

ANNUAL REPORT 2002-2003



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**GOVERNMENT OF INDIA
MINISTRY OF SMALL SCALE INDUSTRIES**

ANNUAL REPORT

MINISTRY
OF
SMALL SCALE INDUSTRIES

2002-2003

CONTENTS

CHAPTER	PAGE	
I	ROLE AND FUNCTIONS	5-6
II	EVOLUTION AND DEVELOPMENT OF SSI POLICY	7-10
III	TRAINING AND ENTREPRENEURSHIP DEVELOPMENT	11-20
IV	SMALL INDUSTRIES DEVELOPMENT ORGANISATION	21-35
V	OTHER SCHEMES OF THE MINISTRY	36
VI	NATIONAL SMALL INDUSTRIES CORPORATION	37-49
VII	INTERNATIONAL COOPERATION	50-51
VIII	SCHEMES OPERATING IN NORTH-EASTERN REGION AND SIKKIM - SSI SECTOR	52-54
IX	USE OF OFFICIAL LANGUAGE	55-56
X	VIGILANCE ACTIVITIES	57-58
XI	CITIZENS' CHARTER	59-60



CHAPTER - I

ROLE AND FUNCTIONS

The Government created a new Ministry of Small Scale Industries and Agro and Rural Industries (SSI&ARI), to place more focused attention on the problems of the SSI sector, on 14th October, 1999 as a nodal Ministry for formulation of policy, promotion, development and protection of small scale industries in India. The Ministry of Small Scale Industries and Agro and Rural Industries (SSI&ARI) was bifurcated into two separate ministries namely, Ministry of Small Scale Industries and Ministry of Agro and Rural Industries on 1st September, 2001. Taking into consideration the higher potential for growth in the SSI sector in terms of output, employment and exports, the role of the Ministry of Small Scale Industries is to strengthen the SSI sector to enable it to remain competitive in market-led economy and generate additional employment. For achieving these objectives, the endeavour of the Ministry is to provide the SSI sector proper and timely inputs like:

1. Adequate credit/loans from financial institutions/banks.
2. Funds for technology upgradation and modernization.
3. Adequate infrastructural facilities.
4. Modern testing facilities and quality certification laboratories.
5. Modern management practices and skill upgradation through advanced training facilities.
6. Marketing assistance.
7. Level playing field at par with the organised sector.

The Ministry of SSI designs and implements the policies through its field organisations for the promotion and growth of small scale industries. The Ministry also performs the functions of policy advocacy on behalf of the Small Scale Industries (SSI) sector with other Ministries/Departments.

The implementation of policies and various programmes/schemes for providing infrastructure and support services to small enterprises is undertaken through its Attached Office, namely Small Industry Development Organisation (SIDO), and National Small Industries Corporation (NSIC) Ltd.

DIFFERENT ORGANISATIONS

DEVELOPMENT COMMISSIONER (SMALL SCALE INDUSTRIES)

The Office of the Development Commissioner (Small Scale Industries) is also known as Small Industries Development Organisation (SIDO). It is an apex body for formulating, coordinating, implementing and monitoring policies and programmes for promotion and development of small scale industries in the country and is headed by the Development Commissioner.

The SIDO assists the Ministry in implementation of policies and programmes for promotion and development of the small scale sector. It also provides a comprehensive range of common facilities, technology support

services, marketing assistance etc., through its network of 30 Small Industries Service Institutes(SISI) 28 Branch Institutes, 2 Extension Centres, 4 Regional Testing Centres, 2 SEPTI at Ettumanoor and Thiruvalla and 7 Field Testing Stations. The SIDO has a network of Tool Rooms, Process-cum-Product Development Centres (PPDCs) and technology and training support institutes which are run as autonomous bodies registered as societies under the Societies Act.

SMALL SCALE INDUSTRIES BOARD



Shri S. K. Tuteja, Secretary (SSI & ARI) (then AS & DCSSI) making a point during the 46th meeting of the SSI Board

The Board provides a forum for interaction among its members in order to facilitate co-ordination and inter-institutional linkages and to render advice to the Government on various policy matters and other related issues concerning the promotion and development of the small scale sector. The term of the Small Scale

Industries Board is two years. The Board has been reconstituted on 18th January, 2003.

NATIONAL SMALL INDUSTRIES CORPORATION (NSIC) LTD.

The National Small Industries Corporation Limited is a public sector undertaking was

established in 1955 by the Government of India with a view to promote, aid and foster the growth of small scale industries in the country.

NSIC continues to remain at the forefront of industrial development throughout the country with its various programmes and projects to assist the small scale sector in the country

The Corporation in its role to promote and develop small scale industries provides support to small scale industries in the following areas:-

- Supply of both indigenous and imported machines on easy hire purchase terms. Special concessional terms have been introduced for units in backward areas and also for units promoted by entrepreneurs from weaker sections of society.
- Assist in marketing of Small industries' products within the country.
- Assist in export of small industries' products and developing export worthiness of small scale units.
- Enlisting competent units and facilitating their participation in government Stores Purchase Programme.
- Developing prototypes of machines, equipment and tools which are then passed on to small scale units for commercial production.
- Providing training in several industrial trades.
- Supply and distribution of indigenous and imported raw materials.

The NSIC is directly operating different programmes by professionals through 8 regional offices, 5 Technical Service Centres, 2 foreign offices, 2 Software Technology Parks, 17 branch offices located in almost all the States and 3 Technical Service Extension Centres.

CHAPTER - II

EVOLUTION AND DEVELOPMENT OF SSI POLICY

Over the past five decades, Government policies have been to protect the interests of the SSI sector and facilitate its rapid development, the Government, in pursuance of its policies, initiated various support measures from time to time which include policy of reservation, revision of investment ceilings, modernization, technological upgradation, marketing assistance, fiscal incentives etc.

The Small Scale Sector owes its definition to the Industries (Development and Regulation) Act, 1951. The Sector is defined in terms of

investment limits in plant and machinery (original value), upto a prescribed value. It comprises a wide divergent spectrum of industries, ranging from the micro and rural enterprises, using rudimentary technology on the one hand to the modern small scale industries using sophisticated technology on the other.

DEFINITION OF SSI SINCE 1950

The definition of small scale industries has undergone changes over the years in terms of investment limits in the following manner:

Year	Investment Limits	Additional Conditions
1950	Upto Rs.5.0 lakh in fixed assets	Less than 50/100 persons with or without power
1960	Upto Rs.5.0 lakh in fixed assets	No condition
1966	Upto Rs.7.5 lakh in Plant & Machinery	No condition
1975	Upto Rs.10 lakh in Plant & Machinery	No condition
1980	Upto Rs.20 lakh in Plant & Machinery	No condition
1985	Upto Rs.35 lakh in Plant & Machinery	No condition
1991	Upto Rs.60 lakh in Plant & Machinery	No condition
1997	Upto Rs.300 lakh in Plant & Machinery	No condition
1999	Upto Rs.100 lakh in Plant & Machinery*	No condition
2001	Upto Rs.100 lakh in Plant & Machinery*	No condition

* With effect from October 2001, the investment ceiling in Plant & Machinery in respect of 41 items covering two broad groups of Hosiery & Hand Tolls has been enhanced to Rs. 500 lakh.

PROFILE OF SSI SECTOR IN THE INDUSTRIAL SECTOR

The SSI Sector accounts for: -

- 95% of industrial units in the country.
- 39.92% of value added in the manufacturing sector.
- 34.29% of national exports.
- 6.86% of Gross Domestic Product (GDP)

OTHER FEATURES INCLUDE :

- Employment to 193 lakh persons.
- Production of over 7500 items in the industrial SSI sector.
- Product range varies from simple items produced with traditional technology to high-tech products, produced with sophisticated state of the art technology.
- 749 items reserved for exclusive manufacture in the SSI Sector.
- 358 items reserved for exclusive purchase from the SSI Sector.

Constant support to SSI sector by the Government in terms of infrastructure development, fiscal and monetary policies have helped this sector to emerge as dynamic and vibrant sector of Indian economy.

INSTITUTIONAL SUPPORT STRUCTURE

DEVELOPMENT COMMISSIONER (SMALL SCALE INDUSTRIES)

The Small Industries Development Organisation (SIDO), headed by the Additional Secretary & Development Commissioner (SSI), being an apex body for formulating and overseeing the implementation of the policies for the development of small scale industries in

the country, is playing a very positive and constructive role for strengthening this vital sector. It functions through a network of SISs, Branch SISs, Regional Testing Centres, Footwear Training Institutes, Production Centres, Field Testing Stations and specialized institutes. It renders services such as : -

- Advising the Government in policy formulation for the promotion and development of small scale industries.
- Providing techno-economic and managerial consultancy, common facilities and extension services to small scale units.
- Providing facilities for technology upgradation, modernization quality improvement and infrastructure.
- Developing Human Resources through training and skill upgradation.
- Providing economic information services.
- Maintaining a close liaison with the Central Ministries, Planning Commission, State Governments, Financial Institutions and other Organisations concerned with development of Small Scale Industries.
- Evolving and coordinating Policies and Programmes for development of Small Scale Industries as ancillaries to large and medium scale industries.

Small Industries Development Organisation (SIDO) had set up a cell for ancillary development to promote ancillarisation and sub-contracting in the country and has taken up the challenges to open new avenues for the small scale sector to ward off the psychological fear of failures due

to competition from imported goods as a result of WTO agreements. This has been done through intensified efforts of promoting ancillarisation and sub-contracting by providing a common platform to small scale industries as well to the buyer organizations which hitherto were dependent on inputs or otherwise through the concept of organizing Vendor Development Programmes (VDPs) on larger scaled and setting up more Sub-Contracting Exchanges (SCXs) in different parts of the country.

Over the years SIDO has served a very useful purpose as a catalyst of growth of small enterprises through its vast network of field organizations spread over different parts of the country.

SSI BOARD

The range of development work in Small Scale Industries involves several Department/Ministries and several organizations of Central/State Governments. To facilitate coordination and inter-institutional linkages, the Small Scale Industries Board has been constituted. It is an apex advisory body constituted to render advice to the Government all issues pertaining to the small scale sector.

The Minister-in-charge of Small Scale Industries of the Government of India is the Chairman and the Board comprises among others State Industry Ministers, some members of Parliament, Secretaries of various Departments of Government of India, financial institutions, public sector undertakings, industry associations and eminent experts in the field.

The Board meets periodically to take stock of the issues pertaining to policy matters. The Board has so far met 47 times till July, 2002.

SMALL INDUSTRIES SERVICE INSTITUTES (SISIs)

There are 30 SISIs and 28 Branch SISIs set up in State capitals and other industrial cities all over the country. The main activities of these institutions are as follows :-

- Assistance / Consultancy to Prospective Entrepreneurs
- Assistance/Consultancy rendered to existing units
- Preparation of State Industrial Profiles
- Preparation / Updation of District industrial Potential Surveys
- Project Profiles
- Entrepreneurship Development Programmes
- Motivational Campaigns
- Production Index
- Management Development Programmes
- Skill Development Programmes
- Energy Conservation
- Pollution Control
- Quality Control & Upgradation
- Export Promotion
- Ancillary Development
- Common Facility Workshop / Lab.
- Preparation of Directory of Specific Industry
- Intensive Technical Assistance
- Coordination with DICs
- Linkage with State Govt. Functionaries
- Market Surveys
- Other Action Plan Activities assigned by Headquarters

SISIs and its Branches have common facility workshops in various trades. There are at present 42 such common facility workshops attached to SISIs/ Branch SISIs.



Hon'ble Union Minister of State for Urban Development & Poverty Alleviation is seen visiting Exhibition Stalls of A.P. Paint Expo-2002 held on 2.2.2002 at Campus of SISI-Hyderabad



One Day Training Programme on "Packaging for Exports" in general with specific reference to Engineering Products conducted at Br. SISI Coimbatore

SUPPORT FROM STATE / INDUSTRY ASSOCIATIONS

At the State level, concerned Commissioners/Directors of Industries implement policies for the promotion and development of small scale, cottage, medium and large-scale industries. The Central policies for the SSI sector serve as the guidelines, but each State evolves its own policy and package of incentives. The State departments also oversee activities of the field offices, viz., District Industries Centres (DICs). In addition, State Financial Corporations, State Small Industrial Development Corporations, Technical Consultancy Organisations, operate at the State level to assist the promotion and development of SSIs. Other regional level agencies include State Infrastructure Development Corporations, State Cooperative Banks, Regional Rural Banks, State Export Corporations, Agro Industries Corporations and Handloom and Handicrafts Corporations. At the grass root level, NGOs play an important role for the development of tiny and cottage units.

Industry Associations provide support to the SSI sector and offer a common platform to raise industry-related issues. Government policies, in recent years, have stressed the increasing role of Industry Associations in the setting up of common facilities and other ventures in the area of technology, marketing and other support services. Industry Associations also impart institutional support to the small-scale sector. Some of the major associations like Confederation of Indian Industry (CII); Federation of Indian Chamber of Commerce and Industry (FICCI); PHD Chamber of Commerce and Industry (PHDCCI); Associated Chamber of Commerce & Industry of India (ASSOCHAM); Federation of Indian Exporters Organisation (FIEO); World Association for Small & Medium Enterprises (WASME); Federation of Associations of Small Industries of India (FASII); Consortium of Women Entrepreneurs of India (CWEI); Laghu Udyog Bharati (LUB); Indian Council of Small Industries (ICSI) etc. have been helping and motivating SSI entrepreneurs.

CHAPTER - III

TRAINING AND ENTREPRENEURSHIP DEVELOPMENT

The Indian Institute of Entrepreneurship (IIE), at Guwahati; the National Institute of Small Industry Extension Training (NISJET), at Hyderabad and the National Institute of Entrepreneurship and Small Business Development (NIESBUD), at New Delhi under Ministry of SSI are responsible for training and entrepreneurship development in the SSI Sector.

INDIAN INSTITUTE OF ENTREPRENEURSHIP (IIE), GUWAHATI

The Indian Institute of Entrepreneurship (IIE), completed 8th year of its operation on 31st March 2002. An increasing important element of the Institute's work has been to try to strengthen capacity in the field of entrepreneurship development training, entrepreneurship education, research and consultancy, publication and sensitization of environment for different types of income generating activities, self-employment and entrepreneurship. A notable aspect is the support for the entrepreneurship development programmes in the North Eastern Region and Sikkim. Details of activities undertaken and proposed during the financial year 2002-2003 are presented below:

TRAINING

During the year the Institute has proposed to organize 87 training programmes, seminars, workshop and meets, where 2738 participants are expected to participate. Up to November 2002 it has completed 52 programmes where 1848 participants participated, while another 36 programmes are scheduled to be completed by March 2003. Out of the total 87 programmes 42 programmes are on promotion of New Entrepreneurs, 1 programme on Growth of Existing Entrepreneurs, 5 programmes on Creation of Environment for Entrepreneurship, 17 programmes on Entrepreneurship Education, 4 Seminars, Workshop and Meets, 5 on Information Technology Programmes and 13 programmes on VRS optees. Better infrastructure facilities of the Institute, greater awareness of the Institute and addition of new areas of Entrepreneurship Development have been responsible for increase in number of programmes. The type and number of training programmes organized and number of participants trained during 2002-2003 (up to November 2002) and expected achievement for the year can be seen from Table I.

