

# Year End Review- 2019: Ministry Of Micro, Small And Medium Enterprises

## 65,312 New Micro Enterprises have been set up and 5,22,496 Employment Opportunities Generated

The Indian economy is likely to emerge as one of the leading economies in the world, with an envisioned GDP of USD five trillion economy by 2024. Our vision is to ensure that at least a contribution worth USD two trillion come from MSME sector. To accomplish this, M/o MSME has taken many steps during the year for technology advancement, skill development and job creation for empowerment of MSMEs.

### **PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP):**

Under Prime Minister's Employment Generation Programme (PMEGP) 65,312 new micro enterprises have been set up and 5,22,496 Employment opportunities generated and a Margin money subsidy worth Rs. 1929.83 crore have been utilized.

PMEGP is a major credit-linked subsidy programme being implemented by the Ministry of MSME since 2008-09. The Scheme is aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth in rural as well as urban areas.

### **CLUSTER DEVELOPMENT PROGRAMME:**

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

- i) 17 Common Facility Centres and 14 Infrastructure Development Projects have been commissioned.
- ii) 24 Common Facility Centres and 25 Infrastructure Development Projects have been approved.

### **SFURTI Clusters:**

51 SFURTI (Scheme of Fund for Regeneration of Traditional Industries) Clusters approved earlier are completed and are functional. Further, 78 proposals of SFURTI Clusters have been approved by Scheme Steering Committee benefitting about 48608 artisans/workers during 01<sup>st</sup> January 2019 till date.

### **Solar Charkha Clusters:**

The President of India, Ram Nath Kovind launched the Solar Charkha Mission on 27<sup>th</sup> June, 2018 at a function in New Delhi.

11 Detailed Project Reports (DPRs) of Solar Charkha Clusters have been approved by the Scheme Steering Committee during current financial year 2019-20.

### **CREDIT LINK CAPITAL SUBSIDY RE-LAUNCHED:**

The Government approved for continuation of Credit Linked Capital Subsidy component under Credit Linked Capital Subsidy-Technology Upgradation Scheme (CLCS-TUS) in February 2019. The Credit Linked Capital Subsidy Component of the CLCS-TU Scheme was launched by Shri Nitin Gadkari, Union Minister for Micro, Small and Medium Enterprises on 05-09-2019 with the signing of MoUs between Office of DC (MSME) and Nodal Banks. During FY 2019-20, Rs. 338.01 Crore has been released.

**Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE):**

Under the CGTMSE, 5,46,127 credit facilities have been approved amounting to a guarantee of Rs. 33,381 crore.

**TECHNOLOGY CENTRE SYSTEMS PROGRAMME (TCSP):**

Ministry of MSME is implementing Technology Centre Systems Programme (TCSP) at an estimated cost of Rs. 2200 crore, including World Bank Loan assistance of USD 200 million, to establish 15 new Tool Rooms and Technology Development Centres (TCs) and upgrade the existing 18 TCs across the country. Four Technology Centres at Bhiwadi, Bhopal, Puddi and Tinsukia) are ready for commissioning.

Number of youth skilled through Technology Centres and other training Institutes of the Ministry: 3,59,361.

**GeM- Government e-Marketplace:**

- Registration of Micro and Small Enterprises (MSEs) on GeM: 62,085
- 50.74 % of orders value on GeM portal is from MSEs.
- Government has made it mandatory for Central Public Sector Undertaking (CPSUs) units to procure 25% instead of 20% from Micro and Small Enterprises (MSEs).
- Goods and Services worth Rs. 20,139.91 crore procured from 71,199 MSEs. The procurement from MSEs amounts to 28.49% of the total procurement of CPSEs.

**Digital MSME:** Organizations like Common Service Centres (CSC), Entrepreneurship Development Institute of India (EDII) on boarded for bringing MSMEs on digital platform and for providing them digital identity. Awareness programmes and workshops are being organized all over the country for MSME stakeholders and for bringing all MSME service providers on one platform.

**Lean Manufacturing:** Scheme under implementation in 267 Clusters of MSMEs throughout the country through Quality Council of India (QCI) and National Productivity Council (NPC). State Governments, Industry Associations have also been onboarded to take the scheme to more MSME clusters.

**Incubation:** Incubation centres have been approved for more than 200 Technical Institutions, Industry Associations, Social Enterprises. Innovative ideas having business proposals are being invited from them for funding support under the scheme. Seed capital upto Rs. 1 crore have been provided to start up entrepreneurs under the scheme.

**Design Clinic:** Design scheme opened for different technical institutions under Ministry of Human Resource Development (MHRD), Industry Associations, Social Enterprises, Self Help Groups working on providing design support to MSME entrepreneurs including rural and art based

enterprises. More than 80 new Design centres opened at different locations in addition to 4 already being run through National Institute of Design (NID). All MSMEs and Students are being requested to submit their design projects for funding under the scheme.

