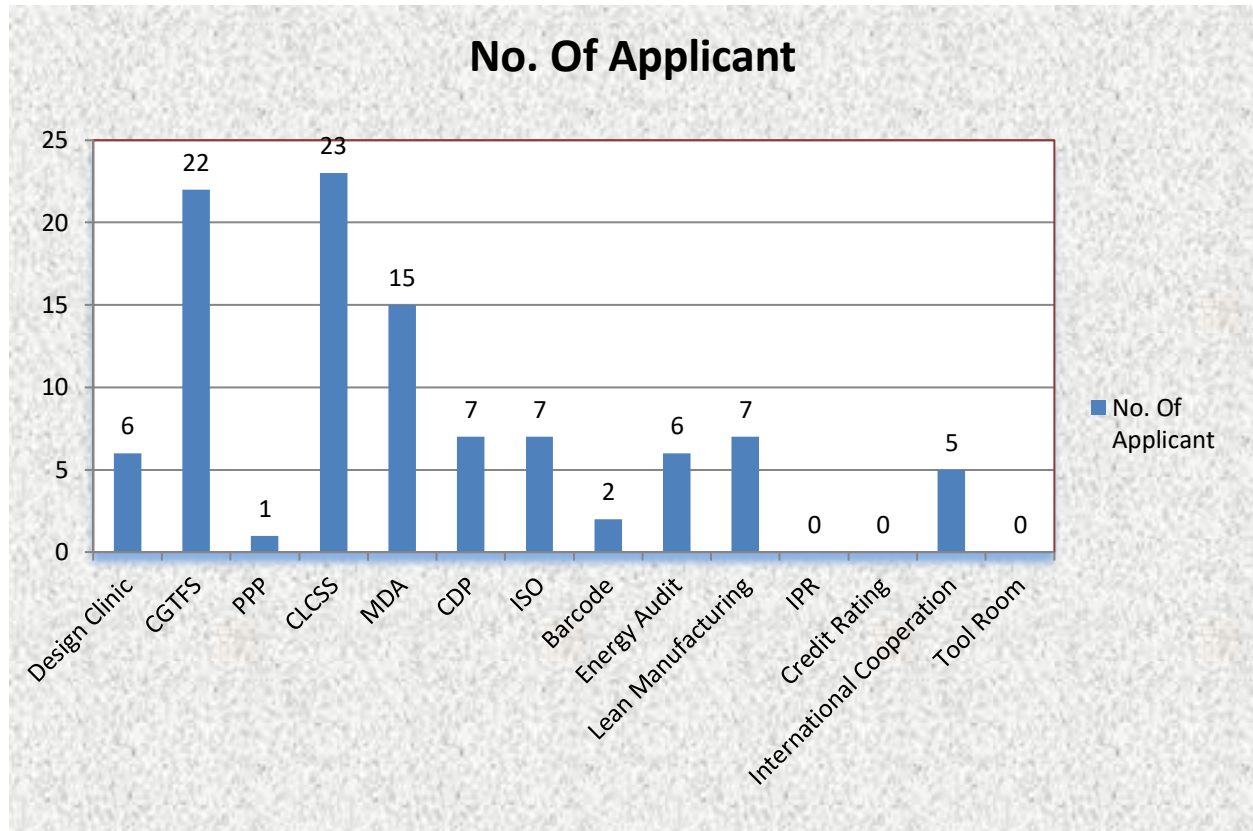
1. Participants complained about lack of proper information flow through the grass root level. Few demanded that a system has to be created to ensure the reach of such schemes to deserving MSEs.
2. Few participants complained on the time taken for processing of applications as the time lag was adding to their opportunity cost.
3. Most difficulty faced in availing: Design Clinic, CLCSS, CGTFS.

General discussions

1. Participants suggested regular training programs and appraisal system for the officials who are meant to support the MSMEs in availing the schemes. Most popular: CLCSS, TEQUP, CGTFS

3.6.4. Result

The below chart shows the scheme-wise breakup of the “Intention to Apply” filed for schemes at the post workshop Scheme Clinic.



Scheme-wise breakup of “Intention to Apply” of Scheme Clinic Participants

The most sought after and popular schemes in this cluster were:

- CLCSS
- MDA
- CGFS

3.7. Ranchi: Schemes @ Clusters

3.7.1. Summary of the Event

Dates	28-29 th June, 2013
Local Partner	Jharkhand Small Industries Association
PRE-EVENT ACTIVITIES	
Main industry sectors	Fabrication, General Engineering Refractory Chemicals Agri & Food Processing Mines based
Areas requiring support	Credit Marketing Quality
DAY 1: WORKSHOP	
Venue	Jharkhand Small Industries Association, Udyog Bhavan, Kokar Industrial Area, Ranchi
No. of Participants	90
Main Speakers	Mr. Arun Kumar Khemka, President, JSIA Mr. Mahadeo Lakra , MSME-DI Mr. Shankar kumar, GIZ Mr. Rajveer Singh, Apex Clusters Development Services Mr. Raj Kumar, SIDBI, Ranchi
DAY 2-3: POST WORKSHOP SCHEME CLINIC	
Venue	Jharkhand Small Industries Association, Udyog Bhavan, Kokar Industrial Area, Ranchi
No. of Participants	31
No. of Applications initiated	63

3.7.2. Media Coverage of the Event



Report in Dainik Jagran, Prabhat Khabar, Dainik Bhaskar and Hindustan on Schemes @ Cluster, Ranchi

3.7.3. Feedback

The rigorous Interactive Q&A session led to discussion around the following points:

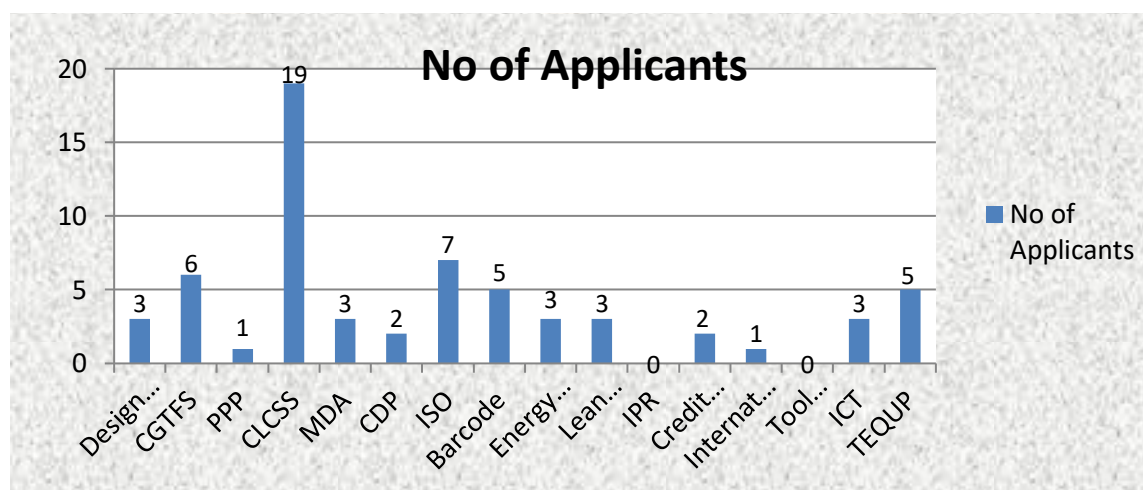
Feedback on Schemes

1. Large number of participants showed interest in the schemes. The schemes in which the participants were particularly interested include Credit Linked Capital Subsidy Scheme

(CLCSS), Marketing Development Assistance (MDA) , ISO certification and incubation
Challenges faced by applicants while availing schemes
<ol style="list-style-type: none"> 1. Many units are registered as SSI of the units , however they are not registered as EM-II , which is a mandatory requirement for availing many of the government schemes 2. Moreover the units are not clear about the need and process of EM filling. 3. The industry mainly comprise of the units which are not very much inclined towards ISO certification or lean manufacturing or participating into trade fairs 4. Response of MSMEs was very slow on scheme application.
General discussions
<ol style="list-style-type: none"> 1. Participants suggested that there should be awareness about the schemes and its outreach way for availing the schemes. 2. Most popular: CLCSS, ISO, CGTFS

3.7.4. Result

The below chart shows the scheme-wise breakup of the “Intention to Apply” filed for schemes at the post workshop Scheme Clinic.