Programmes and Number of Participants

Table: I

SI No.	Programmes	No. of Programme		No. of Participants	
		Up to November 2002	On going and to be completed	Up to November 2002	Expected up to March 2003
1.	Promotion of New Entrepreneurs	37	15	1364	375
2.	Growth of Existing Entrepreneur	-	1	-	25
3.	Creation of Environment for Entrepreneurship	5	1	136	25
4.	Education Seminar and Workshop	5	12	186	300
5.	Information Technology	2	2	120	100
6.	Other	3	2	42	40
Total		52	33	1848	865

PROMOTION OF NEW ENTREPRENEURS

Promotion of new entrepreneurs has been the major focused areas of training organized by IIE. In order to promote new entrepreneurs, the Institute organizes rural, general and women EDPs, Programme on Crash Course on Self Employment, Sector Specific EDPs, Turn Key EDPs, and EDPs for KVIC Beneficiaries.

The Institute is implementing Rural Industries Programme (RIP) in Meghalaya and Manipur during this year in addition to ongoing Barpeta (Assam) programme with the support of SIDBI.

The Institute has also been identified as a nodal agency in the North East by Ministry of Heavy Industries and Public Enterprises for imparting training programmes on Self

Employment for the VRS optees of Central Public Sector Undertakings. The Institute has conducted 10 Training Programmes for VRS optees, of the Central Public Sector Undertakings where 350 participants participated. Another three programmes for VRS optees will be organized within March 2003. During the year 2002-2003 the Institute has planned to organize 52 Programmes of various categories, out of which 36 have already been completed, where 1014 persons participated and 15 to be completed by March 2003. Programmes up to November 2002 are as follows (Table II):

SECTOR SPECIFIC PROGRAMME

At the instance of UNDP, the Institute has organized two Sector Specific Programmes in Cane and Bamboo, considering the immense potential of Cane and Bamboo Sector in the North East, where 63 participants from North

Programmes on the promotion of New Entrepreneurs

Table: II

Sl. No.	Nature of Programme	Number of Programme	Number of Participants
1.	Sector Specific EDP	2	63
2.	EDP on Food Processing	2	40
3.	GEDP	8	169
4.	EDP for KVIC Beneficiaries	7	199
5.	REDP	4	125
6.	Crash Course	1	26
7.	EDP for VRS optees	10	350
8.	TEDP	1	7
9.	Management of Micro Enterprise	1	35
Total		36	1014

Eastern Region participated. One more Programme of this kind will be organized in the year 2003. Assam Small Farmers' Agri- Business Consortium (ASFAC) has sponsored two programmes in the sector of food processing for the benefit of 40 participants.

CREATION OF ENVIRONMENT FOR ENTREPRENEURSHIP

Considering the importance of creating environment for entrepreneurship development, the Institute has been organizing programme for orientation of the support officials. During the year (November 2002) the Institute has organized 5 such programmes, where 136 participants participated. For the first time the Institute made inroad in the State of Sikkim by organizing 2 Orientation Programme for Officials of various

Govt. Departments, where 70 Govt. officials had also participated.

The Institute has taken a new initiative for promotion of entrepreneurship among the vulnerable sections of the population in the Project Areas in collaboration with International Fund for Agriculture Development (IFAD). The Institute has already Completed 3 programmes for the Project team members of IFAD officials and proposes to have a long term MoU with IFAD for more programmes. Details are given below in Table III.

ENTREPRENEURSHIP EDUCATION

Creating awareness and orientation for college and university teachers on entrepreneurship has been one of the core areas

Orientation programmes

Table: III

Sl. No.	Type of Programme	No. of Programme	Nos. of Participants
1	Trainers Training Programmes	2	70
2	Orientation Programme for Development of Entrepreneurs	3	66
Total		5	136

. The Institute will organize 2 Faculty Development Programmes in Entrepreneurship for College and University Teachers. In addition to these 10 Programmes for the students of College and Universities will be organized during the financial year 2002-03. The Institute has already organized 5 Programmes for the student's community till November 2002. Details are given below:

Entrepreneurship Education Programmes

Table IV

Sl. No.	Type of Programmes	No. of Programmes	No. of Participants
1	EAP for College and University Students	3	98
2	EAP for Graduates and Post Graduates	2	88
Total		5	186

INFORMATION TECHNOLOGY

The IIE has organized 3 Training Programmes till November 2002 on basic Computer Application Skills, where 42 participants participated. 2 more Programmes of this kind will be organized by March 2003. The Institute also offers Post Graduate Course in Applied Computer Science in collaboration with CMC Ltd. At present two Programmes of this kind are going on at IT center of the Institute.

SEMINAR AND WORKSHOP

The Institute has been organizing Seminar, Workshop, Meets and Conference for providing

forum for interaction and exchange of views by various agencies and entrepreneurs. Till date the Institute organized one Workshop on Promoting Women Entrepreneurs in NER where 120 participants participated. In addition the Institute organized district level Bankers Meet at Barpeta to create awareness for Small Scale financing among bankers involving bankers district administration and DIC officials. Two more Workshop/Seminars will be organized by the end of March 2003.

RESEARCH AND CONSULTANCY

The following consultancy assignments are ongoing and expected to be completed by March 2003:

- Functioning and working of North Eastern Council since inception; sponsored by North Eastern Council.
- District Potential Study in Sibsagar District of Assam sponsored by NABARD.
- Promotion of Industries in the Northeast sponsored by Northeastern Council.
- Study for setting up of Food Processing Industries in Kahibama village of Kamrup district of Assam sponsored by Small Farmers Agri Business Consortium.

PUBLICATIONS:

During the year the Institute has brought out a book titled "Entrepreneurship A Four – Stage Approach to Self Employment and Entrepreneurial Career".



National Women's Day 8 March 2002 celebrated by NISIET

NATIONAL INSTITUTE OF SMALL INDUSTRY EXTENSION TRAINING (NISIET), HYDERABAD

The **NISIET** was set up as an apex institute in 1960 by the Government of India with the charter of assisting in the promotion, development, and modernisation of small and medium enterprises (SMEs) in the country, mainly by creating a pro-business environment that would enable SMEs to progress towards success and prosperity. With its vast expertise in the areas of entrepreneurship, policy, technology, management, and information services, the institute is consistently assisting the SMEs to face with confidence the challenges brought about by globalisation and the impact of IT on their businesses.

As a global organisation, NISIET's stellar role in positioning the SMEs on the growth trajectory has benefited not only the Indian SME sector,

but also developing countries around the world in promoting self-employment and enterprise development. The institute is constantly evolving with time, modifying its focus with the emerging needs of SMEs, providing them solutions in the form of consultancy, training, research, and education to retain their competitive edge in ever-changing markets.

ORGANISATION AND MANAGEMENT

The management of the institute rests with the Society and the Governing Council appointed by the Government of India. The Secretary, Ministry of Small Scale Industries, Government of India, is the President of the Society and is also the Chairman of the Governing Council.

The Governing Body acts through the Principal Director. The Principal Director is the academic and executive head of NISIET. He

functions under the guidance of the Executive Committee/Governing Council/Society.

The academic activities are organised through centres of excellence and theme focussed cells. The Academic Council is the nucleus coordinating body, which formulates academic activities and programmes with quantitative and qualitative benchmarks by providing a framework for assessment and evaluation addressing contextual variations.

TRAINING

The academic performance indicators for 2001-02 (actual) and for the period from April 1, 2002 to November 30, 2002 (actual) and the projection for the remaining four months of 2002-03 are presented below in the Table V.

RESEARCH AND CONSULTANCY

During 2002-03, the Institute has taken up the following research and consultancy projects:

- Evaluation of on-going schemes in Andhra Pradesh sponsored by NBCFDC (National Backward Caste Finance Development Corporation), New Delhi.
- Evaluation of Self Help Groups in Medak District of Andhra Pradesh sponsored by DRDA (District Rural Development Agency), Medak
- Evaluation of PMRY (Prime Minister's Rozgar Yojana) in three select districts of Andhra Pradesh sponsored by Development Commissioner (Small Scale Industries)



Book Exhibition organised by NISIET for the trainees

Table V

Programmes	2001-02		2002-03					
	No. of Programmes	No. of Participants	From 1.4.2002 to 30.11.2002 (Actual)		From 1.12.2002 to 31.3.2003 (Projection)		Total	
			No. of Programmes	No. of Participants	No. of Programmes	No. of Participants	No. of Programmes	No. of participants
National								
Announced	24	462	11	168	20	200	31	368
Sponsored	50	1440	45	1567	30	450	75	2017
Outstation	35	994	199	10948	15	300	214	11248
Inter-national								
Announced	14	241	10	161	--	--	10	161
Sponsored	04	28	2	12	04	60	06	72
Educational								
PG Diploma	09	135	09	165	--	--	09	165
IT	30	516	07	72	15	150	22	222
IGNOU	06	541	06	482	--	--	06	482
Seminars and Workshops	37	1575	29	1099	20	400	49	1499
Total	209	5932	318	14674	104	1560	422	16234

- Project report on Cold Storage for an Entrepreneur in Hyderabad
- Project on providing additional income opportunities for the families of Child Labour at Visakhapatnam, Hindupur, Markapur and Kuppum of Andhra Pradesh sponsored by ILO (International Labour Organisation).
- Project on Identification of viable micro enterprises in Balaji Nagar, Tirupati sponsored by TTD (Tirumala Tirupathi Devasthanam), Tirupathi, Andhra Pradesh
- Project on Identification of product/resource specific business in Meghalaya, Mizoram, Nagaland, and Tripura sponsored by NEDFI, (North Eastern Development and Finance Limited), Guwahati
- Project on Identification of Joint Venture Partners for setting up manufacturing facilities for making furniture from used automotive tyres for M/s. Rama Anand Innovation, Delhi.
- Evaluation of micro credit and educational loan schemes in Andhra Pradesh sponsored by APBCFC (Andhra Pradesh Backward Caste Finance Corporation), Hyderabad
- Evaluation of Self Help Groups in Warangal District of Andhra Pradesh sponsored by

DRDA (District Rural Development Agency), Warangal

- Project on Identification of Export Opportunities for Minerals (ceramic industry) for M/s Gold Field Minerals, Bangalore
- Project on Environmental Audit for Digwal Manufacturing Plant, Digwal Village, Kohir Mandal, Medak District, Andhra Pradesh sponsored by Global Bulk Drugs and Fine Chemicals Private Limited, Hyderabad.
- Project on Case Study on Entrepreneurs Counselling sponsored by Department of Personnel & Training, Government of India

MODERNISATION OF INFRASTRUCTURE

- Improved the physical infrastructure of the Institute. In order to cope with the increased poly-dimensional nature of academic activities and programmes, extensive renovation and modernisation of buildings were undertaken
- Improved the overall support/service areas: executive hostels, catering, transport, upkeep, maintenance, etc.
- Landscaping and designing of gardens were undertaken to provide the right ambience for academic pursuits and also as an enjoyable treat to the eyes.
- Separate environs were created and constructed for specific activities like motivation of entrepreneurs, open-air spots, grounds, and theatres for musings and for programmes, festivals, and academic discussions

- Modernisation of conference/seminar halls, laboratories, and classrooms
- Acquired advanced teaching/training aids
- Latest gadgets and other essential aids like computers with latest software were made available to promote faster and convenient learning by participants

UPGRADATION OF SENDOC

Augmented SENDOC operations by switching over to electronic and digital information services and products. They include acquisition and installation of electronic journals database and industrial analysis database. In addition, a number of CD-ROMs were added to strengthen the information support system.

CITIZEN'S CHARTER

The NISIET formulated a citizen's charter as a systematic effort to focus on the commitment of the institute towards its clients/citizens in respect of standard of services, information, choice and consultation, non-discrimination and accessibility, grievance redress, courtesy, and value for money. The charter also includes expectations of the institute from the client/citizen for fulfilling the commitment of the institute.

The written feedback from the participants and clients are being evaluated from time to time by the empowered committee and reviewed by the Head of the Institution.

FINANCIAL TARGETS

During the year, an amount of Rs.701.00 lakh is expected through the academic activities and programmes of NISIET. The actual income generated as on November 30, 2002, and

income expected to be generated in the remaining period of the year are given in Table VI below:

Financial Targets

Table VI

Rs. in lakh	
Income generated by November, 2002	310.19
Expected to be generated in the remaining period	390.81
Total	701.00

NATIONAL INSTITUTE FOR ENTREPRENEURSHIP & SMALL BUSINESS DEVELOPMENT (NIESBUD), NEW DELHI

The National Institute for Entrepreneurship & Small Business Development (NIESBUD), New Delhi, is a registered Society under the Ministry of Small Scale Industries, Govt. of India. The major activities of the Institute include evolving model syllabi for training various target groups, providing effective training strategies, methodology, manuals and tools, facilitating and supporting Central/State Governments and other agencies in executing programmes of entrepreneurship and small business development, maximising benefits and accelerating the process of entrepreneurship development, conducting programmes for motivators, trainers and entrepreneurs which are commonly not undertaken by other agencies and organising those activities that help in developing entrepreneurial culture.

TRAINING PROGRAMMES

During 2002-2003, (April 2002 to November 15, 2002), the Institute has organised 14 training programmes having a participation

of 382 persons belonging to different target groups. Of these, five training programmes exclusively conducted for 72 Trainers/Executives were : Accreditation Programme for Entrepreneurial Motivation Trainers (First Phase), TTP on Planning and Organising EDPs, Achieving Excellence Through Achievement Motivation and two Accreditation Programmes on EMT.

The five Entrepreneurship Development/Orientation Programmes conducted by the Institute with 140 participants, during the period, included a series of three Career Orientation/Guidance Workshops organised at the request received from M/s. Triveni Engineering & Industries Limited for 83 school going children (X-XII) of employees of its sugar mills and the fourth EDP organised as a vocational option for the 4th year students of the Appejay Institute of Design, New Delhi was attended by 44 students. The other training programme organised in the category was at the request of CASP Plan project, New Delhi, for 13 women of Slum Areas of Delhi who were engaged/interested in Income Generation Activities through formation of Groups/Co-operatives. The Institute played host for the second successive year to the Annual Conference of the Heads of Institutions & Senior Officers of the Ministry of Small Scale Industries.

During the period, the Institute commenced two of its 8-weeks' International Training Programmes viz; "Small Business Creation & Development for Women Entrepreneurs" and "Small Business Planning & Promotion" with 29 participants in these programmes.

Besides, the Institute conducted a three-days training programme, the first of its kind by the Institute, on Micro Credit for Group Leaders at the request received from CASP PLAN Delhi Unit which was duly attended by 21 participants.

During remaining period of the financial year, the Institute proposes to conduct a total of 14 training programmes with 210 persons. Thus, the total programmes during the year 2002-03 would be 28 for 592 persons. This would be against the 18 training programmes conducted by the Institute with 473 persons during 2001-2002.

RESEARCH AND PUBLICATIONS

The Institute completed the Assignment of preparation of 101 Project Reports/Opportunity Profiles in Agriculture (40), Industry (27) and Services (34) Sectors as awarded by the National Scheduled Castes Finance and Development Corporation, New Delhi.

During the period, the Institute brought out January - March 2002 issue of the SIDO's Quarterly News Magazine "Laghu Udyog Samachar". A special issue of the Magazine (April - September, 2002) and a specially designed Book "Small Scale Industries - An Engine of Growth" by the Institute on behalf of the Department on the occasion of the Ministry's Third National Convention on SSIs.

CONSTRUCTION OF THE CAMPUS

During the period, the civil works of the Training/Administrative Block of the Institute's upcoming Campus at NOIDA were completed. The work on the other Block i.e. Hostel Block is likely to be completed by May, 2003. The process of preparing the interior architectural lay-outs of the Campus was initiated during the period, after finalisation of the Agency for rendering Architectural and Project Management Consultancy Services for the Interior Works of the Campus. The tenders for executing specialised works in the Campus were also floated. The

Interior Works of the Campus are scheduled to commence by May 2003 and shall be completed within 4-5 months.

