



*A Guide*  
*to*  
**SELF - EMPLOYMENT**

**Schemes and Programmes of  
Ministry of  
Micro, Small & Medium Enterprises**



**Ministry of Micro, Small & Medium Enterprises  
Government of India, New Delhi - 110 108**

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**Government of India**

# **A GUIDE TO SELF-EMPLOYMENT**

**Schemes and Programmes of  
Ministry of  
Micro, Small & Medium Enterprises**

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वीरभद्र सिंह  
Virbhadra Singh



केन्द्रीय मंत्री  
सूक्ष्म, लघु और मध्यम उद्यम  
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## FOREWORD

The role of micro, small and medium enterprises (MSMEs) in the economic and social development of the country is well established. The MSME sector is a nursery of entrepreneurship, often driven by individual creativity and innovation. This sector contributes 8 per cent of the country's GDP, 45 per cent of the manufactured output and 40 per cent of its exports. The MSMEs provide employment to about 60 million persons through 26 million enterprises. The labour to capital ratio in MSMEs and the overall growth in the MSME sector is much higher than in the large industries. The geographic distribution of the MSMEs is also more even. Thus, MSMEs are important for the national objectives of growth with equity and inclusion.

The MSME sector in India is highly heterogeneous in terms of the size of the enterprises, variety of products and services produced and the levels of technology employed. While one end of the MSME spectrum contains highly innovative and high growth enterprises, more than 94 per cent of MSMEs are unregistered, with a large number established in the informal or unorganized sector. With the liberalization and globalization of India's economy, the MSME sector is facing several challenges in the areas of technology, access to credit and equity capital and intense

competition in marketing. In recognition of the potential of the MSME sector in employment generation and the challenges faced by it, the Government has emphasized on its growth and development. This booklet was last published in November 2007 and since then, the Government has taken several measures/initiatives which have facilitated the sector's ubiquitous growth.

The Hon'ble Prime Minister met the representatives of 19 prominent MSME Associations on 26th August 2009 to discuss issues impacting the growth of the MSME sector. He assured the MSME representatives that the Government is committed to provide a fillip to this very important segment of the economy and announced the setting up of a high-level Task Force to reflect on the issues raised by the Associations and formulate an agenda for action after deliberations with all stakeholders. In line with the announcements made by the Hon'ble Prime Minister, a Task Force was constituted under the chairmanship of Principal Secretary to the Prime Minister in September 2010. The Report of the Task Force on MSMEs was presented to Hon'ble Prime Minister on 30th January 2010. The Task Force has made recommendations under various areas including credit, marketing, labour, rehabilitation and exit policy, infrastructure, technology and skill development and taxation. A large number of recommendations have been implemented and several other recommendations are at an advanced stage of implementation. A Council on MSMEs under the chairmanship of Hon'ble Prime Minister has been constituted to lay down the broad policy guidelines and review the development of the MSME sector. For ensuring timely/speedy implementation of the recommendations of the Task Force and follow-up on the decisions of the Prime Minister's Council on MSMEs, a Steering Group under the chairmanship of Principal Secretary to the Prime Minister has also been constituted.

A national level credit linked subsidy scheme, namely, 'Prime Minister's Employment Generation Programme (PMEGP)' was introduced in August 2008 by merging erstwhile Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) of this Ministry. With a total plan outlay of Rs.4,485 crore, the Programme is estimated to generate an estimated 37.38 lakh additional employment opportunities during the four years of XI<sup>th</sup> Plan (2008-09 to 2011-12). An amount of Rs.250 crore has also been kept towards backward-forward linkages. Under this programme, financial assistance is provided for setting

up of micro enterprises each costing upto Rs.10 lakh in service sector and Rs.25 lakh in manufacturing sector. The assistance is provided in the form of subsidy upto 25 per cent (35 per cent for Special category including weaker sections) of the project cost in rural areas while it is 15 per cent (25 per cent for Special category including weaker sections) for urban areas. During 2009-10, disbursements were made in 39,335 cases utilising Rs.742.76 crore as margin money subsidy. The estimated employment generation is for 4.42 lakh persons. An amount of Rs.906 crore including Rs.836 crore margin money subsidy has been provided in BE 2010-11 for assisting 60,000 units for creation of around 6 lakh additional employment opportunities.

The Government has launched an all-India campaign under the National Manufacturing Competitiveness Programme (NMCP) for the MSMEs, which has ten specific components aimed at improving their processes, designs, technology and market access. These components seek to introduce the best elements of industrial competitiveness in the MSME sector, which has often been unable to afford such practices and techniques. These include schemes on Lean Manufacturing, Design Clinic, Building Awareness on Intellectual Property Rights, Entrepreneurial and Managerial Development of SMEs through Incubators, Mini Tool Rooms, Marketing Assistance and Technology Upgradation for MSMEs, Promotion of ICT among MSMEs, etc. All the ten schemes have been made operational in this year.

The Government has adopted the cluster development approach as a key strategy for enhancing the productivity and competitiveness of MSEs. The Ministry is implementing the MSE-Cluster Development Programme (MSE-CDP) for holistic and integrated development of micro and small enterprises in clusters through soft interventions (training, marketing assistance, capacity building), hard interventions (setting up of Common Facility Centres) and infrastructure development. The guidelines of the MSE-CDP have been comprehensively modified in February 2010 to provide higher funding from the Government for the key components of the programme. The eligible cost for soft interventions has been raised from Rs.10 lakh to Rs.25 lakh and for setting up of Common Facility Centres from Rs.10 crore to Rs.15 crore. Likewise, the eligible cost of projects for infrastructure development has been increased from Rs.5 crore to Rs.10 crore.

The Government has launched the Khadi Reforms and Development Programme to revitalize the Khadi and Village Industries (KVI) sector with enhanced sustainability of Khadi, increased incomes and employment, increased artisan welfare so as to enable Khadi and Village Industries Commission (KVIC) to stand on its own with decreasing dependence on Government grants. A loan agreement for \$ 150 million (equivalent to Rs.717 crore approx.) has been signed between the Government of India and the Asian Development Bank for implementing the Khadi Reforms and Development Programme. The proposed Programme involves various specific intervention/measures and will be initiated in 300 selected Khadi institutions.

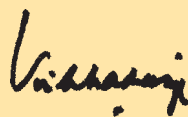
The Government has also introduced a Market Development Assistance (MDA) scheme w.e.f. 01.04.2010 in place of existing rebate system for khadi and polyvastra given by the Government through KVIC. Under the new system, assistance to the extent of 20% of value of production of khadi and polyvastra will be given to the khadi producing institutions who will share the assistance with artisans and selling institutions in the ratio 25:30:45 between artisans, producing institutions and selling institutions. The scheme seeks to provide flexibility/freedom to the khadi institutions to take innovative measures to improve its marketing infrastructure such as renovation of outlets, training sales persons, computerization of sales, design improvement, publicity, discount to customers, improved equipments of production, training of artisans and capacity building so that khadi can attract more customers not just because of discount, but because of its quality design and appeal. Most importantly, for the first time a definite share of 25% of MDA has been earmarked for spinners and weavers which will give them a prominent role in the entire khadi chain of activities.

The Government has launched the 'Rajiv Gandhi Udyami Mitra Yojana' for the promotion and handholding of MSEs. The Scheme has been launched with the objective of helping and facilitating the potential first-generation entrepreneurs in completion of various formalities and tasks necessary for setting up and operationalisation of their enterprises. The Scheme is targeted to assist first-generation entrepreneurs, who have already successfully completed entrepreneurship/skill development training of at least two weeks' duration, or have undergone vocational training from ITIs. As a component of this scheme, the Government has

recently launched a MSME Call Centre (known as ‘Udyami Helpline’) with a toll-free number 1800-180-6763. The Udyami Helpline, inter alia, provides basic information on how to set up an enterprise, various schemes being implemented for the promotion of MSMEs, accessing loans from banks and further contacts for obtaining detailed information.

Emphasis on maximizing the outcome of the outlays on these measures requires wider dissemination of these schemes among all the stakeholders. It is with this objective that ‘A Guide to Self-Employment’, summarizing the essential features of all the schemes/programmes being implemented by the Ministry, is being published. I hope this publication will be useful to the millions of our existing MSMEs as also assist and guide the prospective entrepreneurs in their endeavour.

This publication is the third in series. Suggestions for improvement in its content and presentations are welcome.



(Virbhadra Singh)

January 31, 2011  
New Delhi



**MINISTRY OF MICRO,  
SMALL & MEDIUM ENTERPRISES**





# **Role of the Ministry of Micro, Small & Medium Enterprises**

The primary responsibility of promotion and development of micro and small enterprises lies with the State Governments. However, the Government of India, in recognition of the potential of these sectors in both creation of wealth and employment and of the need for a countrywide framework of policies and measures for their promotion and development, has always taken active interest in supplementing the efforts of the State governments in several ways. The Government of India set up the Small Industries Development Organization (SIDO) [now Office of the Development Commissioner (Micro, Small & Medium Enterprises)] in 1954, a public sector enterprise called the National Small Industries Corporation Limited (NSIC) in 1955, and enacted the Khadi and Village Industries Commission Act in 1956. Establishment of Khadi and Village Industries Commission (KVIC), Coir Board and Micro, Small & Medium Enterprises-Development Institutes [formerly known as Small Industries Service Institutes (SISIs)] in nearly every State followed.

Over the years, the Central Government has formulated policy packages for the promotion and development of the sector and has been also implementing a large number of schemes and programmes. The policies and programmes implemented by the Ministry span across different areas of operations of MSMEs, covering credit, marketing, technology, skill development, infrastructure development, fiscal matters and legal/regulatory framework. These programmes are implemented through various organisations under the Ministry, commercial banks, Small Industries Development Bank of India (SIDBI) and the State/UT Government.

Besides, the Ministry runs three training institutes, namely, National Institute for Micro, Small and Medium Enterprises (NIMSME), Hyderabad (successor to the Central Industrial Extension Training

Institute), National Institute for Entrepreneurship and Small Business Development (NIESBUD), NOIDA, and Indian Institute of Entrepreneurship (IIE), Guwahati, with the objective of training and development of human resource relevant to small industries as also entrepreneurship. It has also supported in setting up a large number of entrepreneurship development institutes (EDI) in various States.

### **Office of the Development Commissioner (Micro, Small & Medium Enterprises)**

The Office of the Development Commissioner (Micro, Small & Medium Enterprises) assists the Ministry in formulating, co-ordinating, implementing and monitoring different policies and programmes for the promotion and development of MSMEs in the country. In addition, it provides a comprehensive range of common facilities, technology support services, marketing assistance, etc. through its network of 30 Micro, Small and Medium Enterprises-Development Institutes (MSME-DIs); 28 Branch MSME-DIs; 4 MSME Testing Centres (MSME-TCs); 7 MSME-Testing Stations (MSME-TSs); 2 MSME-Training Institutes (MSME-TIs); and 1 MSME-Technology Development Center-Hand Tools (MSME-TDC-Hand Tools). The O/o DC (MSME) also operates a network of Tool Rooms and Technology Development Centres (including 2 Footwear Training Institutes) which are autonomous bodies registered as Societies under the Societies Act. The Office implements a number of schemes for the MSME sector, the details of which have been duly incorporated in the booklet.

### **Khadi & Village Industries Commission**

The Khadi & Village Industries Commission (KVIC), established under the Khadi and Village Industries Commission Act, 1956 (61 of 1956), is a statutory organization engaged in promoting and developing khadi and village industries for providing employment opportunities in rural areas, thereby strengthening the rural economy. The Commission is headed by full time Chairman and consists of 10 part-time Members. The KVIC has been identified as one of the major organizations in the

decentralized sector for generating sustainable rural non-farm employment opportunities at a low per capita investment. This also helps in checking migration of rural population to urban areas in search of the employment opportunities.

The main functions of the KVIC are to plan, promote, organize and assist in implementation of the programmes/projects/schemes for generation of employment opportunities through development of khadi and village industries. Towards this end, it undertakes activities like skill improvement, transfer of technology, research & development, marketing, etc. KVIC co-ordinates its activities through State KVI boards, registered societies and cooperatives. It has under its aegis a large number of industry-specific institutions spread in various parts of the country.

## **Coir Board**

The Coir Board is a statutory body established under the Coir Board Industry Act, 1953 (No. 45 of 1953) for promoting overall development of the coir industry and improving the living conditions of the workers engaged in this traditional industry. The Coir Board consists of a full-time Chairman and 39 part-time Members. The activities of the Board for development of coir industries, inter-alia include undertaking scientific, technological and economic research and development activities; collecting statistics relating to exports and internal consumption of coir and coir products; developing new products and designs; organizing publicity for promotion of exports and internal sales; marketing of coir and coir products in India and abroad; preventing unfair competition between producers and exporters; assisting the establishment of units for manufacture of the products; promoting co-operative organization among producers of husks, coir fibre, coir yarn and manufactures of coir products; ensuring remunerative returns to producers and manufacturers, etc.

The Board has promoted two research institutes namely, Central Coir Research Institute (CCRI), Kalavoor, Alleppey, and Central Institute of Coir Technology (CICT), Bengalooru for undertaking research

activities on different aspects of coir industry which is one of the major agro based rural industries in the country. The two major strengths of the coir industry are it being export oriented and generating wealth out of the waste (coconut husk).

### **National Small Industries Corporation Limited (NSIC)**

- NSIC, established in 1955, is headed by Chairman-cum-Managing Director and managed by a Board of Directors.
- The main function of the Corporation is to promote, aid and foster the growth of micro and small enterprises in the country, generally on commercial basis.
- NSIC provides a variety of support services to micro and small enterprises catering to their different requirements in the areas of raw material procurement; product marketing; credit rating; acquisition of technologies; adoption of modern management practices, etc.

NSIC implements its various programmes and projects throughout the country through its 9 Zonal Offices, 39 Branch Offices, 12 Sub Offices, 5 Technical Services Centres, 3 Technical Services Extension Centres, 2 Software Technology Parks, 23 NSIC-Business Development Extension Offices and 1 Foreign Office.

# **Salient Features of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006**

Salient features of Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

## **1. Classification of Enterprises**

The earlier concept of 'Industries' has been changed to 'Enterprises'.

Enterprises have been classified broadly into:

- (i) Enterprises engaged in the manufacture/production of goods pertaining to any industry; and
- (ii) Enterprises engaged in providing/rendering of services.
- Manufacturing Enterprises have been defined in terms of investment in plant and machinery (excluding land & buildings) and further classified into:
  - Micro Enterprises – investment up to Rs. 25 lakh.
  - Small Enterprises – investment above Rs. 25 lakh and up to Rs. 5 crore
  - Medium Enterprises – investment above Rs. 5 crore and up to Rs. 10 crore.
- Service Enterprises have been defined in terms of their investment in equipment (excluding land & buildings) and further classified into:
  - Micro Enterprises – investment up to Rs. 10 lakh.
  - Small Enterprises – investment above Rs. 10 lakh and up to Rs. 2 crore.

- Medium Enterprises – investment above Rs. 2 crore and up to Rs. 5 crore.

## **2. Filing of Memoranda by MSMEs**

- Process of two-stage registration of Micro and Small Enterprises dispensed with and replaced by filing of memoranda.
- Filing of Memorandum optional for all Micro and Small Enterprises.
- Filing of Memorandum optional for Service Sector Medium Enterprises.
- Filing of memorandum mandatory for Manufacturing Sector Medium Enterprises.

## **3. Apex Consultative Body with Wide Representation of Stakeholders**

### **Constitution of Board**

National Board for Micro, Small and Medium Enterprises (MSME) to be headed by the Central Minister I/c of MSMEs and consisting of 46 members from among

- MPs and Representatives of Central Ministries,
- State Governments,
- UT Administration, RBI, SIDBI, NABARD,
- Associations of MSMEs including women,
- Persons of Eminence, and
- Central Trade Union Organisations,
- National Board to be now statutory, as against non-statutory SSI Board,
- Quarterly meetings of National Board made mandatory.

## **Functions of the National Board**

- Examine the factors affecting the promotion and development of MSMEs and review the policies and programmes of the Central Government in this regard.
- Make recommendations on matters referred to as above or an other matter referred to it by the Central Government.
- Advise the Central Government on the use of Fund or Funds constituted under the MSMED Act, 2006.

## **4. Advisory Committee**

- Headed by Central Government Secretary I/c of MSMEs and including:
- Not more than five officers of the Central Government;
- Not more than three representatives of State Governments; and
- One representative each of the Associations of micro, small and medium enterprises.

## **Functions of the Advisory Committee**

- To examine the matters referred to it by the National Board;
- To advise Central Government on matters relating to classification of MSMEs, programmes, guidelines or instructions for the promotion and development and enhancing the competitiveness of MSMEs, policies and practices in respect of credit to the micro, small and medium enterprises, procurement preference policy, funds to be created and administered under MSMED Act, etc.
- To advise State Governments on matters specified in the rules related to repeal of, "The Interest on Delayed Payments to Small



Scale and Ancillary Industrial Undertakings Act, 1993, including anything done or any action taken under the Act so repealed.

## **5. Promotional and Enabling Provisions**

- Central Government to notify programmes, guidelines or instructions for facilitating the promotion and development and enhancing the competitiveness of MSMEs.
- Central Government to constitute, by notification, one or more Funds.
- Central Government to credit to the Fund or Funds, such sums as the Government may provide after due appropriation made by Parliament by law in this behalf.
- Central Government to administer the Fund or Funds for purpose mentioned in Section 9 and coordinate and ensure timely utilization and release of sums with such criteria, as may be prescribed.

## **6. Credit**

The policies and practices in respect of credit to the MSMEs shall be progressive and such as may be specified in the guidelines or instructions issued by the Reserve Bank of India, with the aims of:

- Ensuring smooth credit flow to the MSMEs,
- Minimizing sickness among them, and
- Ensuring enhancement of their competitiveness.

## **7. Procurement Policies**

- Central Government or a State Government to notify preference policies in respect of procurement of goods and services, produced and provided by MSEs, by its Ministries, departments or its aided institutions and public sector enterprises (non-statutory till now).

- Valid only for Micro and Small Enterprises and not for Medium Enterprises
- Services also covered.

## **8. Provisions to Check Delayed Payments**

- Provisions related to delayed payments to micro and small enterprises (MSEs) strengthened.
- Period of payment of MSEs by the buyers reduced to forty-five days.
- Rate of interest on outstanding amount increased to three times the prevailing bank rate or Reserve Bank of India compounded on monthly basis.
- Constitution of MSE Facilitation Council(s) mandatory for State Government.
- Provision for inclusion of one or more representatives of MSE Associations in the Facilitation Council.
- Jurisdiction of the Council in a State to cover wherever the buyer may be located.
- MSE Facilitation Council may utilize services of any Institution or Centre for conciliation and alternate dispute resolution services.
- Reference made to the Council to be decided within ninety days from the date of reference.
- Declaration of payment outstanding to MSE supplier mandatory for buyers in their annual statement of accounts.
- Interest (paid or payable to supplier) disallowed for deduction for income tax purposes.
- No appeal against order of Facilitation Council to be entertained by any Court without deposit of 75% of the decreed amount payable by buyer.

- Appellate Court may order payment of a part of the deposit to the supplier MSE.

## **9. Facilitating Closure of Business**

- Central Government may (within one year of the commencement of the Act) notify a scheme for facilitating closure of business by a micro, small or medium enterprise.

# **Initiatives of the Ministry of Micro, Small & Medium Enterprises (MSME) in Recent Years**

## **1. Promulgation of MSMED Act, 2006**

A significant achievement of the Government is the enactment of the 'Micro, Small and Medium Enterprises Development Act, 2006', which aims to facilitate the promotion and development and enhance the competitiveness of MSMEs. The Act has come into force from 2<sup>nd</sup> October 2006 and it fulfils a long-cherished demand of this sector. Apart from giving legal strength to the definitions of micro, small and medium enterprises, this Act also contains penal provisions relating to the delayed payment to these enterprises.

## **2. Khadi and Village Industries Commission Act, 1956**

The Khadi and Village Industries Commission Act, 1956 has been comprehensively amended in 2006, introducing several new features to facilitate professionalism in the operations of the Commission as well as field-level formal and structured consultations with all segments of stakeholders. A new Commission has also been constituted in July 2006.

## **3. Prime Minister's Employment Generation Programme**

A national level credit linked subsidy scheme, namely, 'Prime Minister's Employment Generation Programme (PMEGP)' was introduced in August 2008 by merging erstwhile PMRY and REGP schemes of this Ministry with a total plan outlay of Rs.4,485 crore towards margin money subsidy for generating an estimated 37.38 lakh additional employment opportunities during the four terminal years of XI<sup>th</sup> plan (2008-09 to 2011-12). An amount of Rs.250 crore has also been kept towards backward-forward linkages. Under this

programme, financial assistance is provided for setting up of micro enterprises each costing upto Rs.10 lakh in service sector and Rs.25 lakh in manufacturing sector. The assistance is provided in the form of subsidy upto 25 per cent (35 per cent for Special category including weaker sections) of the project cost in rural areas while it is 15 per cent (25 per cent for Special category including weaker sections) for urban areas.

During 2009-10, disbursements were made in 39,335 cases utilising Rs.742.76 crore as margin money subsidy. The estimated employment generation is for 4.42 lakh persons. An amount of Rs.906 crore including Rs.836 crore margin money subsidy has been provided in BE 2010-11 for assisting 60,000 units for creation of around 6 lakh additional employment opportunities.

#### **4. Promotional Package**

In March 2007, the Government announced a comprehensive Package for the Promotion of Micro and Small Enterprises, which comprises of several proposals/schemes having direct impact on the promotion and development of the micro and small enterprises, particularly in view of the fast changing economic environment, wherein, to be competitive is the key of success. These, inter-alia, include credit and fiscal support, cluster-based development, infrastructure, technology and marketing support. Capacity building of MSME Associations and support to women entrepreneurs are the other important features of this Package.

#### **5. Task Force on MSMEs**

A Task Force under the chairmanship of the Principal Secretary to Prime Minister was constituted to address the issues of MSME sector. The Task Force submitted its Report in record time and has made recommendations in the areas of credit, marketing, labour, rehabilitation and exit policy, infrastructure, technology, skill development, taxation and development of MSMEs in the North-East and Jammu & Kashmir. A large number of recommendations have

been implemented and several other recommendations are at an advanced stage of implementation. A Council on MSMEs under the chairmanship of Hon'ble Prime Minister has been constituted to lay down the broad policy guidelines and review the development of the MSME sector. For ensuring timely/speedy implementation of the recommendations of the Task Force and follow-up on the decisions of the Prime Minister's Council on MSMEs, a Steering Group under the chairmanship of Principal Secretary to the Prime Minister has also been constituted.

## **6. 4<sup>th</sup> All India Census of MSMEs**

The Quick results of 4<sup>th</sup> All India Census of MSMEs (2006-07), which was launched in May 2008, were released during 2009-10. The results reveal that there are 2.61 crore MSMEs in 2006-07, providing employment to about 6 crore persons. Of the total MSMEs, 28% are in the manufacturing segment and 72% in the services segment. This is the first Census after the enactment of the MSMED Act, 2006 and includes, for the first time, medium enterprises.

## **7. Enhanced Credit Flow to the MSE Sector**

For strengthening the delivery of credit to the MSEs, the Government announced a 'Policy Package for Stepping up Credit to Small and Medium Enterprises (SME)' in August 2005 for doubling the credit flow to this sector within a period of five years. This has resulted in a significant increase in the credit flow from Public Sector Banks (PSBs) to the micro and small enterprises (MSE) sector—with the outstanding credit of public sector banks increasing from Rs.1,02,550 crore at the end of March 2007 to Rs.2,78,398 crore at the end of March 2010. With constant monitoring and efforts made by the Government, the credit flow from Public Sector Banks (PSBs) to the MSE sector has registered a growth of 47.4%, 26.6% and 45.4% during 2007-08, 2008-09 and 2009-10 respectively—higher than the stipulated 20% in the Policy Package.

## **8. Credit Guarantee Scheme**

The Government has set up a Credit Guarantee Fund to provide relief to those micro and small entrepreneurs who are unable to pledge collateral security in order to obtain loans for the development of their enterprises. For making the scheme more attractive to both lenders as well as borrowers, several modifications have been undertaken which, inter-alia, include (i) enhancement in the loan limit to Rs.100 lakh, (ii) enhancement of guarantee cover from 75% to 85% for loans up to Rs.5 lakh; (iii) enhancement of guarantee cover from 75% to 80% MSEs owned/operated by women and for loans in the North East Region (NER), (iv) reduction in one-time guarantee fee from 1.5% to 1% and annual service charges from 0.75% to 0.50% for loans up to Rs.5 lakh, (v) reduction in one-time guarantee fee for NER from 1.5% to 0.75%, etc. As a result, the scheme has been able to overcome the initial inhibition of bankers and is steadily gaining acceptance. Further, efforts made to enhance the awareness have led to increasing the coverage from 68,062 proposals (for loans of Rs.1,705 crore) at the end of March 2007 to 4,37,465 proposals (for loans of Rs.18,165 crore) at the end of October 2010. The Government is making concerted efforts to further enhance the awareness of the scheme throughout the country for enhancing the coverage of the Scheme.

## **9. National Manufacturing Competitiveness Programme**

The Government has launched an all-India campaign under the National Manufacturing Competitiveness Programme (NMCP) for the MSMEs, which has ten specific components aimed at improving their processes, designs, technology and market access. These components seek to introduce the best elements of industrial competitiveness in the MSME sector, which has often been unable to afford such practices and techniques. The ten components of the scheme are as under:

- (i) Building Awareness on Intellectual Property Rights for MSME;

- (ii) Scheme for Providing Support for Entrepreneurial and Managerial Development of SMEs through Incubators;
- (iii) Enabling Manufacturing Sector to be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT);
- (iv) Mini Tool Rooms under PPP mode;
- (v) Marketing Assistance/Support to MSEs (Bar Code);
- (vi) Lean Manufacturing Competitiveness Programme for MSMEs;
- (vii) Promotion of Information & Communication Tools (ICT) in Indian MSME sector;
- (viii) Design Clinics Scheme for MSMEs;
- (ix) Marketing Assistance and Technology Upgradation Scheme for MSMEs; and
- (x) Technology and Quality Upgradation Support to MSMEs.

All the ten components have been operationalised and the guidelines of the scheme have been notified. The details of the scheme guidelines are available on the website [www.dcmsme.gov.in](http://www.dcmsme.gov.in).

## **10. MSE-Cluster Development Programme (MSE-CDP)**

The Programme is being implemented for holistic and integrated development of micro and small enterprises in clusters through Soft Interventions (such as diagnostic study, capacity building, marketing development, export promotion, skill development, technology upgradation, organizing workshops, seminars, training, study visits, exposure visits, etc.), Hard Interventions (setting up of Common Facility Centres) and Infrastructure Upgradation (create/upgrade infrastructural facilities in the new/existing industrial areas/clusters of MSEs). The guidelines of the MSE-Cluster Development Programme have been comprehensively modified in February 2010 to provide higher support to the MSEs. The scope of the scheme includes:



- (i) Preparation of Diagnostic Study Report with Government of India (GoI) grant of maximum Rs.2.50 lakh (Rs.1 lakh for field offices of the Ministry of MSME).
- (ii) Soft Interventions like training, exposure, technology upgradation, brand equity, business development, etc. with GoI grant of 75% of the sanctioned amount of the maximum project cost of Rs. 25 lakh per cluster. For NE & Hill States, Clusters with more than 50% (a) micro/ village, (b) women owned, (c) SC/ST units, the GoI grant will be 90%.
- (iii) Detailed Project Report (DPR) with GoI grant of maximum Rs. 5 lakh for preparation of a technical feasible and financially viable project report.
- (iv) Hard Interventions in the form of tangible assets like Common Facility Centre having machinery and equipment for critical processes, research and development, testing, etc. for all the units of the cluster with GoI grant upto 90% of the cost of project of maximum Rs. 15 crore.
- (v) Infrastructure Development with GoI grant of upto 80% of the cost of project of Rs. 10 crore, excluding cost of land.
- (vi) Exhibition Centres by Associations of Women Entrepreneurs of women owned micro and small enterprises with GoI assistance @ 40% of the project cost.

Over 460 clusters have been undertaken for various cluster development interventions (i.e., diagnostic study, soft interventions, and hard interventions) and 126 proposals (including 28 for upgradation of existing industrial estates) have been taken up for infrastructure development under the scheme.

## **11. Credit Linked Capital Subsidy Scheme**

To make the Credit Linked Capital Subsidy Scheme (CLCSS) more

attractive, the following amendments were made with effect from September 29, 2005: (a) the ceiling on loans has been raised from Rs.40 lakh to Rs.1 crore; (b) the rate of subsidy has been raised from 12 per cent to 15 per cent; (c) the admissible capital subsidy has now been based on the purchase price of plant and machinery, instead of the term loan disbursed to the beneficiary unit; and (d) the practice of categorisation of MSEs in different slabs on the basis of their present investment for determining the eligible subsidy has been dispensed with. Further, the ambit of Scheme was enlarged in 2009-10 to include 201 new technologies, including 179 technologies relating to Pharmaceutical sector. The coverage under the Scheme has shown considerable increase and up to October 2010, 10,952 MSEs have benefited under the Scheme with the total subsidy sanctioned amounting to Rs.514.13 crore.