Scheme-wise breakup of “Intention to Apply” of Scheme Clinic Participants

The most sought after and popular schemes in this cluster were:

- CLCSS
- ISO Certification
- CGFS

Report On

**Awareness Workshop cum Support Clinics
on Public Support Schemes**

(Cherlapally, Mehsana, Kanur, Gulberga, Hyderabad, Naroda, Mysore and Patna)



Submitted to

SEQUA gGMBH

Germany

Submitted by

Apex Cluster Development Services

New Delhi

Table of Contents

1. Introduction	3
1.1 Common workshop results	5
2. Workshops: “Schemes@Clusters”	6
2.1 Hyderabad, Cherlapally	6
2.2 Mehsana	8
2.3 Kannur	11
2.4 Gulbarga.....	14
2.5 Hyderabad.....	16
2.6 Naroda, Ahmedabad	18
2.7 Mysore.....	19
2.8 Patna.....	22
3. Summary and Conclusions:.....	25
4. Location Wise Data Analysis	27
4.1 Cherlapally, Hyderabad	27
Summary of Scheme Clinic at Mehsana, 15 th -16 th Sept, 2013.....	28
Annexure-I Workshops in Progress.....	38
Workshops in Progress, Cherlapally.....	38
Workshops in Progress Mehsana.....	39
Workshops in Progress, Kannur	40
Workshops in Progress, Gulbarga.....	41
Workshops in Progress, Hyderabad	42
Workshops in Progress, Mysore	43
Workshops in Progress, Patna	44

1. Introduction

Under the SEQUA-gGMBH supported project “**Capacity Building of BMOs**”, ACDS has organized countrywide awareness cum facilitation workshops on government schemes for MSMEs in association with local BMOs. 8 such workshops have been organised at the following locations:

S. No.	Name of the location	Workshop held on	BMO Partner
1.	Cherlapally	10-11, September 2013	Cherlapally Industries Association
2.	Mehsana	15-16, September 2013	Mehsana Industries Owners Association
3.	Kannur	20-21, September 2013	North Malabar Chamber of Commerce
4.	Gulbarga	24-25, September 2013	Gulbarga Industrial Estate Manufacturers' Association
5.	Hyderabad	5, October 2013	Confederation of Women Entrepreneurs
6.	Ahmedabad	21-22, October 2013	Naroda Industries Association
7.	Mysore	27 November, 2013	Mysore Industries Association
8.	Patna	20 December, 2013	Bihar Industries Association

Workshop facilitation: In these workshops, along with BMOs team and ACDS experts, officials from MSME-DI, SIDBI, DIC and State Industries Department were the key facilitators. Each workshop covered the key schemes for MSMEs and provided details like all schemes relevant to MSMEs, eligible applicants, how to apply, documents checklist etc.

Programme structure: The structure of the programme was very participatory and dynamic. The first day/morning session was kept for sensitization program and the second day/evening session of the workshop was exclusively devoted to one-on-one sessions for interested MSMEs according to the time slot booked by them on the first day/morning session. So that even those entrepreneur who were not able to attend the sensitization programme, participated in the one-to-one session to discuss their specific issues and decide a course of action for availing the benefit of the schemes. In the one-to-one session,

entrepreneur discussed their requirement, challenges and ideas very enthusiastically and freely.

Responses from participants through ON & OFF site interaction

‘Intentions to Apply’ for various government schemes were taken through a registration form after the sensitization workshop. Feedback on schemes and support for MSMEs was collected in three ways:

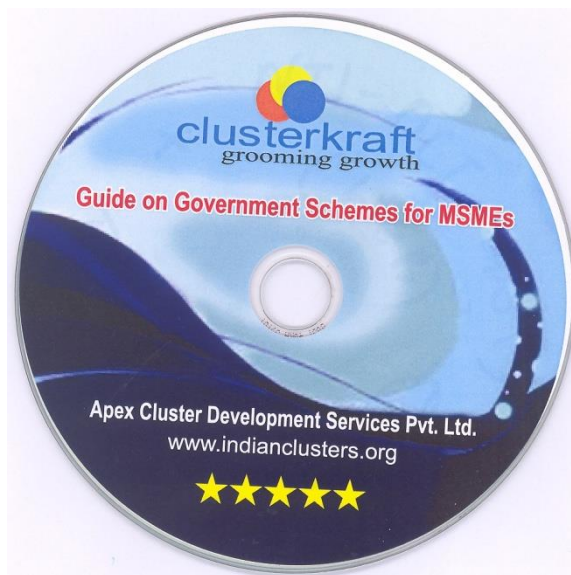
- Interactive Q&A session and discussion
- Feedback form

Even off-site support to MSEs in resolving queries and support in applying schemes have been provided by ACDS to interested entrepreneurs at these locations. Moreover continuous feedback was taken from the participants through, phone, email etc. Both entrepreneurs and BMOs came back with the challenges faced by them when they actually starting moving towards making the application or they approach the concerned authorities including financial institutions.

Resource CD on Government Schemes for MSMEs

During the first workshop at Cherlapally, it was felt that MSMEs needed some resources to refer back after the workshop, while actually proceeding for making the application. So an exercise was done to compile, analyze and develop an **“Info CD on Government Schemes for MSMEs”**. In this CD all DC-MSME implemented schemes were presented in an easy to understand format. The CD also contained along with complete scheme document, information on eligibility conditions, documents required to apply and information on whom to apply and where to apply etc.

The scheme CD was distributed to all participants along with the workshop kit. The BMOs also find the Info CD quite handy to guide the entrepreneur as and when they approach BMO to seek further information.

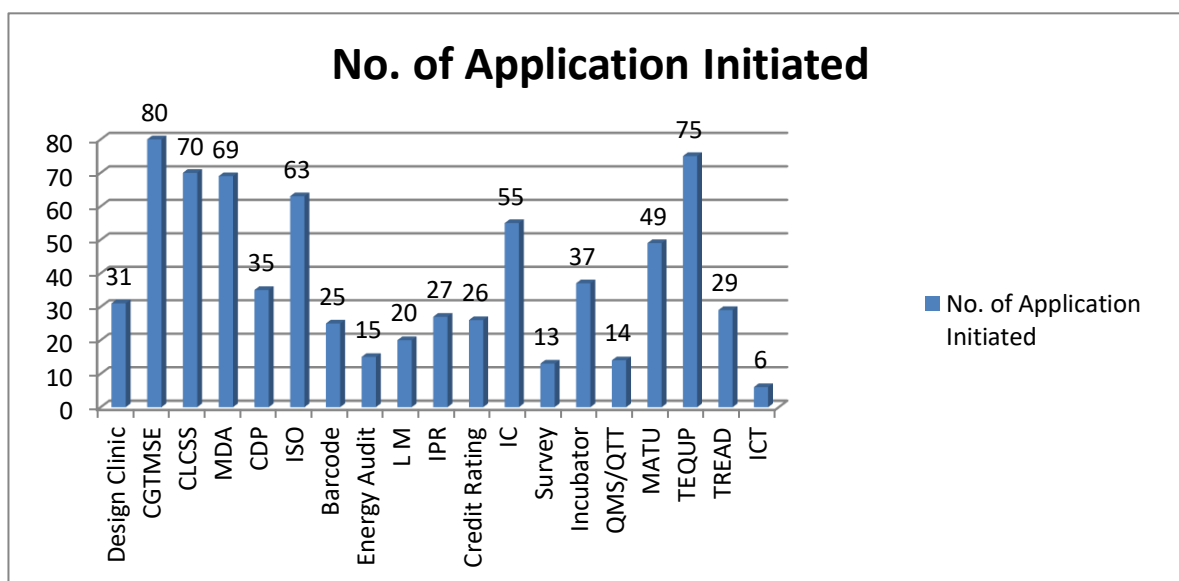


1.1 Common workshop results

A total of eight workshops were organized with eight BMOs at seven locations. MSE-CDP and International Cooperation scheme were the most preferred and sought after schemes of the BMOs. We found that most of the BMOs were interested to start programme in one or more clusters under MSE-CDP scheme. Similarly, the BMOs have also initiated efforts to avail the IC scheme for international exposure of their respective industry members. Some of the BMOs were also found keen to avail the Survey scheme and scheme for conducting pilot projects.

Participants with application initiated

In eight workshops, there were 521 participants in total. Total 743 new applications were intended from these MSMEs. 195 MSMEs participated in one-to-one discussions and an average of 24 MSMEs was facilitated at each locations. At few locations the BMOs were unable to mobilise enough number of participants for the workshop. However, with our various efforts we were able to increase the number of facilitated cases at Cherlapally and Mysore. Scheme-wise distribution of applications is as given below;



Most preferred schemes

It is visible from the above given chart that Credit Guarantee Fund Scheme, TEQUP, CLCSS, MDA and ISO certification schemes were the most commonly sought after schemes among MSMEs. International Co-operation, Marketing Assistance for Technology Upgradation and Scheme for Incubation were also among the popular schemes.

Preferred scheme along grievances

Collateral free credit support, Credit Linked Capital Subsidy Scheme, TEQUP, ISO certification and Market Development Assistance Scheme are in heavy demand among MSMEs at all for locations. Some places like Gulbarga, lacked a supportive MSME branch of any Nationalized Bank. Hence, there have been many difficulties faced by the MSMEs in availing the benefits of credit-linked schemes. MSMEs also raised the issue of long time taken for processing of loan applications by the banks.

2. Workshops: “Schemes@Clusters”

2.1 Hyderabad, Cherlapally

Event Highlights

The scheme facilitation workshop at Cherlapally was held on 10th to 11th September 2013. The local BMO partner here was Cherlapally Industries Association and the event was organized in their conference hall. In the workshop, the BMO officials, the team of ACDS and officials from MSME-DI, SIDBI and DIC jointly worked and facilitated the workshop. The profile of the BMOs, their areas of interest and follow up with them and their members are given below.



Cherlapally Industries Association Hyderabad, Andhra Pradesh

Cherlapally Industries Association popularly Known as CIA, is located in Hyderabad. The association was formed in the year 1997, but became fully active in 2002. CIA, an Organization registered under the Society's Act of Andhra Pradesh, It is involved in facilitation of various activities for the development of its Members. Over a period of time, the association has become one of the most Outspoken and effective associations in the southern region.

Membership base and profile:

CIA members consists of rich and diverse mix of industries which includes manufacturing products and services in the areas of engineering, plastics, machinery, agriculture, packing material, borewell equipment, forgings, electronics, electrical, pharma etc. There are more

than 700 members in the association. The association is also committed towards Corporate Social Responsibilities like clean and green environs of the Estate.