DEVELOPMENT OF ENTREPRENEURSHIP & SMALL BUSINESS IN EGYPT

The Institute took up the matter of resumption of activities under its Contract with Social Fund for Development (SFD), Government of Egypt, wherein the Institute is to render Consultancy Services pertaining to conduct of Industrial Potential Survey of Egypt, organisation of Trainers' Training Programmes (TTPs) and Entrepreneurship Development Programmes (EDPs), Monitoring & Counselling, and establishment of a National Entrepreneurship Institute in Egypt.

OFFICIAL LANGUAGE

In consonance with the policy of the Government, efforts are being made to promote the use of Hindi as an Official Language in the written communication of the Institute. The Annual Report of the Institute 2001-2002 is being taken out bilingually. A few Publications and Video Films of the Institute have been made available in Hindi also.

REPRESENTATION OF SCHEDULED CASTES/ TRIBES, PHYSICALLY HANDICAPPED AND EX-SERVICEMEN IN SERVICE

The Institute has been following the reservation policy of Govt. of India with regard to reservation in jobs for different sections of the society. Out of the total effective strength of 23 Group C & D employees of the Institute, the number of Scheduled Caste/Tribe and Ex-servicemen employees is 8 and 2 respectively.

CHAPTER - IV

SMALL INDUSTRIES DEVELOPMENT ORGANISATION

TECHNOLOGY RESOURCE CENTRES (TRCs)

For the benefit of SSIs seeking to know about the latest technologies available all over the world, 21 SISIs have been converted into Technology Resource Centres (TRCs) w.e.f. 1.10.2001. These TRCs will perform the following functions:-

- TRCs will help SSI units who want to upgrade and modernize their technology. Generators of technology may also avail this forum for dissemination of information about the technologies available with them. Agencies engaged in promotional activities for SSI sector will also be benefited from TRC services.
- TRCs will provide information about product groups, covering details of technology (including state of art technology, technology generally used and traditional technology) list of supplies of machines and raw materials, quality standards, availability of consultants etc.
- TRCs will have highly computerized environment having a facility of networking with leading Organisations involved in technology upgradation.

- TRCs will have a collection of technical books, catalogues, brochures etc which will be available in the institute's library in a newly formed TRC Section.
- TRC will provide latest and right technology for attaining global reach by SSI units.
- TRCs will also provide information on "How to Seek Technology, Technology Transfer Mode, Leading Technology Transfer Agencies, International Exhibitions etc."
- TRCs will also help in preparation of project reports, conducting/organizing special technical training programmes etc.

REGIONAL TESTING CENTRES (RTCs)

Regional Testing Centres at New Delhi, Mumbai, Kolkatta and Chennai offer testing facilities to the Small Scale Units engaged in the production of different products including the export worthy products. These Centres are equipped with modern sophisticated indigenous and imported machinery and equipment for testing in various disciplines of mechanical, chemical, metallurgical and electrical industries. These Centres provide performance testing, type testing, acceptance testing, calibration services and development of processes for various products. These Centres are accredited to BIS, NTPC, RITES, Pollution Control Board and NABL.

FUNCTIONS

These Testing Centres besides rendering testing facilities assist in :-

- Quality upgradation aspects
- Training in testing and quality control
- Consultancy in testing and quality management
- Process quality control systems

FIELD TESTING STATIONS (FTSs)

Field Testing Stations at Jaipur, Dehradun, Bhopal, Kolhapur, Bangalore, Hyderabad, Changanacherry and Pondicherry are providing testing services and quality upgradation for testing of various products – Chemicals, Dye-stuffs, Lamps, Rubber Products, Electric Motors and Pumps, Castings and Forgings, Paints and Varnishes, Domestic Electrical Appliances etc.

SENET PROJECT

"Small Enterprise Information & Resource Centre Network" (SENET), was initially approved by SFC and was launched by Office of the DCSSI in April, 1997, at the estimated cost of Rs.434.50 lakh. The scheme was modified and its scope was enlarged to include office automation. The modified scheme was approved by SFC in its meeting held on 31st March,2000 at the estimated cost of Rs.1140.38 lakh. the objectives of SENET project are:

To pioneer, create and promote databases and information, to facilitate networking amongst the information seekers, which concerns the development of the small scale sector, including the central/state governments, government agencies engaged directly or indirectly in the promotion and

development of the SSI sector, national and state level industry associations, NGOs; to establish linkage with existing databases and the end entrepreneur, for development and promotion of the small scale sector, to carry out office automation in the office of the DC(SSI) for bringing out transparency in the functioning of the office, to create a Website for hosting data available within the organization, to host alliance databases in order to serve as a one-stop-shop to the information seekers, industry associations and also individual industries.

ACTUAL PERFORMANCE

20 senet centres were given Servers & Networking components for dial up connectivity to the main centre and database building. Preliminary and advanced training was given to the SENET Team at Technology Nodal Centres, User Centres and at New Delhi for SENET applications implementation.

A Website was launched in 2000 and was upgraded to a knowledge based databased diven portal, and was launched on 30th August, 2001 by the Union Defence Minister.

Under the Office Automation of the DC(SSI), 170 PCs were provided to the officers up to Section level along with LAN connectivity.

M/s. Logisoft International (P) Limited were entrusted with the job of development of multimedia presentation packages on SIDO as well as SSI sector. These packages were brought out in the form of CD-ROM and these were distributed among the various field offices, State Government Agencies, SSI Board Members and Financial Institutions etc. Revised version 2.0 of the CD was released in 2001.

14 Office automation modules and 16 SENET applications were developed and operationalised by M/s. CMC Limited during 9th plan.

Main Centre infrastructure was developed with Server room along with 7 servers including 2 web servers hosting the web portal and 3 database servers were commissioned along with leased line connectivity and a structured LAN was commissioned at O/o the DC(SSI). Two online chat programmes on SSI policy were held in main centre on web portal with Minister of state for SSI.

TOOL ROOM & TRAINING CENTRES (TRTCs)

SIDO has set up Tool Rooms in the country to assist SSI units in their technical upgradation by providing good quality toolings. Due to huge investment needed, SSI units cannot afford to have their own Tool Rooms. To meet this growing need, large portion of which is also met through imports, and to assist SSI units, Government of India, through SIDO, has set up these Tool Rooms with the assistance of countries such as Denmark and Federal Republic of Germany, which have provided the sophisticated machines with latest technology. Some of the Tool Rooms have also been set up with the assistance of UNIDO/ILO.

The management of affairs of these Tool Rooms which have been set up as Government of India Societies rests with the Governing Councils constituted by Government of India. Development Commissioner (Small Scale Industries) is the President of these societies and Chairman of their respective Governing Councils. Adequate representation to State Governments, donor countries and Industry Associations has been provided in the constitution of Governing Councils.

The following eleven Tool Rooms under SIDO are in operation:

- Central Institute of Tool Design, Hyderabad
- Central Tool Room, Ludhiana
- Indo-German Tool Room, Ahmedabad
- Indo-German Tool Room, Aurangabad
- Indo-German Tool Room, Indore
- Central Room and Training Centre, Kolkata
- Central Tool Room and Training Centre, Bhubaneswar
- Indo-Danish Tool Room, Jamshedpur
- Central Institute of Hand Tool, Jalandhar
- Hand Tool Design, Development and Training Centre, Nagore (Rajasthan)
- Tool Room and Training Centre, Guwahati

A proposal for setting up CAD/CAM Centre at Chennai is under process.

Besides State Government run tool rooms are located at Lucknow, Delhi, Bangalore, Mysore and Goa.

AIMS AND OBJECTIVES OF THE TOOL ROOMS AND TRAINING CENTRES

The objectives of the Tool Rooms are:

1. To assist SSI units in technological upgradation by providing quality toolings
2. To increase efficiency of SSI units by providing consultancy and common service facilities in the areas of design and production of tools, jigs and fixtures, moulds and dies etc.
3. To design and manufacture precision tools such as Press Tools, moulds and dies for metal castings, jigs and fixtures and special purpose tools.
4. To conduct long term training courses in tool and die making, machining and

fitting; and short term courses on related subjects for personnel working in the industries.

FACILITIES AVAILABLE IN THE TOOL ROOM AND TRAINING CENTRES

These Tool Rooms are equipped with latest imported equipment like CAD/CAM and specialized CNC machines like CNC milling, CNC copy milling, CNC EDM-Spark erosion, CNC wirecut, profile grinding, jig boring, jig grinding etc. to provide toolings of international standards at competitive rates.

With the above facilities, these Tool Rooms serve the industries in areas indicated below:-

a) Tool Design and production

- Design and manufacture of dies and tools, mould, jigs and fixtures, gauges and tool components etc. (upto 1 micron accuracy)
- Computer Aided Design and Computer Aided Manufacturing (CAD/CAM)
- Heat Treatment of all types of steels
- Quality Control and Testing

b) Training and Consultancy

- i) Industry based long term training for tool & die makers
- ii) Short term training for managers and supervisors to upgrade their knowledge and skills.
- iii) Need based technical training for skilled workers/tool makers/machinists etc.
- iv) Training in CXNC technology, inspection, quality control testing etc.

The following types of industries are utilizing the services of these Tool Rooms:

1. Engineering Industries
2. Automobile Industries
3. Electronics Industries
4. Plastic industries
5. Sheet Metal Industries

PROCESS-CUM-PRODUCT DEVELOPMENT CENTRES (PPDCs)

There are six PPDCs functioning at present. These are:

1. Fragrance and Flavour Development Centre, Kannauj (UP)
2. Centre for Development of Glass Industry, Firozabad (UP)
3. Product-cum-Process Development Centre, Meerut (UP)
4. Product-cum-Process Development Centre, Agra (UP)
5. Electronics Service & Training Centre, Ramnagar District, Nainital (Uttaranchal)
6. Institute for Design of Electrical Measuring Instruments, Mumbai (Maharashtra)

FUNCTIONS

- Research and development in areas of dense industry cluster
- Product Design and Innovation
- Product and Process Improvement and development of improved Packaging Techniques
- Common Facility Centre
- Manpower Development/Training

CENTRAL FOOTWEAR TRAINING INSTITUTES (CFTIs)

This is a Central Sector Scheme implemented by SIDO. CFTI-Agra and CFTI-Chennai were launched on 1st January, 1996 as

Government of India Societies after the conversion of departmentally run Central Footwear Training Centres to give better functional autonomy to the Institutes. The main objective of the institutes is to train personnel in the footwear industry as per the requirement of trade and industry. Both the institutes are modernized with UNDP assistance under the National Leather Development Programme and are fully equipped with state-of-the-art machinery to impart training in footwear manufacturing. At present, both the institutes are conducting Two Year Diploma Course in "Footwear Design & Production" based on the syllabus of Textile Institute, U.K. Besides this, the Institutes are conducting long-term and short-term courses in Footwear Manufacturing as per the requirement of the trade and industry. Apart from imparting training, common facility services are provided to the industry on job work basis. The Institutes are also providing consultancy services to small scale footwear manufacturing units in connection with product development and quality control, raw material and managerial aspects.

Central Footwear Training Centre, Kolkata is functioning under State Government of West Bengal and the Project CFTC, Mumbai is still under implementation. Both CFTC-Kolkata and CFTC-Mumbai are Central sponsored projects in which the Government of India provides one-time grant for construction of building and procurement of machinery and equipment.

OTHER TRAINING INSTITUTES

SMALL ENTREPRENEURS PROMOTION AND TRAINING INSTITUTE (SEPTI), TIRUVALLA

The erstwhile Production Centre for electronic motors was renewed as Small

Entrepreneurs Promotion and Training Institute (SEPTI), Tiruvalla, in the year 1992-93, with a view to conduct specialized skill oriented Entrepreneurship Development Programmes for educated unemployed youths. The Institute has been equipped with Electronic Laboratory, Computer Lab, CNC Lab, Household Electrical Appliances Lab, Air-conditioning & Refrigeration Lab, General Engineering Workshop and four training halls with Audio-Visual aids.

To develop the techno-managerial capabilities of the educated unemployed youth, the Institute, since its inception, has been conducting skill-oriented EDPs in various trades like General Engineering, Motor Rewinding, Household Electric Appliances, A/C and Refrigeration etc. The Institute generally conducts 16 EDPs in two phases every year. Apart from these, the Centre has also introduced certain Diploma and PG Diploma courses in Computer varying from 3 months to 12 months duration on self-sustaining basis. The Centre also organise training for TRYSEM and PMRY beneficiaries.

SMALL ENTREPRENEUR PROMOTION & TRAINING INSTITUTE (SEPTI), ETTUMANOOR

The Production Centre, Ettumanoor, was converted into Small Entrepreneur Promotion and Training Institute (SEPTI) in the year 1999-2000, with a view to impart training to the Entrepreneurs of Kerala in various disciplines having demand in the area. As the Centre is not having any in-house training facilities at present, it is giving franchise to Training Facility Centres (TFCs) in the trades which are having demand in the area. The Institute has identified appropriate TFCs after assessing their capabilities and appropriate training courses are assigned to them on uniform pattern of terms and conditions. The progress of training is closely monitored, examinations

conducted and training certificates are awarded by the Institute.

VENDOR DEVELOPMENT PROGRAMMES – FORUM FOR OUTSOURCING

Vendor Development Programmes-cum-Buyer-Seller-Meets and Exhibitions provide a common platform to buying as well as selling organizations to interact with each other. The buyer display what exactly they need to outsource specifying quality parameters and quantity while the sellers also in some cases display their own capabilities of manufacturing various items, their quality standards etc. and desire to meet the buyers' requirements. The ensuring live interactions amongst buyers and sellers help in understanding each others facilitating in establishment of business linkage. They discuss about the technical specifications, quality of the products, quantity required, delivery schedules and payment terms etc. The buying organizations are able to select the potential entrepreneurs to whom various components, assemblies/sub-assemblies can be outsourced either immediately or in future by identifying the capabilities of the sellers (small scale units).

ENTREPRENEURSHIP DEVELOPMENT PROGRAMMES

Entrepreneurship Development Programmes are being organised as a regular training activity to cultivate the latent qualities of youth (both men and women) by enlightening them on various aspects that are necessary to be considered while setting up small scale industries. The duration of these training programmes varies from 4 to 6 weeks with minimum intake of 20 participants.

A minimum course fee ranging from Rs.250/- to Rs.1000/- is being charged at all the places depending upon the category of the cities, except for Andaman & Nicobar Islands, Lakshadweep, North-Eastern States, Sikkim and Jammu & Kashmir where it is Rs.150/- per participant. 50% concession on prescribed fee is available for SC/ST candidates. A maximum amount of Rs.35,000/- is provided for each programme to Field Institutes, i.e. Small Industries Service Institutes/Regional Testing Centres.

MANAGEMENT DEVELOPMENT PROGRAMME

The basic objective of Management Development Programmes is to impart state-of-the-art learning in the emerging management techniques/practices to help the small scale entrepreneurs for harvesting better profits and substantial share in the domestic/overseas markets. These programmes are designed and conducted by SISIs keeping in view the local conditions and needs of the target groups. The subjects covered under these training programmes pertains to various aspects of Management, covering Management & Documentation, Materials Management, Financial Management, Information Technology and Exports etc. Training programmes can also



Participants at the Vendor Development Programme at Jaipur, Rajasthan

be organised on each one of these topics independently. An amount of Rs.13,000/- (maximum) is sanctioned for each course having duration of 30 hours with minimum intake of 20 participants. The minimum course fee of Rs.400/- per participant is being charged for all the places, except for Andaman & Nicobar Islands, Lakshadweep, North-Eastern States, Sikkim and Jammu and Kashmir, where it is Rs.100/- per participant. Only 50% of the prescribed course fee is being charged from SC/ST candidates.