**Financial Support to MSMEs in Zero Defect Zero Effect (ZED) Certification Scheme:** 23070 MSMEs have been registered under ZED scheme since inception. ZED parameters are being simplified to onboard more than one million MSMEs on ZED journey. All Industry Associations and technical institutions are being onboarded for wider access to the scheme.

**Building Awareness on Intellectual Property Rights (IPR) Scheme:** More than 60 new IP Facilitation Centres set up in different parts of the country to have one IP lawyer to assist MSMEs to apply for and register their trademarks and patents. FPOs to get support for applying for registration of GIs. Reimbursement being given for registration of different IPRs to MSMEs. More and more awareness being created for IP rights amongst MSMEs.

**Procurement and Marketing Support:** District Udyam Samaagams planned and approved for all 731 districts of the country. More than Rs. 80 crore sanctioned under PMS for organising trade fairs/ exhibitions/ awareness programmes/ seminars throughout the country through State Governments/Industry Associations/ Social Enterprises for more than 350 programmes.

**Entrepreneurship Skill Development Programme (ESDP):** More than Rs. 135 crore sanctioned under ESDP for organising different skill development programmes throughout the country through State Governments/Industry Associations/Social Enterprises/Government Corporations. Total 3000 programmes conducted/ sanctioned for this year.

#### **U. K. Sinha Committee Recommendations:**

RBI Expert Committee under Sri U. K. Sinha on Micro, Small and Medium Enterprises made 37 major recommendations. The concerned Ministries/Departments/Organisations/States have been requested to take follow up action on the actionable points relevant to them. To review implementation status of the recommendations of the Committee, a meeting of Committee of Secretaries (CoS) under the chairmanship of Cabinet Secretary was held on 31.10.2019.

#### **SMEs AND INTERNATIONAL COOPERATION:**

- The Second International SME Convention was organised by the Ministry of MSME in association with the Economic Diplomacy & States Division of the Ministry of External Affairs and the India SME Forum on 27-29 June. 1385 from India and 175 entrepreneurs from 44 countries attended. Ambassadors from 16 countries including, European, African and Latin American Countries along with their respective commercial sections presented trade opportunities at the Convention.

198 pre-arranged B2B meetings were conducted, 42 letters of intent were filed for possible future collaborations. 729 B2B trade connect forms were filed by Indian entrepreneurs. A total of 3015 requests for International B2B matching were received, for which an International SME Gateway is being planned. An MOU was signed between a Spanish company MCU Coatings and Indian company HiTech Engineers for technology transfer and setting up a plant in Puducherry with joint investment of US \$10 million.

- Ministry of MSME in partnership with confederation of Indian Industry (CII), New Delhi organised 16th Edition of Global SME Business Summit 2019 on 24-25th September, 2019 in New Delhi with the objective

of boosting competitiveness of MSMEs through adoption of innovative technologies and promoting their growth through building sustainable and significant global partnerships.

### **Popularising Khadi and Empowering Village Industries:**

- **Khadi gets separate unique HS code, export to get a boost:** Khadi has got unique HS code issued by the central government on 4<sup>th</sup> Nov'19 to categorize its products in export. In a long awaited move to make export of Khadi, exclusively categorized from the general league of textile products, the ministry of commerce and industries has allocated separate HS code for this signature fabric of India this week.

This decision of government will open a new chapter in the field of Khadi export. Earlier, Khadi did not have its exclusive HS code. As a result, all the data regarding export of this signature fabric used to come as a normal fabric under the textile head. Now, the Ministry will be able to keep a constant eye on the export figures which will accordingly help in planning the export strategies.

- **KVIC bags fresh order worth over Rs. 06 crore from GAIL and PFC:** The Khadi and Village Industries Commission (KVIC) has bagged orders worth Rs. 5.88 crore from the Gas Authority of India Limited (GAIL) and Rs. 75.00 lakhs from Power Finance Corporation, New Delhi (PFC), in the form of Khadi gift coupons. Employees can redeem these gift coupons throughout the year from all Departmental Sales Outlets of KVIC. This move will definitely expand Khadi product market.
- **New initiatives by KVIC in Goa:** KVIC recently distributed electric potter wheels to 160 families and new models Charkhas (spinning wheels) to 50 trained women in Goa. This will create direct employment to 700 people. KVIC is also establishing a Lijjat Papad unit in Goa, which will create 200 direct jobs to the local women. It may be noted that these initiatives are first of its kind in Goa because there was no spinning and weaving activity, no Lijjat Papad unit in Goa earlier. Further for the first time electric potter wheels have been given to replace the traditional potter wheel which was highly labour intensive and less efficient in terms of production. In Goa State, 215 number of bee-boxes were also distributed to the 43 beekeepers.
- **Launching of Sale of Khadi Rumal made by militancy affected women of J&K:** Union Minister for MSME Shri Nitin Gadkari launched sale of Khadi Rumal made by militancy affected women of J&K on 17<sup>th</sup> December, 2019. The sale of Khadi Rumal will instill confidence and enable the women all over Jammu & Kashmir to live an independent and respectful life. KVIC also signed an agreement with Paytm to sell 2 crore packets of khadi rumal through its online platform and mobile application.

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