## **12. Entrepreneurship and Skill Development**

In line with the overall target set by the Prime Minister's National Council on Skill Development, the Ministry has taken up skill development as a high priority area. Under the Entrepreneurship/Skill Development Programmes conducted by various organisations of the Ministry of MSME, about 3.5 lakh persons were trained during 2009-10 which is an increase of more than 33% over previous year. To further expand the coverage of training programmes, a new component under the scheme of 'Assistance to Training Institutions' has been added to, inter-alia, provide assistance to the training institutions/centres established by Partner Institutions (PIs) of National Level Entrepreneurship Development Institutes (EDIs) and franchisees of National Small Industries Development Corporation (NSIC). Further, the Ministry of MSME provides all such trainings to disadvantaged sections of the society like the trainings for SCs/STs, free of cost. A number of programmes are also being organised for women and other weaker sections of the society free of cost, besides providing a monthly stipend of Rs.500/- per month during the entire period of training.

### **13. Rajiv Gandhi Udyami Mitra Yojana**

The scheme aims to promote and support establishment of new micro and small enterprises through handholding of potential first generation entrepreneurs, who have already successfully completed Entrepreneurship Development Programme (EDP)/Skill Development Programme (SDP)/Entrepreneurship-cum-Skill Development Programme (ESDP) of at least two weeks' duration, or have undergone vocational training from ITIs. One of the main objectives of handholding is to guide and facilitate the potential entrepreneurs in dealing with various procedural and legal hurdles and completion of various formalities which are required for setting up and running of enterprise successfully and to save them from harassment at the hands of various regulatory agencies for want of required compliances. It will not only increase the proportion of potential entrepreneurs trained under various EDPs/SDPs/ESDPs/Vocational Training (VT) in setting up their enterprises, more importantly, it will also enhance survival/success rate of newly set up enterprises.

As a component of this scheme, the Ministry has recently launched a MSME Call Centre (known as 'Udyami Helpline') with a toll-free number 1800-180-6763. The Udyami Helpline, inter-alia, provides basic information on how to set up an enterprise, various schemes being implemented for the promotion of MSMEs, accessing loans from banks and further contacts for obtaining detailed information.

### **14. Performance and Credit Rating Scheme**

To sensitize the MSE sector on the need for credit rating and encourage the MSEs to maintain good financial track record enabling them to earn higher rating for their credit requirements, the Government in April 2005 launched the 'Performance and Credit Rating Scheme'. The implementation of the scheme is through National Small Industries Corporation Ltd. (NSIC). Reputed Rating Agencies have been empanelled by NSIC from which the MSEs can select the one to be engaged by it for obtaining the rating. The Ministry of

MSME subsidises the cost of rating by sharing 75% of the fee charged by the Rating Agency, subject to a ceiling of Rs.40,000.

## **15. National Small Industries Corporation Limited**

To provide an opportunity for first generation entrepreneurs to acquire skills for enterprise building and to incubate them to become successful small business owners, NSIC has set up 47 Training-cum-Incubator Centres (TICs) under PPP mode. NSIC has also launched a B2B Web portal to provide marketing facilities to national and international MSMEs for business to business relationship. The MSME Info Call Centre of NSIC has been made functional to provide information about the schemes and activities being implemented for the benefits of MSMEs. Further, NSIC has established a Marketing Intelligence Cell in May 2010, which shall provide database and information support to the MSMEs on marketing of their products/services.

## **16. Khadi Reform Development Programme (KRDP)**

In order to revitalize and reform the traditional khadi sector with enhanced sustainability of khadi, increased artisans welfare, increased incomes and employment opportunities for spinners and weavers with lesser dependence on Government grants, a Khadi Reform Development Programme was formulated by the Ministry of MSME in consultation with Khadi and Village Industries Commission (KVIC), Asian Development Bank (ADB), Department of Economic Affairs (DEA) and Price Waterhouse Coopers (PWC). This programme is proposed to be implemented in 300 selected khadi institutions willing to undertake the identified reforms. The DEA has arranged a sum of US\$ 150 million equivalent to Rs.717 crore (approx.) from ADB to be given to KVIC as grant in four tranches over a period of 36 months. After completion of procedural formalities, and signing of necessary agreement and announcement by ADB, the first tranche of Rs.96 crore was released to KVIC in February 2010. The second tranche of Rs.192 crore has been earmarked in BE 2010-11.

## **17. Market Development Assistance (MDA) Scheme**

The scheme has been introduced w.e.f. 01.04.2010 and envisages financial assistance @ 20% on value of production of khadi and polyvastra which will be shared among artisans, producing institutions and selling institutions in the ratio 25:30:45. The scheme has been introduced on the basis of recommendations of several committees constituted during the past few decades and after running several pilot projects in the past. The need had arisen because Khadi production so far was not based on market demand or performance and the rebate system did not benefit the spinners and weavers. Also KVIC was constrained to devote most of its resources for administration of rebate; to the detriment of its remaining responsibilities regarding development of the sector. MDA seeks to rectify this imbalance and provide flexibility/freedom to the khadi institutions to take innovative measures to improve its marketing infrastructure such as renovation of outlets, training sales persons, computerization of sales, design improvement, publicity, discount to customers, improved equipments of production, training of artisans and capacity building so that khadi can attract more customers not just because of discount, but because of its quality design and appeal. Most importantly, for the first time a definite share of 25% of MDA has been earmarked for spinners and weavers which will give them a prominent role in the entire khadi chain of activities. An amount of Rs.345.05 crore has been earmarked to be incurred during 2010-11 and 2011-12 as MDA.

## **18. Workshed Scheme for Khadi Artisans**

Under this scheme, assistance is provided for construction of Worksheds for Khadi artisans for better work environment. Around 38,000 worksheds are targetted to be constructed between 2008-09 and 2011-2012 at a total cost of Rs.127 crore approximately, involving financial assistance of Rs.95 crore as grant to KVIC from Government of India's budgetary sources. Financial assistance for establishment of workshed has been provided to 5,951 artisans in 2009-10. In BE

2010-11, an amount of Rs.20 crore has been earmarked for assisting 10,000 artisans under this scheme.

### **19. Scheme for Enhancing Productivity and Competitiveness of Khadi Industry and Artisans**

The scheme aims to provide financial assistance to 200 of the 'A+' and 'A' category khadi institutions of which 50 institutions would be those which are managed exclusively by beneficiaries belonging to Scheduled Castes/Scheduled Tribes to make them competitive with more market driven and profitable production by replacement of obsolete and old machinery and equipment. The total cost of the scheme is Rs.84 crore involving financial assistance of Rs.71.14 crore as grants to KVIC from Government of India's budgetary sources between 2008-09 and 2011 -2012. 20 khadi institutions were assisted with financial assistance of Rs.2.23 crore under this scheme in 2009-10. An amount of Rs.21 crore has been earmarked in BE 2010-11 for assisting 60 khadi institutions under this scheme.

### **20. Scheme for Rejuvenation, Modernisation and Technological Upgradation of Coir Industry**

Under the scheme, assistance is provided to spinners and tiny household sector for replacement of outdated ratts/looms and for constructing worksheds so as to increase production and earnings of workers. In 2009-10, 296 spinning units and 410 tiny household units have been assisted under this scheme and a target for assisting 320 spinning units and 880 household units has been fixed for 2010-11 with the budget allocation of Rs.21 crore. During 2010-11 (upto September 2010), Rs. 4.88 crore has been released by the Ministry.

### **21. Scheme of Fund for Regeneration of Traditional Industries (SFURTI)**

This Scheme was launched in 2005 for regeneration of traditional industries, identified clusters in khadi, village industries and coir

sectors with a view to make these industries more productive and competitive and increase the employment opportunities in rural and semi-urban areas. The objective of the Scheme is to establish a regenerated, holistic, sustainable and replicable model of integrated cluster-based development of traditional industries in khadi, village and coir sectors. So far 105 clusters (Khadi – 29, Village Industries – 50 and Coir - 26) have been taken up under SFURTI and production has been started in 72 clusters. Cluster interventions will be completed in remaining 33 clusters providing employment to around 16,000 rural artisans in 2010-11.

## **22. Mahatma Gandhi Institute for Rural Industrialization (MGIRI)**

A national level institute named MGIRI has been established at Wardha, Maharashtra as a society under Societies Registration Act, 1860 by revamping Jamnalal Bajaj Central Research Institute in association with IIT, Delhi for strengthening the R&D activities in khadi and village industry sectors. The main objectives of the institute are as under:

- To accelerate rural industrialization for sustainable village economy so that KVI sector co-exists with the main stream.
- Attract professionals and experts to Gram Swaraj.
- Empower traditional artisans.
- Innovation through pilot study/field trials.
- R&D for alternative technology using local resources.

During 2010-11, it is proposed to initiate action on handholding support to 68 model enterprises in bio-processing, chemical, energy, rural crafts and solar garments sets and 21 machines/processes/services would be improved.

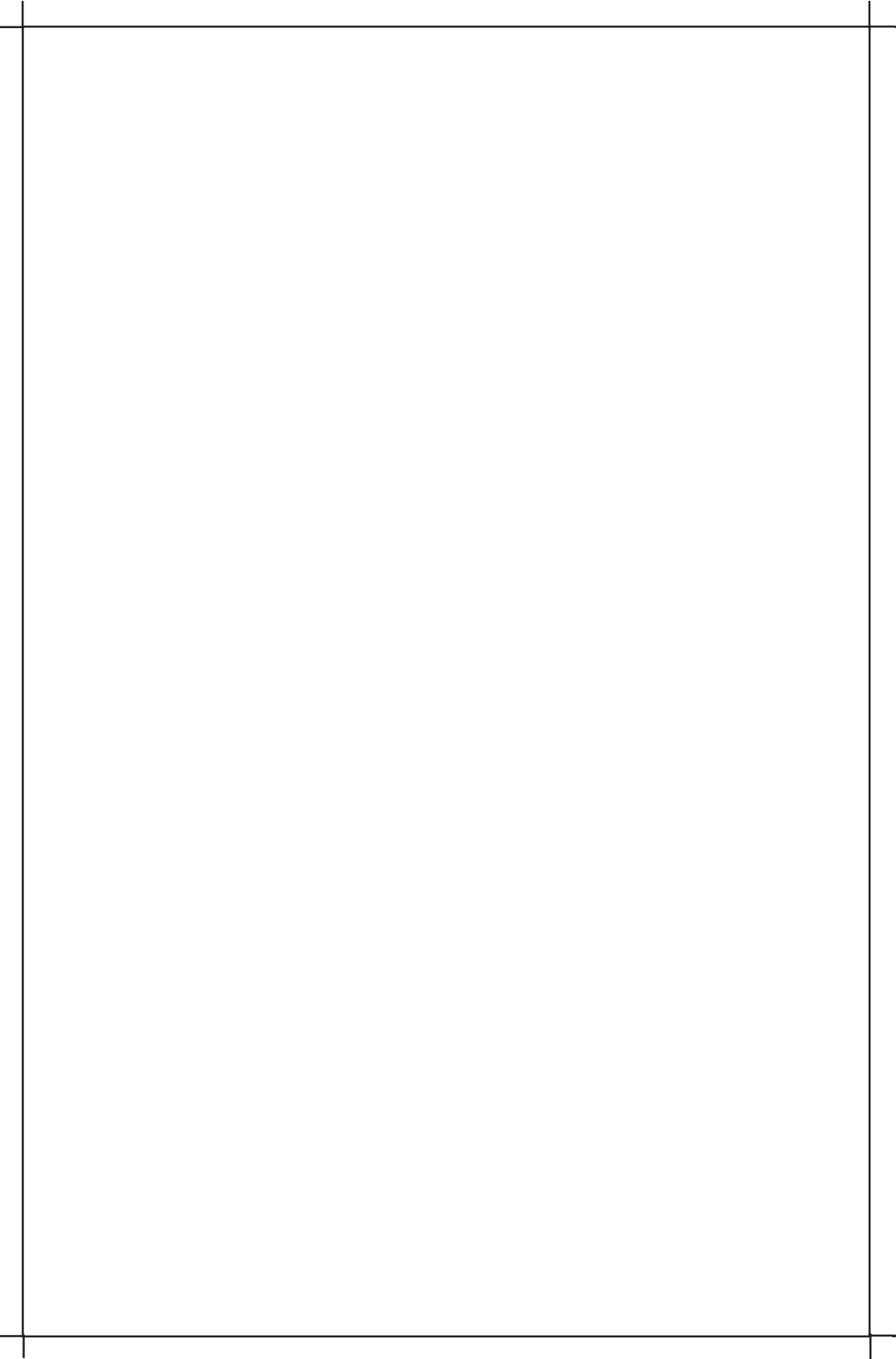
## **23. National Board for MSMEs**

The Government has set up for the first time, a statutory National Board for Micro, Small and Medium Enterprises so as to bring together the representatives of different sub-sectors of MSMEs, along with policy-makers, bankers, trade unions and others in order to move towards cohesive development of the sector. The deliberations and directions of the National Board will go a long way to guide and develop enterprises in this sector to become more competitive and self-reliant.

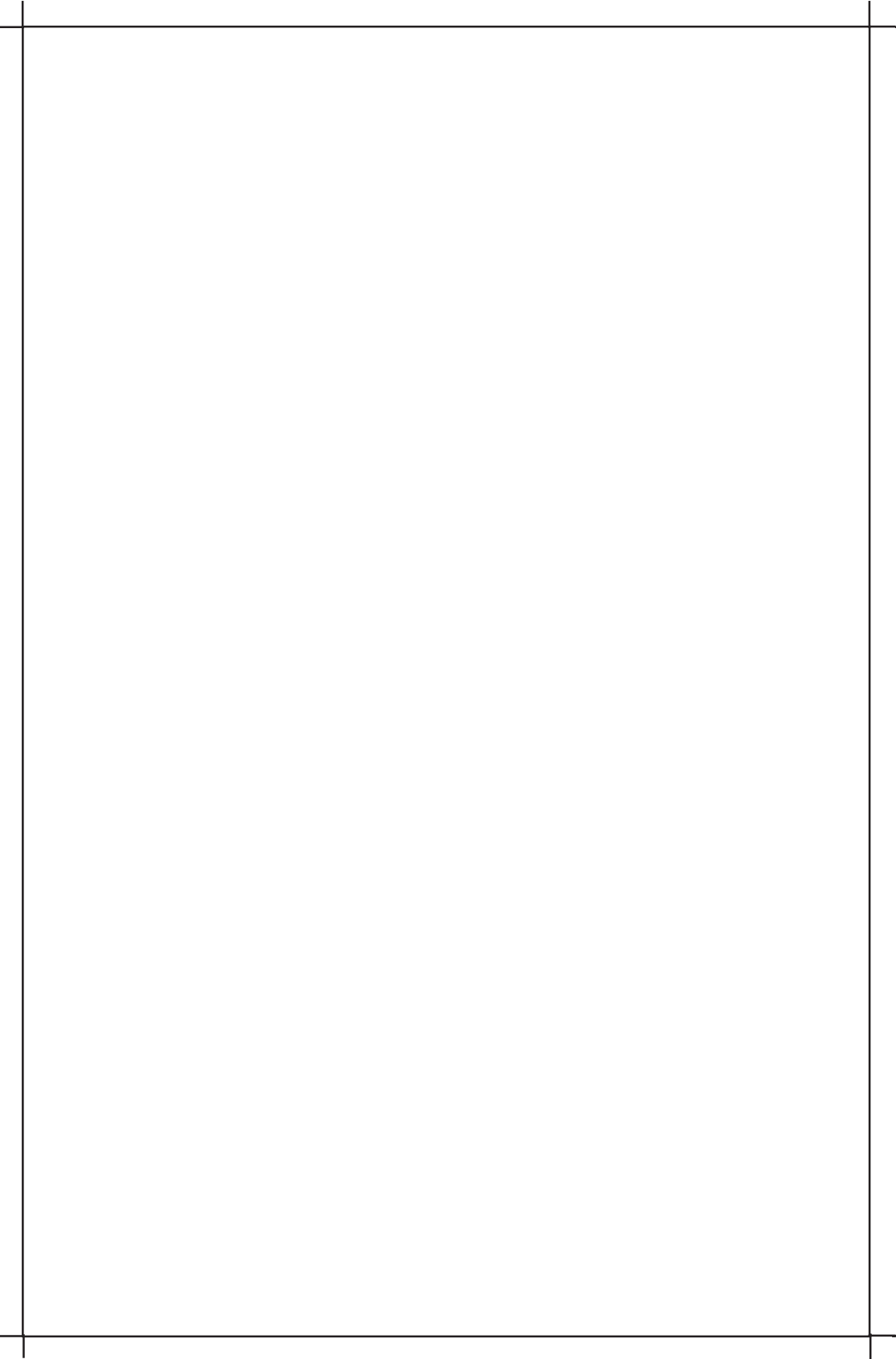
## **24. Fiscal Benefits**

The Government has worked towards enhancing the level of fiscal incentives available for micro and small enterprises. Under the General Excise Exemption Scheme, exemption limit has been raised from Rs.1 crore to Rs.1.5 crore (in 2007-08 budget) and the turnover eligibility limit to avail the exemption benefits has been enhanced from Rs.3 crore to Rs.4 crore (in 2005-06 budget). Further, with effect from 1<sup>st</sup> April 2005, small service providers having a turnover of up to Rs.4 lakh has been exempted from service tax. This exemption limit has been gradually raised to Rs.10 lakh in the subsequent budgets. In order to encourage small and medium enterprises to invest and grow, the surcharge on all firms and companies with a taxable income of Rs.1 crore or less has been removed with effect from 1<sup>st</sup> April 2007. The turnover limit for tax audit and for the purpose of presumptive taxation of small businesses has been enhanced to Rs.60 lakh with effect from 1<sup>st</sup> April 2010. To ease the cash flow position for small scale manufacturers, they have been permitted to take full credit of Central Excise duty paid on capital goods in a single installment in the year of their receipt. Further, they have also been permitted to pay Central Excise duty on a quarterly basis rather than monthly basis.





**SCHEMES AND  
PROGRAMMES OF MSMEs**



# Entrepreneurship Development Programmes (EDPs)

Entrepreneurship Development is one of the key elements for promotion of micro and small enterprises, particularly, the first generation entrepreneurs. Entrepreneurship, and resultant creation of employment and wealth, is a major means for inclusive development. Hence, entrepreneurship development has been one of the priorities in countries, the world over.

The Office of DC (MSME) conducts a large number of vocational and entrepreneurship development programmes. While vocational training is implemented by various Departments of the Government, the responsibility of entrepreneurship development lies largely with this office. The Entrepreneurship Development Programmes (EDPs) are conducted through MSME-DIs, with focus on entrepreneurial development coupled with specific skills relating to trades like electronics, electrical, food processing, etc, which enables the trainees to start their own ventures. The programmes covered include the following:

1. Industrial Motivation Campaigns (IMCs)
2. Entrepreneurship Development Programmes (EDPs)
3. Entrepreneurship Skill Development Programme (ESDPs)
4. Management Development Programmes (MDPs)

20% of the targeted EDPs and ESDPs are conducted exclusively for the weaker sections of the Society (SC/ST/Women/Physically Handicapped), for which no fee is charged. Besides, a stipend of Rs.125/- per week per candidate is provided.

Biotechnology is a frontier area of modern science and technology having significant commercial applications in healthcare, agriculture, and industry and environment sector. India is better placed to harness the potential of biotechnology due to its advantages of technical

expertise, skilled manpower, rich bio-resources and progressive Government policies.

Entrepreneurship Skill Development Programmmes (ESDPs) on biotechnology are also conducted to promote entrepreneurship activities in Biotechnology as well as promoting biotechnology enterprises.

Salient features of these training/motivation programmes are as follows.

## **Industrial Motivation Campaigns**

Industrial Motivation Campaigns are organized to identify and motivate traditional/non-traditional entrepreneurs having potential for setting up MSEs so as to lead them towards self-employment. The programme outlines are as follows:

1. Agency : These programmes are conducted by MSME- DIs
2. Duration : One day
3. Intake Capacity : No limit
4. Training Fee : No Fee
5. Age of Participants : 18 Years and above
6. Qualification : As decided by the Director of the institute

## **Entrepreneurship Development Programmes (EDPs)**

Entrepreneurship Development Programmes are being organized to nurture the talent of youth by enlightening them on various aspects of industrial activity required for setting up MSEs. These EDPs are generally conducted in ITIs, Polytechnics and other technical institutions, where skill is available to motivate them towards self-employment.

The course contents of the Entrepreneurship Development Programmes are designed to provide useful information on product/process design, manufacturing practices involved, testing and quality control, selection and usage of appropriate machinery and equipments, project profile preparation, marketing avenues/techniques, product/service pricing, export opportunities, infrastructure facilities available, finance and financial institutions, cash flow, etc. The programme outlines are as follows:

1. Agency : These training programmes are conducted by MSME-DIs
2. Duration : 2 weeks
3. Minimum Intake Capacity : 20
4. Training Fee (Minimum) : (1) Rs.100/- for general candidates.  
(2) No fees for SC/ST and 50% fee from women and physically handicapped.
5. Age of Participants : 18 Years and above
6. Qualification : As decided by the Director of the institute

## **Entrepreneurship Skill Development Programmes (ESDPs)**

Comprehensive training programmes are organized to upgrade skills of prospective entrepreneurs, existing workforce and also develop skills of new workers and technicians of MSEs by organizing various technical-cum-skill development training programmes with the basic objective of providing training for their skill upgradation and to equip them with better and improved technological skills of production. The specific tailor made programmes for the skill development of socially disadvantaged groups (OBC, SC/ST, minorities and women) are organized in various regions of the states, including the less

developed areas. The target group for these programmes are SC, ST, OBC, women, minorities and other weaker sections.

Courses conducted are in Machine Shop Practice, Heat Treatments, Electroplating, Sheet metal, Welding, Tool & Die Making, Glass & Ceramics, Industrial & Art Wares, Herbal Cosmetics, Fashion Garments, Hosiery, Food & Fruit Processing Industries, Information Technology, Hardware Maintenance, Soap and Detergents, Leather Products/Novelties, Servicing of Household Electrical Appliances and Electronic Gadgets, Gem Cutting & Polishing, Engineering Plastics etc.

The programme outlines are as follows:

1. Agency : These training programmes are conducted by MSME-DIs
2. Duration : 6 weeks
3. Minimum Intake Capacity : 20 No. in each programme
4. Age of Participants : 18 Years and above
5. Qualification : As decided by the Director of the institute
6. Training Fee : (1) Rs. 200/- for general candidates.  
(2) No fees for SC/ST and 50% fee from women and physically handicapped

## **Management Development Programmes (MDPs)**

The objective of imparting training on management practice system is to improve their decision-making capabilities resulting in higher productivity and profitability of existing and potential entrepreneurs and developing new enterprises. Inputs on a variety of topics of managerial functions are provided to the participants by experts, which aims at dissemination of knowledge of scientific/modern management techniques/practices.

Management Training course on various areas of industrial management are devised for owner-cum-manager and supervisory level personnel of small scale industries. These training programmes are designed keeping in view the demands of the area and the local requirements of the industries. The nature of target groups and its profile determines the course content to be made in order to make them suitable for contemporary managerial practices which may be used by MSMEs executives for attaining desired strength of managerial action. The various topics covered under these training programmes pertain to various Management functions like Industrial Management, Human Resource Management, Marketing Management, Export Management & Documentation, Materials Management, Financial Management, Information Technology & Exports, ISO 9000, WTO, IPR etc.

1. Agency : These training programmes are conducted by MSME-DIs
2. Duration : One-week for full time and two-weeks for part time
3. Minimum Intake Capacity : 20 Nos.
4. Training Fee : (1) Rs. 400/- for general candidates.  
(2) No fees for SC/ST and 50% fee from women and physically handicapped  
(3) Rs. 100/- for candidates from Andaman & Nicobar, Lakshadweep, NE States, J&K and Sikkim
5. Age of Participants : 18 Years and above
6. Qualification : As decided by the Director of the institute



## **Tailor Made Business Skill Development Programme (BSDP)**

The programme has been devised to encourage educated youth (students) basically the final year and pre-final year students of Business Schools/Technical Institutes to start self-employment ventures of micro or small enterprises and thus instrumental in employment generation. The programme is known as Business Skill Development Programme (BSDP).

The programmes provide useful information on Product/Process design, Manufacturing Process involved, Testing, Selection and Usage of appropriate machinery and equipment, Marketing avenues/techniques, product /service pricing, export opportunities, cash flow, field visits to small scale units, market study, preparation of project profiles, ISO, Quality management tools etc.

These 22 working days programmes are conducted by MSME-DIs jointly with selected Business Schools/Engineering Colleges in their respective jurisdictions. The participating institute/college need to be AICTE approved and should have a cell for entrepreneurship development functioning for the last three years. No fee is charged toward training under this programme.

## **Scheme to Support 5 Selected Universities to Run 1,200 Entrepreneurship Clubs**

The scheme is also known as e-club scheme. It provides support to form entrepreneurship club at select universities throughout India so that a kind of communication between universities, entrepreneurs, development institutes and students can be established by providing financial help in formation and maintenance of e-club at universities.

This scheme aims to develop linkages of the entrepreneurs with the knowledge institutions while MSME-Development Institutes (MSME-DIs) act as a facilitator. In addition, it provides a base to entrepreneurs for coming together to solve their common problems, a shift from Lobbying Mode to Facilitation Mode, giving hard intervention in the

form of technology and soft intervention like arranging workshops, seminars, guidelines to obtain ISO Certification, ISI Marks, participation in Trade Fairs, implementation of Quality Management Tools.

### **Salient Features**

- (i) The scheme is to support 5 universities to run Entrepreneurship Clubs (One each from Northern, Western, Southern, Eastern and North Eastern Region).
- (ii) The Universities with whom the MSME-DIs have signed MoUs are:
  - (a) For the Northern Region–GGSIIP University, New Delhi
  - (b) For Southern Region–Vellore Institute of Technology, Vellore
  - (c) For Eastern Region–Ravenshaw University, Cuttack
  - (d) For North Eastern Region- Guwahati University, Guwahati
  - (e) For Western Region–Rajasthan Technical University, Kota, Rajasthan.

# **Rajiv Gandhi Udyami Mitra Yojana (RGUMY)**

## **Objectives**

The objective of Rajiv Gandhi Udyami Mitra Yojana (RGUMY) is to provide handholding support and assistance to the potential first generation entrepreneurs, through the selected lead agencies i.e. 'Udyami Mitras', in the establishment and management of the new enterprise, completion of various formalities required for setting up and running of the enterprise and in dealing with various procedural and legal hurdles. Under this Scheme, the selected lead agencies i.e. 'Udyami Mitras' provide guidance and assistance to the potential entrepreneurs registered with them, in preparation of project report; arranging finance; selection of technology; marketing tie-ups with buyers; installation of plant and machinery as well as obtaining various approvals, clearances and NOCs etc.

Apex organizations under the Ministry, namely, Office of DC (MSME), KVIC, NSIC and three national level EDIs through their field offices are working as deemed Udyami Mitras. The eligible organizations at State level and District level duly recommended by the concerned State Commissioner/Director (Industries), are also empanelled as Udyami Mitras. The Udyami Mitras are paid handholding charges under the Scheme, including nominal contribution of the concerned entrepreneur. However, the beneficiaries belonging to SC/ST/Physically Handicapped/Women and beneficiaries from NER are not required to pay any contribution to Udyami Mitra for availing the handholding support. Funds have been released to apex Organizations and Director/Commissioner (Industries) in all States and Union Territories for implementing the Scheme.

A new component has been added in the existing scheme of 'Rajiv Gandhi Udyami Mitra Yojana' (RGUMY), namely, 'Udyami Helpline' to give free access of information and guidance to potential

entrepreneurs throughout the country by making a provision of toll free Telephone Number **1800-180-6763**. Under this component, any potential entrepreneur desirous of getting any information regarding schemes of Ministry of MSME or anything related to small businesses may get information by dialling up this toll free number. A Call Centre with trained manpower has been put in place under this component to give information as well as guidance to potential entrepreneurs.

# Assistance to Training Institutions

## Objectives

This Scheme envisages financial assistance for establishment of new institutions (EDIs), strengthening the infrastructure of the existing EDIs and for supporting entrepreneurship and skill development activities. The main objectives of the scheme are development of indigenous entrepreneurship from all walks of life for developing new micro and small enterprises, enlarging the entrepreneurial base and encouraging self-employment in rural as well as urban areas by providing training to first generation entrepreneurs and assisting them in setting up of enterprises. The assistance is provided to these training institutes in the form of capital grant for creation/strengthening of infrastructure. The scheme has been evaluated and modified on the recommendations of the evaluation study. In the modified scheme there are three components of this Scheme.