Funds are also provided under the scheme to the SISIs for developing adequate training infrastructure.

SKILL DEVELOPMENT PROGRAMMES

The basic objective is to provide training to skilled workers engaged in the small scale industries and to equip them with better and improved technological skills of production, Small Industries Service Institutes (SISIs) in their workshops organise regular courses in various technical trades and manufacturing process. Such technical courses are conducted twice/thrice a year by SISIs. The courses conducted by SISIs are Machine Shop Practice, Heat Treatments,



A section of participants during the one month Entrepreneurship Development Programme on Beautician & Cosmetology

Electroplating, Sheet Metal, Welding, Tool & Die Making, Carpentry, Lens Grinding, Ceramics, Industrial & Art Wares.

INITIATIVES FOR ENVIRONMENTAL CONTROL

ADOPTION OF CLEAN TECHNOLOGIES IN SMALL SCALE INDUSTRIES

The scheme for promotion, development and adoption of clean technologies including waste reuse and recycling formulated earlier for small scale industries is being continued. The following new activities have been carried out under this scheme:

- Waste Minimisation Demonstration Studies in Dye and Dye-intermediate industries completed.
- Training and awareness programmes on waste minimization in small scale industries are being sponsored by the Development Commissioner, Small Scale Industries.

The following projects have also been undertaken under the scheme:

- Waste Minimisation Demonstration studies in the rice mills, textile dyeing and printing and sago industry.
- Preparation of compendium of success stories on waste minimization and cleaner production.

ENVIRONMENTAL CONTROL

The Method of granting consent under water and air pollution to SSI units has been simplified. Except for 17 critically polluting sectors given below, in all other cases SSI units will merely have to file an application and obtain an

acknowledgement which will serve the purpose of consent : -

1. Fertilizer (Nitrogen/Phosphate)
2. Sugar
3. Cement
4. Fermentation & Distillery
5. Aluminium
6. Petrochemicals
7. Thermal Power
8. Oil refinery
9. Sulphuric Acid
10. Tanneries
11. Copper smelter
12. Zinc smelter
13. Iron & Steel
14. Pulp & Paper
15. Dye and Dye intermediates
16. Pesticides manufacturing and formulation
17. Basic Drugs and Pharmaceuticals

WTO CELL

A WTO Cell has been set up in the Office of DC(SSI) to coordinate the latest developments with regard to the World Trade Organisation. The Cell is entrusted with the following functions : -

- To keep abreast and update information on issues related to all WTO Agreements.
- Disseminate information to SSI Associations and SME units regarding recent developments and prepare them accordingly to deal with the implications they would have on the SSI Sector.
- Coordinate with other Ministries and Departments, like Commerce & Industry in respect of IPR patent laws and similar issues.
- Prepare the policy for SSIs in tune with the WTO agreements.

- To organise WTO Sensitization Seminars, Workshops, especially for SSI units at Macro and Micro levels, to enable the Small / Tiny Sectors understand the WTO Agreements.

MARKET DEVELOPMENT ASSISTANCE

In the recently formulated MDA Scheme to enhance exports by the SSIs, financial assistance is given for participation in international exhibitions, overseas study tours, production of publicity material, market studies etc. Under this Scheme, financial assistance upto Rs. 1 lakh is given to SSI Associations who have initiated antidumping investigations. Financial assistance for obtaining registration for bar coding for M/s EAN INDIA is also available under the Scheme. A panel of experts has been constituted for providing support services to SSI units relating to anti-dumping measures.

QUALITY UPGRADATION IN SMALL SCALE SECTOR THROUGH INCENTIVE FOR ISO -9000/14001 CERTIFICATION

ISO-9000 is the acronym for international organisations for standardisation. The accreditation of ISO-9000 is a qualification to sell the product globally. The Small Scale Sector has



A section of the participants of the one day Awareness Programme on ISO 9000 TQM held at SISI, Gangtok

emerged as dynamic and vibrant sector of Indian economy. The Office of the DC(SSl) have introduced the Incentive Scheme of ISO-9000 Quality System which aims at encouraging technological upgradation and quality improvement in SSI sector and prepares them to face the global competition. The Scheme provides reimbursement of 75% of the amount spent for acquiring ISO-9000 Certification (or its equivalent) upto Rs.75,000/- to each unit. The scope of the scheme has been enlarged to cover the reimbursement of expenses incurred for acquiring the ISO-14001.

THE SALIENT FEATURES OF THE SCHEME

1. The scheme envisages reimbursement of the charges of acquiring ISO-9000 (or its equivalent) certification to the extent of 75% of the cost subject to a maximum of Rs.75,000/- in each case.
2. The small scale/ancillary undertakings are eligible to avail the incentive scheme.
3. The Scheme is applicable only to those SSI/ancillary units who have already acquired ISO-9000 (or its equivalent) certification.
4. It is an all India Scheme administered by the Office of the Development Commissioner(SSl), Ministry of SSI, Government of India.
5. The Scheme provides one time

reimbursement. The amount provides of subsidy/financial support if already received from the State Government/ Financial Institution shall be adjusted against the entitlement of reimbursement under this scheme.

6. The Government of India has extended the Scheme upto the Tenth Five Year Plan i.e. 31st March,2007.

The procedural norms and Application Form to claim reimbursement of charges incurred for acquiring ISO-9000 have been now simplified. According to the revised procedural norms, a certificate from the Chartered Accountant, certifying the expenditure incurred in acquiring ISO-9000 certification such as Application fee, Assessment/Audit Fee/Annual Fee/License Fee, Pre-certification expenses towards training, calibration & testing, , technical consultancy (excluding hotel, travel & surveillance charges) shall be submitted alongwith the application in place of the certified copies of various vouchers/receipts of payments made to various agencies.

Formats of the Application and the required documents, together with the checklist of enclosures, are available on request from the Office of the Development Commissioner (Small Scale Industries), New Delhi or from its field institutions i.e.Small Industries Service Institutes.

Norms for the Re-embursement Scheme for the ISO-9000

(a) Payments made to Certification Agency (excluding travel, hotel expenses & surveillance charges)	= Full Amount
(b) Payments made towards (i) Consultancy; (ii) Training; and (iii) Calibration only)	= Upto Rs. 30,000 (Rs. Thirty Thousand)
c) The entitlement for reimbursement	= 75%
	(a) full amount (b) upto Rs. 30,000/-
Total	upto Rs. 75,000/-

Yearwise Progress of ISO -9000 Scheme

Year	No. of units benefited
1998-99	54
1999-2000	127
2000-2001	176
2001-2002	992
2002-2003*	956

*Till 31st January, 2003

The Application format, annexures, proformas etc. and a sample of the "Filled-up Application" have been placed on the SIDO Website (www.laghu-udyog.com).

PHYSICAL ACHIEVEMENTS SO FAR DURING THE NINTH PLAN

The ISO-9000 reimbursement Scheme has been in operation since March, 1994. In all 3332 SSI/Ancillary units have benefited from this Scheme upto 31st January, 2003.

Registered SSI units are required to submit their Application, duly completed with enclosures, to the Office of the Development Commissioner (SSI), Nirman Bhavan, New Delhi.

THE SSI CONVENTION AND PRESENTATION OF THE NATIONAL AWARDS

SSI CONVENTION

The Ministry of Small Scale Industries, Government of India, organized its Third National Convention on small Scale Industries on August 28, 2002 at Hotel Ashoka in New Delhi. The occasion also saw the presentation of the National Awards to outstanding entrepreneurs organisations for exhibiting excellent

performance, innovative and useful Research & Development Efforts, attaining high levels of Quality in their products and the newly introduced Awards for Banks for outstanding lending to SSIs. The Convention represented yet another milestone in the life of Small Industries and was organized on the theme of "Toys" to highlight the achievements of this segment of Small Industry and its great potential in the new economic order.

NATIONAL AWARD

National Awards are given away to small scale entrepreneurs for encouraging and motivating them for efficient management of their small scale units, their modernization, with a view to upgrading the quality of their produce, higher productivity, increasing their share both in the domestic/export markets, innovation and brining about technological improvements. The Awards are given on the basis of the recommendations by State/UT level Selection Committee and the final selection by the National Level Selection Committee. The Scheme envisages three National Awards (First, Second and Third) and one Special Recognition Award to an entrepreneur. The national Awards carry, besides a trophy and Certificate, a cash award of Rs. 25,000/- Rs.20,000/- and Rs.15,000/- respectively. The Special Recognition Award given to an entrepreneur in each State/UT carries, besides a trophy and certificate, a cash prize of Rs. 10,000/ - In 1993, a special prize at par with First National Awards was introduced to honour an outstanding women entrepreneur and also an outstanding SC/ST entrepreneur. The awards are given for every calendar year.

The National Awards were presented on the occasion of National Convention for excellent performance by Small Scale Units in achieving higher levels of output, Quality Products and

Research & Development Efforts by the support organisations included 3 Awards for Small Scale Entrepreneurs, 1 Special Award to SC/ST Entrepreneur, another Special Award to Women Entrepreneur, 16 Special Recognition Awards, 13 Quality Product Awards and 3 Awards for Research & Development Efforts in SSIs.

The National Awards to the Banks for showing excellence in SSI lending were also presented on the occasion. While the first awards was bagged by the Bank of India for surpassing the targets for priority sector lending set by Reserve Bank of India and registering impressive growth rates of advances to the Sector in 2001 – 2002, the Second Award went to the Punjab National Bank for its commendable efforts for lending to the SSIs, the State Bank of Hyderabad was conferred the Special Award for its creditable performance in lending to the Sector.

The Hon'ble Union Minister of Finance & Company Affairs also released two publications - a Special Issue of "Laghu Udyog Samachar" – a quarterly journal on Small Scale Industries and a Book entitled " Small Scale Industries: An Engine of Growth" specially brought out by the Ministry for the National Convention.

Smt. Vasundhara Raje, then MOS(SSl) (Independent Charge) in her address touched upon the initiatives and programmes undertaken by her Ministry during the last 3 years aimed at promoting and enabling the units in the Sector- Comprehensive Policy Package, WTO and IPR Awareness, Implementation of Bar Coding, Use of Anti-Dumping Provisions, Sector specific National Programmes in collaboration with UNIDO, Technology Resource Centres, Knowledge Portal for SSIs and the Third Census for SSI Units. The Hon'ble Minister also elaborated the new programmes the Ministry is initiating for the units in the Sector to take maximum

advantage of the changed circumstances. A Mentoring Programme to be implemented through National Small Industries Corporation (NSIC) wherein a large business shall take a new or a small enterprise under its supervision and nurture it.

The Hon'ble Union Minister of Finance & Company Affairs, Shri Jaswant Singh while addressing the Convention acknowledged the great strides made by small scale industries even during the era of economic liberalization and its significant contribution towards the economic development of the country and promised all possible help from the Government for making the units a viable entity in the global competitive environment. The Hon'ble Minister announced a number of concessions for boosting the morale and determination of the units in the small scale sector to convert the challenges thrown by the changed circumstances into opportunities- restoration of excise exemption limit of Rs. 1 crore to the Ball and Roller Industries, making effective with immediate effect the pre-Budget limit for the Hand-Processing Sector and exemption/relaxation of Duty on Bicycle parts and accessories. The Department of Company Affairs is examining the feasibility of a Limited Partnership Act as being demanded by SSIs, the Hon'ble Minister, added.

The post-lunch session of the Convention witnessed two Technical Sessions on "Benefits of IPRs for SSI's and "SIDBI Foundation for Micro Credit" by Dr. G.S. Jaiya, Dy Director, WIPO, Geneva and Shri P.B. Nimbalkar, CMD, SIDBI respectively. Each of the Technical Sessions was followed by an Open House Discussion wherein the representatives of SSIs, Support Organisations, Entrepreneurs and other concerned in promotion and development of the sector put forward their respective point of views for the sustenance of

the units in the sector besides asking questions on the subjects dealt with in the Technical Sessions.

The day-long Convention was inter-alia attended by the representatives of the States and Union Territories, Members of Parliament, Chief Executives of Banks and financial Institutions, Representatives of Planning Commission and other organs of the Government, Toy Association of India, WIPO, UNIDO and other multilateral institutions, Industry Associations and entrepreneurs from all across the country.

The Third Convention proved as useful and productive as the earlier ones.

MEASURES FOR IMPROVING FLOW OF CREDIT TO SSI SECTOR THROUGH ANNOUNCEMENT MADE IN UNION BUDGET AND COMPREHENSIVE POLICY PACKAGE

COLLATERAL SECURITY DISPENSED WITH FOR LOANS UPTO RS. 5 LAKH

The requirement of providing collateral security is a major bottleneck to the flow of bank credit to very small units. RBI had issued instructions to dispense with the collateral requirements for loans upto Rs. 5 lakh. The limit has been further enhanced to Rs.15 lakhs in deserving cases based on the commercial judgement of individual banks through the announcement in the Union Budget 2002-2003.

COMPOSITE LOAN SCHEME LIMIT ENHANCED TO RS. 25 LAKH

The existing Composite Loan Scheme of SIDBI and Banks helps small borrowers by

providing working capital and term loans through a single window. To promote credit flow to small borrowers, the composite loan limit was increased from Rs. 5 lakh to Rs. 10 lakh. Limit was further raised to Rs. 25 lakhs in Comprehensive Policy Package.

NEF SCHEME TO COVER PROJECTS UPTO RS. 50 LAKH

SIDBI operates the National Equity Fund Scheme, under which equity support is provided for projects upto Rs. 10 lakhs. To further help SSI entrepreneurs, this limit was raised to Rs. 25 lakh from April, 2000. The coverage of the Scheme has now been extended to metropolitan areas as well. Further 30% of the investments will be earmarked for the tiny sector. The project cost was further enhanced to Rs. 50 lakh in the Comprehensive Policy Package.

SPECIALISED SSI BANK BRANCHES IN EACH DISTRICT AND SSI CLUSTERS

The Hon'ble Finance Minister has urged the public sector banks to accelerate their programme of SSI Branches to ensure that every district and SSI cluster within districts are served by one specialized SSI bank branch. SSI branches are being asked to obtain ISO certification.

OPERATION OF TDMF SCHEME EXTENDED FOR 3 YEARS

SIDBI is presently administering the Technology Development Modernisation Fund Scheme for assisting technology development and modernization of SSI units. The Scheme has certain concessional features including interest at prime lending rate for direct assistance and refinancing at 2% below prime rate for indirect finance. The operation of this Scheme is being extended by another 3 years.

CREDIT GUARANTEE FUND SCHEME FOR SMALL INDUSTRIES

- The Salient features of the Scheme are :
- The Scheme was launched on 30th August, 2000.
 - Credit Guarantee Fund Trust created with Headquarters in Mumbai.
 - A contribution of Rs. 125 crore made to the Fund in 2000-01. (Rs. 100 crore Government of India + Rs. 25 crore SIDBI). During 2001-2002, the corpus fund has been raised to Rs. 200 crore. During 2002-2003 the corpus fund is being enhanced by Rs. 127 crore as Government contribution.
 - So far 34 member lending intuitions including Banks /RRB's/NSIC, NEDFI are participating in the scheme.
 - As on 31st January, 2003, 7258 cases have been provided guarantee cover under the scheme on loans amounting to Rs. 79.77 crore.

