Year End Review | Ministry of Micro, Small and Medium Enterprise (MSME)

About the ministry

- It is the apex executive body for the formulation and administration of rules, regulations and laws relating to MSMEs in India.
- MSME sector has emerged as a highly vibrant and dynamic sector of the Indian economy, fostering entrepreneurship and self-employment opportunities at comparatively lower capital cost, next only to agriculture.
- **Union minister-** Shri Narayan Rane

Key Initiatives/ Schemes

Micro Small and Medium Enterprise Development Act (MSMED Act) 2006

- **Aim-** To facilitate the promotion and development and enhance the competitiveness of MSMEs.
- **MSME definition**- A revision was announced in Atmanirbhar Bharat package in 2020.

Classification	Investment in Plant and Machinery or Equipment	Annual turnover
Micro	Not more than Rs 1 crore	Not more than Rs 5 crore
Small	Not more than Rs 10 crore	Not more than Rs 50 crore
Medium	Not more than Rs 250 crore	Not more than Rs 250 crore

- **Services provided under the act**
- **MSME SAMBANDH**- Launched in 2017 to disseminate information on procurement done by various government departments, ministries and Public Sector Units.
- **MSME SAMADHAN**- An online delayed payment monitoring system governed by Micro and Small Enterprise Facilitation Council (MSEFC).
- **MSME Technological Centres (MSME TCs)**
- **MSME SAMPARK**- A digital platform where both the job seekers skilled in MSME Technology Centres and the industries looking for skilled manpower can interact.

PM Vishwakarma

- **Launch year**- 2023
- Central Sector Scheme
- **Aim**- To improve the quality as well as the reach of products and services of artisans and craftspeople and to ensure that the Vishwakarmas are integrated into the value chain.
- **Key component**s- PM Vishwakarma certificate, ID card, skill upgradation, toolkit

incentive, credit and marketing support etc.,

Prime Minister's Employment Generation Program

- **Launch year-** 2006
- **Credit linked subsidy scheme**- Provides employment opportunities through establishment of micro-enterprises in the non-farm sector.
- **Aim**- To provide financial assistance to set up self-employment ventures in rural as well as urban area.
- **Subsidy-** Margin money is provided to beneficiaries availing loan from banks for setting up new enterprises.
- **Training-** Free 2-day Entrepreneurship Development Programme (EDP) training.

Credit Guarantee for Micro and Small Enterprises (CGTMSE)

- **Launch year-** 2000
- **Aim-** To encourage first generation entrepreneurs to venture into self-employment opportunities by facilitating credit guarantee support for collateral free
- The ceiling limit of Guarantee coverage has been increased from Rs. 2 crore to Rs. 5 crore

Self-Reliant India (SRI) Fund

- **Aim-** To provide support for MSMEs across the country through equity infusion.
- **Tenure of fund-** 15 years.
- **Fund type-** Daughter Funds can be categorized I or II AIFs registered with SEBI.
- **Exclusions**- Non-Profit Institutions, NBFCs, financial inclusion sector, SHGs and other financial intermediaries.

Micro and Small Enterprises Cluster Development Programme (MSE-CDP)

- **Launch year-** 2003
- **Objective-** Enhance the productivity and competitiveness of MSEs by extending financial assistance for establishment of Common Facility Centers

Scheme of Fund for Regeneration of Traditional Industries (SFURTI)

- **Launch year-** 2005-06, revamped in 2014-15
- **Aim-** To organize traditional artisans into clusters for product development and diversification through value addition and to promote traditional sectors.
- **Implementation-** Coir Board and KVIC (Khadi and Village Industries Commission)

A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship' (ASPIRE)

- **Aim-** To create employment opportunities in the agro-rural sector.
- **Components**
    - **Livelihood Business Incubator**- An entity set up for imparting skill development and incubation programs for promoting entrepreneurship and employment generation in agro-rural sector with special focus on rural and

underserved areas.
    - **ASPIRE Fund of Funds-** Managed by SIDBI with a focus to invest through Alternate Investment Funds (AIFs), in early-stage scalable start-ups.

Procurement and Market Support Scheme (PMS)

- It promotes new market access initiatives and enhances the marketability of products and services in the MSME sector.
- It provides financial assistance to micro enterprise for selling products or services through e-commerce portals.
- It address the activities needed to establish market connections in order to effectively implement the Public Procurement Policy for MSEs Order of 2012.
- **India International Trade Fair (IITF), 2023**- MSME pavilion was inaugurated under the theme "PM Vishwakarma".

National SC-ST Hub

- **Launch year**- 2016
- It has been set up to provide professional support to Scheduled Caste and Scheduled Tribe entrepreneurs to fulfil the obligations under the Public Procurement Policy for MSEs Order 2012.