- (i) The first component provides financial assistance to three National level Entrepreneurship Development Training Institutes (EDIs) working under the aegis of this Ministry, viz., National Institute for Micro, Small and Medium Enterprises (NIMSME), Hyderabad, National Institute for Entrepreneurship & Small Business Development (NIESBUD), Noida and Indian Institute for Entrepreneurship(IIE), Guwahati for meeting their revenue deficit and capital expenditure.
- (ii) The Second component provides financial assistance for strengthening training infrastructure of the existing and new Entrepreneurship Development Institute (EDIs) at State/UT level. Entrepreneurship development is one of the key elements for promotion of micro and small enterprises, particularly, the first generation entrepreneurs. Hence, entrepreneurship development has been one of the priorities in countries world over. The Government make consistent and concerted efforts to strengthen and revitalize the promotion of entrepreneurship. The Ministry of MSME promotes the development of small scale

industries in the country with the objective of creating self-employment opportunities and upgradation of management and technical skills of existing and potential entrepreneurs. The scheme of Entrepreneurship Development Institutes (EDIs) was launched in 1992-93 to provide financial assistance for strengthening training infrastructure of the existing and new entrepreneurship development institutes at State/UT level. The scheme envisages providing financial assistance to State sponsored existing and proposed institutions meant for supporting entrepreneurship development and self-employment activities training, consultancy and research in tune with the policy measures announced by the Government of India on promoting and strengthening of micro and small enterprises. The Central assistance is expected to be only catalytic and supplementary to the contributions and efforts of the States/ UT Governments and other agencies, namely, institutions engaged in entrepreneurship development, technical education institutions, management institutions and financial institutions, and is expected to augment the existing entrepreneurship development training capacity in the country. The ceiling of financial assistance has been raised from Rs.100.00 lakh to Rs.150.00 lakh or 50% of the project cost whichever is less and in the case of North East Region including Sikkim and Andaman & Nicobar islands including Lakshadweep, the central assistance would be 90% of the project cost or Rs. 270.00 lakh, whichever is less. 29 EDIs have so far been financially assisted under this scheme.

- (iii) The third component of the scheme Assistance to Training Programmes provides assistance for Training Programmes. Assistance is provided under the scheme to the Training Institutions for conducting Entrepreneurship Development Programmes (EDPs) and Entrepreneurship-cum-Skill Development Programmes (ESDPs) and Training of Trainers (ToTs) programmes in the areas of Entrepreneurship and/or Skill Development. Assistance is normally provided for short term

courses/training programmes (non-residential) only, i.e. ESDPs for 1 to 3 months (100 to 300 hours of training inputs), EDPs for 2 weeks (72 hours of training inputs) and ToT programmes (300 hours of training inputs).

The concerned training institution would be free to decide the training fee for various training programmes viz. EDP/ESDP/ToT being conducted by it. However, the assistance under the scheme would depend on the duration of the training programme (number of hours of training inputs) and would be limited to following rates or actual fee charged, whichever is less:

Particulars	Maximum assistance per trainee per hour (Rs)
SC/ST/Physically Handicapped (PH)/North Eastern Region (including Sikkim), Union Territories of Andaman & Nicobar and Lakshadweep Islands (NER+)	
District Headquarter (HQ)	60/-
Urban areas other than District HQ	50/-
Rural areas	40/-
Others	
District HQ	50/-
Urban areas other than District HQ	40/-
Rural areas	30

Assistance for Training of Trainers (ToTs) programmes would be provided @ Rs 60 per trainee per hour.

The trainees would be expected to make their own arrangement for travel and stay during the training period. In case the residential facility is provided by the Training Institution, it may charge the same from the trainee. It would be permissible to dovetail the assistance under this scheme with facilities/benefits available under schemes

of other Ministries/Departments/State/UT Governments etc. for reimbursement of travel, boarding and lodging expenses and stipend etc. However, it would be the responsibility of the Training Institution to ensure that there is no duplication and assistance for the same purpose that is not claimed under more than one scheme.



# National Award Scheme for MSMEs

The Ministry of Micro, Small & Medium Enterprises with a view to recognize the efforts and contribution of MSMEs gives National Award annually to selected entrepreneurs and enterprises under the scheme of National Award.

The awards are given for various categories in Research and Development Efforts, Entrepreneurship and Quality Products. The First, Second and Third National Award carry a cash prize of Rs.1,00,000/-, Rs. 75,000/- and Rs. 50,000/- respectively, a certificate and a trophy. Selection for awards is made on the basis of a set criteria exclusively designed to evaluate performance of the MSMEs. The awards to the selected entrepreneurs are given in a National Function organized by Office of the DC(MSME).

Besides Awards to the entrepreneurs, awards are also given to banks for lending to MSME. Under the scheme an exhibition is also organized for MSMEs during the India International Trade Fair (IITF) at Pragati Maidan to exhibit products manufactured by MSMEs and National Awardees.

## Types of Awards

The awards are given for following categories:

### (i) **National Award for Outstanding Entrepreneurship in Micro & Small Enterprises Engaged in Manufacturing**

1. First National Award : Rs.1,00,000/-cash prize, a Trophy and a Certificate
2. Second National Award : Rs. 75,000/- cash prize, a Trophy and a Certificate
3. Third National Award : Rs. 50,000/- cash prize, a Trophy and a Certificate
4. Special National Award to Outstanding Woman

Entrepreneur : Rs.1,00,000/- cash prize, a Trophy and a Certificate

5. Special National Award to Outstanding SC/ST Entrepreneur: Rs.1,00,000/- cash prize, a Trophy and a Certificate
6. Special National Award to Outstanding Entrepreneur from NER including Sikkim : Rs.1,00,000/- cash prize, a Trophy and a Certificate.

**(ii) National Award for Outstanding Entrepreneurship in Micro & Small Enterprises Rendering Services**

1. First National Award : Rs. 1,00,000/- cash prize, a Trophy and a Certificate
2. Second National Award : Rs. 75,000/- cash prize, a Trophy and a Certificate.

**(iii) National Award for Outstanding Entrepreneurship in Medium Enterprises Engaged in Manufacturing**

1. First National Award : Rs. 1,00,000/- cash prize, a Trophy and a Certificate
2. Second National Award : Rs. 75,000/- cash prize, a Trophy and a Certificate.

**(iv) National Awards for Research & Development Efforts in Micro & Small Enterprises**

1. First National Award : Rs. 1,00,000/- cash prize, a Trophy and a Certificate
2. Second National Award : Rs. 75,000/- cash prize, a Trophy and a Certificate.

**(v) National Awards for Research & Development Efforts in Medium Enterprises**

1. First National Award : Rs.1,00,000/- cash prize, a Trophy and a Certificate

2. Second National Award : Rs. 75,000/- cash prize, a Trophy and a Certificate.

**(vi) National Awards for the selected Product Group for Quality Products in Micro & Small Enterprises (MSEs)**

Every year Product groups (10-15 Nos.) are selected for quality award. One award is given in each group. Each award carries Rs.1.00 lakh cash prize, a Certificate and a Trophy.

**(vii) Special Recognition Award in all above Categories**

Special Recognition Award in all above categories is given to those MSMEs scoring marks above 80% in all categories and 50% in case of North Eastern Region including Sikkim with a cash prize of Rs. 20,000/-, a Certificate and a Trophy.

**(viii) National Award to Banks for Excellence in MSE Lending**

1. First National Award : A Trophy and a Certificate
2. Second National Award : A Trophy and a Certificate
3. Special Award : A Trophy and a Certificate

**(ix) National Award to Banks for Excellence in Micro Lending**

1. First National Award : A Trophy and a Certificate
2. Second National Award : A Trophy and a Certificate
3. Special Award : A Trophy and a Certificate

**Periodicity and Eligibility**

The Awards are given for every calendar year to deserving entrepreneurs of Micro, Small and Medium Enterprises having permanent registration/have filed Entrepreneurs Memorandum with the authorities notified by respective State Governments/UT Administration in accordance with the provisions contained in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which came into force on October 2, 2006. The MSMEs should

have been in continuous production/service for last three years. There will be no bar for Awardees to be nominated or considered for a higher Award in the subsequent year. The Awardees should not be nominated or considered for the same or lower Award in the subsequent five year(s).

### **Procedure for Selection**

- (i) Applications from MSMEs are invited through Advertisement in National/Regional Newspapers, Website on DC(MSME). Applications are received at MSME-DIs in their respective States.
- (ii) Applications are evaluated by State Level Selection Committee (SLSC) under the chairmanship of Secretary (Industries) of the respective states and recommended and forwarded to the O/o DC(MSME). Minimum Qualifying marks are 60% general categories and 50% in case of SC/ST and NER.
- (iii) The applications recommended by SLSC are further scrutinized/evaluated by Technical Officers of the O/o DC (MSME).
- (iv) The applications are scrutinized and awardees are selected by National Level Selection Committee(NLSC) under the chairmanship of AS&DC with approval of Hon'ble Minister (MSME).
- (v) The selection of banks for awards is made on the basis of criteria devised by the Standing Committee constituted under the Chairmanship of AS&DC(MSME).

### **Scheme for Capacity Building, Strengthening of Database and Advocacy by Industry/Enterprise Associations and for holding Seminar/Symposiums/Workshops by the Associations**

It has been felt that the associations of Micro, Small and Medium Enterprise do not have adequate capacity to collect and interpret data relating to changes in the market scenario, owing to the limited availability of funds and the absence of expertise in the matter. As a

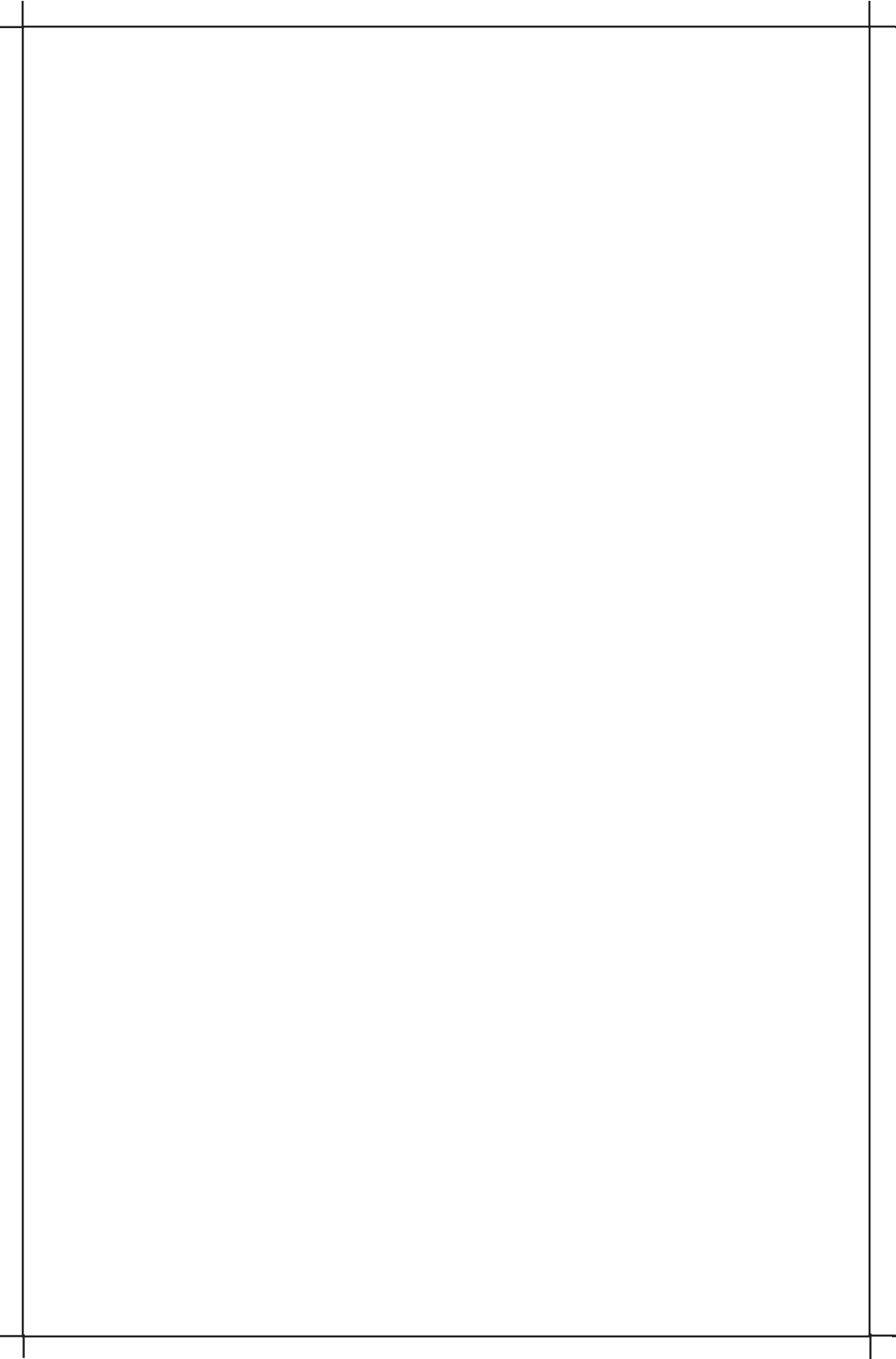
result, their articulation of views on specific issues concerning to their product group leaves much to be desired. In spite of the fact that the Associations of the MSEs have been made members of the SSI Board and the members of the screening committee of certain national programmes for development of some products, their existing weakness prevent them from playing the expected role effectively. Even in their role as facilitators for their members in government assisted schemes like setting up of sub-contracting exchanges, testing laboratories etc., the capacity of these associations has been found to be deficient.

To strengthen their role and increase their efficiency, financial assistance has been proposed for the secretarial and advisory/extension services of the selected associations depending on the size and the reach of the associations. The beneficiary association is to provide the regular manpower and office space at their own cost and also to bear 50 percent of the cost of modernization of their facilities, equipment and training of their personnel.

Under the scheme, National/Regional/State/Local level Industry Association, which are registered for at least 3 years and are having a regular charter, list of members and audited accounts etc; would be eligible for the financial assistance for strengthening of database as well as for conducting Seminars/Symposiums/Workshops.

The scheme provides assistance for strengthening of Database—Financial assistance for the Secretarial, Advisory/Extension services up to a maximum of Rs. 5 lakh and for organizing Seminars/Symposiums/Workshops by the associations up to a maximum of Rs. 2 lakh.

**CREDIT AND  
TECHNOLOGY UPGRADATION**



## **Micro & Small Enterprises–Cluster Development Programme (MSE-CDP)**

Cluster based intervention has been acknowledged as one of the key strategies for comprehensive development of Indian industries, particularly the Micro and Small Enterprises (MSEs). The Ministry of MSME, Government of India has adopted the cluster approach as a key strategy for enhancing the productivity and competitiveness as well as capacity building of micro and small enterprises and their collectives in the country. In 1998, a cluster based scheme namely the Integrated Technology Upgradation and Management Programme (UPTECH) was launched to address the issues related to Technology Upgradation and Modernisation of MSE sector. Later on, it was felt that for overall development of a cluster, holistic approach needs to be adopted. Accordingly, UPTECH was renamed as ‘Small Industry Cluster Development Programme’ (SICDP) in the year 2003 and the scheme was broad-based by including setting up of Common Facility Centers, marketing support, etc. The cluster development initiatives have evolved over a period of time and are being implemented under Micro & Small Enterprises–Cluster Development Programme (MSE-CDP). The Ministry of MSME is also implementing another cluster mode scheme “Scheme of Fund for Re-generation of Traditional Industries” (SFURTI) for the benefit of traditional industries.

The MSE-CDP Scheme aims at holistic and integrated development of micro and small enterprises through Soft Interventions (such as diagnostic study, capacity building, marketing development, export promotion, skill development, technology upgradation, organizing workshops, seminars, training, study visits, exposure visits, etc.), Hard Interventions (setting up of Common Facility Centers) and Infrastructure Upgradation (create/upgrade



infrastructural facilities in the new/existing industrial areas/ clusters of MSEs).

## **Objectives**

- (i) To support the sustainability and growth of MSEs by addressing common issues such as improvement of technology, skills and quality, market access, access to capital, etc.
- (ii) To build capacity of MSEs for common supportive action through formation of self help groups, consortia, upgradation of associations, etc.
- (iii) To create/upgrade infrastructural facilities in the new/existing industrial areas/clusters of MSEs.
- (iv) To set up common facility centres (for testing, training centre, raw material depot, effluent treatment, complementing production processes, etc).

## **Scope of the Scheme**

- (i) Preparation of Diagnostic Study Report with Government of India (Gol) grant of maximum Rs 2.50 lakh (Rs 1.00 lakh for field offices of the Ministry of MSME).
- (ii) Soft Interventions like training, exposure, technology upgradation, brand equity, business development, etc with Gol grant of 75% of the sanctioned amount of the maximum project cost of Rs 25.00 lakh per cluster over a period of maximum 18 months. For NE & Hill States, clusters with more than 50% (a) micro/village, (b) women owned, (c) SC/ST units, the Gol grant will be 90%. The cost of project will be moderated as per size/turnover of the cluster.
- (iii) Detailed Project Report (DPR) with Gol grant of maximum Rs. 5.00 lakh for preparation of a technical feasible and financially

viable project report for setting up of a Common Facility Centre for cluster of MSE units and/or infrastructure development project for new industrial estate/area or for upgradation of existing infrastructure in existing industrial estate/area/cluster.

- (iv) Hard Interventions in the form of tangible assets like Common Facility Centre having machinery and equipment for critical processes, research and development, testing, etc. for all the units of the cluster with Gol grant of 70% of the cost of project of maximum Rs 15.00 crore. Gol grant will be 90% for CFCs in NE & Hill States, Clusters with more than 50% (a) micro/village, (b) women owned, (c) SC/ST units. The cost of project includes cost of land (subject to maximum of 25% of Project Cost), building, pre-operative expenses, preliminary expenses, machinery and equipment, miscellaneous fixed assets, support infrastructure such as water supply, electricity and margin money for working capital.
- (v) Infrastructure Development: With Gol grant of 60% of the cost of project of Rs 10.00 crore, excluding cost of land. Gol grant will be 80% for projects in NE & Hill States, industrial areas/ estates with more than 50% (a) micro (b) women owned (c) SC/ST units. For existing clusters, upgradation proposals will be based on actual requirements.
- (vi) Exhibition Centres by Associations of Women Entrepreneurs: The Gol assistance shall also be available to Associations of Women Entrepreneurs for establishing exhibition centres at central places for display and sale of products of women owned micro and small enterprises @ 40% of the project cost. The Gol contribution will be towards furnishings, furniture, fittings, items of permanent display, miscellaneous assets like generators, etc.

## Implementing Agencies

Activity	Implementing Agency
Diagnostic study	<ul style="list-style-type: none"><li>● Offices of the Ministry of MSME</li><li>● Offices of State Governments</li><li>● National and international institutions engaged in development of the MSE sector.</li><li>● Any other institution/agency approved by the Ministry of MSME</li></ul>
Soft Interventions	
Setting up of CFC	
Infrastructure Development projects	State/UT Governments through an appropriate state government agency with a good track record in implementing such projects.

## Benefits of the Cluster Development Scheme

Cluster Development approach is considered as an effective approach for inducing competitiveness in the industry by ensuring inter-firm cooperation based on networking and trust. Due to geographical proximity of units and homogeneity/similarity of products, development interventions can be made for a large number of units and simultaneously leading to higher gains at lower cost of implementation. The approach also aims for sustainability in long run.

- helps overcome disadvantages of economies of scale and weak capital base
- increase competitiveness by leveraging the advantages of flexible structure and faster decision-making process
- better responsiveness to market challenges
- quicker dissemination of information
- sharing of best practices (organisational capabilities, skills, technological innovations)
- better cost effectiveness due to distribution of many common costs
- wider public appropriation of benefits

## **Project Approval**

The proposals under the scheme will be considered for approval by the Steering Committee of the MSE-CDP under the Chairmanship of Secretary (MSME). Proposals for DSR, DPR and Soft Interventions will be approved in one stage only. Hard interventions (CFC) and infrastructure development projects will be approved in two stages: In-principle approval and final approval.

# **Credit Guarantee Fund Scheme for Micro and Small Enterprises (CGMSE)**

## **Objectives**

To ensure better flow of Credit to micro and small enterprises by minimizing the risk perception of financial institutions and banks in lending without collateral security, a Credit Guarantee Fund Scheme for Micro and Small Enterprises was introduced by the Government in August 2000.

## **Salient Features**

- (i) The Scheme is being implemented by the Credit Guarantee Fund Trust for Micro and Small Enterprises, set up jointly by the Government of India and Small Industries Development Bank of India (SIDBI). The Government of India and SIDBI contribute to the Corpus Fund of the Trust in the ratio of 4:1.
- (ii) The Scheme became operational with effect from January 1, 2001.
- (iii) All scheduled commercial banks and Regional Rural Banks (categorized under 'sustainable viability') or such of those institutions as may be directed by Government of India are eligible to become Member Lending Institutions under the Scheme.
- (iv) The Scheme covers collateral free credit facility (term loan and/or working capital) extened by eligible lending institutions to new and existing micro and small enterprises upto Rs. 100 lakh per borrowwing unit. The guarantee cover provided is upto 75% of the credit facility

upto Rs. 50 lakh with an incremental guarantee of 50% of the credit facility above Rs. 50 lakh and upto Rs. 100 lakh (85% for loans upto Rs. 5 lakh provided to micro enterprises, 80% for MSEs owned/operated by women and all loans to NER). One time guarantee fee of 1.5% of the credit facility sanctioned (0.75% for NER including Sikkim) and Annual Service Fee of 0.75% is collected from MLIs.

- (v) 120 Banks and institutions, i.e., 26 public sector and 19 private banks, 63 RRBs, 4 foreign banks and 8 other institutions including NSIC, NEDFI, SIDBI have joined this scheme as Member Lending Institutions (MLIs).

### **Eligibility**

- (i) The scheme covers collateral free credit facility (term loan and/or working capital) up to Rs. 100 lakh extended by eligible lending institutions to new and existing micro and small enterprises.
- (ii) The scheme is operated through Credit Guarantee Fund Trust for Micro and Small Enterprises, 7th Floor, SME Development Centre, Plot No. C-11, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051.

# Micro Finance Programme

## Objectives

The main objective of the Scheme is to provide credit at the door step to the poor and low income category people in the country to enable them to carry on business or manufacturing activities. The Scheme is operated through Micro Finance Institutions (MFIs)/Non-government Organisations (NGOs), who monitor the projects on regular basis. The Scheme is in operation from March 2004.

## Salient Features

- (i) The Scheme is implemented by Office of the DC (MSME) through SIDBI.
- (ii) The Scheme has been tied up with the existing programme of Small Industries Development Bank of India (SIDBI), which is under operation since January 1999. 'Portfolio Risk Fund' is provided by the Government of India to SIDBI to be used for security deposit requirement of the loan amount from micro finance institutions/non-government organizations. At present, SIDBI takes fixed deposit equal to 10% of the loan amount. The share of MFIs/NGOs is 2.5% of the loan amount (i.e. 25% of security deposit) and balance 7.5% (i.e. 75% of security deposit) is adjusted from the funds provided by the Government of India.
- (iii) A Committee under the chairmanship of Additional Secretary and Development Commissioner (MSME) has been constituted to review the progress, approve the adjustment of security, rotation of funds, etc.
- (iv) The Scheme is operated through SIDBI.

# Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme for Women

The Ministry of Micro, Small & Medium Enterprises has launched a scheme Trade Related Entrepreneurship Assistance and Development (TREAD) for economic empowerment of women specially illiterate and semi-literate women of rural and urban areas for the development of their entrepreneurial skills in non-farm activities. The scheme provides loan from banks through NGOs to women of rural and urban areas. Gol grant is provided for capacity building of the NGO for trade related training, information and counseling, extension activities related to trades, products and services, etc. The scheme is purely women-specific.

## Objectives

To help women entrepreneurs, specifically poor, illiterate and semi-illiterate women of rural and urban areas who are unable to avail credit due to various reasons, by involving NGOs to help them in getting credit, managing fund, trade related training and counseling, etc. and help NGOs by providing Gol grant for capacity building.

## Salient Features

- (i) **Applicability** : Scheme is applicable for women entrepreneurs engaged in non-farm activities only.
- (ii) **Credit** : Assistance in the form of the Government of India (Gol) grant of upto 30 per cent of the total project cost, as appraised by the lending agency, is provided to the Non-governmental Organisations (NGOs) for promoting entrepreneurship among target groups of women. The remaining 70 per cent of the project cost is financed by the lending agency as loan to women entrepreneurs for undertaking activities as envisaged in the project.



- (iii) **Training and Counseling** : Selected training institutions and NGOs conducting training programmes for empowerment of women beneficiaries identified under this scheme can also avail Gol grant of upto Rs. 1 lakh per programme for imparting training to the women entrepreneurs, provided such institutions also bring their share of at least 25 per cent of the grant. However, NGOs from the North Eastern Region (NER) are allowed to conduct training programmes with a contribution of 10% share by the NGO.

Need-based Gol grant upto Rs. 5 lakh per project is provided to Institutions such as Entrepreneurship Development Institutes (EDIs), NIMSME, NIESBUD, IIE, MSME-DIs, EDIs sponsored by State Govt. and any other institution of repute primarily for undertaking field surveys, research studies, evaluation studies, designing of training modules etc.

### **Eligibility Requirement of an NGO**

- (a) Be a legal entity with a minimum registration period of three years.
- (b) Having experience in thrift and saving programmes with Self-Help Groups (SHGs).
- (c) Be engaged in income generation activities for women entrepreneurs.
- (d) Have basic infrastructure, qualified support staff and services to undertake micro-enterprise development for women.
- (e) Prior experience in preparing project proposals on behalf of women entrepreneurs/women SHGs for income generation activities and take loan from financial institutions for onward disbursement to them.

# MSME Credit Monitoring Cell

## Objectives

The Government has set up a MSME Credit Monitoring Cell in the Office of the Development Commissioner (MSME). The matters of MSMEs remaining unresolved with the Banks-SME Helpline for more than a fortnight brought to the notice of the Cell would be taken up with the bank concerned for early resolution.

## Salient Features

- The Monitoring Cell has been jointly set up by the Ministry of MSME and Department of Financial Services.
- The Monitoring Cell would entertain such cases that have been referred to the Cell after having not been resolved by Bank-SME Helpline within 14 days.
- The petition/grievance so received would be forwarded to the concerned Bank by the Cell for appropriate action and report within a fortnight.

MSMEs may contact the Cell at Telefax: 011-23062465, email id: *creditmon@dcmsme.gov.in* or at Room No. 734 B, 7th Floor, A-Wing, Nirman Bhawan, Maulana Azad Road, New Delhi-110 108 for lodging such grievances. More details of the Cell are available on the website of the Development Commissioner (MSME) (*www.dcmsme.gov.in*).

# **Performance and Credit Rating Scheme**

## **Objectives**

This Scheme was launched in the year 2005. NSIC has been appointed as implementing agency for the Scheme by the M/o MSME.

Under the Scheme, seven renowned accredited rating agencies viz., CARE, CRISIL, Dun & Bradstreet (D&B), FITCH, ICRA, ONICRA and SMERA have been empanelled to carry out the rating. MSMEs are free to choose any one of them as per their convenience.

## **Salient Features**

The Scheme is aimed to create awareness among micro and small enterprises (MSEs) {medium enterprises are not included under the Scheme} about the strengths and weaknesses of their existing operations and to provide them an opportunity to enhance their organizational strengths and credit worthiness. The rating under the scheme serves as a trusted third party opinion on the capabilities and creditworthiness of the micro and small enterprises. An independent rating by an accredited rating agency has a good acceptance from the banks/financial institutions, customers/buyers and vendors. Under this scheme, rating fee payable by the micro and small enterprises is subsidized for the first year only subject to a maximum of 75% of the Fee or Rs. 40,000/-, whichever is lower.

# **Credit Linked Capital Subsidy Scheme for Technology Upgradation (CLCSS)**

## **Objectives**

The Ministry of Micro, Small & Medium Enterprises (MSME) is operating a Scheme, namely, Credit Linked Capital Subsidy Scheme (CLCSS) for Technology Upgradation by providing 15 per cent upfront capital subsidy with effect from 29.09.2005 (12 per cent prior to 29.09.2005) to micro and small enterprises on institutional finance (term loan) from the eligible Primary Lending Institutions (PLIs) for induction of well-established and improved technologies in the specified sub-sectors/products approved under the Scheme. The Scheme is implemented through the Small Industries Development Bank of India (SIDBI), the National Bank for Agriculture and Rural Development (NABARD), the State Bank of India, the Andhra Bank, the State Bank of Bikaner & Jaipur, Bank of Baroda, Punjab National Bank, Canara Bank, Bank of India and the Tamilnadu Industrial Investment Corporation Limited. The period of operation of Scheme has been extended till end of 11th Five Year Plan.

## **Salient Features**

- (i) Technology upgradation under the scheme would mean significant improvement from the present technology level to a substantially higher one involving improved productivity, and/or improvement in the quality of the products and/or improved environmental conditions including work environment for the units. This will also include installation of improved packaging techniques, anti-pollution measures, energy conservation machinery, on-line quality control equipments and in-house testing facilities.

- (ii) Forty-nine sub-sectors have been approved under the scheme.
- (iii) The scheme is gradually widened by adding new sub-sectors and new technologies for assistance.
- (iv) The financial assistance by way of 15 per cent subsidy under the scheme is subject to ceiling on eligible term loan of Rs. 100 lakh i.e. the ceiling on the subsidy is Rs. 15 lakh.
- (v) The eligible amount of subsidy is calculated at the rate of 15 per cent of the cost of eligible investment in plant and machinery where term loans have been sanctioned by the Primary Lending Institutions (PLIs) on or after 29.09.2005. In earlier cases, it was 12 per cent of eligible term loan subject to other terms and conditions which were prevalent prior to 29.09.2005.

## **Eligibility**

- (i) Capital subsidy at the rate of 15 per cent of the eligible investment in plant and machinery under the Scheme shall be available for such projects, where term loans have been sanctioned by eligible PLI on or after 29.09.2005.
- (ii) Eligible units graduating from small scale to medium scale on account of sanction of additional loan under CLCSS shall be eligible for assistance.
- (iii) Labour intensive and/or export oriented new sectors/ activities are considered for inclusion under the scheme.

