MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

DEMAND NO. 58

Ministry of Micro, Small and Medium Enterprises

A. The Budget allocations, net of recoveries, are given below:

(In crores of Rupees)

			Actual 2014-2015			Bud	get 2015-201	6	Revi	sed 2015-201	16	Budget 2016-2017			
		Major Head	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	, Total	
		Revenue	2377.89	381.88	2759.77	2603.01	394.11	2997.12	2610.70	400.33	3011.03	2990.00	464.22	3454.22	
		Capital	6.68	0.15	6.83	9.50	0.80	10.30	9.30	0.55	9.85	10.00	0.55	10.55	
		Total	2384.57	382.03	2766.60	2612.51	394.91	3007.42	2620.00	400.88	3020.88	3000.00	464.77	3464.77	
		Total	2004.07	302.03	2700.00	2012.01	334.31	3007.42	2020.00	700.00	3020.00	3000.00	707.77	0404.77	
BE 2016-2017															
1. Secretar	iat Economic Services	3451											14.11	14.11	
2. Developi	ment of Khadi, Village & Coir I	ndustries													
2.01	Khadi Grant	2552										2.00		2.00	
		2851										28.00	285.35	313.35	
		Total										30.00	285.35	315.35	
2.02	Village Industries (VI) Grant	2552													
		2851										34.37		34.37	
		Total										34.37		34.37	
2.03	Khadi, VI & Coir (S&T)	2552										1.00		1.00	
		2851										8.00		8.00	
		Total										9.00		9.00	
	Khadi Reform Development	2552										0.50		0.50	
	Package (ADB Assistance)	2851										4.50		4.50	
		Total										5.00		5.00	
2.05	Market Promotion and	2552										10.00		10.00	
	Development Assistance														
	(MPDA)	2851										331.63		331.63	
		Total										341.63		341.63	
2.06	Scheme for Fund for	2552										7.50		7.50	
	Regeneration of Traditional Industries (SFURTI)														
	muusmes (SPUKTI)	2851										67.50		67.50	
		Total										75.00		75.00	
2.07	Coir Vikas Yojana	2552										1.50		1.50	
	•														

				Actu	Actual 2014-2015 Budget 2015-2016 Revised 2015-2016									(In crores of Rupees) Budget 2016-2017			
			Major Head	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total		
		-	2851										13.50	30.45	43.95		
			Total										15.00	30.45	45.45		
	2.08	Coir Udyami Yojana	2552										2.00		2.00		
			2851										18.00		18.00		
			Total										20.00		20.00		
	2.09	Loan to Khadi, Village and	6851											0.55	0.55		
	Total- D	Coir Industries Development of Khadi, Village &	Coir										530.00	316.35	846.35		
3.		logy Upgradation and Quality Ce	ertification														
	3.01	Promotion of Innovation, Rural Industry &	2552										10.00		10.00		
		Entrepreneurship (ASPIRE)	2851										90.00		90.00		
			Total										100.00		100.00		
	3.02	National Manufacturing Competitiveness Programme	2552										52.90		52.90		
		(NMCP)	2851										332.10		332.10		
			Total										385.00		385.00		
	Total- T	echnology Upgradation and Qua			•••								485.00		485.00		
4.	Certifica Prime N	ation Ministers Employment Genererat Inme (PMEGP) and Other Credit	tion Support							•••			400.00		400.00		
	4.01	Prime Ministers Employment Genereration Programme (PMEGP)	2552							•••			148.00		148.00		
		,	2851										991.00		991.00		
			Total										1139.00		1139.00		
	4.02	Interest Subsidy Eligibility	2851										49.50		49.50		
	4.03	Certificate Credit Support Programme	2552										10.00		10.00		
			2851										40.00		40.00		
			Total										50.00		50.00		
	4.04	India Inclusive Innovation	2552										0.10		0.10		
		Fund	2851										0.90		0.90		
			Total	•••			•••			•••			1.00		1.00		
	4.05	Performance and Credit	2552							•••			25.90		25.90		
	4.05	Rating Scheme		•••						•••				•••			
			2851										174.10		174.10		
			Total										200.00		200.00		