MSME Champions Scheme

- **Objective-** To pick up clusters and enterprises and modernize their processes, reduce wastages, sharpen business competitiveness, and facilitate their national and global reach.
- Components
    - MSME-Sustainable (ZED)
    - MSME-Competitive (Lean)
    - MSME- Innovation (Incubation, IPR, Design)
    - Digital MSME

Technology Centres' contribution

- **Technology Centre Systems Programme**- It is a ***World Bank*** assisted project that provides access to advanced manufacturing technologies.
- **Chandrayaan-3-** Tool rooms under the ministry made their contribution in India's 3rd lunar mission realizing towards Atmanirbhar Bharat.
- **Aditya L1-** Central Tool Room & Training Centre (CTTC), Bhubaneswar made contribution to India's 1st solar mission

Entrepreneurship Skill Development Program

- **Objective-** To promote new enterprises, capacity building of existing MSMEs and inculcating entrepreneurial culture in the country.
- **Nature of assistance**
    - Industrial Motivational Campaign
    - Entrepreneurship Awareness Programmes

    - Entrepreneurship-cum-skill Development Programmes
    - Management Development Programs

Promotion of MSMEs in North East Region (NER) and Sikkim Scheme

- **Objective-** To provide technology support and skill development
- **Key activities-** Setting up of new and modernization of existing Mini Technology Centres.

Raising and Accelerating MSME Performance Programme (RAMP) Scheme

- **Assistance**- World Bank supported Central Sector Scheme
- **Aim**- To improve access of MSMEs to market, finance and technology upgradation by enhancing the outreach of existing schemes under the ministry.
- **Sub schemes**
    - **MSE-GIFT-** MSE Green Investment and Financing for Transformation
    - **MSE-SPICE** -MSE Scheme for the Promotion of Investment in Circular Economy
    - MSE Scheme on Online Dispute Resolution for Delayed Payments

Udyam Registration Portal

- **Launch year-** 2020
- It is ***zero cost*** free registration to simplify the procedure for business owners to register their business under MSME.
- **Udyam registration number**- The enterprise is issued a permanent identity number after registration.
- **Udyam registration certificate-** It is issued online upon the completion of registration process.
- **Udyog aadhar-** New MSMEs must register as soon as possible with the Udyam Registration Postal in order to obtain an Udyam certificate.

My MSME

- **Aim**- It is a web based application launched to facilitate the enterprises to take benefits of various schemes.
- **Mobile app**- The app can also be accessed through mobile through which entrepreneurs can make their applications and track them.

Khadi and Gramodyog Vikas Yojana

- **Launch year**- 2019
- **Khadi Vikas Yojana**- Offers end to end support in promoting Khadi industry through increased khadi production, sales, number of artisans and employment opportunities.
- **Gramodyog Vikas Yojana**- Focuses on promoting traditional skills of rural artisans to meet the developmental needs of village industry sector.
- **Khadi grant**- For meeting establishment expenses of KVIC officers/ employee.

Coir Vikas Yojana

- **Aim-** To support the establishment of new 'state of the art' coir processing units, provide modern infrastructure facilities for creating more employment opportunities, especially for women.
- **Implementation agency-** Coir Board
- **Science and Technology scheme-** Modernize the traditional industry to bring improvement in productivity and enhancement of quality.
- Entrepreneurship Development Programme etc.,
- **Mahila Coir Yojana**- A women oriented self-employment scheme to rural women artisans in regions producing coconut.

Rozgar Yukta Gaon

- **Vision-** Transforming socio-economically distressed villages into sustainable and self-reliant khadi based enterprise.
- The Government will only play the role of enabler while the rural communities will transit into state of empowered entrepreneurship.

Mission Solar Chakra

- **Launch year-** 2018-19
- **Implementation agency-** Khadi and Village Industries Commission **(KVIC)**
- The scheme envisages setting up of solar chakra clusters which would mean a focal village and other surrounding villages in a radius of 8-10 kilometers.

Honey Mission Programme

- **Launch year**- 2017-18 in line with sweet revolution
- **Implementation agency**- KVIC
- It promotes bee keeping activities and provide self-sustaining employment opportunities among farmers, Adivasis and unemployed youth in rural India, mainly in economically backward and remote areas.
- **Project RE-HAB**- Reducing Elephant-Human Attacks using Bees, it intends to create “bee fences” by installing bee boxes along the periphery of the forest and the villages to block the entrance of elephants to human habitations.

Project BOLD

- **Bamboo Oasis on Lands in Drought** (BOLD) is an initiative of KVIC launched in 2021.
- **Aim-** To prevent land degradation, reduce desertification, and provide livelihood and multi-disciplinary rural industry support to people living in dry/arid and drought-prone regions of India.

National Small Industries Corporation

- It is an **ISO 9001-2015 certified** Government of India enterprise to promote MSMEs in the country.

Mahatma Gandhi Institute for Rural Industrialization

- It is a national autonomous institute established in 2009 in Wardha.
- **Objective-** To accelerate rural industrialization for sustainable village economy so that Khadi Village Industry sector co-exists with the main stream

International Cooperation Scheme

- It provides financial assistance on reimbursement basis to the eligible MSMEs to facilitate participation in international exhibitions, seminars, conference etc.,
- **Sub-components**-
    - MDA- Market Development Assistance of MSMEs.
    - CBFTE- Capacity Building of First Time MSE Exporters
    - IMID- Framework for International Market Intelligence Dissemination (IMID).

CHAMPIONS portal

- It stands for ***Creation and Harmonious Application of Modern Processes for Increasing the Output and National Strength***.
- **Launch year**- 2020
- It is an ICT based technology system for making the smaller units big by guidance and advisory services in areas of finance, marketing, technology, raw material, labour, infrastructure and capacity building.

References

1. PIB- Ministry of MSME Year End Review 2022-23
2. MSME- Annual Report 2022-23
3. MSME- Schemes in e-booklet

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