# **Quality Upgradation in Micro and Small Enterprises through Incentive for Acquiring ISO 9001/ISO 14001/HACCP Certification**

## **Objectives**

To encourage technological upgradation and quality improvement in micro and small enterprises and prepare them to face the global competition, the Office of the Development Commissioner (MSME) has introduced the Incentive Scheme for ISO 9001/ISO14001/HACCP certifications.

## **Salient Features**

The scheme provides for reimbursement of 75% of the Certification expenses up to a maximum of Rs. 75,000/- to each unit as one-time reimbursement. The scheme is applicable only to those micro and small enterprises which have already acquired ISO 9001/ISO 14001/HACCP Certifications. The scheme has been extended up to March 31, 2012.

## **Reimbursement**

Reimbursement under the scheme has been decentralized w.e.f. 01.04.2007 and subsidy is being reimbursed through Micro, Small and Medium Enterprises-Development Institutes (MSME-DIs, formerly SISIs) all over India.

## **Eligibility**

All micro and small enterprises with Entrepreneurial Memoranda (EM) Number and ISO Certificate with National Accreditation Board for

Certification Bodies Accreditation (NABCB) only are eligible to avail the benefit. ISO Certificate issued by BIS for a period of 1-4-2010 to 31-3-2011 with Raad Voor Accreditation (RVA) Netherlands Accreditation are also eligible for reimbursement.

# **VSBK Technology for Adoption and Promotion in Brick Manufacturing Units**

A Plan Scheme, namely, Adoption of VSBK Technology in Brick Manufacturing Units under Package for Promotion of Micro and Small Enterprises is under implementation.

In the recent years, the housing sector has been witnessing rapid growth due to higher demand and availability of cheap credit. This in turn has led to high demand for bricks. Bricks are at present manufactured nearly in thirty major clusters of MSEs by employing a highly energy intensive technology. The manufacturing process has a vast potential of technological upgradation to make it more energy efficient and eco-friendly. The adoption of the Vertical Shaft Brick Kiln technology can lead to substantial reduction in cost by energy conservation. It would also lead to reduction of green house gas emissions. The Government has, therefore, approved a scheme under Package for Promotion of Micro and Small Enterprises to establish five demonstration VSBK units by upgrading the functional kilns and promote the use of this technology under the Credit Linked Capital Subsidy Scheme with 30% capital subsidy to the MSEs, subject to a ceiling of Rs. 2 lakh per unit.

The programme is being implemented in the selected clusters of brick manufacturing units in the States of MP, Chhattisgarh, Jharkhand, Orissa and Rajasthan. MSME-DIs, Cuttack, Indore, Ranchi, Jaipur and Raipur are the coordinating agencies for implementation of the programme.

The programme also involves organization of seminars/workshops by MSME-DIs to introduce the technology and showcasing the technology by conducting tours of entrepreneurs at the sites of technology providers and entrepreneurs where successful units of VSB Kilns are already in operation. Interested entrepreneurs will be



able to undergo various training courses on VSBK technology in their respective areas for upgradation of their knowledge. The progress of this Scheme is given below:

1. No. of Demo Plants set up till date : 4  
in Chhattisgarh, Orissa, Rajasthan  
and Madhya Pradesh
2. No. of Seminars/Workshops : 26  
organised for awareness of Brick  
manufacturing owners
3. No. of training programmes organised : 18
4. No. of exposure visits organised : 5
5. No. of Testing Labs. set up till date : 2  
in Orissa and Madhya Pradesh

# **Setting up of the Training-cum-Product Development Centres (TPDCs)**

The Ministry of Micro, Small & Medium Enterprises announced Package for Promotion of Micro & Small Enterprises in 2006. Under technology and quality upgradation support of the Package, four Training-cum-Product Development Centres (TPDCs) are being set up for Agro and Food Processing Industries within the campus of MSME-Development Institutes at Ludhiana, Kanpur, Indore and Guwahati within a cost of Rs.4.57crore. The scheme has been revised in September 2009.

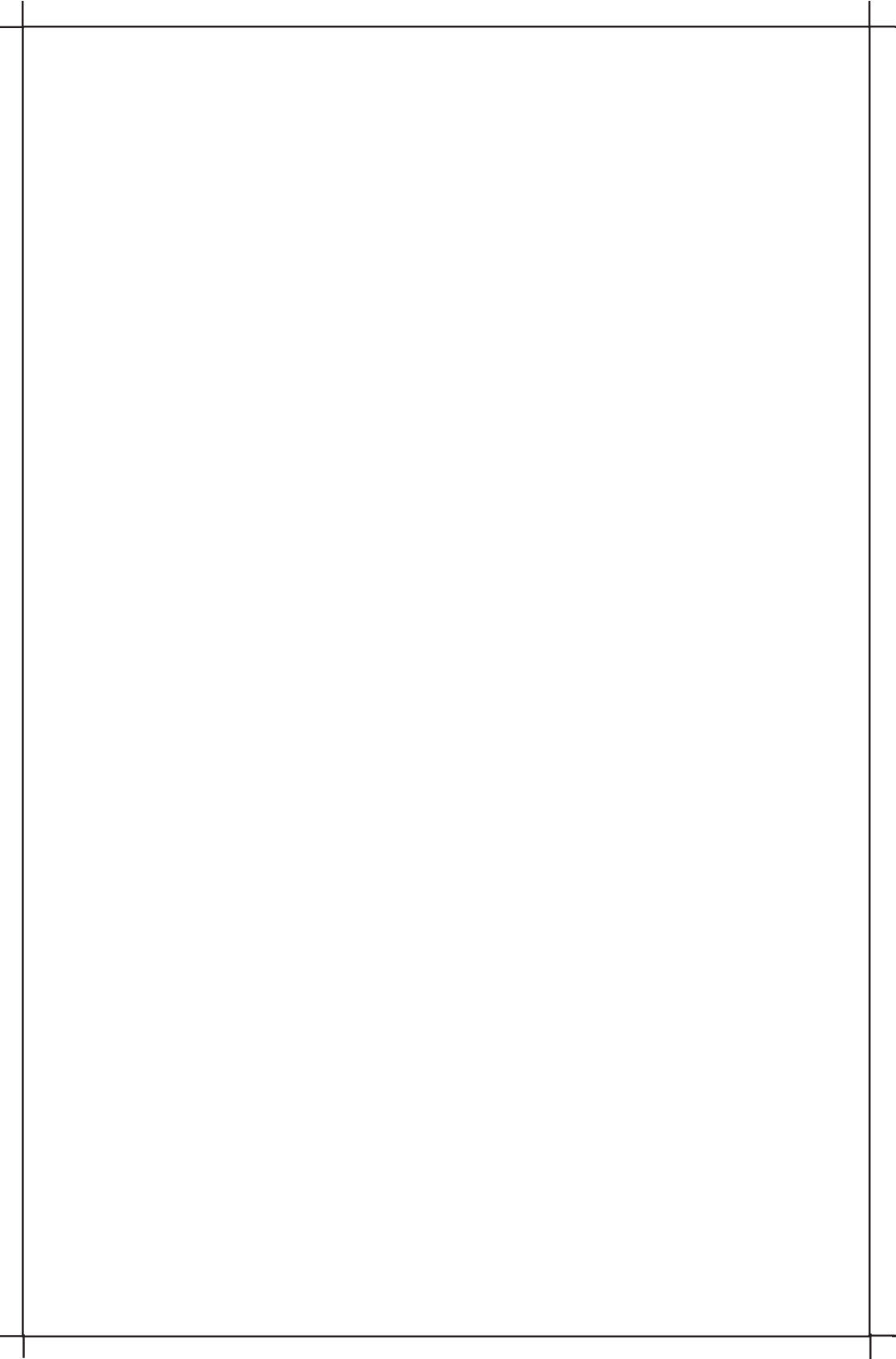
## **Objectives**

The main aim for setting up of these centres is to improve the quality of the training and product manufacturing process demonstration during training courses and to establish the testing facilities to improve the quality of food products as per IS Specification/Standard Specification prescribed for Agmark/food safety system. This will help the entrepreneur for setting up/upgrade the enterprise after completing the training course. The detailed objectives of these centres are as under:

- (i) To provide training and exposure regarding principles and methods of food preservation/processing such as fruits and vegetables, bakery, confectionery products etc.
- (ii) To upgrade the skill of personnel of micro, small and medium enterprises regarding processing and preservation of food products.
- (iii) To provide appropriate technology and training to the growers and entrepreneurs of micro, small and medium enterprises regarding processing of seasonal fruits and vegetables and reducing post harvest losses.

- (iv) To create self-employment opportunity to the unemployed youth at rural level by setting up micro and small enterprises.
- (v) To provide job oriented skill and training (different duration course) in food processing industry for young graduates.
- (vi) To act as a community training centre and provide services to the public for preparation of products.
- (vii) Capacity building by training of trainers including the officers of SIDO in the field of food processing industries.
- (viii) Resource centre of training material such as video films, books, magazines, brochures etc. related to food processing industries.

**SCHEMES OF THE NATIONAL  
MANUFACTURING COMPETITIVENESS  
PROGRAMME (NMCP)**



# **The National Manufacturing Competitiveness Programme (NMCP)**

The Government with an objective to support the manufacturing sector, particularly the Micro, Small and Medium Enterprises (MSMEs) in their endeavour to become competitive announced in 2005-06 formulation of 'National Manufacturing Competitiveness Programme'.

Accordingly, the National Manufacturing Competitive Council (NMCC) in close cooperation with the Ministry of Micro, Small and Medium Enterprises, conceptualized and finalized the National Manufacturing Competitiveness Programme (NMCP). The NMCP, as conceptualized by the NMCC was accepted by the Government and announced for implementation in the Budget 2006-07, para 68 of which states as under:

"The National Manufacturing Competitiveness Council (NMCC) has finalised a five-year National Manufacturing Competitiveness Programme. Ten schemes have been drawn up including schemes for promotion of ICT, Mini Tool Room, Design Clinics, Lean Manufacturing, Bar Code, QMS/QT and Marketing Support for MSMEs. Implementation will be in the PPP model with a financial contribution from SPV/association/MSME units".

## **Features of the NMCP**

The NMCP specified the need of enhancing the competitiveness, which is determined by the productivity with which a nation uses its human, capital and natural resources in optimal way, of the Indian manufacturing sector. The global competitiveness being a multi-dimensional concept depends upon three main sets of factors – all taken together:

- **Country specific advantages** – related to technological, financial and other infrastructural status of the economy

vis-à-vis thrust of highly developed economies, where major competitors are located;

- **Industry specific advantages** – related to the type of industry where competitiveness is also affected by various fiscal and monetary policies which can change from time to time; and
- **Industry specific advantages** – related to a particular company, like the ability to acquire, assimilate, develop new technologies, capabilities to reduce production costs, cut down delivery cycles, enhancing quality & productivity and after-sales service, etc.

The NMCP recognizes the fact that the Micro, Small and Medium Enterprises (MSMEs) are the backbone of the manufacturing sector, as their contribution is 40%. In the interest of the growth of national economy, to enhance the competitiveness of the MSMEs manufacturing sector is essential. The MSME sector requires special attention because of the opening and liberalization of the economy since 1991 (earlier the sector existed in a relatively sheltered environment) and change in the tariff regime. Accordingly, the NMCP stressed need to ensure supportive measures to ensure that the MSMEs could sustain both the external and internal challenges due to this fast growing economic scenario and to enable them to obtain economies of scale. The NMCP advocates removal of anomalies, lower incidence of indirect tax, lower transaction cost, low cost of capital, provision of infrastructure facilities and development, strengthening education and skill building, investing in innovations and technology, enhancing the role of Intellectual Property Rights (IPRs) and usage of information and communication technology (ICT), industrial design, building competitiveness through cluster approach, awareness programmes for MSMEs and research studies, quality management, benchmarking of standards in the manufacturing sector, etc. While drawing such conclusions, the Programme has made detailed global analysis of the Indian Manufacturing Sector with other

developed countries like USA and other countries and have given elaborate rationale behind each and every proposal and deliberated at length on having a comprehensive policy package to enhance the competitiveness of the MSMEs.

### **Components Recommended for Implementation under NMCP**

With an objective to revive the manufacturing sector, particularly the Micro, Small and Medium enterprises and enable them to enhance their competitiveness in the global market, the following Ten Components have been approved under the NMCP.



# **Promotion of Information and Communication Technology (ICT) in MSME Sector**

The manufacturing industry is witnessing an increasing turbulent, dynamic and complex business scenario. The lowest entry barriers across countries, complex cost structures and relentless pursuit of customer satisfaction in response to rising expectations and adoption of Information and Communication Technology (ICT) compared to other nations has resulted in loss of global competitive advantage.

The scheme envisages for a planned model of IT adoption in potential MSME clusters based on need analysis of stake holders. Under the scheme 100 MSME clusters will be benefitted.

## **Objectives**

The objective of the scheme is to carry out diagnostic mapping of potential clusters and motivate them to adopt the ICT tools and applications for their production and business processes, with a view to improve their competitiveness in national and international market. The scheme will facilitate in extending the support of basic ICT infrastructure to MSMEs, sensitizing MSMEs with potential businesses of ICT tools, standardization of the business processes/activities, incentivizing MSMEs and software partners for long term partnership in ICT adoption etc.

## **Activities**

The broad activities planned under the scheme include, identifying target cluster for ICT intervention, setting up of E-readiness infrastructure, developing web portals for clusters, skills development of MSME staff in ICT application, preparation of local software solution for MSMEs to enhance their competitiveness, construction of e-catalogue, e-commerce etc. and networking MSME cluster portal on

to National level Portal in order to outreach MSMEs into global markets.

### **Salient Features**

- (i) Selection of target clusters,
- (ii) Appointment of Technology Providers,
- (iii) Awareness Programme and Feasibility Report,
- (iv) Preparation of Detailed Project Report (DPR),
- (v) Setting up of e-Readiness Centres,
- (vi) Subsidy for procurement of hardware and software,
- (vii) Establishment of National Portal for MSMEs,
- (viii) Evaluation/Impact assessment studies.

### **Where and How to Apply**

Interested MSME clusters/units may send their request to the office of DC (MSME).

The guidelines of the scheme is available at [www.dcmsme.gov.in](http://www.dcmsme.gov.in)

# **Lean Manufacturing Competitiveness Scheme (LMCS)**

Under the Scheme, MSMEs will be assisted in reducing their manufacturing costs through proper personnel management, better space utilization, scientific inventory management, improved processed flows, reduced engineering time etc. The scheme also brings improvement in the quality of products and lowers costs, which are essential for competing in national and international markets. The larger enterprises in India have been adopting Lean Manufacturing Programme (LMP) to remain competitive, but MSMEs have generally stayed away from such Programmes as they are not fully aware of the benefits. Besides, experienced and effective Lean Manufacturing Consultants are not easily available and are expensive to engage and hence most MSMEs are unable to afford to implement LMCS.

## **Objectives**

The objectives of scheme are to increase the competitiveness of the MSME sector through the adoption of LM techniques with the objective of reducing waste, increasing productivity, introducing innovating practices for improving overall competitiveness, inculcating good management system and imbibing a culture of continuous improvement

## **Activities**

- (a) Organising awareness programme in clusters,
- (b) Formation of SPV with a group of 10+/-2,
- (c) Deployment of lean consultants in SPV.

## **Where and How to Apply**

Eligible MSME clusters/units in a group of 10+/-2 may request directly to either National Productivity Council, New Delhi or Office of DC(MSME).

The guidelines of the scheme are available at [www.dcmsme.gov.in](http://www.dcmsme.gov.in)

# **Design Clinics Scheme for MSMEs**

In the Design Clinic scheme, the value additions to an idea or a concept are imparted through interaction at a lesser cost to a specific industry/sector. It applies to a sector that requires intervention, like manufacturing etc, as the existing conventional models of design consultancy and training are not viable. These models bring design exposure to the door-step of industry clusters/units for design improvement, evaluation, analysis and adopting even long-term consultancy/design related intervention.

## **Objectives**

The main objective of the Design Clinic is to bring the MSME sector and design expertise into a common platform, to provide expert advice and solutions on real time design problems, resulting in continuous improvement and value addition for existing products. It also aims at value added cost effective solutions. It also includes to create a sustainable design, eco-system for the MSME sector through continuous learning and skill development and to promote use of design by MSMEs for developing products and services which are market led.

## **Activities**

The broad activities planned under the scheme include setting up of Design Clinics Headquarter along with 4 regional centres for intervention on the design needs of the MSME Sector. Further these centres will have linkages with engineering, management, design institutes of the country. It also includes to organize a seminar, workshops in clusters and providing Government of India financial assistance for the individual/group of MSME units.

The funding support will be given by way of a grant upto a maximum of 60% of the total approved project cost or Rs.9 lakhs, whichever is less, in case of a individual MSME or a group of not more than 3 MSME applicants. Similarly, the funding support will be given by

way of a grant upto a maximum of 60% of the total approved project cost or Rs.15 lakhs whichever is less, in case of a group of 4 or more MSME applicants. The scheme shall also support design work of final year full time undergraduate, or post graduate by reimbursing 75% of expenses incurred subject to a maximum of Rs.1.5 lakh for the projects done for MSME under the supervision of Parent Design Institution.

### **Where and How to Apply**

Eligible MSME clusters/units may request directly to either National Institute of Design, Ahmedabad or Office of DC (MSME).

The guidelines of the scheme are available at *[www.dcmsme.gov.in](http://www.dcmsme.gov.in)*

# **Marketing Assistance and Technology Upgradation Scheme for MSMEs**

Marketing, a strategic tool for business development is critical for the growth and survival of MSMEs. Marketing is most important factor for the success of any enterprise. It is one of the weakest area wherein MSMEs face major problems in the present competitive age. Due to lack of information, scarcity of resources and unorganized way of selling/marketing, MSME sector finds problems in exploiting new markets.

## **Objectives**

The objective of this programme is to enhance MSMEs competitiveness in the National as well as International market through various activities. The programme aims at improving the marketing competitiveness of MSME sector by improving their techniques and technologies' promotion of exports and to provide a check on imports also.

## **Activities**

The broad activities planned under the scheme include Technology upgradation in packaging, Skills upgradation/Development for Modern Marketing Techniques, Competition Studies, Special components for North Eastern Region (NER), New markets through state/district level, local exhibitions/trade fairs, Corporate Governance Practices, Marketing Hubs and Reimbursement to ISO 18000, ISO 22000, and ISO 27000 Certification.

## **Where and How to Apply**

The applicant MSME units will submit its claim along with required documents to the local MSME-DI office for reimbursement in the prescribed format in respect of the activities; New markets through

State/District level local exhibitions/trade fairs, special component for NER (participation of MSME units in the exhibition organized outside the NER), corporate governance practices and reimbursement to ISO-18000/22000/27000 certification.

The guidelines of the scheme are available at *[www.dcmsme.gov.in](http://www.dcmsme.gov.in)*

# **Enabling Manufacturing Sector to be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT)**

The scheme is aimed at improving the quality of the products in the MSE sector and inculcates the quality consciousness in this sector. With the adoption of this scheme, MSEs will become more competitive and produce better quality products at competitive prices. The adoption of these tools will enable MSEs to achieve efficient use of resources, improvement in product quality, reduction in rejection and rework in the course of manufacturing, reduction in building up inventory at various stages etc.

## **Objectives**

The objective of the scheme is to sensitize and encourage MSEs to adopt latest QMS and QTT and to keep a watch on sectoral developments by undertaking the stated activities.

## **Activities**

The main activities to be undertaken under this scheme are:

- (a) Introduction of Appropriate Modules for Technical Institutions,
- (b) Organizing Awareness Campaigns for Micro and Small Enterprises,
- (c) Organizing Competition-Watch (C-Watch),
- (d) Implementation of Quality Management Standards and Quality Technology Tools in Selected Micro and Small Enterprises,
- (e) Monitoring International Study Missions.



The scheme will be implemented through expert organizations like Quality Council of India(QCI), Consultancy Development Corporation (CDC), National Productivity Council (NPC), Indian Institute of Quality Management (IIQM) and Standardization, Testing and Quality Certification (STQC).

### **Where and How to Apply**

Eligible MSME clusters /individual units may request to the Office of DC (MSME) or local MSME-DIs directly.

The guidelines of the scheme are available at *[www.dcmsme.gov.in](http://www.dcmsme.gov.in)*

# **Technology and Quality Upgradation Support to Micro, Small and Medium Enterprises (TEQUP)**

Quality and Technology Upgradation have emerged as the two important attributes in enhancing competitiveness for any manufacturing industry. While the large industries having adequate linkages with the global markets and access to cheaper funds through various financial instruments, perceive the need and develop a strategy for continuous technology and quality upgradation for Indian MSME sector. With limited access to funds, MSMEs are forced to think short term, make products which need minimum capital investment and produce them at a lowest cost. This approach has brought the Indian MSME suppliers to the lower end of the global value chain and they have mostly become uncompetitive.

## **Objectives**

The objective of the Scheme is to sensitize the manufacturing (MSME) sector in India to the use of energy efficient technologies and manufacturing processes so as to reduce cost of production and the emissions of Green House Gases (GHGs). The second objective will be to improve the product quality of MSMEs and to encourage them towards becoming globally competitive through certification of products to national and international standards.

## **Activities**

1. Capacity Building of MSME Clusters for Energy Efficiency/Clean Development Mechanism,
2. Implementation of Energy Efficient Technologies and other technologies mandated as per the global standards in MSMEs,

3. Setting up of Carbon Credit Aggregation Centres (CCA) for introducing and Popularising Clean Development Mechanism (CDM) in MSME clusters,
4. Encouraging MSMEs to acquire Product Certification Licenses from National/International Bodies.

The expert organizations/agencies like BEE, TERI, UNIDO will be involved in these activities.

### **Where and How to Apply**

Eligible MSME clusters/individual units may submit applications to the Office of DC(MSME) or local MSME-DIs directly.

The guidelines of the scheme are available at [www.dcmsme.gov.in](http://www.dcmsme.gov.in)

# **Marketing Support/Assistance to MSMEs (Bar Code)**

Bar Coding is a universally accepted concept consisting of a series of parallel vertical lines (bars and space) capable of being read by bar code scanners. It is used worldwide as part of product packages, price tags, carton labels, invoices and even in credit card bills. It generates a wealth of relevant data when read by scanner.

## **Objectives**

The basic objective of granting financial assistance to the Micro and Small Enterprises (MSEs) is to enhance their marketing competitiveness by motivating and encouraging them for use of Bar Codes.

## **Eligibility**

MSEs who have Entrepreneur's Memorandum Part-II, Acknowledgement Number from State Directorate of Industries/ DICs and also have registration with GS1 India for the use of Bar Codes.

## **Target Group**

Micro and Small Enterprises (MSEs) throughout the country.

## **Financial Assistance**

The financial assistance is provided to MSEs towards 75% reimbursement of annual recurring fee (for first three years) paid by them to GS1 India for use of Bar Coding w.e.f. 1<sup>st</sup> June, 2007 under NMCP Scheme. In addition to this, 75% reimbursement of one-time registration fee is also provided under SSI-MDA Scheme w.e.f.,2002.

## **Implementing Agency**

Office of the Development Commissioner (MSME) through its field

offices i.e. Micro, Small & Medium Enterprise–Development Institutes (MSME-DIs) spread throughout the country.

### **Where and How to Apply**

Eligible MSEs may apply to the Director, Micro, Small & Medium Enterprises – Development Institutes (MSME-DIs) of their region in prescribed application form for claiming reimbursement on Bar Code. Application Form may be collected from Director, MSME-DI of their region and are also available on this office Website [www.dcmsme.gov.in](http://www.dcmsme.gov.in). For further information/ enquiries, MSEs may contact to the Director, MSME-DIs of their region.

# Setting up of Mini Tool Rooms under Public-Private-Partnership (PPP) Mode

## Objectives

The Ministry of MSME, Government of India is implementing the scheme Setting up of New Mini Tool Rooms under Public-Private-Partnership (PPP) Mode by rendering financial assistance to Private Partners/States/State Agencies during XI<sup>th</sup> Plan. The objective of the scheme is to develop more tool room facilities, i.e., technological support to MSMEs by creating capacities in the private sector for designing and manufacturing quality tools and also to provide training facilities in the related areas.

## Implementation

The scheme will be implemented in the following 3 models in order of preference:

Model No.	Tool Room to be Implemented and Managed by	Quantum of Government of India Financial Assistance available under the Model
I.	Individual enterprises, Consortium of enterprises, Industry Association, Enterprise(s)/Industry Association jointly with the State Government <b>(Centre PPP Model)</b>	To meet the viability gap on a case-to-case basis and it will be restricted to 40% of the project cost (not exceeding Rs. 9.00 crore)
II.	SPVs set up by States in partnership with private partners. <b>(State PPP Model)</b>	90% of the cost of machinery and equipment restricted to Rs. 9.00 crore
III.	State Govt. or State Agencies, <b>(Centre-State Model)</b>	90% of the cost of machinery and equipment restricted to Rs. 9.00 crore

# Building Awareness on Intellectual Property Rights (IPR)

## Objectives

Under the National Manufacturing Competitiveness Programme (NMCP) to enhance the competitiveness of the SMEs sector, O/o DC(MSME) is implementing a scheme Building Awareness on Intellectual Property Rights (IPRs) for the MSME. The objective of the scheme is to enhance awareness of MSME about Intellectual Property Rights (IPRs) to take measure for the protecting their ideas and business strategies. Effective utilization of IPR tools by MSMEs would also assist them in technology upgradation and enhancing competitiveness. Accordingly, to enable the MSME sector to face the present challenges of liberalization, various activities on IPR are being implemented under this scheme. These initiatives will provide MSME sector more information, orientation and facilities for protecting their intellectual powers.

## Salient Features

Under this programme financial assistance is being provided for taking up the identified initiatives. The main activities and maximum Government of India grant under this scheme cover the following broad areas of interventions:

Sl. No.	Activity	Maximum Grant per Application/Proposal (Rs. in lakh)
(a)	Awareness/Sensitization Programmes on IPR	1.00
(b)	Pilot Studies for Selected Clusters/Groups of Industries	2.50
(c)	Interactive Seminars/Workshops	2.00
(d)	Specialised Training: (i) Short terms (ST)	(i) ST-6.00

	(ii) Long term (LT)	(ii) LT-45.00
(e)	Assistance for Grant on Patent/GI Registration: (i) Domestic Patent (ii) Foreign Patent (iii) GI Registration	0.25 2.00 1.00
(f)	Setting up of 'IP Facilitation Centre for MSME'	65.00
(g)	Interaction with International Agencies: (i) Domestic Intervention (ii) International Exchange Programme	5.00 7.50

These initiatives are being implementing through Public-Private-Partnership (PPP) mode to encourage economically sustainable models for overall development of MSMEs. Eligible applicants/beneficiaries will have to contribute minimum 10% of the GoI financial support for availing assistance under the scheme. The detail guidelines, eligibility criteria, funding pattern and prescribed format etc. are available on this office website [www.dcmsme.gov.in](http://www.dcmsme.gov.in).



# **Support for Entrepreneurial and Managerial Development of SMEs through Incubators**

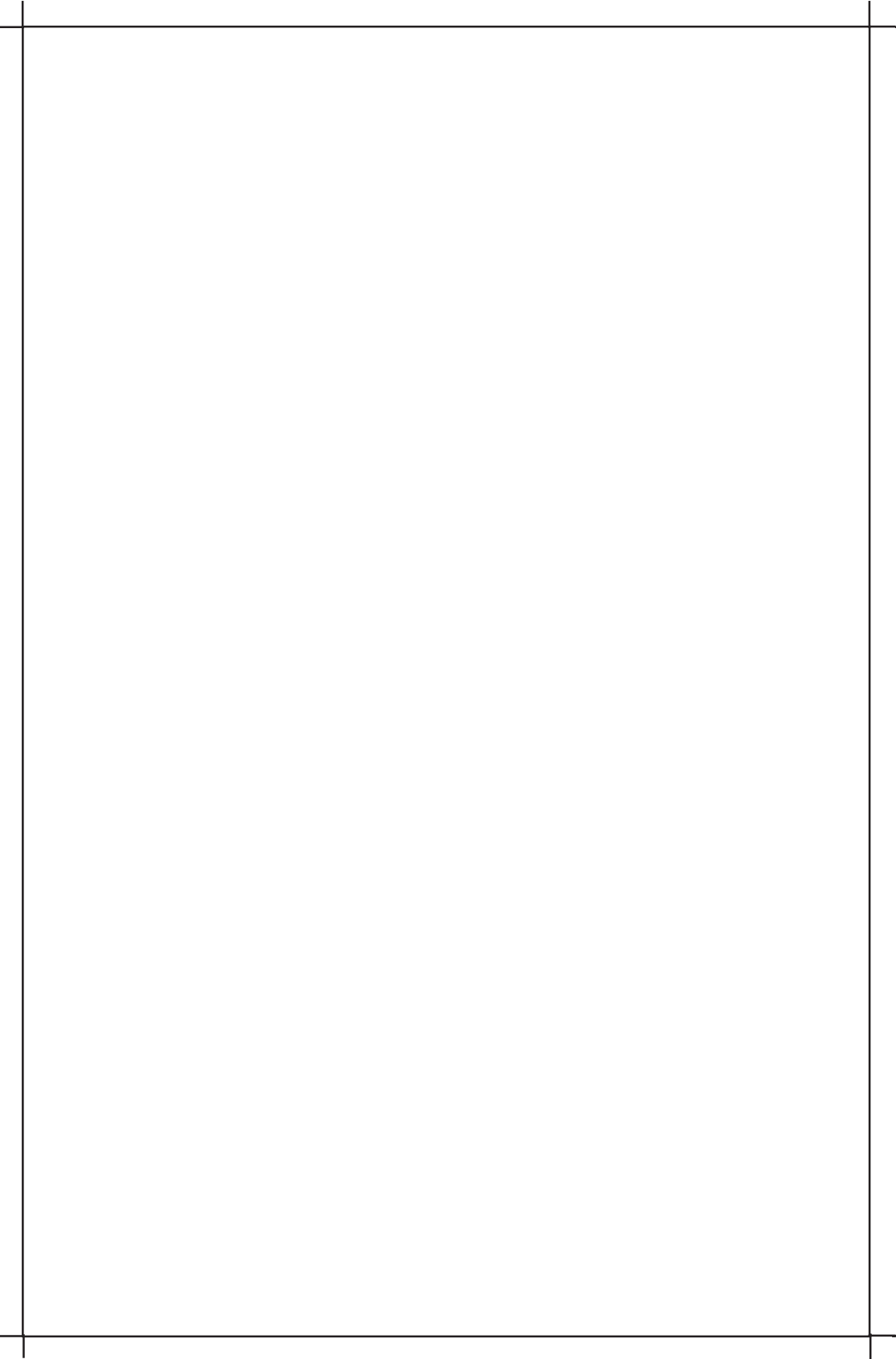
## **Objectives**

The main objective of the scheme is to assist incubation of innovative business ideas that could be commercialized in a short period of time, resulting in the formation of micro, small and medium enterprises (MSMEs) that have distinctive presence in the market. The scheme is operational since April 2008.