CREDIT LINKED CAPITAL SUBSIDY SCHEME

- The Salient features of the Scheme are :
- The Scheme of Credit Linked Capital

Subsidy aims to provide 12% capital subsidy on project of technology upgradation in specified sub-sectors.

- At present, 14 product/sub-sectors are covered.
- SIDBI acts as the nodal agency.
- Duration of the Scheme is from 1st October, 2000 to 30th September, 2005 or the sanction of Capital Subsidy of Rs. 600 crore, whichever is earlier.
- Monitoring of the Scheme through Governing & Technology Approval Board chaired by the Secretary (SSI).

LAGHU UDYAMI CREDIT CARD (LUCC) SCHEME

Encouraged by the response given to Kisan Credit Card Scheme, the Government launched a Laghu Udyami Credit Card Scheme (LUCC) in the Budget 2002-03. The Public Sector Banks would issue Credit Cards to small businessmen, retail traders, artisans, small entrepreneurs, professionals and other self-employed persons including those in the tiny sector. The scheme aims at providing simplified and borrower friendly credit facilities.

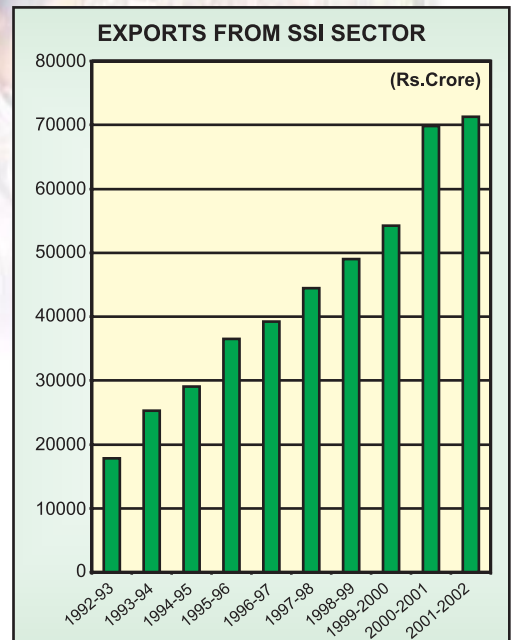
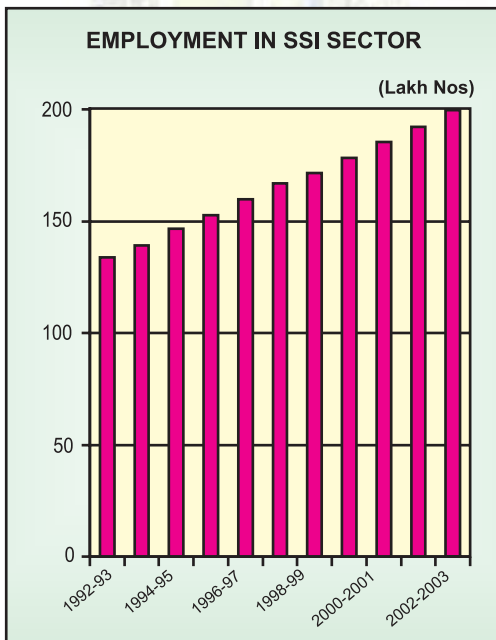
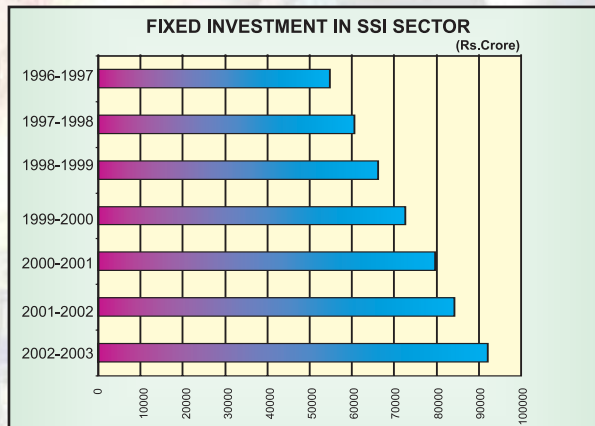
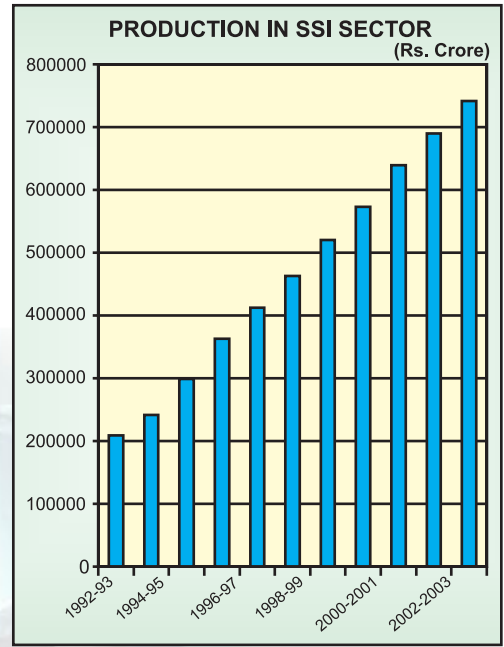
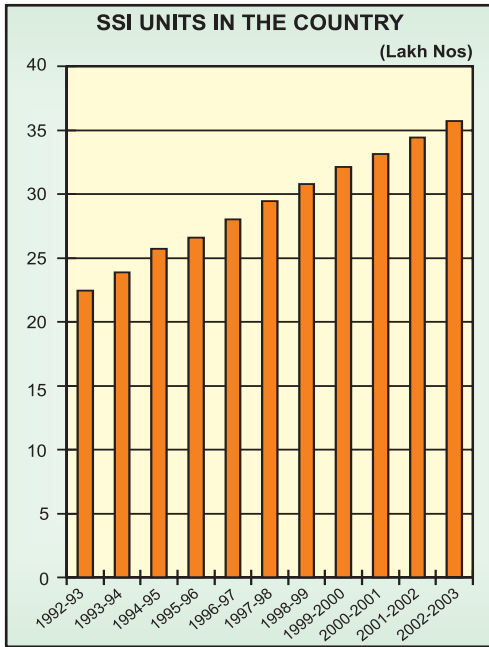
C E N S U S

The Third Census of Small Scale Industries has been launched all over India during October, 2002. The field operations of the Census were entrusted to the State/UT Directorate of Industries. About 15,000 enumerators have been engaged by the directorates for data collection work, which are going to be completed by March, 2003. In

the third census, all SSI units registered upto 31st March, 2001 will be covered on complete enumeration basis. Besides, the un-registered sector will also be covered through a sample survey in 10,308 villages and 9,513 urban blocks. About 2 lakh unregistered SSI units are likely to be surveyed through this approach.

Performance of Small Scale Industries								
YEAR	Number of units (lakh Nos)			Fixed Investment (at current Prices)	Production		Employ- ment (Nos in lakhs)	Export (Rs. crore)
	Regd.	Un-Regd.	Total		(at current prices)	(at constant prices)		
(Rs. in crores)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
						At 1993-94 Prices		
1992-93	16.48 (10.01)	5.98 (2.40)	22.46 (7.88)	N. A	209300	225626	134.06	17784
1993-94	17.76 (7.77)	6.12 (2.34)	23.88 (6.32)	N. A.	241648	241648 (7.10)	139.38 (3.97)	25307
1994-95	19.44 (9.46)	6.27 (2.45)	25.71 (7.66)	N. A	298886 23.69	266054 (10.10)	146.56 (5.15)	29068
1995-96	20.18R (3.81)	6.4 (2.07)	26.58 (3.38)	N. A.	362656 21.34	296385 (11.40)	152.61 (4.13)	36470 (25.46)
1996-97	21.53R (6.69)	6.5 (1.56)	28.03 (5.46)	54698 # (10.2)	411858 13.57	329935 (11.32)	160 (4.84)	39248 (7.61)
1997-98	22.82 R (5.99)	6.62 (1.85)	29.44 (5.03)	60552 # (10.7)	462641 12.33	357749 (8.43)	167.2 (4.5)	44442 (13.23)
1998-99	24.06 R (5.43)	6.74 (1.81)	30.8 (4.62)	66106 # (9.1)	520650 12.54	385296 (7.7)	171.58 (2.62)	48979 (10.21)
1999-00	25.26 R (4.99)	6.86 (1.78)	32.12 (4.29)	72633 #* (9.8)	572887 10.03	416736 (8.16)	178.5 (4.03)	54200 (10.66)
2000-01	26.14 (3.48)	6.98 (1.75)	33.12 (3.11)	79703 (9.7)	639024 11.54	451033 (8.23)	185.64 (4.00)	69797\$ (28.78)
2001-02	27.31 (4.50)	7.11 (1.80)	34.42 (3.91)	84329 (5.8)	690316 (8.03)	478456 (6.08)	192.23 (3.55)	71244 (2.07)
Projection for 2002-03	28.49 (4.32)	7.23 (1.77)	35.72 (3.79)	92087 (9.2)	742021* (9.2)	514292 (7.78)	199.65 (3.86)	

NOTE: (R) - Revised, (#) - Revised Estimates, (#*) - Based on wpi Feb2000. Figure in brackets gives percentage growth over previous year. (\$) - Revised on dated 20.5.2002. * = Current prices are based on WPI for 2001-02, Projections for 02-03 are worked out by taking average of last three years growth rates achieved,



CHAPTER - V

OTHER SCHEMES OF THE MINISTRY

SCHEME ON SURVEYS, STUDIES AND POLICY RESEARCH

In the context of the liberalization and globalisation of the economy the competitive strength of the small scale industries needs to be enhanced through suitable policy measures by which the units can be made operational and efficient. In order to formulate sustainable policy frameworks, operational strategies and action plan there is a need for getting relevant data as also surveys, studies and investigations including producers and customers feedback on the problem areas of units in the small scale, village, khadi and coir sectors. Such data collection, surveys, studies and investigations etc. are undertaken which includes the research studies relating to problems and prospects of industrial units in small scale, khadi, village and coir sectors to improve the viability of these industrial units, studies on problem of finance, sickness, raw material and marketing aspects of industrial units, technological problems, industrial potential surveys consisting of the various sub-sectors in the VSI sectors, feasibility studies, market surveys and studies, evaluation of existing policy majors in the SSI, village industries, khadi, coir and studies on micro-enterprises and micro-financing institutions etc. The Surveys, studies are entrusted to research, academic and training institutions, registered societies and reputed individuals with proven competence to undertake such assignments.

TRADE RELATED ENTREPRENEURSHIP ASSISTANCE & DEVELOPMENT FOR WOMEN (TREAD)

The scheme on Trade Related Entrepreneurship Assistance & Development for Women (TREAD) has been designed to empower women economically through the development of their entrepreneurial skills by eliminating constraints faced by women in matters of trade. It includes assistance in the form of loans, grants trade related training, trade information, counselling and extension activities relating to product and market development. Under the scheme, women entrepreneurs from any part of the country may take up any non-farm activity in a group mode through Non-Governmental Organisations (NGOs). The grant component is upto one-third of the total project cost. At least 70% of the grant component are utilized for direct benefit of women entrepreneurs and the balance 30% of the grant are used by the NGO's for capacity building.

NATIONAL ENTREPRENEURSHIP DEVELOPMENT BOARD (NEDB)

The National Entrepreneurship Development Board (NEDB) is the apex body for entrepreneurship development in the country. It devises and recommends to the Government, schemes for promotion of entrepreneurship encouraging self-employment in small scale industries and small business. The Board also recommends suitable facilities and incentives for entrepreneurship training. Certain studies/programmes have been undertaken under this scheme by various training institutes of the Government.

CHAPTER - VI

NATIONAL SMALL INDUSTRIES CORPORATION (NSIC)

The National Small Industries Corporation Limited is a public sector undertaking set up by the Government of India in 1955 to promote, aid and foster, the growth of small-scale industries in the country. NSIC helps the small scale industries through its various schemes such as hire purchase, equipment leasing, marketing - domestic as well as export, raw material assistance, single point registration, etc. Under the hire purchase, NSIC supplies both indigenous and imported machines on easy hire purchase terms to SSI units. Similarly, it also supplies both indigenous and imported raw materials by procuring them in bulk quantity at a concessional rate. Further, it enlists competent SSI units and facilitates their participation in Government purchase programmes. It conducts technical training and entrepreneurship development programmes in its various technical service centres.

In the changing scenario of economic liberalisation, NSIC has increased its training capabilities by entering into high-tech areas such as computer application, electronics, etc. Infrastructure and information support is provided through Software Technology Parks and Technology Transfer Centre. NSIC also provides concessional terms in its lending for development of rural and backward areas and also extends this facility for units promoted by entrepreneurs from the weaker sections of the society.

ACTIVITIES

The National Small Industries Corporation Ltd. (NSIC) was incorporated in 1955 with a view to promote, aid and foster growth of Small Industries in the country. During the year 2001-02, the turnover was Rs. 759.33 crore as against Rs. 890.67 crore recorded during the year 2000-01. The Corporation incurred a net loss of Rs. 84.12 crore in 2001-02 as against Rs.52.46 crore during 2001-02.

SCHEMES AND PROGRAMMES

FINANCIAL SUPPORT

Machines on Hire Purchase and Equipment Leasing

The scheme to supply machines on Hire Purchase basis was launched in 1956 to help in setting up of new small and ancillary industries and to modernise to existing ones by supplying appropriate, modern and sophisticated machinery and equipment. Machines supplied by the NSIC have resulted in creation of employment avenues and production of wide variety of items. The scheme has been useful for the small-scale industries in rural and backward areas. Units promoted for SC/ST entrepreneurs, technocrats, physically handicapped persons, ex-defence personnel and women entrepreneurs are supplied machines on concessional terms.

The Corporation launched Equipment Leasing for modernisation, expansion and diversification of existing units. This helps the units in becoming competitive both in terms of price and quality. The scheme provides 100% finance, single window services for indigenous as well as imported machines, tax rebate on full year rental etc.

Composite Term Loan Scheme

Under the scheme, assistance provided to first generation entrepreneurs having innovative ideas and viable projects. Maximum assistance of Rs.25 lakh is provided to tiny units for procurement of land and building, machinery and equipment and for working capital. The scheme is linked with Credit Guarantee Fund under which loans are covered against payment of one time upfront fee of 2.5% of the loan

sanctioned and annual fee of 1% on the outstanding amount.

Italian Line of Credit

UNIDO had carried out a study and highlighted the role of Indian small and medium enterprises for the growth of Indian economy and favoured collaboration between Italy and India at the level of single companies as well as at the level of cluster to adopt the successful Italian industrial development model to the Indian industry. The Directorate General for Development Cooperation of the Republic of Italy approved a soft loan of Lira 10 billion (Rs. 2030 lakh approx.) as Italian Line of Credit in favour of Republic of India to be utilised for financing the "Programme for the Development of Small and Medium Enterprises".



Hon'ble Dr. C.P. Thakur, Union Minister for Small Scale Industry & Development of North East being shown "Soap Making Plant" by Shri Rajiv Bhatnagar, Chairman-cum-Managing Director, NSIC during his visit to NSIC-Technical Services Centre, Okhla, New Delhi

NSIC had been appointed as the Nodal Agency by the Government of India for operating the "Programme for the Development of Small and Medium Enterprises" in certain selected sectors. The Line of Credit can be utilised for the acquisition of Italian machinery, technology/service as correlated to the identified sectors. The term loan for this purpose is available to small and medium enterprises at concessional rate of interest and on easy terms and conditions. The Corporation has launched the scheme by organising Industrial Campaigns/Workshops.