BMO's Interest Areas:

The BMO has shown interest in availing three schemes viz MSE-CDP, International Cooperation and scheme for surveys and seminars. The BMO is particularly interested in MSE-CDP scheme of Government of India.

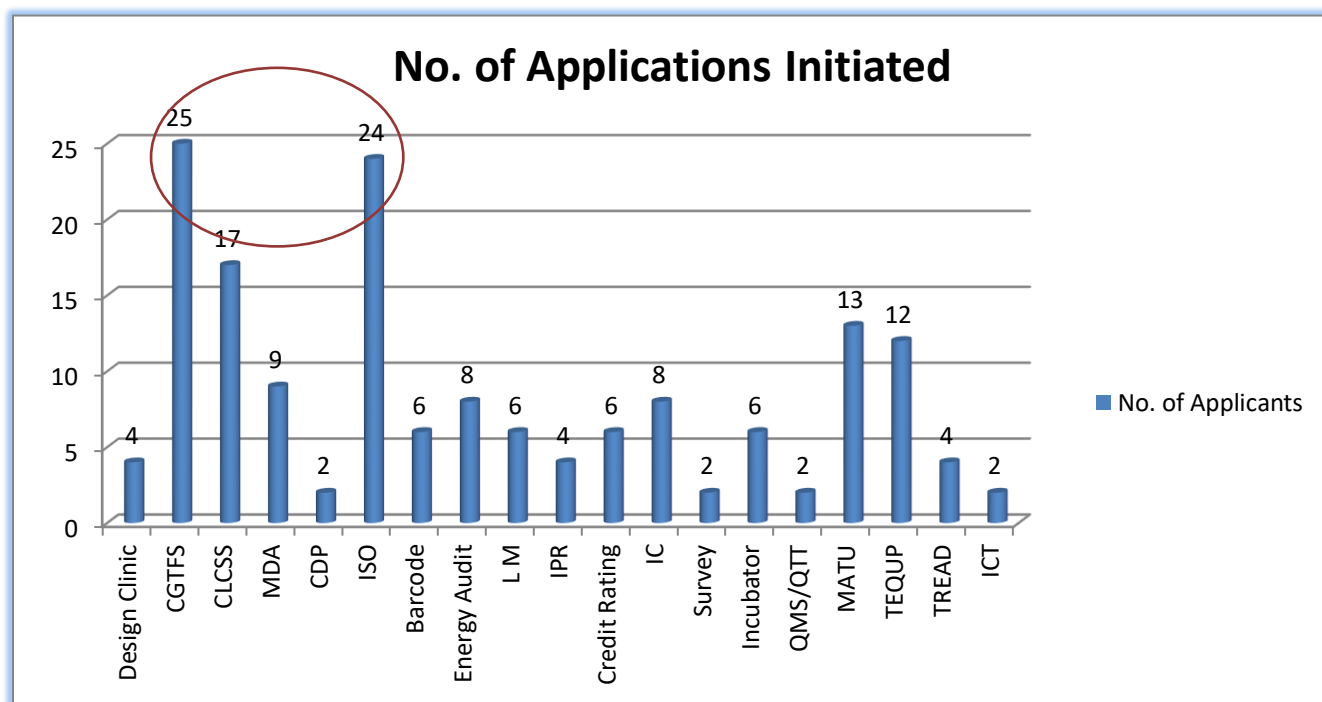
The BMO also showed interest in identification of 3 other clusters in the areas of Textile, Forging and Plastic & Chemicals in nearby areas of Cherlapally.

Follow up with the BMO

- During the follow up the BMO told that a DPR is being prepared by a technical agency for a convention centre.
- During the next follow up with Mr. G. Ravi, CIA office bearer and member of project committee told that CIA is discussing with the representatives of different Industrial Estates and formal meeting are planned to initiate the process of getting ready for MSE-CDP.
- Initially on 17th September, as desired by CIA, a gist of the schemes, where CIA can apply was sent through email.
- The association told that the final selection of scheme where CIA will apply will be decided in next meeting of the Governing Council.
- The association also enquired about any support available for the updation and maintenance of their web site.
- During the follow up as on 3rd October, official told that the meeting to decide next course of action has not taken place.
- The next follow with the BMO was done on 22nd October. In the follow up the BMO expressed interest on availing IC scheme for their members to participate in Trade Fair-Metalex 2013 in Bangkok, which was supposed to be held on 20th – 23rd November 2013. They requested for the guidelines and support regarding the scheme and its application formalities. The soft copy of the guidelines was sent by mail on 23rd October along with details of the concerned local MSME-DI official.

Participants and their preferred schemes

There were 85 participants during the awareness programme and 40 joined one-to-one session for facilitation on schemes. On the basis of interactive discussion and registration data from the MSMEs, Collateral Free Credit, Credit Linked Capital Subsidy Schemes and Scheme for ISO Certification, emerged as most popular schemes among MSMEs. Following chart represents MSMEs interest in different schemes:



As per the feedback received from the BMO, International co-operation and MSE-CDP were two important schemes from the BMO's point of view.

Follow up with the participants and their feedback

From the post workshop follow up with the participant MSMEs, it is concluded that some of the MSMEs have already approached the concerned organisation like MSME-DI ,banks and other financial institutions for schemes like CLCSS, CGFS, and Design support scheme etc. Some other MSMEs have also expressed their interest in certain schemes, but have not initiated any process. A small number of participants could not be contacted.

2.2 Mehsana

Event Highlights

Mehsana workshop was conducted on 15th and 16th September, 2013 at Community Centre, GIDC Estate Phase-1, in Mehsana. Mehsana Industry Owners Association (MIOA) was the local BMO partner for the event. The event had speakers from DIC, SIDBI, MSME-DI and experts from ACDS and SEQUA, who combinely facilitated the workshop.



Mehsana Industries Owners Association
Mehsana, Gujarat

Mehsana Industries Owners Association (MIOA) is situated in Gujarat Industrial Development Corporation (GIDC) Estate –phase 1 of Mehsana city of Gujarat. MIOA has its members mainly from industry like engineering, pharma, plastic and road construction. The association is actively involved in various development activities of the member units. They conduct various awareness workshops mainly on design and technology in association with National Institute of Design situated in Ahmedabad.

BMO's Interest Area:

Though the BMO has shown interest on availing three schemes viz MSE-CDP, International Cooperation and scheme for research studies and surveys, the BMO is particularly interested in the Scheme for International Cooperation (IC).

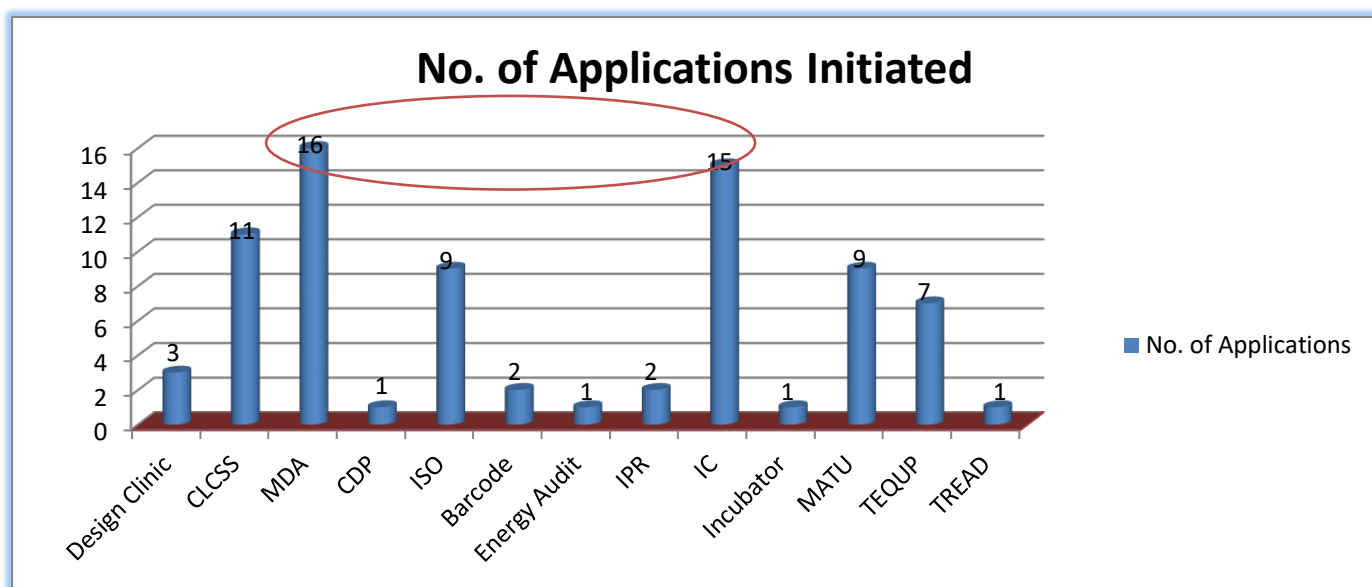
Follow up with BMO:

- Continuously in touch with Mr. Chirag Bhai Patel of MIOA. The BMO is interested in applying under Scheme for International Cooperation and requested for Calendar of the event (International Trade Fairs) approved by DC-MSME for the year 2013-14.
- The calendar of event was sent through email on 25th September.
- In the next follow up call the association officials told that the association has yet to decide which fair to participate as most of the fairs are product specific and requires application to be submitted 2-3 months ahead of the fair.
- They also enquired about the time taken by FISME to dispatch hardware under Scheme for Knowledge Network, which was provided to them.
- In the next follow up call the BMO told that most probably they will be attending IIHF at Cologene, Germany from 9-12th March 2014.