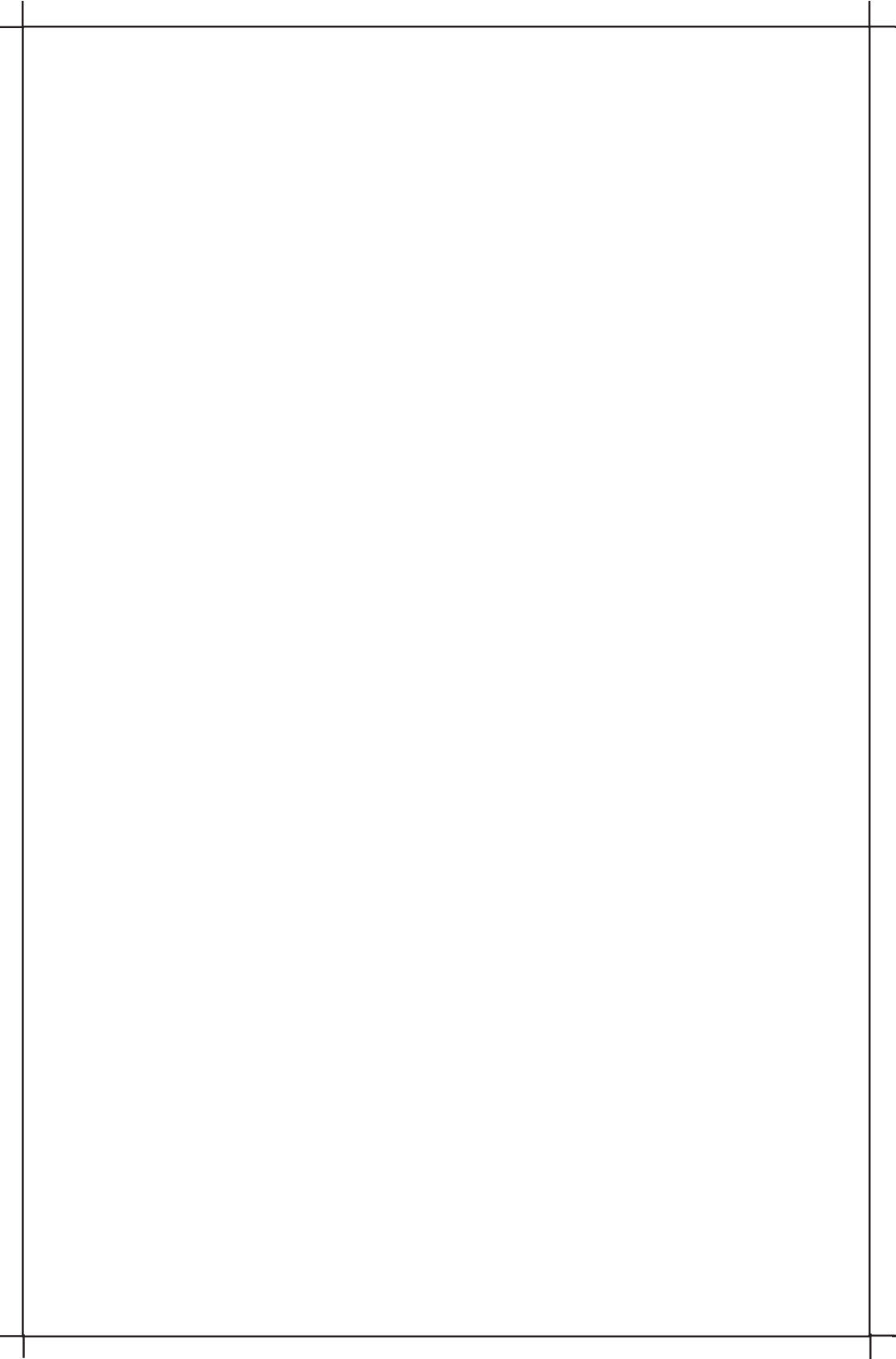
## **Salient Features**

- The scheme aims at nurturing innovative business ideas (new/ingenious technology, processes, procedures, etc), which could be commercialized in a year.
- Under the scheme, 100 Business Incubators (BIs) located in various technical/managerial institutions, research labs, etc. are to be provided financial support for incubating new/innovative ideas over a period of 4 years of 11<sup>th</sup> Plan. Each BI is expected to help incubation of 10 new/innovative ideas or units. However, the scheme provides for flexibility with regard to having more than one BI in the same institute and where required, less than 10 or more than 10 ideas/units hosted in a BI.
- The BIs supported under the scheme are to extend support services to the incubatees, which may include technology fee, guidance fee for mentors/handholding persons, hiring or leasing cost of machinery/equipment/instruments or related services, office facilities, infrastructural facilities, etc.

- The scheme is implemented in a Public-Private-Partnership (PPP) mode with expected participation of 15% (in case of micro enterprises) and 25% (in case of small enterprises).
- Details of the scheme guidelines, application forms, approved institutes, etc. are available at link <http://www.dcmsme.gov.in/scheme/supportforemdti.html>.



# **MARKETING AND EXPORT PROMOTION**



# **Vendor Development Programme for Ancillarisation**

## **Objectives**

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

## **Salient Features**

Two types of VDPs are being organised by MSME-DIs – National Level VDPs-cum-Exhibitions and State Level VDPs. In National Level VDPs of 3 days duration, large scale organisations such as BEL, BHEL, TELCO, BSNL, IOC, NHPC, NTPC etc. interact with MSEs in establishing potential vendors. In these National Level VDPs, an exhibition is also put up for displaying the products of MSMEs and large scale organizations. In State Level VDPs, only one or two buying large scale organizations functioning in the State participate in the programme and interact with MSMEs (sellers) in the Buyer-Seller Meets. Business enquiries are being generated through National Level VDPs/State Level VDPs.

## **Eligibility**

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

# **Participation in the International Exhibitions/Fairs**

The Office of the Development Commissioner (MSME) has been participating in some of the select International Exhibitions/Fairs since 1985 through ITPO/EPC/Trade Apex Body etc. It is purely promotional scheme to give exposure to the small scale units which otherwise are not in a position to participate in the exhibitions/fairs at their own cost. Under the scheme, exhibits of the selected export-worthy units are displayed in the exhibition that provides an opportunity to MSE units in demonstrating their capabilities before the international community. On an average, this Office has been participating in 14 numbers of International Exhibitions/Fairs abroad every year and 130 MSEs units have been benefited. For confirm participation, the units of General Category have to send 50% of space hiring charges of their booked space through MSME-DIs by a DD favouring PAO (MSME), New Delhi at least one month advance of the commencement of the event. However, women, SC&ST, entrepreneurs from North Eastern Region need only to pay 50% space rental charges as security deposit which will be refunded to them after participating the fair. The participating units will also carry/ manage their exhibits (to and fro) including custom clearance etc. Participating units may avail financial benefits under SSI-MDA scheme. Participating units are selected by Director, MSME-DIs.

## **Market Development Assistance Scheme for MSE Exporters (SSI-MDA)**

As part of the comprehensive policy package for MSEs, SSI-MDA scheme has been announced in August 2000 which came into operation w.e.f. 30<sup>th</sup> August, 2001.

With a view to increase participation of representatives of participating units in International Trade Fairs/Exhibitions, the provision of SSI-MDA Scheme has been as under:

## **Objectives**

- (i) To encourage small and micro exporters in their efforts at tapping and developing overseas markets.
- (ii) To increase participation of representatives of small and micro manufacturing enterprises under MSME INDIA stall at International Trade Fairs/Exhibitions.
- (iii) To enhance export from small and micro manufacturing enterprises.

## **Permissible Subsidy**

- (i) The Government of India will reimburse 75% of air fare by economy class and 50% space rental charges for micro and small manufacturing enterprises of general category entrepreneurs.
- (ii) For women, SC/ST entrepreneurs and entrepreneurs from North Eastern Region, the Government of India reimburses 100% of space rent and economy class air fare.
- (iii) The total subsidy on air fare and space rental charges will be restricted to Rs. 1.25 lakh per unit.

## **Other Conditions**

- (i) Assistance shall be available for travel by one permanent employee/Director/Partner/Proprietor of the MSE unit in economy class.
- (ii) Space allocation will be made by O/o the DC (MSME) at its discretion and the decision will be final and binding.
- (iii) The offer is available on first come first serve basis till space is available.



# **Training Programme on Packaging for Exports**

## **Objectives**

Packaging plays a very important part in the present day marketing, especially the export marketing. It is no more considered only for protection and preservation of products, but is also an essential media for marketing and sales promotion.

## **Salient Features**

To educate MSEs entrepreneurs about the scientific packaging techniques, latest design of packaging technology and improve their packaging standards and to highlight the importance of packaging in marketing, this office has been organizing specialized training programmes on packaging for exports for MSE units through field offices i.e. MSME-DIs in collaboration with Indian Institute of packaging (IIP), Mumbai and other such institutions since the year 1979.

In the financial year 2009-10, 25 training programmes for three days period have been conducted benefiting 798 entrepreneurs and incurred an expenditure of Rs. 13.82 lakh out of the Budget allocation of Rs.15.00 lakh. A budget of Rs.15.00 lakh has been provided during the current year to organize training programmes on packaging and a financial sanction of Rs. 14.98 lakh has been issued to 30 MSME-DIs for conducting 34 such programmes. Total provision of Rs.75.00 lakh has been marked for the 11<sup>th</sup> Five Year Plan period.

## **WTO Sensitization Workshop**

A separate WTO Cell in the Office of Development Commissioner (MSME) was set up on 15.11.1999 to co-ordinate the latest developments regarding the WTO. The basic objectives of the cell inter-alia include: (a) to keep abreast with the recent developments

in WTO, (b) to disseminate information to MSME Associations and MSEs units about the various provisions of the WTO, (c) to coordinate with other Ministries and Departments of the Govt. of India on issues pertaining to the likely impact of WTO for the MSE sector, (d) to fine tune the existing policy and programmes for micro, small and medium enterprises in line with the WTO Agreements, and (e) to organize WTO Workshops/Seminars for micro, small and medium scale industries for creating awareness.

With a view to create awareness among the MSMEs, MSME Associations and other stakeholders on WTO Agreements and its implications for them, Ministry of MSME is organizing one-day Sensitization workshops/seminars all over the country since the year 2000. 77 such workshops/seminars have been organized. As part of this endeavour, nine WTO awareness workshops were organized benefiting 665 entrepreneurs and incurred an expenditure of Rs. 4.86 lakh out of budget allocation of Rs. 5.00 lakh for the financial year 2009-10. A budget of Rs. 5.00 lakh has been provided during the current year to organize eight WTO awareness programmes and a financial sanction of Rs. 3.00 lakh has already been issued to 5 MSME-DIs to conduct 5 WTO awareness programmes. Total provision of Rs. 25.00 lakh has been marked for the 11<sup>th</sup> Five Year Plan period.

# **Marketing Assistance Scheme**

## **Objectives**

This is an ongoing scheme for providing support to MSMEs. NSIC is the implementing agency on behalf of the M/o MSME. The main objectives of the scheme is to enhance the marketing competitiveness of MSMEs; to provide them a platform for interaction with the individual/institutional buyers; to update them with prevalent market scenario and to provide them a forum for redressing their problems. Marketing, a strategic tool for business development, is critical for the growth and survival of MSMEs in today's intensely competitive market. One of the major challenges before the MSME sector is to market their products/services. MSMEs are supported under the Scheme for capturing the new market opportunities through organizing/participating in various domestic and international exhibitions/trade fairs, buyer-seller meets, intensive campaigns and other marketing events.

## **Salient Features**

Under this scheme, MSMEs are given financial assistance to participate in international/national exhibitions/trade fairs at the subsidized rates to exhibit and market their products. Participation in the marketing events provides MSMEs an exposure to the national/international markets.

Bulk and departmental buyers such as the Railways, Defence, Communication departments and large companies are invited to participate in Buyer-Seller Meets to bring them closer to the small enterprises for enhancing their marketing competitiveness. These programmes are aimed at vendor development from small enterprises for the bulk manufacturers. Intensive campaigns and other marketing events are organized all over the country to disseminate/propagate about the various schemes for the benefit of the micro and small enterprises and to enrich their knowledge with respect to the latest developments, quality standards etc.

# **Government Purchase and Price Preference Policy for MSEs**

## **Objectives**

In order to provide assistance and support to Micro & Small Enterprises (MSEs) for marketing their products under the present Government Purchase and Price Preference Policy for Micro & Small Enterprises (MSEs), Government of India has been extending various facilities to the MSEs registered with National Small Industries Corporation (NSIC) under its Single Point Registration Scheme. In addition to the facilities, 358 items are also reserved for exclusive purchase from MSE sector.

# National Small Industries Corporation Ltd. (NSIC) and Its Schemes

National Small Industries Corporation (NSIC) Ltd., an ISO 9001 certified Company, was established by the Government of India in 1955. The strategic objectives, for which the Corporation was established, included to aid, counsel, assist, finance, protect and promote the interest of small industries in India. The Corporation is manned by a dedicated team of professionals at different levels and operates through 121 offices located all over India and one office located at Johannesburg (South Africa).

## Schemes of NSIC Ltd.

To enhance the competitiveness of micro, small and medium enterprises, NSIC provides integrated support services in the areas of Marketing, Technology, Finance, etc. NSIC is implementing the schemes of Marketing Assistance and Performance and Credit Rating on behalf of the M/o MSME.

### (i) Marketing Support to MSMEs

Marketing has been identified as one of the most important tools for business development. It is critical for the growth and survival of MSMEs in today's intensely competitive market. NSIC acts as a facilitator and has devised a number of schemes to support enterprises in their marketing efforts, both in domestic and foreign markets. These schemes are briefly described as under:

- (a) **Raw Material Distribution:** NSIC has made arrangements with bulk manufacturers like M/s. Steel Authority of India Ltd. (SAIL); M/s. Rashtriya Ispat Nigam Ltd. (RINL); M/s. National Aluminium Company Ltd. (NALCO), Sterlite Group; Indian Oil Corporation Ltd.; Hindustan Zinc Ltd. and Chennai Petrochemical Corporation

Ltd. etc. for procuring raw materials like steel, aluminium, zinc; petrochemical products and coal etc. These arrangements are aimed at making available raw materials to MSMEs at reasonable prices and in small quantities. The financial assistance is also extended for procurement of raw material by MSMEs.

- (b) **Consortia and Tender Marketing:** Micro & Small Enterprises (MSEs) in their individual capacity face problems to procure and execute large orders, which deny them a level-playing field vis-a-vis large enterprises. NSIC accordingly forms consortia of small units manufacturing the same products, thereby pooling in their capacity which provides comfort level to MSEs as suppliers and also to buyers. The Corporation applies for Tenders on behalf of consortia of MSEs and secures orders for bulk quantities. These orders are then distributed amongst MSEs in tune with their production capacity. Testing facilities are also provided to enable small enterprises to improve and maintain the quality of their products conforming to the standard specifications of the buyers.
- (c) **Single Point Registration for Government Purchase:** NSIC operates a Single Point Registration Scheme under the Government Purchase Programme, wherein the registered small enterprises get purchase preference in Government Purchase Programme. The small enterprises registered under this Scheme get the following facilities:
- (i) Issue of Tenders free of cost.
  - (ii) Advance intimation of Tenders issued by DGS&D.
  - (iii) Exemption from payment of earnest money deposit.
  - (iv) Waiver of security deposit up to the monetary limit for which the enterprise is registered.
  - (v) Issue of competency certificate after due verification, in case the value of an order exceeds the monetary limit.

- (d) **Exhibitions:** To showcase the competencies of Indian MSMEs, NSIC facilitates their participations in International Exhibitions, Fairs, etc. on concessional terms under the Marketing Assistance Scheme of the M/o MSME by partially meeting the cost towards rent of stall as well as air fare. Participation in these events exposes MSMEs to international practices and enhances their business prowess. Through participation in these events, MSMEs are also facilitated to capture new markets making them globally competitive.
- (e) **Buyer–Seller Meets:** Large and institutional buyers such as Railways, Defence, Communication Departments and large companies are invited to participate in buyer-seller meets to enrich micro and small enterprises' knowledge regarding terms and conditions, quality standards, etc. required by the buyers. These Meets are aimed at vendor development from MSEs for the bulk manufacturers.

**(ii) Technology Support**

- (a) Technology is the key to enhancing a company's competitive advantage in today's dynamic information age. MSMEs need to develop and implement a technology strategy in addition to financial, marketing and operational strategies and adopt the one that helps integrate their operations with their environment, customers and suppliers.
- (b) NSIC offers MSMEs the following support services through its Technical Services Centres and Extension Centres:
  - (i) Material testing facilities through accredited laboratories;
  - (ii) Product design including CAD;
  - (iii) Common facility support in machining, EDM, CNC, etc.;
  - (iv) Energy and environment services at selected Centres; and
  - (v) Practical training for skill upgradation

### **(iii) Credit Support to MSMEs**

- (a) **Meeting credit needs of MSMEs through tie-up arrangements with Banks:** One of the major challenges faced by MSMEs is inadequate access to finance due to lack of financial information and non-formal business practices. To overcome these problems, NSIC has entered into tie-up arrangements with eleven banks (i.e. United Bank of India, UCO Bank, Oriental Bank of Commerce, Central Bank of India, Bank of Maharashtra, YES Bank, AXIS Bank, Karur Vysya Bank, HSBC, Chinatrust Commercial Bank and Union Bank of India) for helping MSMEs in accessing term and working capital loans.
- (b) **Financing Procurement of Raw Materials and Marketing Activities (Short term):** NSIC facilitates raw material requirement of the MSMEs by making arrangements with bulk manufacturers for procuring the materials and supplying the same to MSMEs. In case they need any credit support, NSIC provides financial assistance for raw material procurement by making the payment to suppliers. NSIC facilitates financing for marketing activities such as Internal Marketing, Exports and Bill Discounting to micro, small and medium enterprises.

### **(iv) Support Services to MSMEs**

NSIC has been doing a yeoman service in the development of MSME for more than five decades and it is observed that one of the problems faced by the entrepreneurs is the scarcity in availability of suitable space where they can set up their offices or can exhibit their products for their wider publicity and easy marketability under one roof. In order to give a boost to MSMEs, NSIC has taken step forward by taking judicious decision to set up the following projects:

- (a) **Construction of Marketing Development-cum-Business Park (MDBP) at NSIC Complex, Okhla Industrial Estate, New Delhi:** NSIC is establishing Marketing Development-cum-Business Park (MDBP) at Okhla, New Delhi. MDBP will be a state-of-



the-art building having a total covered area of approx. 37,000 sq.m.

- (b) **Exhibition-cum-Marketing Development Business Park (EMDBP) at Hyderabad:** NSIC is setting up an Exhibition-cum-Marketing Development Business Park (EMDBP) at NTSC Campus, Hyderabad a prominent and well developed place in the city. This is a five storied building with a covered area of approx.15,000 sq.m. The ground floor of the building would be utilized for exhibition purpose and the upper floors will be given on lease and license basis to MSMEs/service providers, IT and ITES/BPOs and financial institutions/banks etc.
- (c) **Infomediary Services under B2B portal for MSMEs:** Information plays a vital role in the success of any business. However, MSMEs have limitations in accessing such information. NSIC provides Infomediary Services to MSMEs. Besides hosting a website ([www.nsicindia.com](http://www.nsicindia.com)), NSIC hosts sector-specific portals for focussed information dissemination. Under this Scheme, MSMEs can become members and avail a number of value-added services. Some of the important services are:
- Product specific database searches.
  - Sector-specific domestic tender notices with alert facility.
  - Country-specific global tender notices from World Bank, United Nations Organisation, ILO etc.
  - Business Trade Leads (buy/sell) from more than hundred countries.
  - Virtual Exhibition
  - My Work Place (Self Web development tool)
  - SMS alerts
  - Electronic Newsletters
  - Centralized Mail System for each member (Every member to get individual mail boxes)
  - Payment Gateway through major credit cards like Master Card, Visa etc. for membership subscription.

# International Cooperation Scheme

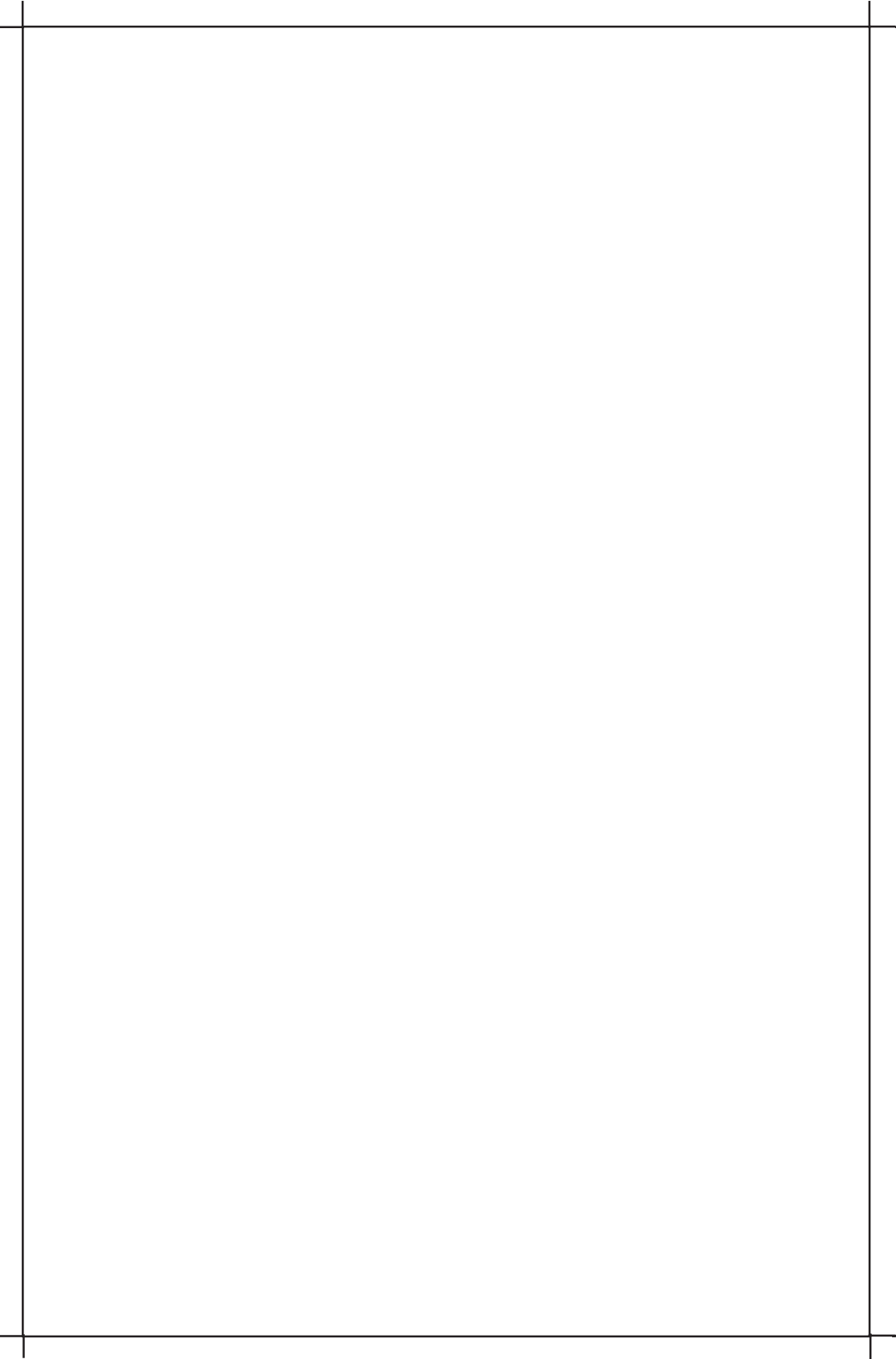
## Objectives

The important objectives of the Scheme are Technology infusion and/or upgradation of Indian micro, small and medium enterprises (MSMEs), their modernization and promotion of exports. The IC scheme including the application form is available on the website of this Ministry viz. <http://msme.gov.in>.

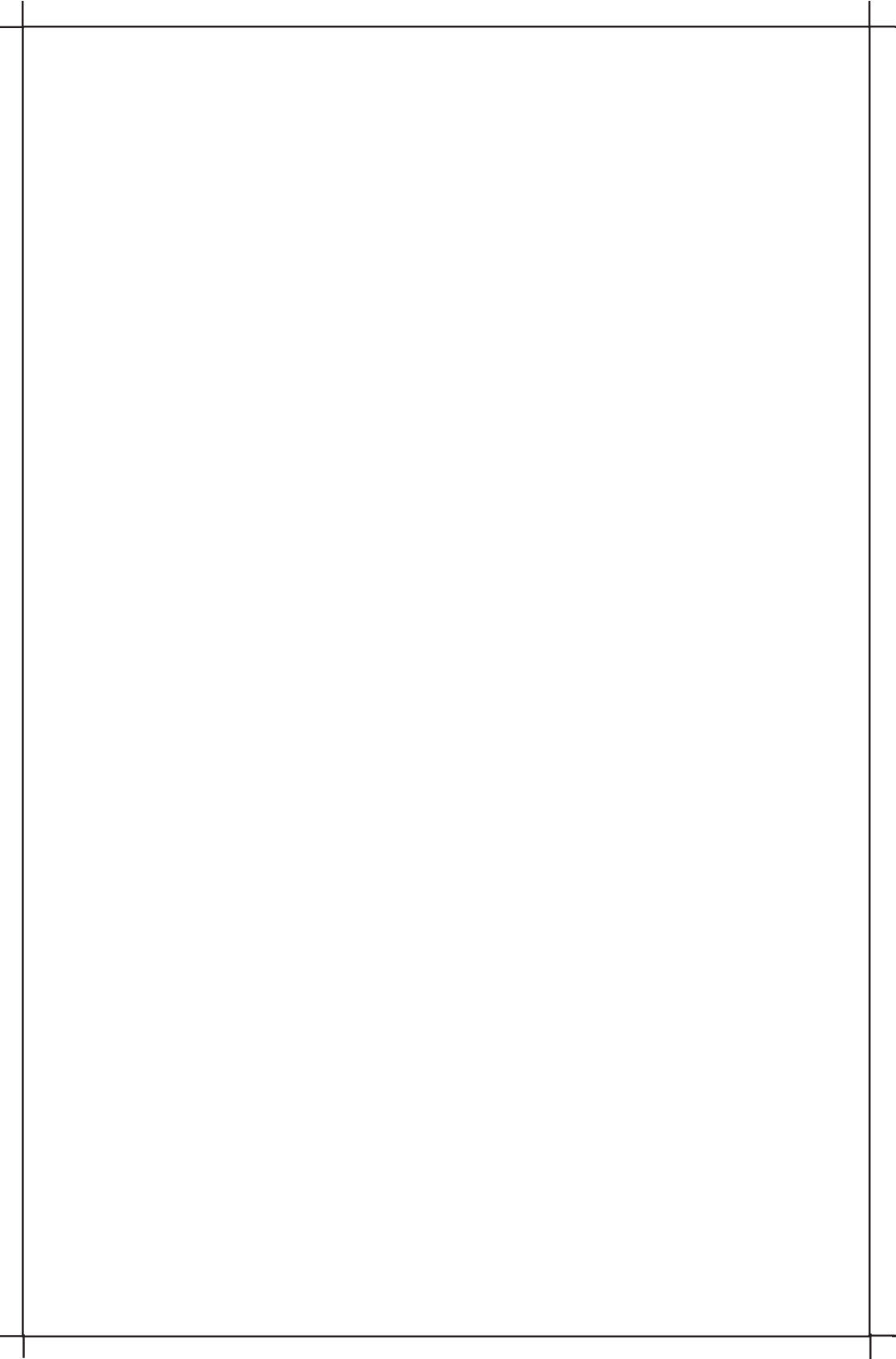
## The Scheme encompasses the following activities

- (i) Deputation of MSME business delegations to other countries for exploring new areas of technology infusion/upgradation, facilitating joint ventures, improving the market of MSMEs products, foreign collaborations, etc.
- (ii) Participation by Indian MSMEs in international exhibitions, trade fairs and buyer-seller meets in foreign countries as well as in India, in which there is international participation.
- (iii) Holding international conferences and seminars on topics and themes of interest to the MSMEs.