				Acti	ıal 2014-2015		Rudo	get 2015-2016	[Pavis	ed 2015-2016	1		In crores of	=
			Major Head	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
	Total- I Prograi	- Prime Ministers Employment Ger mme (PMEGP) and Other Credit	nereration			10tai							1439.50		1439.50
_	Schem	es													
5.		ing Promotion Scheme Marketing Development	2552										1.15		1 15
	5.01	Assistance(MDA)	2552		•••		•••			•••			_		1.15
			2851			•••		•••					14.35	•••	14.35
			Total										15.50	•••	15.50
	5.02	Marketing Assistance Scheme (MAS)	2552										3.00		3.00
		,	2851										17.00		17.00
			Total										20.00		20.00
	5.03	International Cooperation Scheme	2552										0.10		0.10
		Conomo	2851										7.90		7.90
			Total										8.00		8.00
	Total- I	Marketing Promotion Scheme											43.50		43.50
6.	Enterp	reneurship and Skill Developmer	nt												
	6.01	Mahatma Gandhi Institute for Rural Industrialization	2851										6.50	3.65	10.15
	6.02	Promotional Services Institutions and Programme	2552										3.55		3.55
		mstitutions and Frogramme	2851										29.45	105.20	134.65
			Total										33.00	105.20	138.20
	6.03	Assistance to Training	2552										2.10		2.10
		Institutions	2851										77.89		77.89
			Total										79.99		79.99
	6.04	Rajiv Gandhi Udyami Mitra Yojna(RGUMY)	2851										1.00		1.00
	6.05	MSME Fund	2851										0.01		0.01
	Total- E	Enterpreneurship and Skill Devel	lopment										120.50	108.85	229.35
7.	Infrastr	ucture Development Programme	9												
	7.01	Infrastructure Development and Capacity Building	2552										18.00		18.00
		and Capacity building	2851										248.00		248.00
			Total										266.00		266.00
	7.02	EAP Component	2851										75.00	•••	75.00
	7.03	Construction of Office Accommodation - Capital	4059										9.50		9.50
		Outlay on Public Works	4552										0.50		0.50

		_										('In crores of F	Rupees)
		Major	Acti	ual 2014-2015		Bud	get 2015-2016		Revis	sed 2015-2016		Bud	get 2016-2017	
		Head	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
	_	Total										10.00		10.00
	Total- Infrastructure Development Progr	ramme										351.00		351.00
8.	Research & Evaluation Studies													
	8.01 Upgradation of Data Base	2552										0.20		0.20
		2851										28.30		28.30
		Total										28.50		28.50
	8.02 Survey Studies and Policy Research	2851										2.00		2.00
	Total- Research & Evaluation Studies		•••							•••		30.50	•••	30.50
9.	Development Commissioner (MSME)	2851											25.46	25.46
RE 20	15-2016													
10.	Secretariat Economic Services	3451		10.79	10.79		11.50	11.50		12.37	12.37			
Micro, S	Small and Medium Enterprises(MSME)													
11.	Credit Support Programme	2851	74.99		74.99	20.25		20.25	53.00		53.00			
12. <i>13</i> .	Institution & Programmes	2851	432.45		432.45	299.98		299.98	344.61		344.61			
	13.01 Survey Studies and Policy Scheme	2851	0.54		0.54	2.28		2.28	0.28		0.28			
	13.02 International Cooperation Scheme	2851	3.94		3.94	3.80		3.80	3.80		3.80			
	13.03 Performance and Credit Rating Scheme	2851	88.00	•••	88.00	26.00	•••	26.00	45.00		45.00		•••	
	13.04 Marketing Assistance Scheme	2851	11.68		11.68	12.00		12.00	14.52		14.52			•••
4.4	Total- SME Promotion Schemes	0054	104.16	•••	104.16	44.08		44.08	63.60	•••	63.60		•••	
14.	Assistance to Training Institutions	2851	86.25		86.25	70.37		70.37	70.37	•••	70.37			
15.	Rajiv Gandhi Udyami Mitra Yojana	2851	2.00		2.00	0.90		0.90	1.00		1.00		•••	
16.	Development Commissioner (MSME)	2851		19.95	19.95		21.86	21.86		21.16	21.16			
17. 18.	Programmes	t	35.17 187.63	94.34	129.51 187.63	31.60 192.50	102.47 	134.07 192.50	32.10 184.50	95.45 	127.55 184.50			
	18.02 EAP Component	2851	5.03		5.03	97.00		97.00	40.00		40.00			
	Total- Infrastructure Development & Ca Building (Erstwhile MSME Clusters Dev Programmes and MSME Growth Poles)	relopment	192.66		192.66	289.50		289.50	224.50		224.50			
19.	Marketing Development Assistance Programme	2851	11.10		11.10	17.91		17.91	14.42		14.42			
20.	Upgradation of Database	2851	13.16		13.16	59.96		59.96	26.50		26.50			