The NSIC provided financial support of Rs. 23.97 crores during 2001-02. In the first eight months of 2002-03 financial support of Rs. 11.63 crore has been provided.

Raw Material Assistance

Making available the right type of raw material at appropriate price and in time not only enhances the competitive capacity of the small units and also arrests their sickness. Raw material supply to SSIs help them concentrate on other areas of the production. Through its distribution system, NSIC has been supplementing the availability of raw materials to a large number of small industries scattered all over the country on the "off the shelf basis". During 2001-02, Raw Material Assistance of Rs. 456.48 crore was provided to SSIs. During the first eight months of 2002-03, an assistance of Rs. 314.12 crore has been provided.

In order to facilitate the SSI units in procurement of basic raw material at a competitive price, the Corporation entered into an MoU with NALCO for providing Aluminium as raw material on behalf of the requirement of associated units. The Corporation gets quantity and other discounts because of bulk purchases and a portion of the same is passed on to the

units for making their raw material cost competitive.

Bill Discounting

Bills due to SSIs from eligible purchasers including electricity boards and other Govt Deptts. are discounted under this scheme and arrangements are made to ensure that the purchaser makes the payment to the Corporation on the due date. The seller SSI units gets the payment of supply bills on discounting by the corporation and the amount advanced on discounting is adjusted on realization of payments of bills from the purchaser. This scheme mitigates the problem of units for delayed payment by the purchaser thus boosting working capital availability. During 2001-02, Bills of SSIs amounting to Rs. 76.42 crore were discounted. During the first eight months of the year 2002-03, assistance of Rs. 55.34 crore has been provided.

MARKETING ASSISTANCE SCHEME

Marketing, is though essentially an entrepreneurial function, yet in today's liberalised environment institutional support is needed by the SSIs in this area. In view of the liberalised regime, there is greater and intense competition from the large multinational companies. This is a support activity. NSIC has been acting as a facilitator to promote the marketing of SSI products. NSIC has, over a period, devised a number of innovative programmes for the support of SSIs in the field of marketing, both in and outside the country.

Internal Marketing

The Corporation takes up marketing of products manufactured by SSIs within the country by:

- (a) Securing institutional orders or participating in tenders floated by Government Purchase agencies/Deptts. and PSUs. The objectives are to ensure fair margin to products of goods and to make availability of quality goods at fair price to the consumers. Under the Internal Marketing Support Programme, the Corporation provided assistance of Rs. 13.90 crore during the first eight months of 2002-03.
- (b) **Consortia approach** – Small units producing the same products are brought under one umbrella in the form of a consortium under this scheme. The Corporation explores markets and secures bulk orders, which are farmed out to small units in tune with their production capacity. Testing facilities are also provided or arranged to enable the units to improve and maintain the quality of their products and supply them conforming to the standard specifications.

Many SSIs engaged in the manufacture of Handmade paper, Office stationery, Exercise notebooks, G.I. Pipe fittings, Pipe locks, Tool kits, Paints, Solar lights, Hospital clothing, X-ray items, Surgical goods, Veterinary Equipment, Apple juice and Shoes have been supported under the schemes. This is an ongoing programme and quite a few such consortia are in the process of being formed.

Export Marketing

NSIC has adopted a 'single window' assistance approach for export of small industries products. The Corporation has concerned itself with development of small units, which have gradually acquired the capability to independently handle export of their products.

Many small units, which had started their export business with the assistance of the NSIC have now acquired sufficient experience so as to be able to export directly. NSIC also supplies projects on turnkey basis to developing countries. During 2002-03 Corporation continued its efforts to:

- Accelerate Export of quality products of the small-scale units.
- Facilitate easier access to SSI's in established global markets.
- Inducting small enterprises in India to export markets.
- Effectively display product and technologies of small-scale industries at international forums.

The Corporation participated in International Trade Fair in which products of small-scale sector were displayed and export orders also obtained. During the first seven months of 2002-03, the exports of the Corporation were to the tune of Rs. 4.28 lakh.

PROJECTS EXPORTED

During the visit of Hon'ble President of Indonesia to India, an MoU was signed between the Government of India and Government of Indonesia pertaining to mutual cooperation, NSIC has been made the implementing agency for setting up the Vocational Training Centre in construction sector at Jakarta in Indonesia.

Some of the MoU's signed by the Corporation for exports are with: -

- Economic Development Board, Bahrain
- Small Industries Development Organisation (SIDO), Tanzania
- Enterprise Botswana, Botswana
- Mpulmalanga Provincial Government of South Africa

A techno-feasibility study has been undertaken by NSIC under ITEC Programme for setting up an Information Centre in Tanzania. The report has been submitted to Ministry of External Affairs.

INCOMING DELEGATIONS

39 Delegations from various countries such as Bahrain, UAE, Kenya, Nigeria, Congo, Ghana, China and Israel etc. were received during the year for exchange of technologies suitable for SSIs.

PARTICIPATION IN EXHIBITIONS AND ORGANISATION OF BUYER SELLER MEETS

NSIC also provides marketing support by arranging buyer seller meets in different parts of the country. These meets have become very popular and have been instrumental in developing linkages between various

organisations in different parts of the country. During 2002-03, the NSIC participated/organised 11 Exhibitions up to Nov., 2002. Important Exhibitions which NSIC organised/participated in 2002-03 are:

SWADESHI MELA, HYDERABAD

NSIC- Technical Service Centre, Hyderabad participated in Swadeshi Mela held at Hyderabad wherein all the technologies and products developed by the Centre were displayed. The response for the products in the Mela was very good. It was awarded as the "BEST STALL" in the Government category.

UDYOG EXPO'2002, NEW DELHI

NSIC organised "Udyog Expo'2002" at Exhibition Centre, Okhla Industrial Estate, New Delhi a mega Industrial Show sponsored by Ministry of Small Scale Industry, Government of India. It was a platform for technology seekers



Smt. Vasundhara Raje, then Hon'ble Minister of State (Independent Charge) for SSI (India) in a meeting with H.E. Li Xueyong, Vice Minister, Ministry of Science & Technology (China) during her visit to China. Also seen in the picture are Shri Rajiv Bhatnagar, CMD, NSIC, Indian Ambassador to China and Dr. C. S. Prasad, Addl. Dev. Commr. (SSI) and Economic Advisor, Office of the Dev. Commr. (SSI), New Delhi

and technology suppliers to interact with each other. It displayed the capabilities of the small scale sector in India. The focus of the exhibition was to showcase Machine Tools, Automobile Ancillaries, Agro & Food Processing Units and Engineering Components. The units from different States displayed plant & machinery conforming to international standards. The machines on display were Tissue Paper Making Machines, Bakery Plant, Powder Coating Machines, Lathe & Power Press, Food Processing Machines, Blow Moulding Machines, Power Press & Shearing Machines, Pet Bottle & Jar Blowing Machines and Automatic Computer Stationery Printing Machines etc. 75 SSI units from 12 States participated in the Expo.

TECHMART 2002

The NSIC organised Techmart India' 2002 (10th International Technology Fair), New Delhi from 14th – 27th November 2002 coinciding with the India International Trade Fair' 2002.

The fair provided a platform for the projection of the competency of the Indian small-scale industries. It covered a range of engineering, manufacturing goods and service industries with emphasis on sector specific approach. Various States & UTs of the country such as Delhi, Punjab, Haryana, J&K, Himachal Pradesh, U.P., Tamil Nadu, Rajasthan, Karnataka, West Bengal, Andhra Pradesh, Gujrat, Maharashtra, Madhya Pradesh, Chandigarh, and North-East region etc. showcased their products & services. The sectors covered were:

- i) Leather & Leather Products
- ii) Auto Components
- iii) Agro & Food Processing
- iv) Information Technology

- v) Low Cost Building Material
- vi) Pharmaceutical & Chemicals
- vii) Light Engineering (Builders Hardware & Hand Tools)
- viii) Bio-Technology
- ix) Ceramic & Glass

The NSIC has also invited a number of foreign delegations to visit Techmart. The seminars on following two topics were also organised:(a) Opportunities in Agro Bio-Technology, held on 20th Nov., 2002 (b) Export Prospects to Sweden, held on 22nd Nov., 2002.

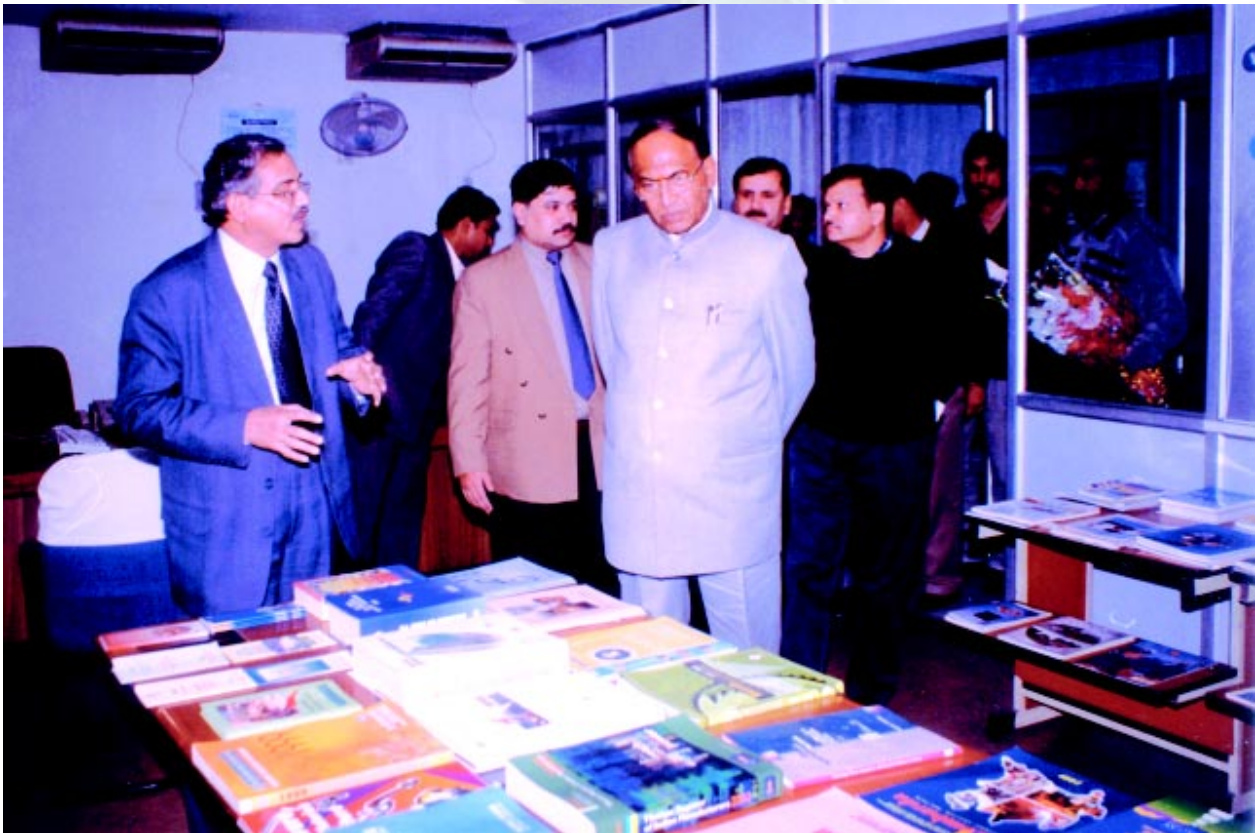
GOVERNMENT STORE PURCHASE PROGRAMME

Government Stores Purchase Programme was started to promote marketing of small-scale industries products to the government. Under the programme, NSIC, as the designated nodal agency registers the small scale units which have got necessary capabilities in terms of finance as well as technology for providing goods to various agencies. This programme of the Corporation has been fully computerised and a directory of units enlisted under the programme is published periodically which serves as a useful document for sourcing from units competent to supply various items. Enlisted units are not required to pay any earnest money or security deposit under this programme. The units registered with the Corporation have an advantage as these are recognised at par with the units directly registered with DGS&D and are also not required to register with other Government Deptts. as well as public enterprises. The Corporation has registered 32,496 small scale units upto March, 2002 under Government Purchase Programme. During the current financial year, 473 new units have been registered up to November 2002.

NSIC TECHNICAL SERVICE CENTRES

NSIC's five Technical Service Centres (NTSC) in Okhla (New Delhi), Rajkot, Howrah, Chennai and Hyderabad continued to provide valuable training and common facilities support to SMEs in the form of conventional and hi-tech trained manpower, common facilities support in the fields of precision machining facilities, specialised Testing Lab facilities and other quality

Hydraulic control & Computer hardware & software have been introduced in most of the Centres. During the year, new activities have been added like preparation of project reports for SMEs, consultancy for ISO 9000, ISO 14000 certification, Energy Management Environment Audit etc. With a view to make NSIC Technical Service Centres and Extension Centres self-sustainable, the production activities have been closed and the thrust is given to value added



Hon'ble Dr. C.P. Thakur, Union Minister for Small Scale Industries & Development of North East being explained the activities of Corporation by Shri Rajiv Bhatnagar, CMD, NSIC during his visit to Technology Transfer Centre. Also seen in the picture is Shri Shankar Aggarwal, Joint Secretary, Ministry of Small Scale Industries

upgradation services like Energy Management ISO 9000 etc. With the lifting of Quantity Restrictions and Globalisation, the Technical Centres have changed focus from conventional to hi-tech training programmes. Hi-tech training programmes in the area of CNC & CAD/CAM,

services like training and testing facilities. All the five NTSCs at New Delhi, Rajkot, Howrah, Chennai and Hyderabad enjoy the status of 'In House R & D Centres' of Deptt. of Scientific and Industrial Research (Ministry of Science & Technology).

The NTSCs trained 6850 technical persons and provided common facilities support to 5782 units during 2001-02. Up to Nov., 2002 NSIC trained 3069 persons and provided common facilities to 2880 units. During the first seven months of 2002-03, NSTCs have earned Rs. 377.20 lakh.

New Technologies introduced and some of the achievements of NSIC-TSCs/NSIC-TSECs

NSIC-Technical Services Centre, Rajkot has started Waste Minimization Circles in Jam Nagar, Gujarat in association with NPC. It is also a member in cleaner production and Audit Board of the State Government. In addition, the Centre is continuing its training in ISO-9000 and environmental services.

NSIC-Technical Services Centre, Chennai has started Hi-tech training courses in Hydraulic and Pneumatic Control (with introduction of PLC) IDEAS 8/3 modelling CAM, DNC and CNC Programming and Operation.

NSIC-Technical Services Centre, Hyderabad has facilitated project training for 70 professional postgraduate students like MBA, MCA and under graduates like B-Tech in the areas of CNC Computers, Electronics and IT. Under technology transfer, the Centre has developed new products – air cooler control, solar lamp and volt guard to protect home appliances and has transferred the technology to various interested units.



Hon'ble Shri Tapan Sikdar, Minister of State for Small Scale Industries & Development of North East having discussions with Shri Rajiv Bhatnagar, CMD, Shri R.K. Celly, Director (Plg. & Mkg), and other officers of NSIC during his visit to NSIC, New Delhi

NSIC-Technical Services Extension Centre, Aligarh in association with ASOCHAM is organising quality certification awareness programme in and around Aligarh. Under NPDLI Programme, the Centre has imparted skill upgradation training for Dindigul lock cluster in Tamil Nadu.

NSIC-Technical Services Extension Centre, Rajpura's Electrical Testing Laboratory has got the recognition of NABL. Thrust is being given to introduce calibration and other value added services for the benefit of electrical industries in the region.