In the last follow up with the BMO, one of its officials Mr. Vinod Malik stated that they are interested in setting up a Road Equipment Manufacturing Cluster in Mehsana and looking for an appropriate Consultant to do the Diagnostic Study Report.

Participants and their choice of schemes

26 units participated in the one-on-one discussion and 78 new applications were initiated by the entrepreneurs on various MSMEs related schemes. Scheme wise break-up of applications is given below



From above chart, it is clear that MDA, International Co-operation and Credit Linked Capital Subsidy Scheme emerged as the most popular schemes in Mehsana.

Issues and grievances form MSMEs

Entrepreneurs prominently raised the issue that schemes like CLCSS and CGTFS are very time consuming due to the lengthy application processing time by the banks. Some MSMEs wanted to know that, how many times they can avail CLCSS scheme in their business. In another scheme on ISO certification, participant MSMEs told that the reimbursement amount is very less as compared to the actual expenses made by the units in acquiring the ISO certification. In case of public procurement policy, entrepreneurs told that, the scheme is good on papers but it is not very practical in its implementation. There is no SIDBI branch in Mehsana town and hence entrepreneurs have to approach Ahmedabad branch.

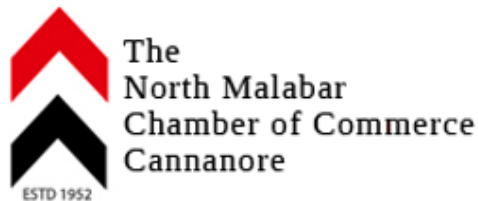
Follow up with participants

Few firms in Mehsana have reconfirmed their interest and are looking forward to apply for the scheme. Some firms have already moved ahead and few firms have visited NID for design support, and some other have started paper work for taking loan under CLCSS.

2.3 Kannur

Event Highlight

Kannur workshop was conducted on 20th and 21st September, 2013 at NMCC conference hall at their head office. The local BMO partner here was North Malabar Chamber of Commerce, which has its members mainly from the Engineering, Cotton Textile, Agro, Food Processing and Wood based furniture industries.



**North Malabar Chamber of Commerce
Kannur, Kerala**

The North Malabar Chamber of Commerce, Kannur was founded in 1952, by a group of nine prominent traders and industrialist for protecting and promoting the interests of the business community. Today the association has 60 glorious years of devoted services to the business community to its credit. ISO 9001:2008 certified the association has today. The association has more than 700 distinguished members.

Over the years, the Chamber has evolved and redefined its role from espousing the causes of traders and industrialists to becoming a prime mover for transforming the North Malabar region through developmental initiatives become the backbone of trade, commerce and industry in North Malabar. The Chamber's relentless focus on removing the backwardness of this region has culminated in many projects which have either been commissioned or are in different stages of completion. The Kannur International Airport, Azhikkal Port, Textile Centre at Nadukani, Inland Container Depot, NIFT Centre, GI Registration for Cannanore Home

Furnishing Products are some of these. The Chamber is also actively involves in various activities of CSRs.

BMO's Interest Area:

The BMO is mainly in MSE-CDP scheme and has identified three clusters in the areas of Textile, Forging and Plastic & Chemicals in nearby areas of Kannur.

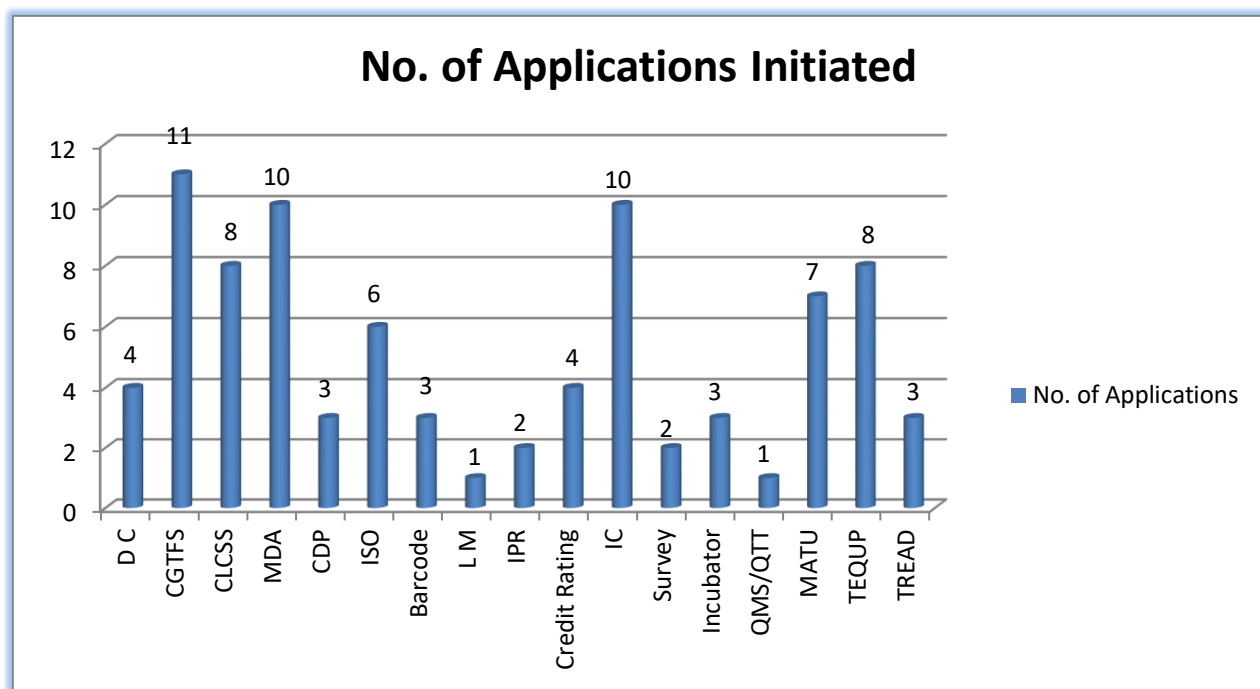
Follow up with BMO:

- During follow up the BMO, NMCC told that it has already applied for support for 2-3 clusters in and around Kannur. The BMO is interested in applying for two more clusters in the areas of Engineering and Food Processing
- In the next follow up they told that NMCC-BIC committee is finalizing on the schemes to apply.
- President Mr. Narayanan told that Chamber plan to emerge as one stop resource for the industry members who are interested to apply for different government schemes.
- During the follow up on 3rd October the President of the association referred to Mr. Praveen who told that as two furniture cluster are running very smoothly and people are quite enthusiastic about taking more cluster.

The last follow up was done on 23rd December; the BMO secretary Mr. Deepak said that they are in the process of setting up a Plywood and General Engineering cluster. Already they have organized 2 meetings with plywood SMEs and have organized a series of meetings to set up an SPV for the Plywood Cluster and the process for General Engineering cluster is also going on. Once the SPV is formed they intend to apply for support under MSE-CDP scheme of Government of India for a CFC.

Participants and preferred schemes

A total of 31 MSMEs participated in the sensitization session of the workshop and 19 of them turned up for the one to one interaction session and 86 applications were initiated. In total 89 applications on different schemes have been initiated during the workshop. Among 86 applications, CGTFS was ranked highest. Apart from CGTFS, MDA and International Co-operation were two other most sought after schemes among Kannur MSMEs. The chart below shows the schemes status of Kannur.



Participant feedback

It was figured out that MSMEs particularly lack awareness in some schemes like Design Clinic Scheme, Scheme for ISO Certification and Bar Code. In some other schemes like CGTFS, there is lack of handholding support and proactive approach on part of financial institutions.

Challenges to MSMEs in Kannur

The unavailability of SIDBI and MSME- DI office in Kannur is a key challenge for applicants for availing schemes. For MSMEs of Kannur nearest branch of SIDBI and MSME-DI is in Cochin and Trissur respectively. Even though SME branches of other banks are available but lack of knowledge and co-ordination among other bank officials on credit schemes is a major concern for MSMEs of Kannur.

Follow up with participants

In Kannur also the feedback received from the participants, was quiet encouraging and some of them have moved to the second step of availing the scheme. Some units who attended the workshop further raised the query regarding practical problems faced by them. Entrepreneurs found Info CD very helpful for them for reference while planning to apply for the schemes.

2.4 Gulbarga

Event Highlight

Gulbarga mainly has Agro based, Cement, Chemical and mineral based industries. The local BMO partner of this event was Gulbarga Industrial Estate manufacturers Association. The event was organized in two days, 24th and 25th September, 2013. In the first day the sensitization session was held and in the second day the one to one interaction was held.



Gulbarga Industrial Estate Manufacturers Association, Gulbarga, Karnataka

Situated in the Gulbarga District of Karnataka, Gulbarga Industrial estate Manufacturers Association is actively involved in the developmental activities of its members. The main industries types associated with the association are agro, cement, chemical and mineral based industries.