Under the Scheme, financial assistance is provided to the industries associations/institutions/agencies of the States/Central Government for the activities mentioned above.



**DATABASE AND  
INFORMATION SERVICES**



# **Collection of Statistics of MSMEs**

## **Objectives**

Collection of Statistics of Micro, Small and Medium Enterprises (MSMEs) is a Central Plan Scheme and is being implemented in collaboration with State/UT Governments. The scheme was initiated during the 5th Plan and has been continuing since then. The prime objectives of the Scheme are to:

- (i) collect, compile and disseminate statistical information on various parameters like number of registered and unregistered micro and small enterprises, employment, product, etc. in the small scale sector, these are needed to facilitate policy formulation and introduction of appropriate programmes and schemes for the promotion and development of the MSME sector;
- (ii) update frame of registered/filed Entrepreneurial Memoranda (EM) of MSMEs.
- (iii) conduct regular surveys for collection of data required for Index of Industrial Production (IIP) and to estimate the growth rate of this sector.

## **Salient Features**

- (i) Data are collected with the help of staff engaged by the State Directorates of Industries and District Industries Centres for this purpose. Assistance of MSME-DIs is also taken for collection of data and for coordination of census and surveys.
- (ii) Central Government meets the salaries and other expenditure of the staff engaged by the State/UT Government for this purpose. There are currently 351 employees engaged in this task at the State/UT level.

- (iii) Data are collected on a regular basis on:
- Sample units on 18 reserved items for supplying to the Central Statistical Organization for preparation of growth index of the industrial sector.
  - Sample units on 465 items for working out the quarterly growth rate of the SSI sector with revised base year 2001-02.
- (iv) Conduct of other studies is undertaken as required from time to time.

### **Strengthening of Database–Collection of Statistics and Information on MSMEs through Quinquennial Census and Annual Sample Surveys**

The Micro, Small and Medium Enterprises sector is a critical segment of the economy. It has a large share in employment generation and a significant contribution to manufacturing output and exports of the country. There are about 15.52 lakh registered working MSMEs employing above 92 lakh persons. If we include the unregistered sector also as per 'Quick Results: Fourth All India Census of Micro, Small & Medium Enterprises 2006-07', the number of MSMEs is 261 lakh and employment in this sector is 594 lakh. The micro, small and medium manufacturing segment itself contribute nearly 45 per cent of country's industrial production (2007-08) and has consistently registered higher growth rate of production and employment generation than the rest of the industrial sector.

Recognising the enormous contribution of the MSE to generating economic growth, providing widely dispersed employment, equitable regional development as also their locational flexibility and adaptability in the face of competition, a scheme for 'Strengthening the database for MSME sector' was announced by the Government under the 'Package for Promotion of Micro and Small Enterprises'. The broad objective of the scheme is:

- (i) Collection of statistics on MSMEs through annual sample survey and quinquennial census.

- (ii) Collection of data on women owned and/or managed enterprises.
- (iii) Collection of data on exports made by MSMEs.

Under the above scheme, provisions have been made for conduct of periodic census and sample survey.

Work relating to the Fourth Census of MSME for the registered and unregistered sector, conducted all over the country through the State/ UT Directorates of Industries (SDIs), is nearing completion. The final results of the census will be released by March, 2011.



# Small Enterprise Information Resource Centre Network (SENET)

## Objectives

Small Enterprise Information Resource Centre Network (SENET) was launched by the office of the DC (MSME) in April 1997. The Scheme was modified and its scope enlarged to include office automation. The SFC approved the modified scheme in March 2000. The revised SENET Scheme has also been approved for continuation during the XI<sup>th</sup> Plan (2007-2012).

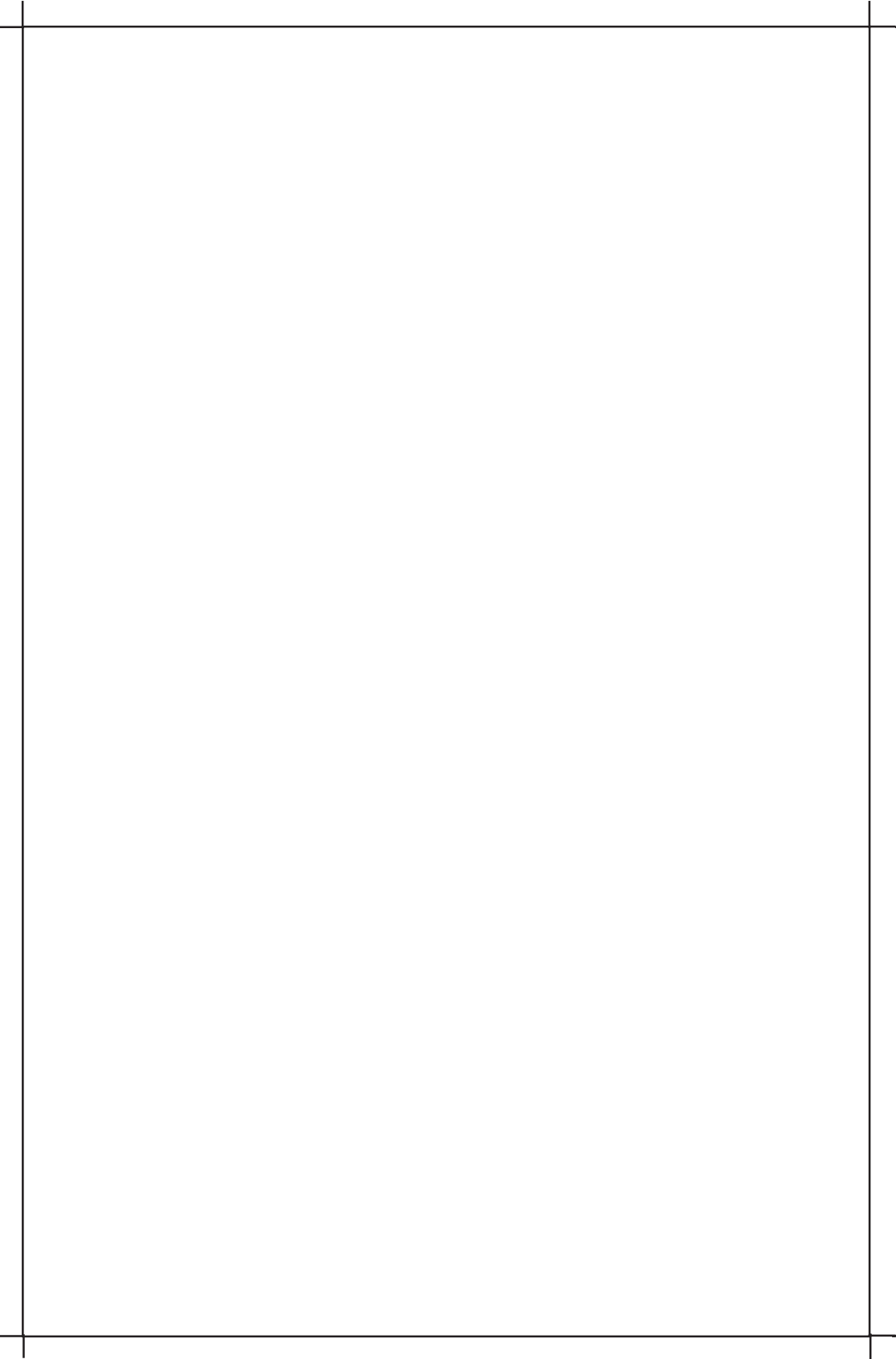
The main objectives of the scheme are to :

- (i) Pioneer, create and promote databases and information, to facilitate networking amongst the MSME sector, National and State level industry associations, NGOs, to carry out office automation in the office of the DC (MSME) for bringing out transparency in the functioning the office; and
- (ii) Create a website for hosting data available within the organisation.

## Salient Features

- (i) The scheme at present covers the office of the DC (MSME) at New Delhi and hyperlinked to 30 MSME-Development Institutes for office automation and web hosting.
- (ii) The project has been implemented in 2000. The DC (MSME)'s Portals [www.dcmsme.gov.in](http://www.dcmsme.gov.in), [www.laghu-udyog.com](http://www.laghu-udyog.com), [www.smallindustryindia.com](http://www.smallindustryindia.com) has been hosted. The contents are updated constantly. The web portals with more than 10,000 pages of static information are constantly updated.

**SCHEMES AND PROGRAMMES OF  
KVIC AND COIR BOARD**



## **Role of KVIC and Coir Board**

The Ministry of Micro, Small and Medium Enterprises (erstwhile Ministry of Agro & Rural Industries) is the nodal agency for co-ordination and development of khadi and village industries and the coir sector. The policies and programmes/schemes related to agro and rural industries are implemented by the Ministry through the Khadi and Village Industries Commission (KVIC) and the Coir Board with the co-operation and participation by the Reserve Bank of India, nationalized and other scheduled banks and the State Governments. The subject matter of the Ministry covers:

- Khadi
- Village Industries
- Coir Industry

The Ministry implements a credit-linked subsidy scheme called the Prime Minister's Employment Generation Programme (PMEGP) with KVIC as nodal agency at the National level and the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) through Nodal agency namely KVIC and Coir Board for development of more than 100 clusters (khadi, village industry and coir) to make the traditional industries more productive and competitive and to increase the employment opportunities in the rural areas of the country. The other schemes and programmes are implemented through the two organizations, namely:

- (1) Khadi and Village Industries Commission (KVIC), Mumbai; and
- (2) Coir Board, Kochi.

### **Khadi and Village Industries Commission (KVIC)**

- KVIC, a statutory body, was established under the Khadi and Village Industries Commission Act, 1956 (No. 61 of 1956).

- The Commission is headed by a full-time Chairman and consists of 10 part-time Members.
- For the development of khadi and village Industries in rural areas in coordination with other agencies, KVIC is responsible for the planning, promotion, organization and implementation of various programmes and schemes.
- The objectives of the KVIC include providing employment through production of saleable articles and creation of rural community spirit.
- KVIC co-ordinates its activities through State KVI boards, registered societies and cooperatives. It has under its aegis a large number of industry-specific institutions spread in various parts of the country.

## **Coir Board**

- Coir Board is also a statutory body set up under the Coir Board Industry Act, 1953 (No. 45 of 1953).
- The Board started functioning in July, 1954.
- It is headed by a full-time Chairman and consists of 39 part-time Members.
- Coir Board is responsible for promoting the overall development of the coir industry and uplifting of the living conditions of the workers engaged in this traditional industry.

# **Prime Minister's Employment Generation Programme (PMEGP)**

A new scheme called Prime Minister's Employment Generation Programme (PMEGP) has been approved by merging the two schemes that were in operation till 31.03.2008, namely, Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP), for implementation from 2008-09 to 2011-12 with an estimated expenditure of Rs. 4,735 crore (Rs. 4,485 crore towards margin money and Rs. 250 crore towards backward forward linkages) for generation of additional employment opportunities through establishment of micro enterprises in rural as well as urban areas. PMEGP is Central Sector Scheme and being administered by the Ministry of Micro, Small and Medium Enterprises (M/o MSME). The Scheme is being implemented through the Khadi and Village Industries Commission (KVIC) as the single nodal agency at the National level. At the State/Union Territories level, the scheme is being implemented through field officers of KVIC, State/Union Territory Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs) and Banks. Under this programme, entrepreneurs can also establish 'micro enterprises', including village industries, by availing of margin money assistance from the KVIC/KVIBs of States and Union Territories/DICs and loans from implementing public sector Scheduled Commercial Banks, selected Regional Rural Banks and Co-operative Banks, etc. for projects with a maximum cost of Rs. 10 lakh each in the Service/Business Sector and up to Rs. 25 lakh each in the Manufacturing Sector.

## **Objectives**

- (i) To generate employment opportunities in rural, semi-rural areas with population not exceeding 20,000 and other rural areas and urban areas of the country through self-employment ventures/projects/micro enterprises.

- (ii) To bring together widely dispersed traditional artisans/ rural and urban unemployed youth and give them self-employment opportunities to the extent possible at their place.
- (iii) To provide continuous and sustainable employment to a large segment of traditional and prospective artisans and urban unemployed youth in the country, so as to help arrest migration of rural youth to urban areas.
- (iv) To increase the wage earning capacity of artisans and contribute to increase in the growth rate of rural and urban employment.

### **Quantum and Nature of Financial Assistance**

<b>Categories of Beneficiaries under PMEGP</b>	<b>Beneficiary's Contribution (of Project Cost)</b>	<b>Rate of Subsidy (of Project Cost)</b>	
<b>Area (Location of Project/Unit)</b>		<b>Urban</b>	<b>Rural</b>
General Category	10%	15%	25%
Special (including SC/ST/OBC/ Minorities/Women, Ex-service-men, Physically Handicapped, NER, Hilly and Border Areas, etc.)	05%	25%	35%

#### **Notes:**

- (1) The maximum cost of the project/unit admissible under Manufacturing Sector is Rs. 25 lakh.
- (2) The maximum cost of the project/unit admissible under Business/Service Sector in Rs. 10 lakh.
- (3) The balance amount of the total project cost will be provided by banks as term loan.

### **Eligibility Conditions of Beneficiaries**

- (i) Any individual above 18 years age.

- (ii) There will be no income ceiling for assistance for setting up projects under PMEGP.
- (iii) For setting up of project costing above Rs. 10 lakh in the manufacturing sector and above Rs. 5 lakh in the business/ service sector, the beneficiaries should possess at least VIII standard pass educational qualification.
- (iv) Assistance under the Scheme is available only for new projects sanctioned specifically under the PMEGP.
- (v) Self Help Groups (including those belonging to BPL provided that they have not availed benefits under any other Scheme) are also eligible for assistance under PMEGP.
- (vi) Institutions registered under Societies Registration Act, 1860;
- (vii) Co-operative Societies,
- (viii) Charitable Trusts, and
- (ix) Existing Units (under PMRY, REGP or any other scheme of Government of India or State Government) and the units that have already availed Government Subsidy under any other scheme of Government of India or State Government are not eligible.

### **Other Eligibility Conditions**

- (i) A certified copy of the caste/community certificate or relevant document issued by the competent authority in the case of other special categories is required to be produced by the beneficiary to the concerned branch of the Banks along with the Margin Money (subsidy) Claim.
- (ii) A certified copy of the bye-laws of the institutions is required to be appended to the Margin Money (subsidy) Claim, wherever necessary.



- (iii) Project cost will include Capital Expenditure and one cycle of Working Capital. Projects without Capital Expenditure are not eligible for financing under the Scheme.
- (iv) Cost of the land should not be included in the Project cost. Cost of the ready built as well as long lease or rental Workshed/Workshop can be included in the project cost subject to restricting such cost of ready built as well as long lease or rental Workshed/Workshop to be included in the project cost calculated for a maximum period of 3 years only.
- (v) PMEGP is applicable to all new viable micro enterprises, including Village Industries projects except activities indicated in the negative list of Village Industries. Existing/old units are not eligible.

**Notes:**

- (1) The Institutions/Co-operative Societies/Trusts specifically registered as such and SC/ST/OBC/Women/Physically Handicapped/Ex-Servicemen and Minority Institutions with necessary provisions in the bye-laws to that effect are eligible for Margin Money (subsidy) for the special categories. However, for Institutions/Cooperative Societies/Trusts not registered as belonging to special categories, will be eligible for Margin Money (Subsidy) for general category.
- (2) Only one person from one family is eligible for obtaining finance assistance for setting up of projects under PMEGP. The 'family' includes self and spouse.

**How to Apply**

The scheme is advertised through print and electronic media. The beneficiary can submit his/her application along with project report at the nearest KVIC/KVIB/DIC/Bank Offices.

## **Selection of Beneficiaries**

Beneficiaries are selected through interview process by the District Task Force Committee headed by the District Magistrate/Deputy Commissioner/Collector.

Projects are finally sanctioned by the financing Branches of the Implementing Banks after assessment of Techno-Economic Viability of the Project Proposal.

## **Amount of Bank Loan and Own Contribution of the Beneficiary**

Banks sanction and release 90-95% of the sanctioned project cost as loan, as the case may be. Beneficiaries' contribution is 10% of the project cost in case of general category and 5% in case of weaker section beneficiaries.

## **Negative List of Activities**

The following activities are not permitted under PMEGP for setting up of micro enterprises/projects/units:

- (a) Any industry/business connected with Meat (slaughtered), i.e. processing, canning and/or serving items made of it as food, production/manufacturing or sale of intoxicant items like Beedi/ Pan/Cigar/Cigarette etc., any Hotel or Dhaba or sales outlet serving liquor, preparation/producing tobacco as raw materials, tapping of toddy for sale.
- (b) Any industry/business connected with cultivation of crops/ plantation like Tea, Coffee, Rubber etc. Sericulture (Cocoon rearing), Horticulture, Floriculture, Animal Husbandry like Pisciculture, Piggery, Poultry, Harvester machines etc.
- (c) Manufacturing of Polythene carry bags of less than 20 microns thickness and manufacture of carry bags or containers made of recycled plastic for storing, carrying, dispensing or packaging

of food stuff and any other item which causes environmental problems.

- (d) Industries such as processing of Pashmina Wool and such other products like hand spinning and hand weaving, taking advantage of Khadi Programme under the purview of Certification Rules and availing sales rebate.
- (e) Rural Transport (except Auto Rickshaw in Andaman & Nicobar Islands, House Boat, Shikara & Tourist Boats in J&K and Cycle Rickshaw).

# Workshed Scheme for Khadi Artisans

A growing need was being felt to facilitate and empower khadi spinners and weavers to chart out a sustainable path for growth, income generation and better work environment so that they are able to have a right working atmosphere and better ambiance to enable them to carry out their spinning and weaving work efficiently. Accordingly, the Government approved a new Central Sector Plan Scheme called Workshed Scheme for Khadi Artisans (WSKA) for implementation w.e.f. 27<sup>th</sup> May, 2008 through the Khadi and Village Industries Commission (KVIC) in an attempt to facilitate the development of khadi spinners and weavers essentially belonging to BPL category by providing them financial assistance for construction of worksheds on a pilot basis. This scheme will be implemented during the XI<sup>th</sup> Plan (2008-09 to 2011-12). More than 38,000 worksheds are proposed to be constructed at a total cost of Rs. 127 crore approximately, involving financial assistance of Rs. 95 crore as grants to KVIC from Government of India's Budgetary sources.

## Assistance under the Scheme

Financial Assistance for construction of worksheds will be provided to those khadi artisans who belong to BPL category through the khadi institutions with which these khadi artisans are associated and the quantum of assistance will be as under:

Component	Area per Unit	Amount of Assistance
Individual Workshed	20 Square meters (approximately)	Rs. 25,000/- or 75% of the cost of the workshed, whichever is less.
Group Worksheds (for a group of minimum 5 and maximum 15 khadi artisans)	15 Square meters per beneficiary (approximately)	Rs. 15,000/- per beneficiary of the group or 75% of the total cost of the project, whichever is less.

The additional requirements of funds over and above the financial assistance provided by the Government of India, to meet the cost of Workshed can be contributed by Khadi Institutions without insisting on any contribution from the beneficiaries. In case of individual Worksheds, the khadi institutions can also release the additional funds assessed for construction of workshed out of the accumulations in Artisans Welfare Fund lying to the credit of the beneficiary with State Level Artisan Welfare Fund Trust. The financial assistance to be provided by the Government will go to the institutions (with which the beneficiaries of the scheme are affiliated) which will be responsible for the construction of worksheds (either directly or under their supervision) and Khadi and Village Industries Commission (KVIC) will supervise the activities.

Detailed guidelines of the scheme are available on the website of the Ministry of Micro, Small and Medium Enterprises ([www.msme.nic.in](http://www.msme.nic.in)).

# **Scheme for Enhancing Productivity and Competitiveness of Khadi Industries and Artisans**

The Scheme for Enhancing Productivity and Competitiveness of Khadi Industries and Artisans is a central sector scheme introduced with effect from 2008-09 envisages a comprehensive support to around 200 Khadi Institutions in order to make khadi industry more productive as well as competitive and also strengthen its potential for creation of qualitative employment.

## **Objectives**

The primary objectives of this scheme are to:

- Make khadi industry more competitive with more market-driven and profitable, production and sustained employment for khadi artisans and related service providers by replacement of obsolete and old machinery and equipment and repairs to/renovation of existing/operational machinery and equipment;
- Extend an evenly balanced and need-based support in all areas of Khadi activities viz. production, distribution, promotion and capacity building;
- Provide appropriate incentives to shift to market driven approach.
- The scheme would cover activities upto cloth stage and may not venture into readymade garments.

## **Target Beneficiaries**

The targeted beneficiaries of the scheme would be spinners, weavers, pre-weaving artisans, washer men, dyers and printers, workers (karyakartas) of the khadi institutions, manufacturers of tools and

equipment, common service providers engaged in khadi industry associated with selected khadi institutions from among the 200 Khadi institutions (45 institutions each belonging to 'A' & 'A+', 'B', 'C' and SC/ST categories and 20 institutions from NER) affiliated to KVIC/ State or UT KVI Boards covering all categories of institutions.

## Intervention/Support Measures

- Introduction of new technology and reduction in drudgery in pre- as well as post-weaving processes;
- Introduction of need-based dyeing and printing facilities;
- Production of market-oriented khadi products upto cloth stage with higher productivity and cost competitiveness; and
- Market promotion as well as capacity building at various levels and aspects in the functioning of Khadi institutions and also engagement or expert manpower for proper implementation of the scheme.

## Financial Assistance

The pattern of financial assistance under the Scheme is given in the Table below:

Sl. No.	Component	Funding Pattern under the Scheme (of Total Cost)		
		Category of Khadi Institutions	Govt. Grant (%)	Institution's Contribution (%)
1.	Replacement of charkhas and looms ( <i>Average cost – Rs. 12 lakh per institution</i> ).	A+, A	75	25
		B & C		
		SC, ST	90	10
		NER		
2.	Service Centre for wrap units ready to use wraps for weaving, post looms facilities, product testing laboratory etc. ( <i>Average cost – Rs. 2 lakh per SC</i> ).	A+, A	75	25
		B & C		
		SC, ST	90	10
		NER		

Sl. No.	Component	Funding Pattern under the Scheme (of Total Cost)		
		Category of Khadi Institutions	Govt. Grant (%)	Institution's Contribution (%)
3.	Product Development Design Intervention and Packaging (Average cost – Rs. 2 lakh per institution).	A+, A	75	25
		B & C		
		SC, ST	90	10
		NER		
4.	Market Promotion Assistance (Average cost – Rs. 8 lakh per institution).	All categories	90	10
5.	Capacity Building Measures (Average cost – Rs. 5 lakh per institution).	All categories	90	10
6.	Techno-managerial support (Average cost – Rs. 5 lakh per institution).	All categories	90	10
7.	Reporting, documentation, Studies etc. (Lump sum Rs. 1 lakh).	All categories	100	—

The scheme is restricted for activities upto cloth stage only.

## Financial Outlay

Based on the estimated cost mentioned above, the year-wise financial outlay is given below:

Year	Funds Required (Rs. in crores)		
	GOI	Khadi Institutions	Total
2008-09	10.67	1.93	12.60
2009-10	14.23	2.57	16.80
2010-11	21.34	3.86	25.20
2011-12	24.90	4.50	29.40
Total	71.14	12.86	84.00



# **Scheme for Strengthening of Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure**

The Scheme for Strengthening of Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure is a Central Sector Scheme introduced with effect from 2009-10 with the objective to assist identified weak khadi institutions so as to enable those institutions regain their status and revive their potential for re-employment, and improving marketing of khadi products through development of marketing infrastructure, including renovation of selected sales outlets of khadi institutions, on a limited basis.

## **Objectives**

The primary objectives of this scheme are to:

- (i) assist identified weak khadi institutions (sick/problematic and 'D' category) so as to enable these institutions regain their status and revive their potential for employment generation.
- (ii) make an effort to overcome the existing 'near stagnation' stage of the sector by strengthening the khadi institutional base.
- (iii) bring in a transformation in the khadi sector and re-affirm its significance as a sustainable employment provider for rural artisans.
- (iv) open up avenues of enhanced employment to rural artisans, majority of whom belong to Below Poverty Line

(BPL) category and to help the rural artisans by providing them employment opportunities through khadi production programme.

- (v) improve marketing of khadi products through development of marketing infrastructure, including renovation of selected sales outlets of khadi institutions, on a limited basis.

## Target Beneficiaries

The scheme shall primarily target the following institutions for increasing the earning potential of rural artisans from khadi activities:

- (i) Upto 100 weak khadi institutions ('D' category of sick/problematic) affiliated to KVIC/State Khadi and Village Industries Boards (KVIBs) identified by KVIC having requisite production infrastructure and willingness to work whole heartedly with zeal so as to improve the condition of the institution by running it effectively.
- (ii) Identified Departmental outlets of KVIC and retail sales outlets of State/Union Territory Khadi and Village Industries Boards (KVIBs) and institutions, for improving their turnover by improving their marketing infrastructure through financial assistance. The number of sales outlets for providing assistance for marketing infrastructure during XI<sup>th</sup> Plan period shall be as follows:

	2009-10	2010-11	2011-12	Total
KVIC Outlets	2	2	—	4
KVIB Outlets	2	2	2	6
Khadi Institution's Outlets	6	6	8	20
Total	10	10	10	30

## **Selection Criteria**

### **Strengthening of Infrastructure of Existing Weak Khadi Institutions**

The criteria for the selection of institutions for assistance under the scheme will be as follows:

- (i) Institutions having adequate infrastructure as mentioned in the datasheet (selection criteria) given in Annex.-I;
- (ii) Institutions which have submitted an Action Plan, clearly showing ways and means for revitalization of its activities which has been recommended by Standing Performance Monitoring Committee (SPMC);
- (iii) Institutions which have made necessary changes in the Managing Committee by nominating a capable person as its Secretary and his credentials have been examined and assented to by SPMC;
- (iv) Institutions which have made arrangements for further requirement of working capital from banks(s);
- (v) Institutions which have negotiated a working partnership with the neighbouring better performing institutions;
- (vi) Institutions which have made a commitment to take up other supporting schemes of KVIC, viz., PRODIP, RISC, S&T, etc. and deliver desired results as envisaged in these schemes; and
- (vii) Institutions which have submitted clear assurance to observe financial discipline as prescribed by the financing agency i.e., KVIC, bank etc.

### **Assistance for Marketing Infrastructure**

The criteria for selection of retail sales outlets of other institutions for renovation will be as follows:

- (i) The institution should be registered and/financed by KVIC

or State/UT KVI Boards belonging to A+/A/B/C category as per the norms enunciated by the KVIC and involved in marketing activities of khadi products.

- (ii) The institution should have valid certificate for khadi and polyvastra.

Also, the institutions desirous of receiving assistance under the scheme have to furnish an undertaking clearly giving commitment for its own contribution in advances (25% of the project cost with a ceiling of Rs. 6.25 lakh; 10% in case of NER). Such institutions have also to furnish a letter of commitment to achieve at least 20% annual increase in retail sales after renovation with a minimum sale of Rs. 1 lakh in the first year immediately succeeding renovation.

### **Quantum and Nature of Financial Assistance for Strengthening of Infrastructure of existing Weak Khadi Institutions**

The item-wise project cost per institution for weak (sick, problematic and “D” category) institutions under the scheme will be as follows:

<b>Sl. No.</b>	<b>Component</b>	<b>Cost</b>	<b>Total Cost</b>
<b>I)</b>	<b>Preliminary and Pre-operative Expenditure</b>	—	<b>Rs. 0.25 lakh</b>
1.	Conducting feasibility study, preparation of an action plan and other incidental charges	Rs. 0.25 lakh	—
<b>II)</b>	<b>Capital Expenditure</b>		<b>Rs. 3.50 lakh</b>
1.	Repairs and overhauling of implements and purchase of accessories and equipments	Rs. 0.50 lakh	—
2.	Procurement of new implements – (Charkha & Loom)	Rs. 2.00 lakh	—

3.	Repair of workshed/office/ godown/sales outlets including furniture fixtures to make them functional	Rs. 1.00 lakh	—
<b>III)</b>	<b>Working Fund</b>	—	<b>Rs. 6.15 lakh</b>
1.	Purchase of raw material	Rs. 1.50 lakh	—
2.	Payment to artisans	Rs. 2.40 lakh	—
3.	Other production overheads such as Supervision, Sales, Distribution, Expenditure, Processing and Fabric Conversion	Rs. 1.00 lakh	—
4.	Payment of statutory dues such as P.F. etc., Payment of interest to the Bank loan for renewal wherever required	Rs. 0.75 lakh	—
5.	Provision for engaging professional expert	Rs. 0.50 lakh	—
	<b>TOTAL (I + II + III)</b>		<b>Rs. 9.90 lakh</b>
	<b>Say Rs. 10.00 lakh</b>		

**Notes:**

- (i) The financial assistance under the strengthening of infrastructure of existing weak khadi institutions will be extended in 3 (three) installments. The first installment of 2.5% will be released initially for pre-operative expenditure by engaging a professional agency. The second installment of 50% will be released on approval of the revitalization package. The remaining fund will be released on submission of a progress report along with utilization certificate clearly depicting utilization of fund as per the approved plan of action.
- (ii) All costs mentioned above are indicative. Funds would be sanctioned against specific need-based action plan with the maximum ceiling of assistance to the extent of Rs. 10.00 lakh.