(In crores of Runees)

												((In crores of F	Rupees)	
		Major	Actu	ual 2014-2015		Bud	get 2015-2016		Revi	sed 2015-2016	6	Budget 2016-2017			
		Head	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
		3601				0.02		0.02							
		3602				0.02		0.02							
		Total	13.16		13.16	60.00		60.00	26.50		26.50				
21.	Construction of Office Accommodation-Village and Small Industries	4059	6.68		6.68	9.50		9.50	9.30		9.30				
22.		2851				20.00		20.00	0.20		0.20				
Total-M Khadi 8	(Erstwhile National Innovation Fund) licro, Small and Medium Enterprises(I Village Industries	MSME)	958.62	114.29	1072.91	864.09	124.33	988.42	839.60	116.61	956.21			•••	
Kha	di and Village Industries Commission	1													
23.	Khadi and Village Industries Commiss	ion													
	23.01 Khadi Industries														
	23.01.01 Khadi Grant including MDA for Khadi	2851	177.23	221.95	399.18	131.26	201.98	333.24	131.26	228.98	360.24				
	23.01.02 Khadi (S&T)	2851				0.99		0.99	0.10		0.10				
	Total- Khadi Industries		177.23	221.95	399.18	132.25	201.98	334.23	131.36	228.98	360.34				
	23.02 Other Village Industries														
	23.02.01 VI Grant	2851	53.50	5.36	58.86	32.21		32.21	29.71		29.71				
	23.02.02 VI(S&T)	2851				0.99		0.99	0.10		0.10				
	Total- Other Village Industries	s	53.50	5.36	58.86	33.20		33.20	29.81		29.81				
	23.03 Janshree Bima Yojna for Khadi Artisans (Inclusive of New Component of Health Insurance)	2851				0.03		0.03							
	23.04 Development of	2851				0.03		0.03							
	Infrastructure and Skill set in KVI Sector (DISK) 23.05 Promotion of VI and	2851				0.03		0.03							
	Development of Existing Weak VI Institution (PROVIDE) (Inclusive of New Component for revival of weak VI Institutions)	2001				0.00		0.00							
	23.06 Market Promotion (Including Export Promotion) and Publicity (Inclusive of New Component of Marketing complexes / Plazas) and	2851	•••			0.03		0.03							
	Modified MDA 23.07 Khadi and VI (S & T) & Scheme for Promotion of Khadi as an Exclusive Heritage and Green Product(SPOKE)	2851				0.03		0.03							
	Total- Khadi and Village Industries Co.	mmission	230.73	227.31	458.04	165.60	201.98	367.58	161.17	228.98	390.15				