NSIC-Technical Services Centre, Howrah conducted specialized training courses for retired personnel under the scheme of Counselling, Retraining and Redeployment of rationalised employees of CPSU's. Testing Lab has been modified and new facilities have been added to cater the needs of SMEs for quality control and upgradation.

ENERGY CELL

The Government of India had initiated an Energy Efficiency Programme for Indian Industries under UNDP assistance in the year 1989. Under this project the Indian Government had selected four nodal agencies in each zone to implement the Energy Efficiency Programme. NSIC was selected for implementing the programme for Western Zone.

NSIC-Technical Services Centre, Rajkot has been approved as energy auditor by Petroleum Conservation Research Association, Government of Gujarat, Maharashtra Energy Development Agency and Gujarat Energy Development Agency.

Last year NSIC-TSC, Rajkot has conducted 42 industrial energy audits. The Centre also conducted an in-house training programme to upgrade the professional skills.

The Centre has established a full-fledged Environmental Laboratory and Gujarat Pollution Control Board has recognised this centre as a SCHEDULE-I environmental auditor. So far the Centre has successfully carried out 20 Environmental Audits.

REHABILITATION PROGRAMME FOR PHYSICALLY HANDICAPPED PERSONS

NSIC-Technical Services Centre, Hyderabad has successfully trained 30 Physically challenged students both Deaf & Dumb and Orthopedic in Electronics Line Operator Programme.

SEMINARS/EXHIBITIONS

The Technical Centres and Extension Centres organised intensive campaigns, seminars, buyer seller meets for small scale entrepreneurs on various topics like Technology offers for small entrepreneurs, entrepreneurship development, workshop on energy conservation, energy audit, quality management and on various schemes of the Corporation. 21 Technology workshops and seminars were conducted up to Nov., 2002.

In addition to this Corporation participated/organised the following exhibitions:

Regional Office, Kolkata received "BEST PARTICIPATION AWARD" for Small Scale in the 15th Industrial Trade Fair, Kolkata. The fair was

organised by Bengal National Chamber of Commerce and Industries.

Regional Office, Guwahati participated in 'Dibrugarh Trade Fair', wherein different activities of the Corporation were explained to the visitors of North Eastern Region. Dibrugarh in eastern part of Assam was chosen to familiarize NSIC's facilities to people of upper Assam and southern part of Arunachal Pradesh. The fair received an overwhelming response.

NSIC Technical Services Centre, Hyderabad has conducted a seminar on 'Embedded Systems and Real Time Operating System'(RTOS) in commemorating the National Technology Day.

NSIC-Technical Services Centre, Chennai organised a Skill-cum-Technology Upgradation Programme (STUP) on "Footwear Designing and Pattern Cutting" in association with United Nation Industrial Development Organisation, under their Cluster Development Programme and supported by Small Industries Development Bank of India (SIDBI) at Ambur. The programme was conducted for semi-skilled workers/artisans-cum-owners of Tiny Shoe Manufacturing units in Ambur.

NSIC – Technical Services Centre, Rajkot organised a seminar on 'Cleaner Production' in association with Gujarat Cleaner production centre, Gandhinagar and Rajkot Engineering Association wherein 90 participants from various Industries and Engineering Colleges participated. The participants also appreciated the efforts to promote Environmental Management and Energy Conservation activities.

Branch Office, Jammu organised an 'Intensive Motivation and Awareness Campaign' at R.S. Pura for the young entrepreneurs of R.S

Pura, Salama Chak, Qutab Nizam and other adjoining areas on the International Border at Jammu, in association with Small Industries Service Institute, J&K. The programme was organised to inculcate entrepreneurial skill in the youth of the area.

SOFTWARE TECHNOLOGY PARK

Recognising the importance of the Software Industry and to extend infrastructural support for the continued growth of the SMEs, NSIC has taken new initiatives to promote the software exporting SMEs by setting up Software Technology Parks exclusively for them.

The first Software Technology Park (STP) was set up in 1995 at Okhla, New Delhi and second STP has been commissioned in Guindy Industrial Estate, Chennai.

Software Technology Park facilitates SMEs to establish their units for the 100% export of software and also act as the nodal point to activate software exports directly through NSIC.

NSIC-STP complexes provide facilities such as high speed data communication through VSNL/SATCOM and private ISPs, built up office space, uninterrupted power supply, back up power through DG set, a modern business centre and other administrative support and operates under the Software Technology Parks of India Scheme (STPI).

DOING BUSINESS WITH UN SYSTEM

UN Supply Cell was set up to promote and develop the business of the SSI sector with the various United Nations Procurement Agencies and is registered with most of these Agencies

like United Nations High Commissioner for Refugees (UNHCR), United Nations Procurement Division (UNPD), Inter Agency Procurement Services Office (IAPSO), United Nations Children's Education Fund (UNICEF), and United Nations Development Programme (UNDP) etc.

NSIC, UN Supply Cell has been regularly participating in various UN tenders and has entered into a frame agreement with United Nations Office at Geneva (UNOG) for supply of blankets to Procurement and Transport Section UNOG.

During the financial year NSIC-UN Supply Cell has been successful in generating business from the SME's sector to the tune of US\$ 2.19 million (Rs. 1045.57 lakhs) by way of direct and indirect supplies to UN Procurement Agencies and NGO's.

RECONSTRUCTION OF INDUSTRIAL ESTATE IN AFGHANISTAN

Consequent to the visit of Minister of Industries from Afghanistan, a team from Ministry of Small Scale Industries and NSIC visited Afghanistan to make a preliminary survey of the devastated Industrial Estate at Kabul. The team has since submitted a report for measures to be taken towards rehabilitation and reconstruction of this Industrial Estate.

FINANCIAL ASSISTANCE TO EARTHQUAKE AFFECTED ENTREPRENEURS/UNITS IN KUTCH-BHUJ AREAS

In view of the devastation caused in various parts of Gujarat due to severe earthquake, NSIC deputed an officer at DIC Bhuj for providing assistance under Hire Purchase and Composite

Term Loan Schemes for extending financial assistance to the affected units in those areas. To give publicity to the scheme of the Corporation, advertisements were released informing that Corporation shall be extending financial assistance for construction of damaged buildings as well as for procuring the plant and machinery in and around Kutch-Bhuj areas.

ASSISTANCE TO RATIONALISED WORKERS UNDER THE SCHEME OF COUNSELLING, RE-TRAINING AND RE-DEPLOYMENT OF EMPLOYEES OF CENTRAL PUBLIC SECTOR UNDERTAKINGS

The scheme of counselling, re-training and re-deployment of employees of Central Public Sector Undertakings was earlier known as National Renewal Fund (NRF) and was set up by the Government of India in Feb.'92 as a safety net for workers, who might be adversely affected by new Industrial Policy of July'91 and the economic liberalisation. One of the objective of the scheme is to suitably equip the rationalised workers for purposes of re-deployment so that they continue to be useful productive partner in the growth of the nation. For this Govt. of India have arranged free training/re-training of these workers for wage employment and self-employment. This scheme is being implemented by the Govt. of India through few nodal agencies in the country appointed for undertaking the training/retraining at different places in the country. NSIC is one such Nodal Agency at Kolkata, Howrah, Hooghly and Ranchi.

Corporation has so far retrained, counselled and surveyed more than 34,000 workers under the programme.

ACTIVITIES IN THE STATE OF JAMMU & KASHMIR

In spite of disturbed conditions prevailing in Jammu & Kashmir, Branch Office Jammu is active in programmes and activities. It has organised Intensive Campaigns on NSIC Schemes, EDP especially for women entrepreneurs on cutting/tailoring & fashion designing. Industrial motivation campaigns in the interior regions of J&K. It has also participated in the EDPs, Campaigns, Buyer Seller meets and workshops, exhibitions organised by SISI, J&K, Directorate of Industries and Commerce, ITCO and other organisations.

Jammu Office has been providing services to SSI sector in J&K and shall continue to do so in coming years also with intensified efforts in the new added areas of activities such as Composite Term Loan Scheme, Italian Line of Credit, Consortia etc. and in untouched areas of Ladakh and Kashmir.

HUMAN RESOURCE DEVELOPMENT & TRAINING

NSIC is laying much emphasis on its Human Resource Development. Proper training of employees is essential for developing their skills, increasing their work effectiveness and efficiency for achieving organizational objectives. During the year 2000-01, twelve in-house training programmes were conducted. In addition several employees were sponsored all over the country for various training programmes/seminars/workshops organised by reputed organizations like National Institute of Financial Management, AIMA, CII, Asian Productivity Organisation, Foremen Training

Institute, Central Staff Training and Research Institute etc.

ISO 9000 CERTIFICATION

While the Corporation is in the process of restructuring, it is also felt that quality of services rendered by the Corporation is of paramount importance in the context of competitive scenario prevalent in the services sector.

NSIC being one of the nodal institutions for providing facilitation services for developing competitiveness for the SSI sector, it is considered essential that the organisation by itself become a Quality based organisation. Therefore, the Corporation has decided to go for ISO 9000 certification.

Inducting ISO 9000 Quality Management System would enable every employee in the organisation to follow the set quality standards and procedures to ultimately offer efficient and prompt services to the small industries sector.

To begin with, the Corporate Office at Delhi and the Regional Offices have been taken up for ISO 9000 Quality Management System Implementation and Certification. Two seminars on "ISO 9000 awareness" as well as on "Document & Data Control, Procedure Structure, Procedure Writing, Training Process, Maintenance & House Keeping and Corrective and Preventive Action" have already been conducted at Head Office and Regional Offices. Presently, the procedure writing and manual compilation are under process. It is expected to get the ISO 9000 Quality Management System Certification for the Head Office and the eight Regional Offices by March, 2003.

RESTRUCTURING OF NSIC

The economic & business environment during the last decade has undergone a radical change. Several new financial institutions providing financial services similar to NSIC have also come up. A need to redefine the role for NSIC was therefore felt by the Ministry. M/s A.F. Ferguson & Co. (Consultant) was assigned "Business Restructuring" Study of NSIC. Based on the Consultant's report and discussions with the stakeholders the Ministry has approved the business restructuring of NSIC. The salient features of NSIC restructuring are:

- The NSIC in future would focus on:
 - i) Technology upgradation and quality improvement
 - ii) Marketing Promotion
 - iii) International Cooperation
 - iv) Limited financial support for technology upgradation
- The NSIC would strengthen the competitiveness of SSIs through cluster approach in identified sectors. Sectors identified are Information Technology, Leather and leather products, Knitwear and garments, Pharmaceuticals & Chemicals, Auto Components, Light Engineering (builders hardware, pumps, agriculture diesel-engines, hand tools, bicycle components etc., Agro and Food Processing, Bio-technology, Dimensional Stones and Low Cost Building Material.
- It would strategically re-orient from 'Direct Operator' to 'Facilitator'.

- NSIC would act as an information service provider for the small scale sector – general information to all members, specific information as per needs of the SSI sector.
- NSIC would discontinue financial schemes with effect from. 1st April,2007 except those for technology upgradation.
- The manpower in NSIC will be reduced from the present 1117 to 850 by 31st March,2004.

MANPOWER

The total manpower of the Corporation as on 31st March'2002 was 1214 as against 1346 in the previous year.

The manpower constitutes a very major component of the total revenue expenditure of the Corporation. In order to make the Corporation commercially viable, it was decided to downsize and for this employees were given retirement under Voluntary Retirement.

CITIZEN CHARTER

NSIC is committed to efficient and prompt service on the basis of objectivity, transparency and courtesy in dealing with our citizens for the promotion and growth of small scale industries. To inculcate these values in the employees, NSIC has come out with the citizen's charter. The charter details the commitment expected from the employees of the Corporation. Some of the officers have been assigned to work as link between the public and Corporation, and public can get in touch with these officers to get guidance and help.

CHAPTER - VII

INTERNATIONAL COOPERATION

Small enterprises have emerged as a focus area for forging and promoting trade and investment ties with other countries. The economic reform programmes envisages the emergence of the Indian Industry as a global competitor with substantial presence in the international markets. Technology upgradation and modernization of SSI sector and promotion of export from this sector are interlinked issues which are important objectives behind promoting international cooperation.

Under the Scheme of International Cooperation implemented by the Ministry of SSI, a number of countries viz. USA, Germany, Italy, South Korea, U.K., Taiwan, Japan, Singapore, Israel, Indonesia, Malasiya, China, Australia, Egypt, Thailand and South Africa were identified as thrust countries for promoting enterprise cooperation between Indian SSIs and SMEs abroad with a view to upgrading the capabilities of Indian SSI sector and make them competitive in the global market. Under the Scheme, the following activities are undertaken through Government funding:



Shri Atal Bihari Vaipayee, Hon'ble Prime Minister of India inaugurated the Global Summit on SMEs at New Delhi.

At inaugural function seen in the picture are Smt. Vasundhara Rajee, then Hon'ble Minister of State (Independent Charge) for SSI, Shri Ashok Pradhan, then Secretary, SSI & ARI, Shri Rajiv Bhatnagar, CMD, NSIC, Shri A.C. Muthiah, President, FICCI and Shri P.B. Nimbalkar, CMD, SIDBI

- i) Surveys and Studies to identify market potential abroad through consultants in India and abroad.
- ii) Deputation and receipt of Government officials and representatives of associations of SMEs for making preparatory arrangements for seminars etc.
- iii) Holding of seminars to promote enterprise to enterprise interaction to selected agencies both in India and abroad. Common expenses and expenditure on travel for the two officials of Government and organization/association – can be fully borne by Government individual units to meet their own expenses. The visit of the delegation is so arranged as to coincide with important international fairs/exhibitions.

The proposals received from various organizations and NGOs are considered by the Screening Committee of the Ministry.

GLOBAL SUMMIT ON SMEs

The Ministry and Federation of Indian Chambers of Commerce and Industry (FICCI) organised Global Summit on Small and Medium Enterprises (SMEs) in association with the National Small Industries Corporation (NSIC) and Small Industries Development Bank of India (SIDBI) on 20th to 21st December, 2002 at New Delhi. Hon'ble Prime Minister of India inaugurated the



Panel discussion during the Summit

Summit. During the Summit an exhibition of the products of Small and Medium Enterprises was inaugurated by Smt. Vasundhara Raje, the then MOS(SSI). During Summit various problems and challenges relating to small scale industries were deliberated, and the experience in other countries were exchanged. The Summit highlighted the need to build competitive advantage around available technologies for SSI sector in India, capacity to absorb technologies etc. The need for SMEs to reorient themselves in the knowledge economy, development of new products and services as per the changing market requirement etc. was also highlighted. A booklet on "SIDO Tool Room & Training Centres"

CHAPTER - VIII

SCHEMES OPERATING IN NORTH-EASTERN REGION AND SIKKIM IN SSI SECTOR

The North-Eastern Region and Sikkim has abundant natural resources. These resources can be utilized for industrial development. However, inadequacy of supply of highly motivated entrepreneurs has hampered the promotion of self-employment and also rapid industrialisation.

In the North-Eastern Region and Sikkim most of the entrepreneurs are first generation entrepreneurs. They need not only stimulation for starting their enterprises but also support for running them successfully till they can come to a break even stage. In addition, to sustain their entrepreneurial ventures they need continued support from various agencies particularly from banks and financial institutions. It is a fact that with entrepreneur we prosper, without him we are poorer.

Training will definitely play a major role for entrepreneurship development. But training module has to be designed keeping in view the emerging opportunities and changes in entrepreneurial field in the liberalized economic environment. This has to be done not only for prospective entrepreneurs but also for existing entrepreneurs.