BMO's Interest Area: The BMO is more interested in MSE-CDP and training related schemes

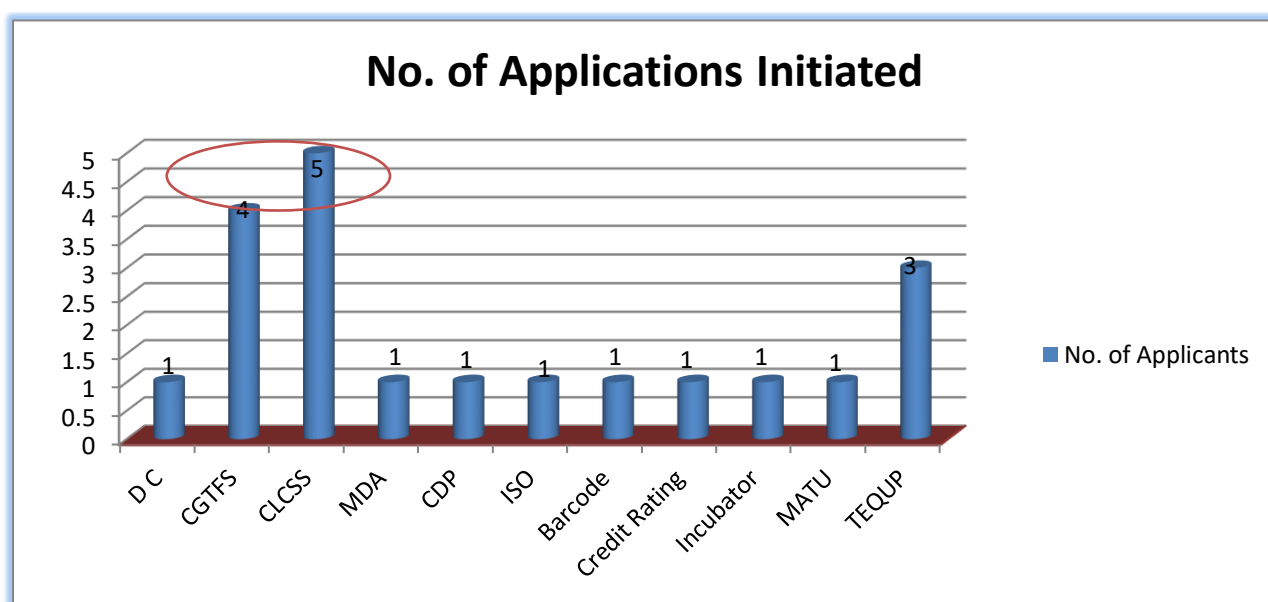
Follow up with BMO:

- During follow up, Gulbarga Industrial Estate Manufacturers Association enquired about a training centre under MSE-CDP during post workshop follow up.
- The association is also interested in taking up three clusters in Textile, Information Technology and Stone Polishing under MSE-CDP. Two clusters are already running in Gulbarga and nearby areas.
- During the feedback, the association told they are mainly interested in the training related scheme of DC-MSME like ESDP, MDP, and EDP etc. particularly for the women entrepreneurs as this is their mandate.
- Process for the formation of SPV has already been initiated for two clusters.
- During the last follow up, the association is finding it quite challenging to motivate and bring the entrepreneur to common platform. Once a consortia or common platform is created they will move to make application for Diagnostic Study Report and other activities under MSE-CDP.

The next follow up was done on 23rd December 2013, in which the BMO official Mr. Suresh G Nandyal said about the new Textile Park, export Textile Park and Automobile clusters coming up in Gulbarga. In this follow up session also, he commented about the evitable attitude of the state level officers.

Participants and preferred schemes

On first day of workshop there were 45 MSMEs participants. On the second day 13 MSMEs turned for the one to one interaction and 20 new applications have been initiated for different schemes. Credit Linked Capital Subsidy Scheme was most sought after scheme among MSMEs of Gulbarga. Following chart shows scheme-wise distribution of applications.



The chart shows CLCSS, CGTFS and TEQUP are the most sought out schemes among MSMEs.

Issues and grievances raised by participants

SIDBI is located in Hubli, which is 350 KM away from Gulbarga. Other banks do not proactively entertain MSMEs on credit schemes. Bankers even do not specify the reason of rejection of application. For other schemes like CDP, Bar Code, ISO, MDA and Patent Registration, MSMEs asked for local consulting support to improvise the scheme utilization.

Follow up with MSME participants

In Gulbarga also, the feedback received from the participants was quite encouraging. 3 to 4 firms have highlighted the hindrances while they approached banks and other institutions for the schemes. They have responded that the scheme guide CD has proved really informative

and helpful and they soon plan to approach the concerned organisation for making up the applications.

2.5 Hyderabad

Event Highlight

Hyderabad workshop was organised with Confederation of Women Entrepreneurs (COWE). The event was organized on 5th October 2013 at the Katriya Hotel. The workshop had two sessions; pre-lunch sensitization session and post lunch one to one interaction session. Dignitaries and officials from Dept. of Industries of the state government, DIC, MSME-DI and SIDBI were the speakers besides representatives from SEQUA and ACDS.



**Confederation of Women Entrepreneurs
Hyderabad, Andhra Pradesh**

The Confederation of Women Entrepreneurs (COWE) is a NGO/social organization engaged in the social and economic "upliftment of women through entrepreneurship" Cowe was inaugurated on 22 December 2004 by Honourable Chief Minister of Andhra Pradesh, Shri Y.S.Rajasekhara Reddy . From 20 members on the date of commencement, today COWE has more than 500 members in the fields of food processing, information technology, parma, printing packaging, manufacturing, retailing, textiles etc. Over the years COWE has emerged as a well organized and established organization working towards liberating women by making them financially independent and vibrant. COWE has in a short span, achieved recognition with Government, Bankers and Industrial Associations & Bodies.

BMO's Interest Areas: The BMO is interested to avail the MSE-CDP scheme.

Follow Up with BMO:

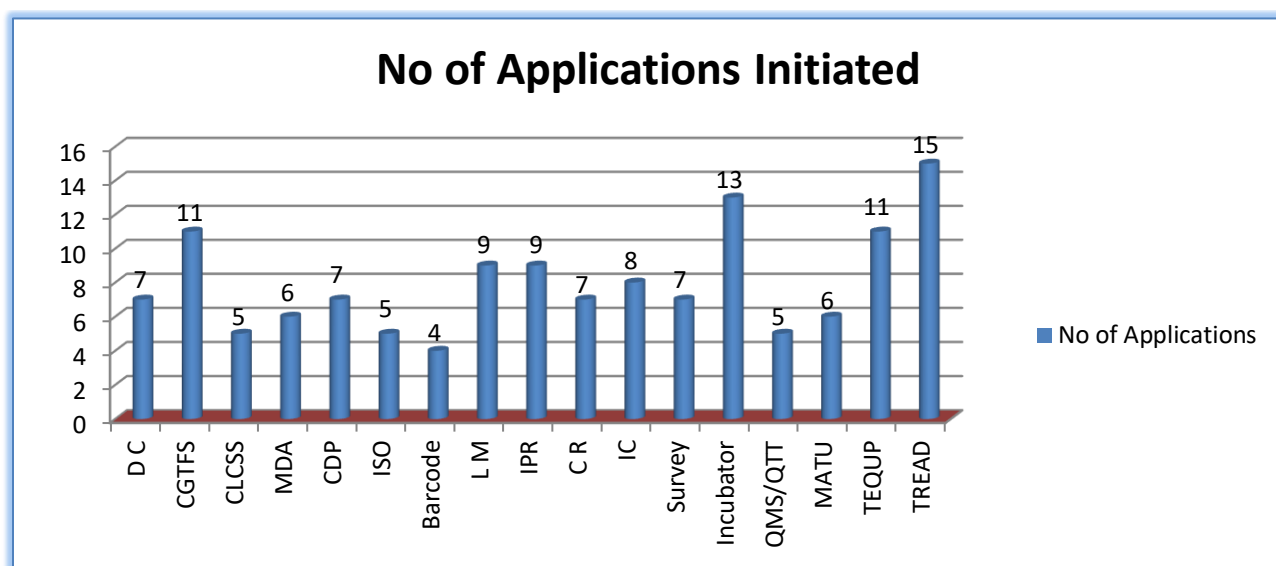
- In the post workshop follow up the NBM0 expressed interest in developing clusters in the areas of food processing, printing, packaging etc. and are looking for a suitable consultant to get the DSR and DPR done for setting up the cluster and associated CFC with the MSE-CDP scheme.

- In the next follow up, the BMO office bearer told that they are trying to mobilize people for forming an SPV for applying for a CFC.

In the last follow up, BMO member told that they moved further one to two clusters and looking for some local consultant to conduct a diagnostic study for these clusters.

Participants and preferred schemes

In the sensitization session, there were 88 MSMEs participants. In the post lunch sensitization session 27 MSMEs participants turned up and 135 new applications have been initiated for different schemes. TREAD Scheme was most sought among MSMEs of Hyderabad. Following chart shows scheme-wise distribution of applications:



The chart shows TREAD, Scheme for Incubation, CGTFS and TEQUP were the most sought after schemes among MSMEs members of COWE.

Follow up with MSME participants

The feedback from Hyderabad was good with participants looking forward to avail schemes at the earliest. They asked for help and scheme related support in both individual (CLCSS, ISO etc.) and group schemes (MSE-CDP; IC etc.). Some participants approached banks to avail collateral free credit scheme and some are in the process of initiating or starting the formalities related to CLCSS and ISO reimbursement. Here also, the participants commented about the info CD and its advantage to get information on schemes.