## Quantum and Nature of Financial Assistance for Marketing Infrastructure

The maximum acceptable project cost will be 20% of the average annual turnover of retail sales of the institution during last three years. Any addition in the project cost over the accepted limit will be responsibility of the agency.

The institution's own contribution as proportion of the accepted project cost will be as follows:

Departmental Sales Outlets of KVIC	:	– Nil –
Departmental Sales Outlets of State/UT Boards	:	15% of the project cost
Institutions registered and financed by KVIC or State/UT KVI Boards	:	25% of the project cost

The assistance under Marketing Infrastructure for the selected institutions will be as follows:

(Rs. in Lakhs)

Sl. No.	Component	Funding Pattern	Govt. Grant	Inst.'s Contr.	Total
	Common logo, signage, visual merchandising, computerization including billing and bar coding, training of sales staff, furniture and fixture including civil works incidental to renovation etc.				
(a)	Departmental Sales Outlets of KVIC	Govt. Grant – 100%	25.00	0.00	25.00
(b)	Departmental Sales Outlets of KVIBs	Govt. Grant – 85% Inst. Contr. – 15%	21.25	3.75	25.00
(c)	Institutional Sales outlets (Metro cities)	Govt. Grant – 75% Inst. Contr. – 25%	18.75	6.25	25.00
(d)	Institutional outlets (Non-metro cities)	Govt. Grant – 75% Inst. Contr. – 25%	15.00	5.00	20.00

### Notes:

- The average project cost has been worked out at Rs. 25 lakh per sales outlet of which 15% and 25% will be contributed by

the KVIB and Khadi institutions respectively while the assistance will be 100% in respect of 4 outlets managed by KVIC. In case of outlets, other than the departmental outlets of KVIC and KVIBs, the maximum assistance provided will be Rs. 18.75 lakh for outlets located in metropolitan cities and Rs. 15.00 lakh in other places which is further subject to a maximum of 20% of the average annual turnover of the retail sales of the institutions during last three years. Institutional outlets in the NE states will receive government grant to the extent of 90%. Remaining 10% will be mobilized by the institution.

- (ii) The funds will be released in 4 installments, the first being 25% of the grant amount after sanction of the project. This fund will be utilized along with the internal contribution of the outlet/institution and the rest of the grant will be released in next three installments after ascertaining the progress.

# **Rejuvenation, Modernization & Technology Upgradation of the Coir Industry**

## **Objectives**

The Central Sector Scheme of Rejuvenation, Modernization & Technology Upgradation of the Coir Industry has been introduced with effect from March, 2007 with the main objectives of modernizing Coir industry by adoption of modern technology in production and processing of Coir in the spinning and weaving sectors and to generate employment in the rural areas of the Coir producing states.

## **Scheme Interventions**

Traditional spinning and weaving activities will be rejuvenated by providing proper work environment (worksheds) along with motorized ratts replacing the decades old obsolete implements and ratts in the spinning sector and mechanized looms replacing the obsolete implements and looms in the tiny/household weaving sector.

Under the scheme, one existing obsolete ratt per unit would be replaced by four mechanized ratts. The intervention in the spinning sector is targeted to be women-oriented. A tiny/household weaving unit is proposed to be standardized with three mechanized looms.

## **Criteria for Selection of Beneficiary**

The selection of beneficiary will be done on merit, on first come first served basis. Indicative parameters for selection of beneficiary are given below.

## **Spinning Sector**

Self Help Groups (SHGs) consisting of a group of eight Spinners, including their Leader, engaged in the production and processing of Coir and new SHGs shall be eligible for assistance under the Scheme.



## **Tiny/Household Units**

Self Help Groups (SHGs) consisting of six weavers, including their Leader, engaged in the production of traditional Coir products viz., Coir mats, mattings, carpets, rope, rubber backed Coir products, Coir pith processing units etc. registered with Coir Board will be eligible for assistance under the Scheme.

## **Norms of Grant/Subsidy/Assistance**

The financial assistance or Government grant/subsidy would be 40% of the project cost subject to a maximum of Rs. 80,000/- (Rupees eighty thousand only) for spinning unit and Rs. 2 lakh for tiny/household unit. The leader of the Self Help Group (SHG) would be responsible for running, maintaining and attending to its financial issues.

(Rs. 80,000/- for spinning unit and Rs. 2.00 lakh for tiny/household unit)

# **Scheme of Fund for Regeneration of Traditional Industries (SFURTI)**

## **Objectives**

In pursuance of the announcement of the Finance Minister in his Budget Speech of July 2004 for setting up of a Fund for Regeneration of Traditional Industries with an initial allocation of Rs. 100 crore for development of traditional industries, the Ministry of Micro, Small and Medium Enterprises (erstwhile Ministry of Agro and Rural Industries) in October, 2005 has launched a scheme titled Scheme of Fund of Regeneration of Traditional Industries (SFURTI) for development of 100 clusters (25 clusters for khadi, 50 clusters for village industries and 25 clusters for coir industry) over a period of five years. The Scheme would cover an estimated 50,000 beneficiary families.

## **Salient Features**

- (i) The main features of the scheme are:
  - (a) To make traditional industries more competitive with more market-driven, productive, profitable and sustained employment for the participants;
  - (b) To strengthen the local socio-economic governance system of the industry clusters with the active participation by the local stakeholders that can help to continue undertake development initiatives by themselves; and
  - (c) To build up innovated and traditional skills, improved technologies, advanced processes, market intelligence and new models of public-private-partnerships, so as to gradually replicate similar models of cluster-based regenerated traditional industries.

- (ii) **Nodal Agency:** Khadi and Village Industries Commission (KVIC) and Coir Board have been designated as Nodal Agencies for implementation of the Scheme. The Nodal Agencies are responsible for holding and disbursement of funds to the identified Implementing Agencies and monitoring of the Scheme under the overall supervision of the Scheme Steering Committee (SSC) of SFURTI.
- (iii) **Selection of Cluster:** The selection of clusters will be based on their geographical concentration which should be around 500 beneficiary families of artisans/micro enterprises, suppliers of raw materials, traders, service providers, etc. located within one or two revenue sub-divisions in a District (or in contiguous Districts). The clusters would be from khadi, coir and village industries including leather and pottery.
- (iv) **Assistance:** Under this scheme assistance/support is to be provided in the selected clusters for:
  - (a) Replacement of charkhas and looms in khadi sector,
  - (b) Setting up Common Facility Centres,
  - (c) Development of new products, new designs for various Khadi and Village Industry (VI) products, new/improved packaging, etc.
  - (d) Market promotion activities,
  - (e) Capacity building activities such as exposure visits to potter clusters and institutions, need-based training, support for establishment of cluster level networks (industry associations) and other need-based support, and
  - (f) Other activities identified by the Implementing Agency (IA) as necessary for the development of the cluster as part of the diagnostic study and included in the annual Action Plan for the cluster.

# **Market Development Assistance (MDA) Scheme for Khadi and Polyvastra**

## **Objectives**

Based on the recommendations of the High Power Committee headed by the then Prime Minister in 1994, Pant Committee Report of 2001, and the Expert Committee Report of 2005 followed by pilot projects, and consultations with stakeholders, the scheme of providing rebate on sales of khadi has been replaced with effect from April 1, 2010 with the approval of the Cabinet Committee on Economic Affairs with a more flexible, growth stimulating and artisan-centric scheme of Market Development Assistance (MDA) on production of khadi for implementation by the Khadi and Village Industries Commission (KVIC) during 2010-11 and 2011-12. The scheme provides for financial assistance to khadi institutions @ 20% of production value on khadi and polyvastra to be shared among artisans, producing institutions and selling institutions in the ratio 25:30:45. The guidelines of the scheme are available on the KVIC's website [www.kvic.org.in](http://www.kvic.org.in). Under the new system of MDA, sales are expected to be evenly spread throughout the year, and the institutions will have the flexibility to use the assistance as per their actual needs and priorities to improve production and marketing infrastructure such as improving the outlets, designing products as per market demands or even giving incentives to customers, etc.

## **Salient Features**

The newly introduced MDA scheme makes it mandatory for the institutions to pass on 25% of the total MDA to the spinners and weavers as incentive or bonus in addition to their wages through their bank accounts or post office accounts which facility did not exist under the rebate scheme. Sales are also expected to be spread

across the year under MDA Scheme and would not get restricted to only 108 days as used to happen under rebate scheme. The erstwhile scheme of rebate on sales usually caused delay in release of rebate claimed by the institutions as they had to wait firstly till completion of sale and then wait further till the ensuing year to get the claims reimbursed after completion of audit, wherever required. Under MDA, incentives would be provided the same year, after the end of the quarter of production and this is expected to ease the working capital situation of the institutions by ensuring immediate liquidity which would in turn ensure timely payment to the artisans.

# **Khadi Karigar Janashree Bima Yojana**

## **Objectives**

To provide social security benefits to the artisans of Khadi sector and their family members, the Government of India, in cooperation with the Life Insurance Corporation of India, launched Khadi Karigar Janashree Beema Yojana on August 15, 2003.

## **Salient Features**

- (i) The cost of premium is Rs. 100/- (Rs. 200/- per annum till 2004-2005) per artisan per annum w.e.f. 2005-06. The mode of contribution of the premium is as follows:

- (a) Rs. 50/- from Government of India (social security fund) (Rs. 100/- till 2004-2005)
- (b) Rs. 12.50 from KVIC (Rs. 25/- till 2004-2005)
- (c) Rs. 25/- from Khadi institutions (Rs. 50/- till 2004-05)
- (d) Rs. 12.50/- from Khadi artisans (Rs. 25/- till 2004-05)

The cost of premium has been reduced to Rs. 100/- per artisan per annum from 2005-06.

- (ii) The following enhanced benefits are extended under the Scheme w.e.f. 2006-07:

- (a) Rs. 30,000/- Natural death
- (b) Rs. 75,000/- Death due to accident
- (c) Rs. 75,000/- Permanent total disability
- (d) Rs. 37,500/- Permanent partial disability

- (iii) The Khadi Karigar Janashree Bima Yojana also provides educational benefits (restricted to first two children) under

Shiksha Sahayog Yojana to the children of the artisans studying from IXth to XIIth Std. They are extended a scholarship of Rs. 300/- quarterly.

### **Eligibility**

Artisans, including weavers, spinners, pre-spinning artisans and post-weaving artisans in the age group of 18 to 59, registered with the Khadi institutions affiliated to KVIC and KVIBs, are eligible to get covered under the Scheme.

This scheme was approved for implementation during the last 4 years of 10<sup>th</sup> Five Year Plan. The policy renewed during the terminal year of the 10th Plan i.e. 2006-2007. The scheme has been continued for implementation during 2007-08.

# **Interest Subsidy Eligibility Certificate (ISEC) Scheme**

## **Objectives**

The Interest Subsidy Eligibility Certificate (ISEC) Scheme is the major source of funding for Khadi programme. It was introduced in May 1977 to mobilize funds from banking institutions to fill the gap in the actual fund requirement and of fund availability from budgetary sources.

## **Salient Features**

- (i) Under the scheme, credit at a concessional rate of interest of 4% p.a. for capital expenditure as well as working capital is given as per the requirement of the institutions. The difference between the actual lending rate and 4% is paid by the Central Government through KVIC to the lending bank.
- (ii) KVIC issues the Interest Subsidy Eligibility Certificate to Khadi institutions on the basis of their progress and the estimated requirement. On the basis of limit as fixed in ISEC, the institution may approach any bank for availing credit. For this purpose, banks provide credits to the institution at the prevailing bank rate.

## **Eligibility**

All institutions registered with the KVIC/State Khadi and Village Industries Boards (KVIBs) can avail of financing under the ISEC Scheme. Initially, the entire KVI sector was covered, but with the introduction of REGP for Village Industries (VI), the scheme now supports only the khadi and the polyvastra sector. However, all village industries units existing on 31.03.1995 have been allowed to avail of this facility for the amount of bank finance availed of as on that date or actual, whichever is less. ISEC is restricted to khadi activities only w.e.f. 01.04.2010



# **Product Development, Design Intervention and Packaging**

## **Objectives**

The Product Development, Design Intervention and Packaging (PRODIP) Scheme was launched in November 2002 with the aim to improve quality, introduce new designs and market the khadi and village industry products.

## **Salient Features**

- (i) In case of eligible institutional entities, assistance is limited to Rs. 2 lakh per project per year of 75% of the project cost, whichever is lower.
- (ii) In case of eligible entrepreneurial units, assistance is limited to Rs. 1 lakh per project per year of 75% of the project cost, whichever is lower.
- (iii) The ceilings prescribed at (i) and (ii) above are for the purpose of limiting flow of assistance from the KVIC even in respect of such projects which are of more than Rs. 2 lakh.

## **Eligibility**

- (i) Projects relating to diversification of product line with the objective of increasing marketability.
- (ii) Projects relating to conversion of existing stocks to make them suitable products for market.
- (iii) Projects relating to development of khadi & village industries products as per the specifications of DGS&D/ BIS/Government/Institutional orders (R.C.).
- (iv) Projects relating to production of National Flag as per BIS Specification provided only such institutions are identified as produce bunting cloth for the purpose.

All exporters with FOB turnover of less than Rs. 2 crore worth coir and coir products in the previous year and entrepreneurs of coir and coir products, registered with the Coir Board, would be eligible for assistance under the scheme, provided they have not availed the facility from any other source for the same purpose.

# **Export Market Promotion Scheme— External Market Development Assistance**

## **Objectives**

The scheme of External Market Development Assistance was introduced with effect from 2000-01 for encouraging small exporters in the coir sector. The salient features of the scheme are as follows.

## **Salient Features**

- (i) Activities covered:
  - (a) Individual sales-cum-study tour/trade delegation/buyer-seller meet abroad; and
  - (b) Individual participation in trade fairs and exhibitions abroad.
- (ii) Assistance is available for air travel and space rental.

## **Eligibility**

- In a financial year assistance will be extended for a maximum three programmes—two exhibitions and one sales tour or vice versa.
- For a particular event assistance will be extended to a maximum three times including past cases.

# **Domestic Market Promotion Scheme**

## **Objectives**

For the development of domestic market, Coir Board is running 30 showrooms in major cities of the country to promote domestic consumption of coir and coir products. To promote and popularize the use of coir products within the country, Coir Board also participates in major exhibitions within the country under its Scheme.

Coir Board is now implementing a new Scheme, viz., Market Development Assistance (MDA) since 2000-01 to provide financial assistance for domestic market development. The scheme provides financial assistance @ 10 per cent of the annual sales turnover of coir products to the units in the co-operative and public sector undertakings based on their annual sales turnover. This assistance is shared equally by the Central Government and the State Government concerned.

## **Salient Features**

The Market Development Assistance (MDA) Scheme allows flexibility in utilization of Government grant. MDA has been introduced in replacement of the Rebate Scheme. It can be utilized for the following purposes:

- (i) To promote the sale of coir products manufactured by co-operatives and public sector enterprises committed to payment of minimum wages and other obligatory benefits to coir workers;
- (ii) To encourage sustained production and more employment opportunities specially in the co-operative sector of the coir industry; and
- (iii) To provide financial support on a continuing basis around the year to the co-operative and public sector enterprises

who undertake market development programmes like setting up of sale network, publicity, participation in exhibitions, etc.

### **Eligibility Criteria**

The apex co-operative societies, central co-operative societies, primary co-operative societies, public sector enterprises in the coir industry and the show rooms and sales depots of the Coir Board are eligible for assistance.

# **Development of Production Infrastructure Scheme**

## **Objectives**

Modernization of coir units through assistance for equipment, infrastructure and support through entrepreneurship development, motivation and awareness on quality improvement are the main objectives of this scheme.

## **Salient Features**

Under this scheme, Coir Board is extending financial assistance to the extent of 25 per cent of the cost of equipment and infrastructural facilities, subject to a ceiling of Rs. 1.5 lakh, for setting up new coir units and Rs. 50,000 for modernization of existing coir units. Coir Board is also organizing Entrepreneurs Development Programme/ Quality Improvement Programme to motivate young entrepreneurs and to create quality awareness. (Names of financial assistance are being revised)

## **Eligibility**

The units which satisfy the following conditions are eligible of subsidy under the scheme:

- The unit should have a valid registration with the Coir Board under the Coir Industry (Regn.) Rules, 2008.
- The unit should have SSI registration with the Industries Department of the State concerned.
- The unit should produce a 'No Objection Certificate' from the State Electricity Board for installation of generator set as per rules in the State concerned.
- The capacity of generator set should be in accordance

with the requirement of the unit as specified in the registration certificate.

- A three-phase power supply should be available in the unit.
- The application for grant of generator subsidy should be recommended by the General Manager, DIC.
- The unit should obtain a clearance to the proposal in advance from the Regional Officer of the Coir Board Office in their State.

# **Mahila Coir Yojana**

## **Objectives**

Mahila Coir Yojana is the first women-oriented self-employment programme in the industry. The scheme envisages distribution of motorized and motorized traditional coir yarn spinning ratts to the women coir workers who are trained to operate the ratt and are able to raise the beneficiary contribution from their own resources, sponsoring organization or take a loan.

## **Salient Features**

- (i) The Mahila Coir Yojana Scheme is being implemented by the Coir Board all over the country.
- (ii) Under this scheme, women coir workers are given subsidy to the extent of 75% of the cost of the motorized ratt (upto a maximum of Rs. 7,500/-) or a motorized traditional ratt (upto a maximum of Rs. 2,925).
- (iii) As part of the implementation of the schemes, a two-month training programme is organised at all training centres of the Coir Board.

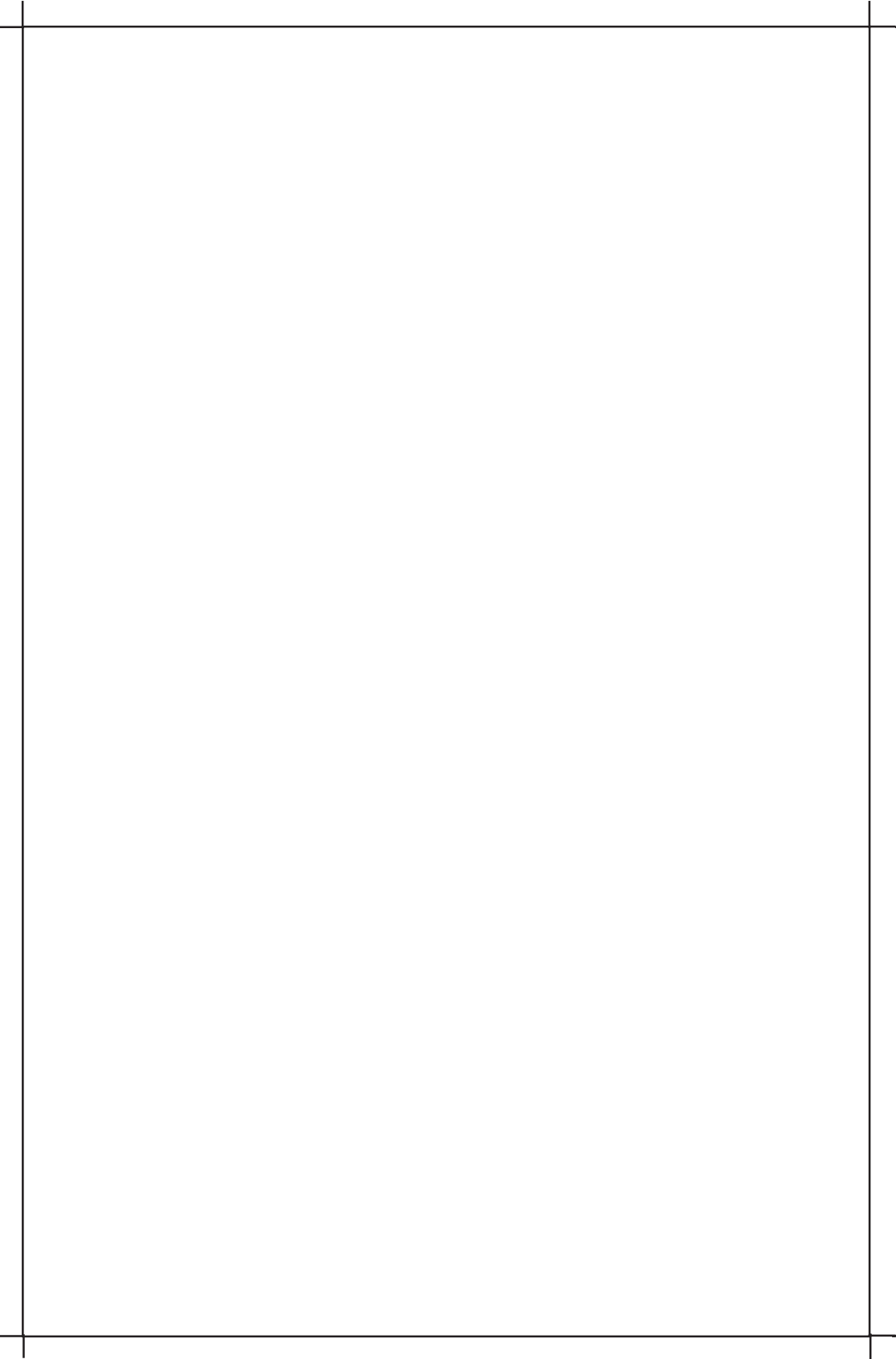
## **Eligibility**

Applicants in the 18-45 age group and who have successfully completed training in motorized ratt/motorized traditional ratt are eligible to get motorized ratts/motorized traditional ratts for spinning coir yarn under Mahila Coir Yojana. The needs of balanced regional development are also kept in view in the selection of beneficiaries.





**ADDRESSES OF  
INSTITUTIONS UNDER THE  
MINISTRY OF MICRO, SMALL &  
MEDIUM ENTERPRISES**



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**MAHARASHTRA**

MSME-DI, Kurla-Andheri Road, Sakinaka, Mumbai-400072.	022-28577166 28573091 28578092 (Fax) e-mail:dcddi-mumbai@dcmsme.gov.in
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MSME-DI, CGO Complex, Seminary Hills, Nagpur-440006.	0712-2510352 2510046 0712-2511985 (Tele Fax) e-mail:dcddi-nagpur@dcmsme.gov.in
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Br. MSME-DI, 32-33, M.I.D.C., Chikalthana, Aurangabad-431210.	0240-2485430 2484208 (Fax)
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<b>MSME-DI/BR. MSME-DI (State-wise)</b>	<b>Telephone/Fax/E-mail Nos. Office</b>
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**MANIPUR**

MSME-DI,  
Takyelpat Industrial Estate,  
Imphal-795001.

0385-2220584  
2223096 (Fax)  
e-mail: dcdi-imphal@dcmsme.gov.in

**MEGHALAYA**

Br. MSME-DI,  
Hawakhana, P.O. Tura,  
West-Garo Hills-794001.

03651-222569

Br. MSME-DI,  
Lower Lachhumiere,  
Shillong-793001.

0364-2223349

**MIZORAM**

Br. MSME-DI,  
Upper Republic Road,  
Aizwal-794001.

0389-2323448 (Tele Fax)

**NAGALAND**

Br. MSME-DI,  
Industrial Estate,  
Dimapur-795001.

03862-231552

**ORISSA**

MSME-DI,  
Vikas Sadan,  
College Square,  
Cuttack-753003.

0671-610208  
2611958 (Tele-Fax)  
2611829, 2611329  
e-mail: dcdi-cuttack@dcmsme.gov.in

Br. MSME-DI,  
C-9, Indl. Estate,  
Rourkela-769004.

0661-507492

Br. MSME-DI,  
New Colony,  
P.O. Dist. Rayagada-765004.

06852-22268

**PUNJAB**

MSME-DI,  
Industrial Area-B,  
Ludhiana-141003.

0161-2533225  
531733-(Tele Fax)  
e-mail: dcdi-ludhiana@dcmsme.gov.in

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<b>MSME-DI/BR. MSME-DI (State-wise)</b>	<b>Telephone/Fax/E-mail Nos. Office</b>
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**RAJASTHAN**

MSME-DI,  
22, Godown Industrial Estate,  
Jaipur-302006.

0141-2210553  
212098, 213099  
Fax:210553  
e-mail:dc di-jaipur@dcmsme.gov.in

**SIKKIM**

MSME-DI,  
P.O. Tadong,  
Gangtok-737102.

03592-231262, 31880  
e-mail:dc di-gangtok@dcmsme.gov.in

**TAMIL NADU**

MSME-DI,  
65/1, GST Road, Guindy,  
Chennai-600032.

044-22341785  
2341011/12/13/14  
2341014 (Fax)  
e-mail:dc di-chennai@dcmsme.gov.in

Br. MSME-DI,  
386, Patel Road, Ramnagar,  
Coimbatore-641009.

0422-22233956  
2230425 (Fax)

Br. MSME-DI,  
Plot No. 76, CGE Colony,  
Trichendur Road,  
Tuticorin-628003.

0461-2375345

**TRIPURA**

MSME-DI,  
Advisor Chowrmuhani,  
Krishnagar Road, Agartala-799001.

0381-2322460  
2326576 (Fax)  
e-mail:dc di-agartala@dcmsme.gov.in

**UTTAR PRADESH**

MSME-DI,  
107, Indl Estate  
Fazalganj,  
Kanpur-208012.

0512-295070-73  
220831 (Fax)  
e-mail:dc di-kanpur@dcmsme.gov.in

MSME-DI,  
34, Industrial Estate, Nunhai,  
Agra-282006.