The National Small Industries Corporation Limited (NSIC) having a Regional Office at Guwahati is involved in promotion and support of the SSI units in North-Eastern Region and Sikkim.

Besides, the Corporation is running a Demonstration-cum-Training Centre at Guwahati.

The NSIC has worked out promotional and development programme to cover the North-Eastern Region and Sikkim, considering the needs for intensifying promotional activities for the SSI units. The development scheme of North-Eastern Region and Sikkim pertain to:

ENTERPRISE BUILDING PROGRAMME

Enterprise Building Programme are aimed at motivating, training the first generation entrepreneurs, creating awareness amongst them about business environment, knowledge about Central and State Governments schemes in setting up the units and identification of projects, means of financing etc.

HIRE PURCHASE & EQUIPMENT LEASING SCHEME

Under Hire Purchase Scheme the Corporation supplies both indigenous and imported machines to first generation entrepreneurs and existing units. Promotion of small and ancillary industries and modernization of the existing ones is done on easy Hire Purchase terms.

Under the Equipment Leasing Scheme, supply of both indigenous and imported

machines on lease basis is done to existing units for expansion diversification, technological upgradation and modernization.

COMPOSITE TERM LOAN SCHEME

The Composite Term Loan are granted for the acquisition of land and building, machinery and equipment and Working Capital to tiny units with total assistance upto Rs.25 lakh.

MARKETING SUPPORT SCHEME

To maintain the entrepreneurial spirit alive in the marketing efforts, NSIC motivates the small enterprises by providing them organizational support. Under the marketing support programme the Corporation provides among others the Raw Material Assistance. Through its distributions systems NSIC supplements the availability of Raw material to a large number of small scale industries. The Corporation ensure that the Raw Material reaches the genuine manufacturing units.

Integrated Marketing Support Programme (Bill Discounting)

Bills pertaining to supplies made by small scale units to eligible purchasers are discounted by NSIC upto a certain specified limits. To mitigate the problems of delayed payments by buyers against supplies made by small scale units.

Training and Common Facility Services

The demonstration cum traing center helps in technological support and spreading of the technical culture. It imparts practical and class training in several trades. It also provides Common Facility Services for testing,

machining, castings, electroplating etc. to SSI units.

To create awareness of its various developmental schemes and programmes, the NSIC has been organizing seminars, intensive campaigns, exhibitions etc. Further, the NSIC has been giving wide publicity to its said schemes and programmes by putting hoardings at different places, distribution of pamphlets in local language and also giving advertisements in local newspapers.

ACTIVITIES OF NSIC IN NORTH EASTERN REGION

A promotional and development programme has been worked out to cover North Eastern Region namely Assam, Manipur, Meghalaya, Imphal, Nagaland, Sikkim, Arunachal Pradesh, Mizoram and Jammu & Kashmir and Hilly Areas, considering the needs for intensifying promotional activities for SSI units.

The developmental programme pertains to substantial increase in Hire Purchase facilities for entrepreneurs, Marketing Support and Common Facility Services to SSI units and training of artisans, which will result in improvement in manufacturing process and skill upgradation. For technological support a number of demonstrations, displays and on the short terms skill upgradation intensive campaigns programmes are being conducted.

NSIC has organised a comprehensive industrial directory for the North Eastern Region. There are more than 250 small-scale units registered with NSIC under the Single Point Registration Schemes to enable the SSI units to participate in the Government Tenders by acquiring benefits of the scheme.

INDIAN INSTITUTE OF ENTREPRENEURSHIP (IIE), GUWAHATI

The Indian Institute of Entrepreneurship (IIE), an autonomous body at Guwahati, is under the administrative control of Ministry. The Institute is organizing training programmes and undertaking research and consultancy activities in the areas of small industry entrepreneurship and self employment. The institute conducts about 70 programmes, seminars, workshops etc every year.

INTEGRATED INFRASTRUCTURAL DEVELOPMENT (IID) SCHEME

It is a Central sector scheme, launched in 1994, in which the Central Government and Small Industries Development Bank of India contribute to each IID Centre Rs.5 crore in the ratio of 2:3 and the cost in excess thereof and the cost of land is met by the concerned State Government. However, the financial pattern for the North-Eastern region is in the ratio of 4:1. The share of Central Government is in the form of grant and that of SIDBI as term loan. Under the IID scheme, four IID Centres in Assam and one each in Manipur and Mizoram have been sanctioned.

The Scheme has been given special attention in the States of Jammu and Kashmir, Himachal Pradesh and Uttranchal to give thrust for improvement of infrastructural facilities for setting up of the small/tiny units in these states. The share of the Central Government for setting up the IID Centre will be Rs.4.00 crore, in the form of grant, while SIDBI will give loan for an amount of Rs.1.00 crore. The State Government will have the option of investing their own funds as equity in lieu of SIDBI loan. Therefore, the financial pattern for these States will, therefore, be in the ratio of 4:1 between the grant from Government of India and State share/loan from SIDBI.

OTHER SCHEMES:

Transport Subsidy Scheme was introduced in 1971, with a view to promoting industrialization in hilly remote and inaccessible areas. The scheme has been extended upto 31.3.2007 for North Eastern Region.

A proposal to establish a Tool Room and Training Centre at Guwahati to create facilities for manufacture of quality tools and dies and for training in Tool Making is under consideration.

CHAPTER - IX

USE OF OFFICIAL LANGUAGE

Hindi is the Official Language of the Union of India and the Government policy is aimed at progressive use of Hindi in official work. Effective steps were taken during the year in the Ministry of Small Scale Industries to ensure the compliance of the Official Language Policy of the Government, implement the annual programme and comply with the orders of the President on recommendations of the Committee of Parliament on Official Language. Consequently, there has been a constant progress in the use of Official Language in official work in all these offices.

COMPLIANCE OF SECTION 3 (3) OF THE OFFICIAL LANGUAGE ACT, 1963

All documents such as Resolutions, general orders, rules, licences falling under Section 3(3) of the Official Language Act and all papers laid on the Table of the Houses of Parliament were issued bilingually i.e. in Hindi and English. Some papers like general orders meant for departmental use were issued in Hindi only.

REPLIES TO HINDI LETTERS

All letters received in Hindi were replied in Hindi only.

CORRESPONDENCE IN HINDI

Letters to State Governments, Union Territories and their offices and offices of the Central Government located in region 'A' and 'B' were issued in Hindi to the maximum extent

possible. Similarly, efforts were also made to send letters in Hindi to Central Government offices located in region 'C' as per targets laid down in the Annual Programme. About 57% correspondence in region 'A' and 59% in region 'B' were done in Hindi.

SECTIONS SPECIFIED FOR WORKING IN HINDI

Section, notified for doing cent percent work in Hindi, are working satisfactorily.

MONITORING AND INSPECTIONS

In order to ensure compliance of the Official Language Policy, monitoring is done through reviewing the quarterly progress reports in the meetings of the Official Language Implementation Committee etc. During the year, 6 Sections of the Ministry have been inspected by the Officers with a view to ensure use of Hindi and compliance of the Official Language Policy.

HINDI TRAINING

All officials of the Ministry have already been trained in Hindi typing and Hindi stenography. Ministry is already notified under the Official Language Rule 10(4).

MECHANICAL AIDS

As per provisions of Official Language Act bilingual mechanical facilities have been

provided on mechanical equipments in the Ministry. Computers and terminals have also been installed as per requirement and facility to work in Hindi is also available on them.

COMMITTEES

To review the use of Hindi in the Ministry and to give advice to accelerate the use of Hindi, a Hindi Advisory Committee exists in the Ministry.

Department Official Language Implementation Committee under the chairmanship of Joint Secretary (In-charge-Hindi) in the Ministry of Small Scale Industries have already been constituted. Quarterly meetings of these committees were held and important decisions taken regarding the use of Hindi in official work to ensure compliance of these decisions and follow up action.

HINDI MONTH

Hindi month was celebrated from 1st September and 30th September, 2002 in the Ministry. To encourage and motivate the employees for doing maximum official work in Hindi, various competitions in Hindi were organized during this period. On the occasion of Hindi Month, the messages of the Hon'ble Home Minister and the Cabinet Secretary were circulated to the officers / employees in the Ministry and also to the officer-in-charge in the Attached and Subordinate offices under the Ministry for information and compliance.

During the Hindi month competitions in Hindi typing, Hindi stenography, debate in Hindi, Hindi essay and noting and drafting in Hindi General Knowledge etc. were held and a large number of officers and employees participated in it with great enthusiasm.



CHAPTER - X

VIGILANCE ACTIVITIES

MINISTRY OF SSI

The Vigilance Unit of the Ministry is headed by a Chief Vigilance Officer (CVO) of the rank of Joint Secretary appointed on the advice of the Central Vigilance Commission, who functions as the nodal point in the vigilance set up of the Ministry. The secretariat assistance to the CVO in the Ministry of Small Scale Industries is given by the Vigilance Desk of the Deptt. of IP&P as the Ministry of SSI being a small Ministry does not have its own independent vigilance unit. The Vigilance Unit is, inter-alia, responsible for the following in respect of Ministry of Small Scale Industries (SSI).

- identification of sensitive areas prone to malpractices/temptation and taking preventive measure to ensure integrity/efficiency in Government functioning;
- taking suitable action to achieve the targets fixed by the Department of Personnel & Training on anti-corruption measures;
- scrutiny of complaints and initiation of appropriate investigation measures;
- inspections and follow-up action on the same;
- furnishing the comments of the Department to the Central Vigilance Commission on the investigation reports of the Central Bureau of Investigation;
- taking appropriate action in respect of departmental proceedings on the advice

of the Central Vigilance Commission or otherwise;

- obtaining second stage advice of the Central Vigilance Commission wherever necessary; and
- obtaining the advice of the Union Public Service Commission in regard to the nature and quantum of penalty to be imposed wherever necessary.

SMALL INDUSTRIES DEVELOPMENT ORGANISATION

The vigilance unit in the Office of the Development Commissioner (Small Scale Industries), New Delhi is headed by a Chief Vigilance Officer assisted by a Director (Vigilance) with full complement of staff under him. In the field offices viz. Small Industries Service Institutes, Regional Testing Centres, etc., there are no vigilance officers and vigilance cases are attended to by the Institutes, Regional Testing Centres, etc.

NATIONAL SMALL INDUSTRIES CORPORATION

It is the only Public Sector Undertaking under the Ministry of Small Scale Industries, which has its own Chief Vigilance Officer appointed on the advice of the Central Vigilance Commission. The Chief Vigilance Officer of this Undertaking, functions independently of the Chief Vigilance Officer of this department in all vigilance activities except in respect of

the Members of the Board of Directors and the Chairman.

Preventive vigilance continues to receive priority attention with primary emphasis on identification of area sensitive/ prone to malpractices and temptation. The guidelines/ instructions etc. issued by the Department of Personnel and training and Central Vigilance Commission from time to time in this regard are followed. Action taken inter-alia includes the following:-

- i) Regular and surprise inspections are being carried out by the Departmental Security Officer of the Department of Industrial Policy and Promotion as a whole and in the attached and subordinate offices by their respective Departmental Security Officers.
- ii) Strengthening of vigilance machinery by way of appointing CVOs in the offices and organisation under the Ministry who look after the vigilance activities in the office/ organization concerned, is also a preventive measure.
- iii) A strict watch is being kept on liaison men and on other persons. The Departmental security instructions are reiterated from time

to time for streamlining the entry in the building.

- iv) As regards the identification of areas which are corruption prone in the Ministry of SSI, it may be stated that the Ministry does not issue licences/registrations the question of identification of the areas does not arise.
- v) The cases of such of the officers who have attained the age of 50 years or have put in 30 years of service are reviewed under FR 56 (j) in order to judge their suitability to continue in service thereafter. The exercise is currently being done by the Establishment Division of the Department of Industrial Policy & Promotion.
- vi) Steps to put an end to the practice of professional liaison men operating in the Ministry have been initiated and a fresh list of such unwanted liaison -men has been prepared. And also the entry system has been tightened and the enquiry-slip-system has been revitalized.
- vii) In order to make officers conscious of the provisions of Conduct Rules applicable to them as also to acquaint them with the importance of departmental security, these Rules/Instructions are reiterated from time to time.

CHAPTER - XI

CITIZENS' CHARTER

MINISTRY OF SMALL SCALE INDUSTRIES

THIS CHARTER IS A DECLARATION OF THE MINISTRY OF SMALL SCALE INDUSTRIES OF THE GOVERNMENT OF INDIA INCORPORATING POLICIES, MISSIONS, COMMITMENTS PARTICULARLY FOR SMALL SCALE ENTREPRENEURS AND FOR THE PEOPLE OF INDIA IN GENERAL

MINISTRY OF SSI

The Ministry of Small Scale Industries (SSI) is responsible for designing and formulating of policy for promoting the growth of small and medium enterprises in the country. The actual implementation of the policy is done by the Ministry's field organizations like National Small Industries Corporation Ltd. (NSIC), Small Industries Development Organisation (SIDO) through their Small Industries Service Institutes (SISIs) etc. Implementing agencies have made their separate Citizens' Charter.

OUR MISSION

Mission is to support the Small Scale Industries (SSI) by way of an advocacy role with the various organization of Government, by way of being provider of services to support SSI growth and by the management of programmes through Government and non-Government organisations for the benefit of small scale industries.

The objective is to promote, aid and foster growth of SSI by providing them institutional support in the areas of marketing, export, technology upgradation, training and common facilities services. We aim at providing prompt services/training needs to citizens through our field agencies like Small Industries Development Organisation and National Small Industries Corporation. so that the growth of SSIs is enhanced, quality of production is improved and more employment opportunities are generated.

OUR VALUES

The Ministry is committed to efficient and prompt service with transparency and courtesy in dealing with citizens.

OUR COMMITMENT

The Ministry will be dutiful, disciplined and will respect the right of entrepreneurs and SSI associations.

The Ministry will maintain and uphold the confidentiality of the personal and business information disclosed to it by citizens.

The continuously review the provisions and enforcement of laws and regulations in consultation with SSI associations and other groups which help the SSI units.

STANDARD FOR GENERAL PROCEDURE

The correspondence, letters received by the Ministry will be acknowledged in 15 days.

RESPONSIBILITIES OF OUR CITIZENS

The Ministry expects continuous feed back from citizen on the quality of the services provided to them and on areas in which they expect improvements.

ASSESSING OUT PERFORMANCE

The Ministry will share out performance with citizens through the media.

The Ministry will hold independent surveys on citizen's perceptions and assessment of our performance.

GUIDANCE AND HELP

The information and Facilitation Counter of the Ministry located on the Ground Floor, gate No.4, Nirman Bhavan, New Delhi will provide you information on the services and activities of the Ministry and related organizations of the SSI sector and their growth. You can visit the counter or

make phone calls to it on 011-23019219.

COMPLAINTS

In case of any complaint, one may telephone or send a letter or fax or visit our office. However, before lodging such complaint, one may, first of all, use the Information and Facilitation Counter of the Ministry. In case, one is not satisfied, he may take up the matter with the Grievance officer in this Ministry. The address, phone number and fax number of the Information and Facilitation Counter and the Grievance cell are

IMPORTANT ADDRESSES

- (I) Information and Facilitation Counter
Gate No.4, Ground Floor,
Nirman Bhavan, New Delhi-110 011.
Tel.No.23019219
- (II) Grievance Cell
Director
Ministry of SSI
Room No.254, Udyog Bhavan,
New Delhi-110011.
Tel. No.23015543
No.011-2301 0886