2.6 Naroda, Ahmedabad

Event Highlights

Naroda industrial estate developed by GIDC is an important industrial estate in Gujarat. The local BMO partner for the workshop on government schemes was Naroda Industries Association (NIA), which is a prominent industry association having a very good membership base of about 700 members. The workshop was organized in two days, 21st and 22nd October 2013, with sensitization session and one to one interaction session respectively. The speakers included officials from MSME-DI, DIC, SIDBI, etc. along with representative of SEQUA and experts from ACDS.



**Naroda Industries Association,
Naroda, Gujarat**

Naroda Industries Association (NIA) was incorporated during the year 1968, developed by GIDC is an important industrial estate in Gujarat, NIA provides a wide range of community and support services to its 700 members. The Association, since its inception, has continued to play a pivotal role in addressing the needs of its Members. Its members are from various sectors including chemicals, textiles, ceramics, general engineering and foundry. About 60% of the units are related to dyes and chemicals. The association is very proactive and has many activities under its ambit.

BMO's Interest Area: the BMO has shown interest to avail International Cooperation Scheme and MSE-CDP scheme.

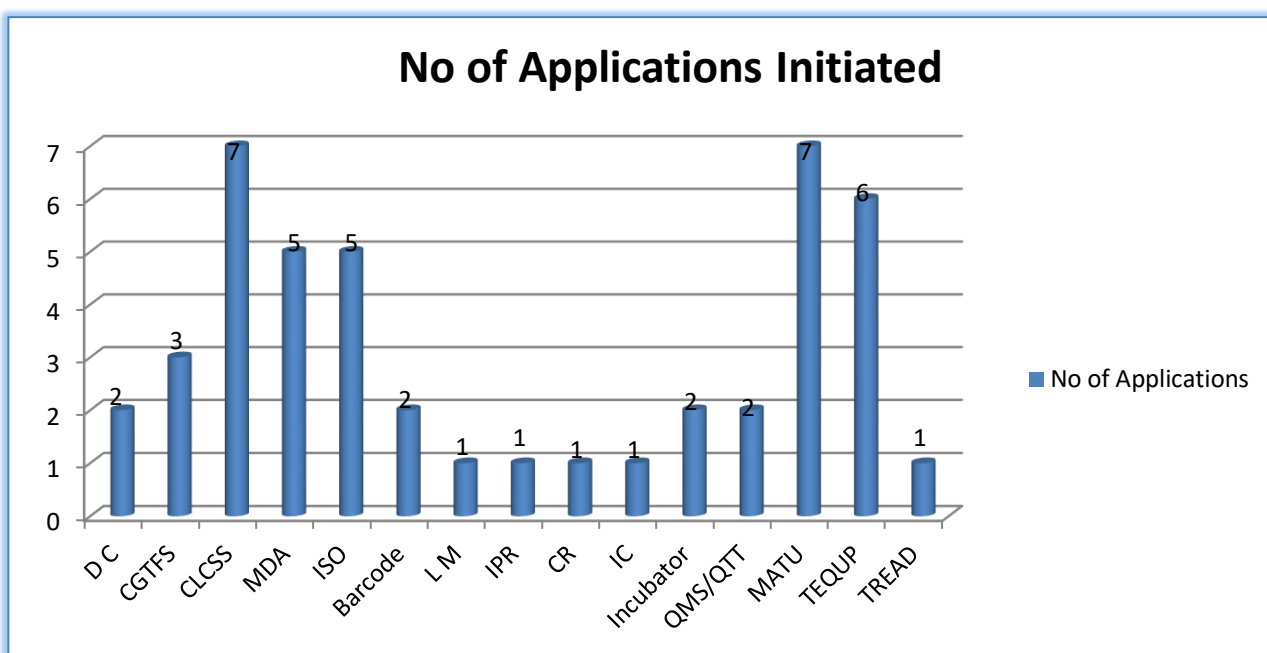
Follow Up with BMO:

- During the follow up, Ms. Telma Varghese (BMO official) stated that they already have two clusters; Ceramic and Chemical cluster.
- The BMO expressed interest in developing an Engineering Cluster and made queries regarding this. All required information was provided.
- The BMO is working on quality accreditation, for which they applied to QCI and NABET and road infrastructure development in the industrial area.

In the last follow up on 20th December 2013, Ms. Telma Varghese stated that the BMO is focusing on road infrastructure project alone, thus the setting up of the Engineering cluster is put on hold for some time till the issues related to the road project is settled.

Participants during workshop and preferred schemes

On first day of workshop, during the sensitisation session, there were 47 MSMEs participants. 46 new applications were initiated by the participant entrepreneurs for different schemes. CLCSS Scheme was most sought among MSMEs of Hyderabad. Following chart shows scheme-wise distribution of applications:



The chart shows CLCSS, MATU and TEQUP is most sought schemes among MSMEs.

Follow up with MSMEs participants

In the follow up with the participants in Naroda, one of the participants stated that cost is the prime issue for them, in their competitiveness and growth. Thus most of them prefer to avail financial schemes like CLCSS, collateral free credit guarantee and schemes related to reimbursements etc. They expressed that the info CD provided was informative and helpful and are initiating efforts to avail schemes with the help of the info CD.

2.7 Mysore

Event Highlight

The workshop at Mysore was organized in the Hotel Quorum on 27th November, 2013. The local BMO partner here was Mysore Industries Association, which is a prominent association with members from varied industrial sector. The Workshop had two session; pre-lunch sensitization workshop and post lunch support clinic. In the sensitization session 123 MSMEs participants turned up and in the session it was understood that only a few of them have availed schemes.

Key speakers and their support to MSMEs

Dignitaries and officials from parliament and state government departments were the speakers. Mr. H Vishwanath, MP from Mysore was the Guest of Honor; he offered all possible support to the industries in Mysore. He commented that the government is committed to industries and do have schemes for their empowerment, but the enterprises need to come forward to avail benefit of the schemes. Mr. Jamkhandi, Director of MSME-DI, Bangalore boosted the confidence of Mysore MSMEs. He invited MSMEs by saying if they make use of the schemes they have the potential to compete internationally with global standards. He offered all support and help to MSMEs. Dr. S.T. Ramachandra, DGM, Canara Bank, Mysore offered the banks round the clock support to the MSMEs and also commented on the low interest rate loans that banks is offering to the MSMEs and Women Enterprises. Dignitaries from Dept. of Industries and KCTU also extended their support to MSMEs besides members from SEQUA and ACDS in the workshop.



**Mysore Industries Association,
Mysore, Karnataka**

Mysore is a small city, in which a number of units of diversified sectors like food processing, printing, packaging, engineering, auto etc. operate. The Mysore Industries Association (MIA), has a total of 500 industry members from all the sectors mentioned above. The association is very proactive and concerned about the prosperity and empowerment of its members.

BMO's Areas of Interest: The BMO has shown interest in MSE-CDP and International Corporation schemes for its members to participate in an international trade fair. The BMO is keen to make optimum use of the MSE-CDP schemes for the existing (printing, auto,

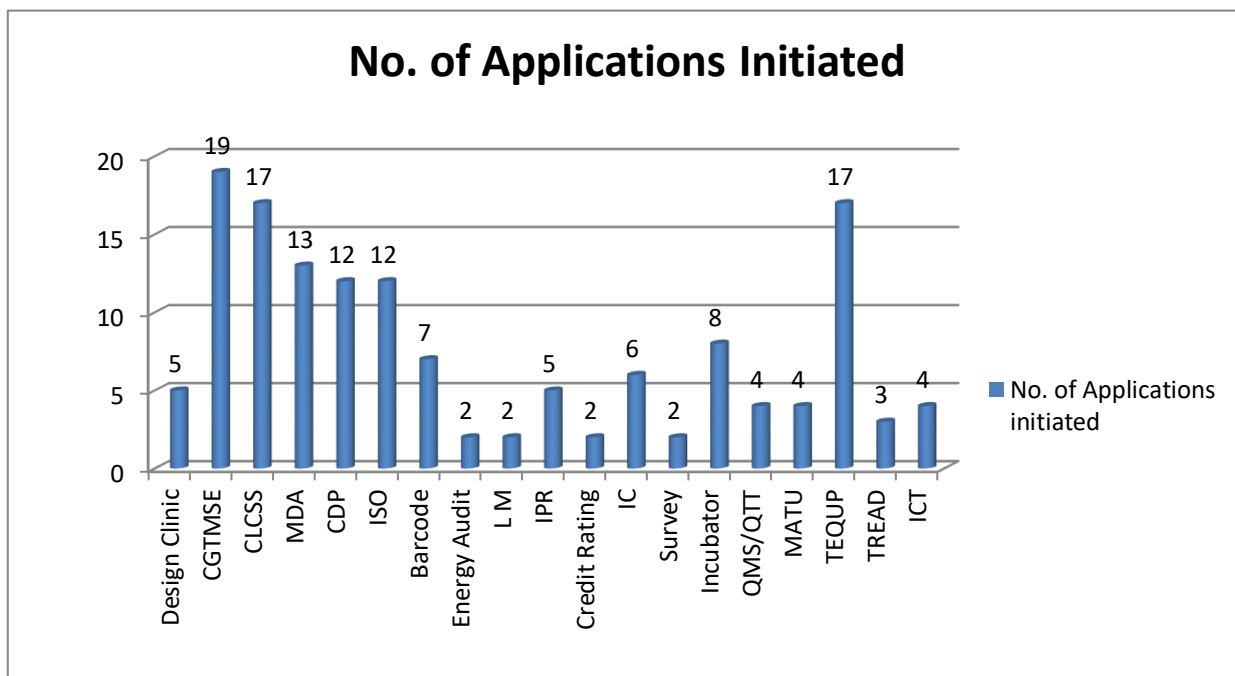
engineering, rice mill, packaging etc.) and new clusters (yet to come like agarbatti etc.) in Mysore.