			Actu	ıal 2014-2015		Bud	get 2015-2016	s	Revi	sed 2015-2016			(In crores of R get 2016-2017	upees)
		Major Head	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
24.	Interest Subsidies							. 014			. • • • •			
	24.01 Khadi Industries	2851				0.10	21.25	21.35		10.12	10.12			
	24.02 Other Village Industries	2851				0.10	5.36	5.46		5.36	5.36			
	Total- Interest Subsidies					0.20	26.61	26.81		15.48	15.48			
25.	Interest Subsidy Eligibility Certificate	2851	38.32		38.32	40.07		40.07	40.07		40.07			
26.	for Khadi and Polyvastra Mahatma Gandhi Institute for Rural	2851	4.10	3.13	7.23	3.63	3.24	6.87	3.63	3.24	6.87			
27.	Industrialisation Scheme for Fund for Regeneration of Tr Industries (SFURTI - Khadi)	aditional												
	27.01 SFURTI - KVIC	2851												
	27.02 SFURTI	2851				45.00		45.00	32.78		32.78			
	27.03 Workshed Scheme for Khadi Artisans	2851	14.99		14.99	5.94		5.94	7.84		7.84			
	27.04 Scheme for enhancing Productivity &	2851												
	Competitiveness of Khadi Industries and Artisans 27.05 Strengthening of Infrastructure of existing weak khadi institutions and assistance for marketing infrastructure	2851	4.33		4.33	2.70		2.70	1.95		1.95			
	Total- Scheme for Fund for Regeneratio Traditional Industries (SFURTI - Khadi)	n of	19.32		19.32	53.64		53.64	42.57		42.57			
28.	Khadi Reform Development Package (ADB Assistance)	2851	28.00		28.00	59.85		59.85	59.85		59.85			
29.	India Innovation, Enterpreneurship	2851	5.00		5.00	180.00		180.00	96.00		96.00			
30.	and Agro-Industry Fund Loans to Khadi and Village Industries Commission	6851					0.50	0.50		0.25	0.25			
Total-Kl Prime N	hadi & Village Industries //inisters Employment Generation Progi	amme	325.47	230.44	555.91	502.99	232.33	735.32	403.29	247.95	651.24			
31. 32.	Prime Ministers' Employment Generation Programme Coir Industries	2851	1063.04		1063.04	938.63		938.63	1134.22		1134.22			
	32.01 Coir Board	6851		0.15	0.15		0.30	0.30		0.30	0.30			
	32.01.01 Coir Board Plan (S & T)	2851	5.30		5.30	2.70		2.70	2.70		2.70			
	32.01.02 Coir Board Plan	2851	29.27	26.45	55.72	23.78	26.45	50.23	16.55	23.65	40.20			
	(General) Total- Coir Board		34.57	26.60	61.17	26.48	26.75	53.23	19.25	23.95	43.20			
	32.02 Rejuvenation, Modernisation and Technology Upgradation of Coir Industry	2851	4.00		4.00	18.00		18.00	12.00		12.00			
	32.03 Scheme for Fund for Regeneration of Traditional Industries (SFURTI - COIR)	2851												

(In crores of Rupees) Actual 2014-2015 Budget 2015-2016 Revised 2015-2016 Budget 2016-2017 Major Head Plan Non-Plan Total Plan Non-Plan Total Plan Non-Plan Total Plan Non-Plan Total Total- Coir Industries 26.60 65.17 26.75 71.23 31.25 23.95 55.20 38.57 44.48 Provision for projects/schemes for the benefit of North Eastern Region and Sikkim Provision for projects/ schemes for the benefit of North Eastern Region and Sikkim 33.01 SME Division 2552 13.83 13.83 8.85 8.85 33.02 Rajiv Gandhi Udyami Mitra 2552 0.10 0.10 ... Yojana 33.03 Development Commissioner 2552 83.27 83.27 27.37 27.37 (MSME) 33.04 Khadi and Village Industries 2552 28.86 28.86 25.31 25.31 6552 Total 28.86 28.86 25.31 25.31 33.05 Prime Minister's Employment 2552 111.37 111.37 141.46 141.46 Generation Programme 33.06 India Innovation, 2552 20.00 20.00 5.00 5.00 Enterpreneurship and Agro-Industry Fund 33.07 Coir Industries 2552 4.89 4.89 3.65 3.65 Total- Provision for projects/ schemes for the 262.32 262.32 211.64 211.64 ... benefit of North Eastern Region and Sikkim Investments in Public Sector 4851 ... **Enterprises** 35. **Actual Recoveries** 2851 -1.13 -0.09 -1.22... ... **Grand Total** 2384.57 382.03 2766.60 2612.51 394.91 3007.42 2620.00 400.88 3020.88 3000.00 464.77 3464.77 Head of **Budget** Budget Budget Budget **IEBR IEBR IEBR IEBR** Total Total Total Total Dev Support Support Support Support B. Investment in Public Enterprises 1. National Small Industries 12851 519.86 519.86 430.00 430.00 430.00 430.00 439.00 439.00 Corporation Limited 519.86 519.86 430.00 430.00 430.00 430.00 439.00 439.00 Total C. Plan Outlay 1. Village and Small Industries 12851 2384.57 519.86 2904.43 2350.19 430.00 2780.19 2408.36 430.00 2838.36 2700.00 439.00 3139.00 22552 262.32 262.32 300.00 North Eastern Areas 211.64 211.64 300.00 ... 2384.57 519.86 2904.43 2612.51 430.00 3042.51 2620.00 430.00 3050.00 3000.00 439.00 3439.00 **Total**