0562/2280879  
2280882 (Tele Fax)  
e-mail:dc di-agra@dcmsme.gov.in

<b>MSME-DI/BR. MSME-DI (State-wise)</b>	<b>Telephone/Fax/E-mail Nos. Office</b>
MSME-DI, E-17/18 Indl. Estate, Naini, Allahabad-211009.	0532-2697468, 2695156 2696816, 269689 (Fax) e-mail: dcdi-allbad@dcmsme.gov.in
Br. MSME-DI, Chandpur Industrial Estate, Varanasi-221106.	0542-2370621
<b>UTTARAKHAND</b>	
MSME-DI, Kham Bangla Campus, Kaladungi Road, Haldwani-263139 (Nainital).	05946-228353 (Telefax) 221053 e-mail: dcdi-haldwani@dcmsme.gov.in
<b>WEST BENGAL</b>	
MSME-DI, 111-112, B.T. Road, Kolkata-700035.	033-25775531 (D) 25770595, 25770585 25775531 (Fax) e-mail: dcdi-kolkatta@dcmsme.gov.in
Br. MSME-DI, Station More, P.O. Suri, Distt. Birbhum-731101.	03462-255402
Br. MSME-DI, Durgapur Indl. Estate, J.P. Avenue, Durgapur-713212.	0343-2557129
Br. MSME-DI, 3 & 4, Industrial Estate, Sevoke road, Siliguri-734401.	0353-2542487

## MSME-TESTING CENTRES

No.	MSME-TCs	Telephone/Fax/E-mail Nos. Office
1.	MSME-Testing Centre (NR), Shahid Capt. Gaur Marg, Okhla, New Delhi – 11020.	Telefax : 011-26847973 26314616 26312671 26142387(D) email:rtcnr@nde.vsnl.net.in
2.	MSME-Testing Centre (ER), 111 and 112, B.T. Road, Kolkata-700035.	Tele No. : 033-25770686 25772482 Telefax : 033-25771353 email:rtc-cal@wb.nic.in
3.	MSME-Testing Centre (SR), 65/1, G.S.T. Road, Guindy, Chennai-600032.	Tel. No. : 044-22500634 22500539 22500284 (D) Telefax : 044-22500284 Email:dirrtcch@md4.vsnl.net.in
4.	MSME-Testing Centre (WR), Kurla-Andheri Road, Saki-Naka, Mumbai-400072.	Tel No. : 022-28570588 28576998 28571775 28571771, 22523625(D) Telefax : 022-28572238 Email: director@rtcwr.com

## MSME-TESTING STATIONS

No.	MSME-TSs	Telephone/Fax/E-mail Nos. Office
1.	MSME-Testing Station, Laboratory Building, Bais Godam, Jaipur (Rajasthan).	Tel. No. 0141-2212090
2.	MSME-Testing Station, 47-E, Industrial Area, Govindapura, Bhopal-462023 (MP).	Tel. No. 0755-2586075
3.	MSME-Testing Station, P 31, M.I.D.C., Shiroli, Kolhapur-416122, (Maharashtra).	Tele Fax : 0230-2469366
4.	MSME-Testing Station, MSME-DI Complex, Rajaji Nagar, Bangalore-560044, (Karnataka).	Tel. No. 080-3202540 Fax No. 080-3351581
5.	MSME-Testing Station, Industrial Estate, Sanath Nagar, Hyderabad-500018.	Tel. No. 040-23704371
6.	MSME-Testing Station, Industrial Estate, Changancherry-686106 (Kerala).	Tel. No. 0481-2721018
7.	MSME-Testing Station, Industrial Estate, Thattanchavadi, Pondicherry-635009.	Tel. No. 0431-2248110

## MSME-TOOL ROOMS AND TRAINING CENTRES (MSME-TRTCs)

No.	MSME-TRTCs	Telephone/Fax/E-mail Nos. Office
1.	MSME-Tool Room (Indo-German Tool Room), P-31, MIDC, Chikalthana Industrial Area, Aurangabad 431006	Tel. No. 0240-2486832, 2482593 2470541 Fax No. : 0240-2484028 Website: <a href="http://www.igtr.igtr-aur.org">www.igtr.igtr-aur.org</a> e-mail: <a href="mailto:gm@igtr-aur.org">gm@igtr-aur.org</a>
2.	MSME-Tool Room (Indo-German Tool Room), Plot No. 5003, Phase IV, GIDC Vatva, Mehmedabad Road, Ahmedabad-382445 (Gujarat).	Tel. No. 079-25840961, 25841960 Fax No. : 079 – 25841962 e-mail: <a href="mailto:@igtr-ahd.org">@igtr-ahd.org</a> <a href="mailto:marketing@igtrahd.com">marketing@igtrahd.com</a>
3.	MSME-Tool Room (Indo-German Tool Room), Plot No. 291/B O-302/A, Sector-E, Sanwer Road, Indore-452003 (MP).	Tel. No. 0731-2721463, 2721394, 2724156 Fax No. 0731-2720353 website: <a href="http://www.igtr-indore.com">www.igtr-indore.com</a> e-mail: <a href="mailto:indigtr@sancharnet.in">indigtr@sancharnet.in</a>
4.	MSME-Tool Room (Central Tool Room), A-5, Focal Point, Ludhiana-141010 (Punjab).	Tel. No. 0161-2670057-58/59, Fax No. : 0161-2674746 website: <a href="http://www.ctrludhiana.com">www.ctrludhiana.com</a> email: <a href="mailto:centool@la.vsnl.net.in">centool@la.vsnl.net.in</a>
5.	MSME-Tool Room (Central Institute of Tool Design), A-1 to A-8, A.P.I.E, Balanagar, Hyderabad-500037 (AP).	Tel. No. 040-23774536, 23772747-48-49 Fax No. : 040-23772658 website: <a href="http://www.citdindia.org">www.citdindia.org</a> Email: <a href="mailto:citdhyd@sancharnet.in">citdhyd@sancharnet.in</a>
6.	MSME-Tool Room (Central Tool Room & Training Centre), B-36, Chandka Indl. Area, P.O. Patia, Bhubaneshwar-751031, (Orissa).	Tel. No. 0674-2743349 2742100(GM) website: <a href="http://www.cttcbbbsr.co.in">www.cttcbbbsr.co.in</a> email: <a href="mailto:cttc@satyam.net.in">cttc@satyam.net.in</a>

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|-----|--|---|
| 7.  | MSME-Tool Room<br>(Indo-Danish Tool Room),<br>M-4 (Part), Phase VI,<br>Tata Kandra Road,<br>Gamharia, Jamshedpur-832108,<br>(Jharkhand).       | Tel. No. 0657-2200507,<br>2408061-62 2382174 (GM)<br>Fax No. 0657-2407723<br>website: <a href="http://www.idtrjamshedpur.com">www.idtrjamshedpur.com</a><br>email: <a href="mailto:idtr@sancharnet.in">idtr@sancharnet.in</a> |
| 8.  | MSME-Tool Room<br>(Central Tool Room & Training<br>Centre), Bon Hooghly Indl. Area,<br>Kolkata-700 108 (WB).                                   | Tel. No. 033-25771492,<br>25771068 (GM)<br>Fax No.: 033-25772494<br>email: <a href="mailto:cttc@cal.vsnl.net.in">cttc@cal.vsnl.net.in</a>   |
| 9.  | MSME-Tool Room<br>(Central Institute of Hand Tools),<br>G.T. Road By-pass,<br>Opp. Shaheed Bhagat Singh Colony,<br>Jalandhar-144 008 (Punjab). | Tel. No. 0181-2290225, 2290226<br>Fax No. : 0181-2290457  |
| 10. | MSME-Tool Room<br>(Hand Tool Design Development &<br>Training Centre),<br>Indl. Area, Basmi Road,<br>Nagaur-341 001 (Rajasthan).               | Tel. No. 01582-240276<br>Fax No. : 01582-240802<br>email: <a href="mailto:htddtc@sancharnet.in">htddtc@sancharnet.in</a>  |
| 11. | MSME-Tool Room<br>(Tool Room & Training Centre),<br>MSME-DI Campus, 4 <sup>th</sup> Floor,<br>Bamuni Maidan,<br>Guwahati-781 0121.             | Tel. No. 0361-2655542,<br>Fax No. 0361-2654042  |

## MSME-TECHNOLOGY DEVELOPMENT CENTRES

No.	MSME-TDCs	Area of Operation	Telephone/Fax/E-mail
1.	MSME-Technology Development Centre (Process-cum-Product Development Centre), Sports Goods Complex Delhi Road, Meerut-250 002 (U.P.)	Sports Goods and Leisure Time Equipment	Tel : 0121-2511779 Fax: 0121-2404991 2600081 (D).
2.	MSME-Technology Development Centre (Process-cum-Product Development Centre), Foundry Nagar, Agra-282 006 (U.P.)	Foundry and Forging	Tel : 0562-2344673 Fax: 0562-2344381
3.	MSME-Technology Development Centre (Centre for Development of Glass Industry), A-1/1, Indl. Area, Jalesar Road, Firozabad-283 203. (U.P.) email:cdgofzbd@nda.vsnl.net.in	Glass Industry	Tel: 05612-232293, Fax: 05612-232447
4.	MSME-Technology Development Centre (Fragrance and Flavour Development Centre), Industrial Estate, G.T. Road, P.O. Markand Nagar, Kannauj-209 726 (U.P.).	Essential Oils/ Fragrance & Flavours	Tel : 05694-234465, 05694-234791 Fax: 0564-235242
5.	MSME-Technology Development Centre (Electronics Service & Training Centre), Kaniya, Ramnagar-244 715, Distt. Nainital (Uttarakhand).	Electronics Industry	Tel : 05947-251201 Fax: 05947-251294 website:www.estcindia.com e-mail:pd estc@sancharnet.in



6. MSME-Technology  
Development Centre  
(Institute for Design of  
Electrical Measuring  
Instruments),  
S.T.T. Marg, Chunabhatti  
P.O. Sion, Mumbai-400 022

Electrical  
Measuring  
Instruments

Tel : 9522-24050301-04  
Fax: 9522-24050016

website: [www.idemi.org](http://www.idemi.org)  
e-mail: [idemi@im.eth.net](mailto:idemi@im.eth.net)

**MSME-TECHNOLOGY DEVELOPMENT CENTRE  
FOOTWEAR TRAINING INSTITUTES**

<b>No.</b>	<b>MSME-TDCs</b>	<b>Area of Operation</b>	<b>Telephone/Fax/E-mail Nos. Office</b>
1.	MSME-Technology Development Centre (Central Footwear Training Institute), Site 'C', 41, 42, Sikandra Industrial Area, Agra-282 007.	Training in Footwear Manufacturing	Tel No. 0562-2642005/2642004 2261318 (D) Telefax 0562-26420502 e-mail: <a href="mailto:ctfiagra@indiatimes.com">ctfiagra@indiatimes.com</a> . Website: <a href="http://www.cftiagra.org.in">www.cftiagra.org.in</a>
2.	MSME-Technology Development Centre (Central Footwear Training Institute), 65/1, G.S.T. Road Guindy Chennai-600 032	Training in Footwear Manufacturing	Tel No. 044-225001529 Fax No.: 044-22500876 e-mail: <a href="mailto:cftichennai@vsnl.net.in">cftichennai@vsnl.net.in</a> Website: <a href="http://www.cftichennai.in">www.cftichennai.in</a>

**CONTACT ADDRESSES OF KVIC  
HEAD OFFICE**

Khadi and Village Industries Commission (KVIC),  
“Gramodaya” 3, Irla Road, Vile Parle (West)  
Mumbai – 400056 (Maharashtra)

Website : [www.kvic.org.in](http://www.kvic.org.in)

E-mail : [kvichg@bom3.vsnl.net.in](mailto:kvichg@bom3.vsnl.net.in), [ditkvic@hom3.vsnl.net.in](mailto:ditkvic@hom3.vsnl.net.in),  
[dit@kvic.gov.in](mailto:dit@kvic.gov.in)

Fax : 022-26711003

Tel. : 022-26714320-25/26716323/26712324/26713527-9/26711073/26713675

OFFICES	TEL NO.	FAX NO.
<b>NORTH ZONE</b>		
<b>DELHI (Resident Representative Office)</b>	2336 3777 (O)	011-2374 2592
Khadi & Village Industries Commission,	2334 5046 (O)	
A-1, Baba Kharag Singh Marg,	09810025651 (M)	
New Delhi-110 001.		
<b>DELHI (State Office)</b>	2341 2796 (O)	011-2341 8620
Khadi & Village Industries Commission,	2341 8620 (O)	
‘K’-Block, Chaudhary	09810025651 (M)	
Building, Connaught Circus,		
New Delhi-110 001.		
<b>HARYANA (State Office)</b>	2630 334 (O)	0171-2643 688
Khadi & Village Industries Commission,	2533 334 (R)	
103-A The Mall, P.B. No. 34,	09466260012 (M)	
Ambala Cantt-133 001.		
<b>HIMACHAL PRADESH</b>		
<b>(State Office)</b>	2652 320 (O)	0177-2652 320
Khadi & Village Industries Commission,	2806 528 (O)	
5-Dingle Estate, Cart Road,	2000 528 (R)	
Shimla-171 003	09418886312 (M)	
<b>JAMMU &amp; KASHMIR</b>		
<b>(State Office)</b>	2458 333 (O)	0191-2433 412
Khadi & Village Industries Commission,	2450 747 (R)	
384, Shastri Nagar, Jammu-180 004	09419123811 (M)	

OFFICES	TEL NO.	FAX NO.
<b>PUNJAB (State Office)</b> Khadi & Village Industries Commission, S.C.O. 3003-04, Sector-22D, Chandigarh-160 022	2701 261 (O) 09417751672 (M)	0172-2702 690
<b>RAJASTHAN (State Office)</b> Khadi & Village Industries Commission, Jhalana Doongri, Institutional Area, I.L.N. Marg, Jaipur-302 004	2707 850 (O) 09413339610 (M)	0141-2706 969
<b>Divisional Office</b> Khadi & Village Industries Commission, Baheti Bhavan, Rani Bazar, Bikaner-334 001. (M)	2202 260 (O) 2520 807 (O)	0151-2541 590  2232 614 (R) 09413389992
<b>Regional Border Development Office</b> Khadi & Village Industries Commission, Nehru Nagar, Manikyalal Verma Bhavan, Barmer-344 001.	220 061 (O)	02982-230 041 02982-226 966
Kumarappa National Handmade Paper Institute, Khadi & Village Industries Commission, UNDP Handmade Paper Project, Ramsinghpura, Sikarpura Road, Sanganer, Jaipur-303 002.	2731 975 (O) 2784 869 (O) 09413341143 (M)	0141-2730 369
EAST ZONE		
<b>BIHAR (State Office)</b> Khadi & Village Industries Commission, Post-B.V. College, Sheikhpura, Patna-800 014	2224 983 (O) 2222 052 (O) 2297 716 (R) 09431221142 (M)	0612-2228 010
<b>Central Silver Plant</b> Khadi & Village Industries Commission, Industrial Area, Hajipur, Distt. Vaishali-844 101.	273 776 (O) 274 315 (O) 09431026111 (M)	06224-274 315

OFFICES	TEL NO.	FAX NO.
<b>JHARKHAND (State Office)</b>	2213 839 (O)	0651-213 839
Khadi & Village Industries Commission, Shanti Bhavan, 2nd Floor, Albert Ekka Chowk, Main Road, Ranchi-834 001.	2215 035 (O) 2204 767 (R) 09470522070 (M)	
<b>ORISSA (State Office)</b>	2311 297 (O)	0674-2310 981
Khadi & Village Industries Commission, 69, Budha Nagar, Kalpana Square, Bhubaneswar-751 006.	2310 340 (R) 09437189980 (M)	
<b>Sub-office</b>	0663-2700 626 (O)	
Khadi & Village Industries Commission, 18, Sahayog Nagar, Budharaja, Dist. Sambalpur-768 004 (Orissa)		
<b>WEST BENGAL (State Office)</b>		
Khadi & Village Industries Commission, 33, Chittaranjan Avenue, 6 <sup>th</sup> & 7 <sup>th</sup> Floor, Kolkata-700 012	2211 9491 (O) 2211 4345 (O) 09433416286 (M)	033-2211 9491
Divisional Office		
Khadi & Village Industries Commission, Dhantala, P.O. Satellite Township, Via-Mahananda Project, Distt. Jalpaiguri-734 015	2568 100 (O)	0353-2568 100
<b>NORTH-EAST ZONE</b>		
<b>ASSAM (State Office)</b>	2461 023 (O)	0361-2662 989
Khadi & Village Industries Commission, Rupnagar, Guwahati-781 032	2461 126 (O) 2477 566 (R) 09435191396 (M)	
<b>Sub office</b>	03842-267 061 (O)	
Khadi & Village Industries Commission, Panchayat Road, Silchar, Distt. Cachar-788 044 (Assam)		
<b>ARUNACHAL PRADESH</b>	2212 224 (O)	0360-2212 224
(State Office)		
Khadi & Village Industries Commission, H-Sector, Itanagar-791 113		

OFFICES	TEL NO.	FAX NO.
<b>MANIPUR (State Office)</b> Khadi & Village Industries Commission, Paona Bazar, Imphal-795 001	2451759 (O) 09436088883 (M)	0385-2451 759
<b>MEGHALAYA (State Office)</b> Khadi & Village Industries Commission, Ward No. 8, Okland, Shilong-793 001	2227 807 (O) 09436731236 (M)	0364-2227 807
<b>MIZORAM (State Office)</b> Khadi & Village Industries Commission, T-110C, Chawngdinga Building, Tuikhuahtlang, Aizawl-796 001	2316 387 (O)	0389-2316 387
<b>NAGALAND (State Office)</b> Khadi & Village Industries Commission, Super Market Complex, Dimapur-797 112	226 546 (O) 227 491 (R) 09436431048 (M)	03862-226 546
<b>SIKKIM (State Office)</b> Khadi & Village Industries Commission, Indira Bypass, Opp. SDF Bhavan, P.O.-Tadong, Gangtok, East Sikkim-737 102	280 696 (O) 09733073075 (M)	03592-280 696
<b>TRIPURA (State Office)</b> Khadi & Village Industries Commission, Assam, Agartala Road, Kumarpukar, P.O. Agartala College, Distt. West Tripura-799 004 Agartala	2223 735 (O) 22093236 (R)	0381-2223 735
<b>*SOUTH ZONE</b>		
<b>ANDHRA PRADESH (State Office)</b> Khadi & Village Industries Commission, Gandhi Bhavan, M.J. Road, Nampally, Hyderabad-500 001	2460 8463 (O) 2460 8463 (O) 2323 3151 (R) 09866442717 (M)	040-2460 2717
<b>Divisional Office</b> Khadi & Village Industries Commission, D. No. 13-28-8, Srihari Plaza,, Dandu Bazar, Maharanipecta, Vishakhapatnam-530 001	2565 156 (O) 2565 904 (O) 2560 272 (O) 09490694541 (M)	0891-2561 156

OFFICES	TEL NO.	FAX NO.
<b>KARNATAKA (State Office)</b>	2662 0267 (O)	080-2662 0267
Khadi & Village Industries Commission, 6, Dr. D.V.G. Road, Basavanagudi, Bangalore-560 004	2681 4581 (O) 2279 3693 (R) 09448067312 (M)	
<b>Central Silver Plant</b>	235 006 (O)	08194-235 285
Khadi & Village Industries Commission, PB. No. 81, Plot No. 9-10-11, Kelakote, Industrial Area, Chitradurga-577 501	235 285 (R) 09448455866 (M)	08194-235 006
<b>KERALA (State Office)</b>	2331 061 (O)	0471-2331 061
Khadi & Village Industries Commission, PB. No. 198, "Gramodaya", M.G. Road, Thiruvananthapuram-695 001	2331 625 (O) 2114 266 (R) 09447740199 (M)	
<b>Sub-office</b>	2372 170 (O)	0487-2372 170
Khadi & Village Industries Commission, P.O. Nadathara, Distt. Trichur-680 751	09387811895 (M)	
<b>Central Silver Plant</b>	2387 119 (O)	0487-2387 120
Khadi & Village Industries Commission, P.O. Kuttur, Trichur-680 013	2327 074 (R)	
<b>TAMIL NADU (State Office)</b>	2835 1019 (O)	044-2835 1697
Khadi & Village Industries Commission, 236, Avvai Shanmugam Road, Gopalapuram, Chennai-600 086	2656 2621 (R) 09444441019 (M)	
<b>Divisional Office</b>	2386 792 (O)	0452-2386 762
Khadi & Village Industries Commission, 10, Bye Pass Road, Near PRC Bus Depot, Madurai-625 010	2381 878 (R) 09894786729 (M)	
<b>Sub Office</b>	2562 346 (O)	0422-2562 346
Khadi & Village Industries Commission, 20, Mariamman Koil Street, Avarampalayam, Coimbatore-641 006	2642 473 (R)	
<b>*WEST ZONE</b>		
<b>GOA (State Office)</b>	2223 676 (O)	0832-2223 676
Khadi & Village Industries Commission, Cedmar Apartment, Ground Floor S.V. Road, Panaji-403 001	2402 147 (R) 09420688452 (M)	

OFFICES	TEL NO.	FAX NO.
<b>GUJARAT (State Office)</b> Khadi & Village Industries Commission, E-Block, 4th Floor, Capital Commercial Centre, Ellis Bridge, Ashram Road, Ahmedabad-380 009	2657 9965 (O) 2657 9974 (O) 2756 0825 (R) 09979856726 (M)	079-6579 974
<b>Sub office</b> Khadi & Village Industries Commission, Amba Bhuvan, Behind Kozy Cinema, Palanpur-385 001, Distt.-Banaskantha	02742-253 824 (O)	079-2657 9974
<b>MAHARASHTRA (State Office)</b> Khadi & Village Industries Commission, Royal Insurance Building, 4th Floor, 14, Jamshedji Tata Road, Churchgate, Mumbai-400 020	2281 7449 (O) 2282 2113 (O) 2620 3801 (R) 09869659475 (M)	022-2281 7449
<b>Divisional Office</b> Khadi & Village Industries Commission, IInd Floor, Somalwar Bhavan, Mount Road Ext., Sadar, Nagpur-440 001	2565 151 (O) 3918 036 (O) 09975952770 (M)	0712-2565 151
CENTRAL ZONE		
<b>CHATTISGARH (State Office)</b> Khadi & Village Industries Commission, 2/15, Dani House, Govind Nagar, Raipur-492 001	2445 164 (O) 2446 428 (O) 2583 087 (R) 09425211746 (M)	0771-2251 428
<b>MADHYA PRADESH (State Office)</b> Khadi & Village Industries Commission, B-3-4, Office Complex, Gautam Nagar, Bhopal-462 023	2583 667 (O) 2583 668 (O) 2774 319 (R) 09406928399 (M)	0755-2583 667
<b>Central Silver Plant</b> Khadi & Village Industries Commission, Ichchawar Road, Sehore-466 001	228 201 (O) 09893188562 (M)	07562-228 201
<b>UTTARAKHAND (State Office)</b> Khadi & Village Industries Commission, Gen. Mahadev Singh Road, Kanwali, Dehradun-248 001	2724709 (O) 2620 285 (R) 09997920654 (M)	0135-2627 241



OFFICES	TEL NO.	FAX NO.
<b>Sub Office</b> Khadi & Village Industries Commission, P.B. No. 27, Medical College Campus, Rampur Road, Haldwani, Distt.-Nainital-263 139	220 416 (O) 221 592 (R) 09456452688 (M)	05946-220 416
<b>UTTAR PRADESH (State Office)</b> Khadi & Village Industries Commission, 'Gramodaya', Faizabad Road, Indira Nagar, Lucknow-226 016	2311 112 (O) 2353 314 (O) 2766 459 (R) 09454364925 (M)	0522-2380 990
<b>Divisional Office</b> Khadi & Village Industries Commission, Near Old Chungi, Garh Road, Meerut-250 001	2647 645 (O) 2770 239 (R) 09412802372 (M)	0121-2653 288
<b>Divisional Office</b> Khadi & Village Industries Commission, Sanskrit University Marg, Telia Bagh, Varanasi-221 002	2204 434 (O) 2208 697 (O) 09453001209 (M)	0542-2204 434
<b>Divisional Office</b> Khadi & Village Industries Commission, Sai Complex, 2nd Floor, Opp. Munsii Premchand Park, Betia Hata, Distt. Gorakhpur-273 001	2344943 (O) 2204 086 (R) 09451740863 (M)	0551-2344 943
<b>Central Silver Plant</b> Khadi & Village Industries Commission, Plot No. C – 14, Road No. 2, Industrial Area, Amanwan Road, Distt. Raebareli-229 001	2217 088 (O) 2217 093 (O)	0535-2217 088 2701 536 (R)
<b>Central Silver Plant</b> Khadi & Village Industries Commission, Post – Songra, Near Nagaria Modh, G.T. Road, Etah-207 001	235 447 (O) 09411687820 (M)	05742-284 206

## DEPARTMENTAL MARKETING CENTRES OF KHADI AND VILLAGE INDUSTRIES COMMISSION

OFFICES	TEL NO.	FAX NO.
<b>*NORTH ZONE</b>		
<b>Khadi Gramodyog Bhavan</b>	2336 2331 (O)	011-2341 8126
Khadi & Village Industries Commission,	2336 0902 (O)	
24, Regal Building, Connaught Circus,	2341 1651 (O)	
New Delhi-110 001	09810025651 (M)	
<b>Gramshilpa</b>	2334 3741 (O)	011-2374 2592
Khadi & Village Industries Commission,	09811393757 (M)	
A-1, Emporia Complex, Baba Kharag Singh		
Marg, New Delhi-110 001		
<b>Marketing Promotion &amp; Product</b>	2339 2383 (O)	011-2339 2383
Development Centre		
Khadi & Village Industries Commission,		
MDTC Campus, Gandhi Darshan,		
Rajghat, New Delhi-110 002		
<b>*EAST ZONE</b>		
<b>Khadi Gramodyog Bhavan</b>	2221 673 (O)	0612-2234 010
Khadi & Village Industries Commission,		
'B' Block, 1st Floom, Mauryalok Complex,		
D.B. Road, Patna-800 001		
<b>Khadi Gramodyog Bhavan</b>	2570 5895 (O)	033-2570 5897
Khadi & Village Industries Commission,	2570 7034 (R)	
Subarnarekha Apartment, AD/1/1A,		
Rajarhat Road, Jayangra Chowrasta,		
Kolkata-700 059		
<b>*NORTH-EAST ZONE</b>		
<b>Khadi Gramodyog Bhavan</b>	2319 317 (O)	0381-2223 735
Khadi & Village Industries Commission,		
Assam Agartala Road,		
Paradise Chouumuhani,		
Agartala-799 011 (Tripura)		

OFFICES	TEL NO.	FAX NO.
<b>*SOUTH ZONE</b>		
<b>Khadi Gramodyog Bhavan</b> Khadi & Village Industries Commission, 6, Dr. D.V.G. Road, Basavanagudi, Bangalore-560 004	2661 6372 (O) 2661 4581 (O)	080-2662 0067
<b>Khadi Gramodyog Bhavan</b> Khadi & Village Industries Commission, Pallimukku, M.G. Road, Ernakulam, Cochin-682 016 (Kerala)	2355 279 (O) 2711 082 (R) 09446361072 (M)	0484-2371 779
<b>WEST ZONE</b>		
<b>Khadi Gramodyog Bhavan</b> Khadi & Village Industries Commission, 3, Irla Road, Vile Parle (West), Mumbai-400 056 (Maharashtra)	2670 4454 (O) 09324666360 (M)	022-2671 6680
<b>Khadi Gramodyog Bhavan</b> Khadi & Village Industries Commission, Katkar Building, Old Station Road, P.B. No. 271, Station Road, Margaon-403 601 (Goa)	2731 025 (O) 2232 746 (O)	0832-2223 676
<b>*CENTRAL ZONE</b>		
<b>Khadi Gramodyog Bhavan</b> Khadi & Village Industries Commission, 27, Bhadbada Road, T.T. Nagar, Bhopal-462 003	2554 657 (O) 2763 613 (O) 2550 792 (R)	0755-2583 667
<b>*NORTH ZONE</b>		
<b>Multi Disciplinary Training Centre</b> Khadi & Village Industries Commission, Gandhi Darshan, Rajghat, New Delhi-110 002	2339 2708 (O) 09968697288 (M)	011-2339 2708
<b>*CENTRAL ZONE</b>		
<b>Ch. Charan Singh</b> <b>Multi Disciplinary Training Centre</b> Khadi & Village Industries Commission, P.O. Panjokhera, Distt. Muzaffarnagar-247 445	225 356 (O) 09412648353 (M)	01392-225 356

OFFICES	TEL NO.	FAX NO.
<b>Multi Disciplinary Training Centre</b> Khadi & Village Industries Commission, P.B. No. 27, Rampur Road, Haldwani, Distt. Nainital-263 139 (Uttarakhand)	220 416 (O) 221 592 (R) 09456452688 (M)	05946-220 416
<b>Multi Disciplinary Training Centre</b> Khadi & Village Industries Commission, Uppar Adhoiwala, Sahastradhara Road, Dehradun-248 001 (Uttarakhand)	278 0186 (O)	0135-278 0186
<b>*EAST ZONE</b>		
<b>Multi Disciplinary Training Centre</b> Khadi & Village Industries Commission, Udyogpuri, P.O.-Khandagiri, Near Gandamunda (M) Chhak, Bhubaneswar-751 030 (Orissa)	2350 724 (O) 2350 646 (R)	0674-2350 724 09437694024
<b>Dr. Rajendra Prasad Multi Disciplinary Training Centre</b> Khadi & Village Industries Commission, Post-B.V. College, Sheikhpura, Patna-800 014 (Bihar)	2228 511 (O) 2224 956 (O) 09430293396 (M)	0612-2228 511
<b>Multi Disciplinary Training Centre</b> Khadi & Village Industries Commission, Vidyapith Road, Abhoy Ashram (Campus, Post-Birati, Kolkata-700 051 (W.B.)	2539 0554 (O) 2539 9202 (M)	033-2539 2011
<b>*SOUTH ZONE</b>		
<b>Multi Disciplinary Training Centre</b> Khadi & Village Industries Commission, Post-Nadathara, Trichur-680 751 (Kerala)	2370 681 (O)	0487-2370 681
<b>Central Village Pottery Institute</b> Khadi & Village Industries Commission, NH-4, Belgaun Road, Khanapur-591 302, Distt. Belgaum (Karnataka)	222 232 (O) 222 668 (R)	08336-2522 232
<b>Central Palmgur and Palm Products Institute</b> Khadi & Village Industries Commission, No. 44, Kumarappapuram, P.O. Madhavaram, Milk Colony, Chennai-600 051 (Tamil Nadu)	2902 3718 (O) 2555 9562 (R) 09444584633 (M)	044-2555 5402

OFFICES	TEL NO.	FAX NO.
<b>*WEST ZONE</b>		
<b>C.B. Kora Institute of Village Industries</b> Khadi & Village Industries Commission, Shimpoli Road, Borivali (W), Mumbai-400 092 (Maharashtra)	2898 1105 (O) 2636 4849 (R)	022-2898 1105
<b>Dr. B.R. Ambedkar Institute of Rural Technology and Management &amp; Institute of Renewable Energy</b> Khadi & Village Industries Commission, P.O. Tryambak Vidya Mandir, Nashik-422 213 (Maharashtra)	2280362 (O)	0253-22801105
<b>Gajanan Naik Multi Disciplinary Training Centre</b> Khadi & Village Industries Commission, Agar Road, P.O. Dahanu, Distt. Thane-401 601 (Maharashtra)	222 626 (O)	02528-222 626
<b>Central Bee Research and Training Institute</b> Khadi & Village Industries Commission, 1153, Ganeshkhind Road, Pune-411 016 (Maharashtra)	2567 5865 (O) 7170 770 (R)	020-2565 5351
<b>Mahatma Gandhi Institute for Rural Industrialisation</b> Khadi & Village Industries Commission, P.O. Gopuri, Manganwadi, Wardha-442 001 (Maharashtra)	240 328 (O)	07152-240 328

#### COIR BOARD

OFFICE	TEL NO.	FAX NO.
Coir House, P.B. No. 1752, M.G. Road, Ernakulam, Kochi-682 016 (Kerala)	Phone : 0484-2371467, 2372979 Gram : COIR BOARD Fax : 0091-484-2370034 Email : coirboard@mdz.vsnl.net.in Web : <a href="http://www.coirindia.org">http://www.coirindia.org</a> <a href="http://www.coir-india.com">http://www.coir-india.com</a>	



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