Follow up:

- During follow up, Mysore Industries Association enquired about a MSE-CDP scheme for the printing cluster, as the cluster members have participated in the one-to-one interaction.
- The cluster members stated that they own 11 acre land but the land is not in the name of the SPV, as result of which they have not yet received the final approval for the CFC, though they received in-principal approval.
- We had a meeting with the printing cluster members regarding the CFC and ID in Delhi, consultancy for them is also offered and we are positively looking forward.
- The BMO enquired and expressed interest of its members to participate in an international trade fair, for which they want to avail IC scheme. All guidance regarding the procedures and credentials required to avail schemes given to BMO on that spot. Further promised to give them the soft copy of the guidelines and application form of IC.
- The soft copy of the IC guidelines and application form send to the BMO on 6th Dec, 2013.

One BMO women entrepreneur also enquired about the TREAD scheme for the training program.

Participants and preferred scheme



In the post lunch support clinic session, 40 MSMEs turned up for the one-to-one interaction and 144 applications were initiated. Among the total schemes, Collateral Free Credit Guarantee Scheme appeared to be the most preferred scheme by the MSMEs in Mysore. The chart below shows scheme-wise distribution of applications initiated;

Of the total 144 applications initiated, Collateral Free Credit Scheme, CLCSS and TEQUP is the most sought after scheme in Mysore.

Follow up with MSMEs

The participants are keen to avail schemes and have made several queries regarding the procedural details and documents required for making the application. In particular, participants enquired about the collateral free credit guarantee scheme and CLCSS scheme for new plant setup and technology related matter. Some of them have moved forward contacting the banks and have responded positively. They commented that the schemes guide has proved to be useful and informative.

2.8 Patna

Event Highlight

Patna is the capital of the Bihar state and is an important industrial zone. The local BMO partner was Bihar Industries Association (BIA) which has members from diversified sectors. The workshop was held at the BIA conference hall in Patna on 20th December. The workshop had two sessions; the pre-lunch sensitization session and post-lunch one-to-one interaction session with the participants. Officials from MSME-DI and DIC along with experts from SEQUA and ACDS were the key facilitators and speakers in the workshop. In the sensitization session 65 MSMEs participated.



**Bihar Industries Association,
Patna, Bihar**

Bihar Industries Association was established in 1943 and was the only apex body for industries and service sector of United Bihar till 2000. The BIA has members from large, medium and small scale industries through the state. The BMO aims to promote industrial

development in the state and has been working with state and central government and other institutions towards this direction. BIA was established with a few members base and has 485 members from various sectors like auto, metal, foundry, plastic, food processing, transport, services etc.

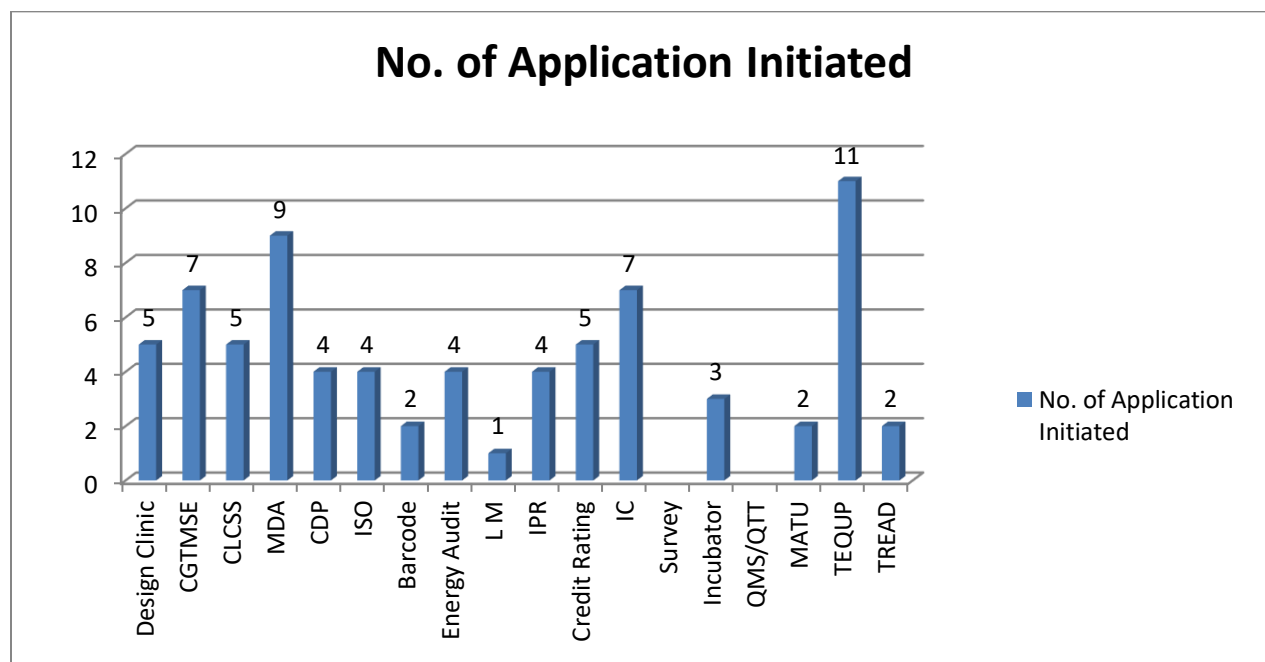
BMO's Areas of Interest: The BMO has shown interest in MSE-CDP scheme for Rice Mill and Food Processing clusters for setting up CFCs. Leather cluster is an already identified cluster. However the progress is very slow.

Follow up:

- During the follow up, the BMO told that the MSMEs found the programme very useful and many MSMEs are at different stages to apply for the schemes.

Participants and preference of schemes

16 MSMEs participated in the one-to-one interaction session and 70 new applications were initiated. Of the total applications initiated, TEQUP was the most preferred scheme. The chart below shows scheme-wise distribution of applications initiated;



From the chart above, it is evident that MDA, CGTMSE and IC schemes are the most sought after schemes after TEQUP.

Location wise follow up status

Name of Cluster	No. of Participants with the following response				
	Approached the concerned organization	Reconfirmed Intention to apply	Working on and Revert Back	No response	Total
Mehsana	2	4	3	15	24
Cherlapally	6	18	1	17	42
Kannur	2	12	1	1	16
Gulbarga	4	6	1	2	13
Hyderabad	2	6	2	10	20
Naroda	4	3	1	7	15
Mysore	5	5	2	18	30
Patna	2	4	1	14	21
Total	30	58	12	84	114

Nucleonix and Technosphere facilitated for Design Clinic Scheme

Nucleonix Systems Pvt. Ltd. is a member of Cherlapally Industries Association (CIA) the BMO partner with whom ACDS organized sensitization workshop at Cherlapally, Hyderabad. Nucleonix participated in the sensitization workshop and in the post workshop follow up with them; they informed ACDS about their interest in availing Design Clinic Scheme.

During interactions between Nucleonix and ACDS, Nucleonix revealed about their design partner Technosphere Labs Pvt. Ltd. located in Bangalore who provide them design services. Nucleonix and Technosphere combinely raised queries about the feasibility of availing the scheme. ACDS gave them all support by means of soft copies of scheme guidelines and web links for information as desired. ACDS advised them, to register Nucleonix as an MSME and Technosphere as a design firm with National Institute of Design and apply for scheme as principal applicant and co-applicant, respectively. The web link was also provided and soon they informed ACDS regarding the completion of their registration and they were given the details of the south zone Design Clinic Centre located in Bangalore for applying the scheme. Further Nucleonix informed ACDS that they approached the south zone center and have initiated the application for the scheme as guided by ACDS. In the recent follow up, ACDS got to know from Nucleonix and Technosphere that the proceedings are going on and the NID has asked for a presentation for the project they want to avail scheme. Nucleonix is quite optimistic of availing support under Design Clinic Scheme.

3. Summary and Conclusions:

- ✓ The interventions proved very helpful in building the capacity of the BMOs through empowerment of their member MSMEs. The programme even helps BMOs to enhance their membership base. At all locations, the common feedback was that such types of workshops are very beneficial for entrepreneurs.
- ✓ Entrepreneurs use this platform for direct interaction with other government officials and representatives of the financial institutions. People even raise their grievances and general business problems to find a solution.
- ✓ Moreover learnings and experience sharing from their fellow entrepreneurs who already have availed benefits of the government schemes is very helpful and in building confidence for getting benefit from the scheme.
- ✓ The supply of Info CD in the kit has proved a handy source of information to the entrepreneurs and will be continued in other workshops as well.
- ✓ These workshops were successful in removing the inertia of the MSME and starting the ball rolling. Their common apprehension that it is very difficult to get support from the government schemes was removed to a large extent.
- ✓ They used the platform to develop link with the government support institutions and financial institutions. They raised their grievances if any with the officials in a very frank manner during one to one interaction.
- ✓ They felt quite happy to witness the official inviting them to make as many applications as possible. At some locations the MSMEs were facing a crunch of handholding support from the local expert who can assist in applying for the schemes.
- ✓ At many other location MSMEs find this support through local BMOs and matching demand and supply of these services. This enhanced the capacity of the BMO as local BDS provider and established them as local handholding support provider.
- ✓ The workshops also provided good insights to MSME-DI, DIC, State Industries Department officials, SIDBI and other Banks in the issues and concerns of the MSMEs and how they can orient their functioning to become more approachable and friendly to the local MSMEs.

