

## **Technology Centre Systems Programme (TCSP)**

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Ministry of Micro, Small and Medium Enterprises, Government of India have established 18 Technology Centres (TCs) earlier known as Tool Rooms (10 Nos) and Technology Development Centres (8 Nos) spread across the country. The Technology Centres' primary focus is to support industries particularly MSMEs in the country through:

- Access to advanced manufacturing technologies
- Skilling manpower by offering opportunities for technical skill development to the youth at varying levels ranging from school dropouts to graduate engineers and,
- Providing technical and business advisory support to MSME entrepreneurs

Recent evaluation studies have reported success of TCs in serving MSMEs and therefore there is a strong need to replicate these at more locations across the country so that MSMEs in the remaining states can also benefit from such centres. Accordingly, the Government of India has approved to upgrade and expand the network of MSME Technology Centres across India. Towards achieving this objective, Ministry of MSME, Government of India is in the process of establishing 15 Technology Centers (TCs) and upgrading / modernizing the existing TCs under the Technology Centre Systems Programme (TCSP).

### **Project Cost and Sources of Funds:**

TCSP has an estimated cost of INR 2200 crore with support in funds from the World Bank to the tune of USD 200Mn.

## **Programme Objective:**

The Programme is expected to improve the competitiveness of Micro, Small and Medium Enterprises (MSMEs) in key manufacturing industries across India by:

1. facilitating improved access to manufacturing technology
2. improving further the availability and employability of skilled workers
3. establishing strong focus in providing business & technical advisory services

## **Programme Components:**

TCSP has been conceptualized to create an innovative eco-system with four distinct components which will engage with each other to create value:

1. Establishment of Physical Infrastructure: This includes establishment of 15 New Technology Centers and upgrading/modernizing existing Technology Centers.
2. Engaging the services of world class Technology Partner(s) (TPs) who will strengthen the technical capabilities of sector specific TCs and thereby help in supporting MSMEs better
3. Engaging the services of reputed Cluster Network Manager(s) (CNMs) who will be mandated to establish linkages amongst key stakeholders including MSMEs, academia, large industry players (OEMs), applied research institutions and the Technology Centers in each cluster
4. Establish a National Portal for creating a vibrant, interactive and self sustainable technology platform to meet various needs of MSMEs. Such as information on policies of the Government, business opportunities, skilled manpower, suppliers, customers, logistic partners, chartered accountants, ERP and IT service providers, etc.

## **State Governments' Collaboration & Support:**

State Governments have shown great enthusiasm towards TCSP. Already 9 States have allotted around 165 acres of land free of cost and 9 more States are in the process of allotting land for this programme.

## **Status of the Programme and Timelines:**

The Programme has been approved by Government of India and World Bank Board.

The Programme is at present in design phase. The implementation phase is expected to commence shortly and would spread over a period of 6 years.

In summary, this programme draws upon the experience of the ministry over the years and similar programmes across the world. The TCSP has been conceptualized taking into consideration the multiple layers of challenges faced by MSMEs in India and its objective is to ultimately help in improving the competitiveness of the MSMEs. As this programme aims to serve several industries and has multiple components, it is one of the unique and most ambitious programmes of Ministry of MSMEs. Once this programme achieves its objective it would pave the way forward to support MSMEs in an integrated, multi-dimensional manner.

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