- ✓ These insights will be helpful in making their practices and policies more customised and pro-MSMES.
- ✓ These workshops due to their practical and hands on approach have kick started a networking and linkage process which will go a long way in the utilization of government schemes and incentives by the local MSMEs in increasing their competitiveness and BMOS take a lead role in the development of their member MSMEs.

[illegible]

27	Arijit Dutta	Alpha Enterprises	9392488424	3																				
28	E Mallikarjuna Reddy	Sri Venkateswara Engineers Industry	9701230306	4																				
29	P V Rawana Rao	Ganesh Rig Industries	9440625513	1																				
30	Y N S Murthy	SDC Agrofeeds Pvt. Ltd	9848022577	6																				
31	Srinivasa Chary	Lakshmi Glass Works	9391098473	2																				
32	Madar Saheb	Metal Forging Industries	9396233303	4																				
33	K V N Gupta	Sai Amaninds	9949673699	2																				
34	Kartheek Thatikonda	MTRC Industries	7799417171	4																				
35	Raghaundra	Lee-Hydraulics & Footwear	9700696659	3																				
36	P Vishvanath	Nath Fly Ash Brick Industries	9010468875	3																				
37	A V Bhaskara Rao	V R P Clean room Systems P Ltd.	9000112225	4																				
38	Subbrahmanayam	Sunpark Energy System Pvt. Ltd.	9866461577	7																				
39	D Dileep Reddy	PET Power Systems	9666685705	12																				
40	G Prakash Reddy	Preset Power Systems	9949034454	9																				
Total no. of Applications initiated				161	4	25	17	9	2	24	6	8	6	4	6	8	2	6	2	13	12	4	2	

4.2 Mehsana

Summary of Scheme Clinic at Mehsana, 15th-16th Sept, 2013

[illegible]

9	Mr. Azhar Lotia	Hyderabadwala Icecream Prodess	9824409252	2													
10	Mr. Chimmanlal S. Patel	Goving Madhav Industries	9879324498	2													
11	Mr. R. S. Patel		9825018870	2													
12	Mr. Dhayalal A Patel	Indian Agro Industries	9925054083														
13	Mr. Mangal Bhai Patel	Asiah Electrical Co.	9099006200	4													
14	Mr. Patelji Ganesh	Someshwar Ispat Pvt. Ltd	9099006201	5													
15	Mr. Bhavesh M Patel	J K Polymers	9925680093	5													
16	Mr. Patel Hitendra	Meera Auto Agency	9825051350	7													
17	Mr. Dilip Ranjan Kadia	Bhagya Mydra offiset	982599012	2													
18	Mr. Govind S Shekhar	Sidharth Road Equipments	9824059222	4													
19	Mr.Vaibhal Patel	G M Engineering & Manufacturing Co.	9426618101	8													
20	Mr. Chirag K Patel	Quali Metal Work	9825061318	2													
21	Mr. Chandrakant P Patel	MIOA member	9427545305	3													
22	Mr. Patel Baldev	Parmeshwari Engg. Work	9825070091	2													
23	Mr. Patel Vishnu V.	Apollo Earthhammer Co.	9462512180	1													
24	Mr. Rajendra A Patel	Auro Industries	9913315615	1													
Total no. of Applications initiated				78	3	11	16	1	9	2	1	2	15	1	9	7	1

Summary of Scheme Clinic at Kannur, 20th-21th Sept, 2013

8	Vinod Kumar B	Fab Malabar	9656101011	9																	
9	Salih	Zain Industries	9946202431	8																	
10	Sajesh K	S P Engineering	9895688685	7																	
11	P Ramakrishnan	Kannur Gen Eng Consortium Pvt Ltd.	9895228126	3																	
12	K Anilkumar	Aiswary Eng	9895110984	3																	
13	Kishore Chandramohan	H B Enterprises	9526198257	4																	
14	Valsan M	Polar Equipments	9447013314	5																	
15	Shaji Verghese	One Stop Automobiles	9846702993	8																	
16	Prathyush	Cannanore Ceramics Co.	8281360143	1																	
17	K Suresh Babu	Essar Industries	9846084354	1																	
18	Baburaj K	Kay Kay Industries	9447881667	1																	
19	Rijith	Sawrao	9895176625	1																	
Total no. of Applications initiated				89	4	14	8	10	3	6	3	1	2	4	10	2	3	1	7	8	3

Summary of Scheme Clinic at Gulbarga, 24th-25th Sept, 2013

[illegible]

28	Mr. Kemparaju P.S.	P M Electronics	9448603283	2																		
29	Mr. J R Holla	Kintech Enterprises	9448058967	1																		
30	Mr. Allan Rodrigues	Hindustan Food and Beverages	9448282502	6																		
31	Mr. B Viswanatha	M B R Enterprises	9353066631	5																		
32	Mr. K Vivek	Kamal Fruit Processing Industry	9480134889	2																		
33	Mr. Sanjay	VPI Innovation Solution	9845215838	18																		
34	Mr. B Chandran	Vishwa Agro Tech & Bio Tech	9844710117	2																		
35	Mr. Kalpana Surendra	Kalpana's Kitchen	7259500550	9																		
36	Mr. Vasu Deva Raje URS	Shobha Balaja	8710855763	1																		
37	Mr. S M Ramen	S R Closures	9945807198	3																		
38	Mr. K S Ravi	Zusammen	9341185277	3																		
39	Mr. Radhakrishna K C	Prism Diamond Tools	9036892749	5																		
40	Mr. Parameswaran	Ruchika Pakagings	9980212166	1																		
	Total No. of Applications Initiated			144	5	1	1	1	1	1	2	2	5	2	6	2	8	4	4	1	3	4

4.8 Patna

Summary of Scheme Clinic at Patna, 20th Dec, 2013

Sl. No.	Name	Company Name	Contact Number	No. of App. Init.	Design Clinic	CG TM SE	CL C SS	M D A	C D P	I S O	Bar code	Ene rgy Au dit	L M	I P R	Cre dit Rat ing	IC	Su rvey	In cu ba tor	QM S/Q TT	MA TU	TE QU P	TR EA D
---------	------	--------------	----------------	-------------------	---------------	----------	---------	-------	-------	-------	----------	----------------	-----	-------	-----------------	----	---------	--------------	-----------	-------	---------	---------

[illegible]

14	Mr. Mukesh Kumar	R G Software & Systems	9431074202	3																		
15	Mr. Sanjay Bharatiya	Dina Iron & Steel Ltd	9431016311	8																		
16	Mr. Arun Agarwal	BIA	9431016644	1																		
Total				70	5	7	5	9	2	4	2	4	1	4	5	4	0	3	0	2	11	2

Annexure-I Workshops in Progress

Workshops in Progress, Cherlapally



Mr. Alok Kesri, National Team Leader, Sequa gGMDH addressing on Sequa initiatives



Mr. Rajveer Singh addressing the participants with registration form in hand



Mr. Chandrasekhar Reddy addressing the entrepreneur members, Cherlapally



Participants at Cherlapally during Schemes @ Cluster Workshop

Workshops in Progress Mehsana



Participants at Mehsana



Mr. Rajveer addressing the MSMEs at Mehsana



Participants at Mehsana during Schemes @ Cluster



Participants at Mehsana during Schemes @ Cluster

Workshops in Progress, Kannur



DIC Official addressing MSMEs at Kannur



Mr. Rajveer Singh, ACDS addressing the MSMEs at Kannur



NMCC Official addressing the member MSMEs



Participants at Kannur

Workshops in Progress, Gulbarga



Mr. Rajveer Singh lighting the lamp, Gulbarga



Mr. M R Deshpande, Scheme @ Cluster, Gulbarga



Mr. Rajveer Singh addressing the MSMEs at Gulbarga



Participant at Gulbarga Event

Workshops in Progress, Hyderabad



Inauguration with lighting the lamp



Mr. Rajveer Singh lighting the lamp



Expert panel on dice



Mr. Rajveer Singh addressing the MSME participants



COWE executive members in the one-to-one interaction session



Mr. Rajveer Singh addressing the medias on their queries

Workshops in Progress, Mysore



Expert panel on stage in the event



Mr. P Vishwanath, MP Mysore, inaugurating the event by lighting the lamp



Mr. B P Singh giving guidance and advices to a participant during the one-to-one interaction session



Participants at Mysore event

Workshops in Progress, Patna



Mr. M R Deshpande lighting the lamp



Expert panel discussion on promoting use of government schemes by MSMEs



Mr. M R Deshpande receiving the memento from Mr. Arun Agarwal, President BIA



Participants at the event



Presentation by Mr. Rajveer Singh, MD, ACDS on DC MSME schemes



Participants raising queries on government schemes



Office of Development
Commissioner
Ministry of MSME
'A' Wing, 7th Floor
Nirman Bhawan
New Delhi – 110108, India
PABX No: 011-23063800
I: www.dcmsme.gov.in

Deutsche Gesellschaft für
Internationale Zusammenarbeit
(GIZ) GmbH
MSME Umbrella Programme
B – 5/1, Safdurjung Enclave
New Delhi- 110029, India
T: +91-11-49495353
F: +91-11-49495391
E: amit.kumar@giz.de
I: www.giz.de