Secretariat Economic Service: Provides for establishment related expenses etc. for the Ministry of Micro, Small and Medium Enterprises.

Development of Khadi, Village and Coir Industries
 Khadi Grant: (a) Under Khadi Grant budgetary head, an allocation for promotion and development of khadi.

⁽b) Workshed Scheme for Khadi Artisans

In order to facilitate and empower khadi spinners and weavers to chart out a sustainable path for growth, income generation and better work environment and to enable them to carry out their spinning and weaving work effectively Workshed Scheme for Khadi Artisans was introduced in 2008-09. Under this Scheme, financial assistance for construction of worksheds is provided to khadi artisans belonging to BPL category through the khadi institutions with which the khadi artisans are associated.

Assistance for construction of worksheds have been increased from ₹45,000/- to ₹60,000/- in case of Construction of individual workshed and from ₹30,000/- to ₹40,000/- in case of Construction of group workshed.

C. Strengthening infrastructure of existing weak Khadi institutions and assistance for marketing infrastructure:-

In order to facilitate the need-based support towards the Khadi sector for nursing the sick/problematic institutions elevated from D to C category as well as those whose production, sales and employment have been declining while they have potential to attain normalcy and to support creation of marketing infrastructure in other identified outlets, the scheme of Strengthening Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure has been formulated. Under this scheme, financial assistance has been provided to existing weak Khadi institutions for strengthening of their infrastructure and for renovation of selected khadi sales outlets.

- 2.2. **Village Industries (VI) Grant:** The budget provision under this sub-head is meant for promotion and development of village industries through technology upgradation and appropriate IT support, allocation for development of new products, designs and better packaging for VI products, undertaking Human Resource Development through upgradation of existing training centres of KVIC/KVIBs and institutions affiliated to KVIC/KVIBs, providing Common Facilities etc.
- 2.3. **Khadi, VI and Coir (S&T):** This sub-head provides budgetary allocation for incurring expenditure on various R&D activities being undertaken by KVIC for Khadi and Village Industries.

The funds under this head are utilized for the Research & Development activities of the Coir Board which are carried out through its Research Institutes. In the Science and Technology projects undertaken by Coir Board, emphasis is given on process improvement in the extraction of fibre, pollution free retting process, reduction in the period of retting, modernisation of production infrastructure, product development, product diversification etc. These projects will demonstrate possibility of reducing drudgery in work, improving the quality of Coir products and introducing new products/processes.

2.4. Khadi Reform & Development Programme (ADB Assistance): Department of Economic Affairs, Ministry of Finance has tied up financial aid from Asian Development Bank (ADB) amounting to US\$150 million over a period of three years for implementing a comprehensive Khadi Reform Programme worked out in consultation with ADB and KVIC. Under this Reform Package, it is proposed to revitalize the Khadi sector with enhanced sustainability of Khadi, increased incomes and employment to artisans, increased artisans welfare and to enable KVIC to stand on its own with gradually decreasing dependence on Government Grants. Initially, the programme will be implemented in 300 khadi institutions keeping in mind the needs of regional balance, geographical spread and inclusion of backward areas.

A KVI Programme has also been launched in the Hill, Border & Left Wing Extremism (LWE) affected areas in respect of 100 institutions with financial assistance amounting to ₹76 crores i.e. ₹76 lakh/institution under KRDP, in which relaxation has been given in criteria of selection of institutions and in minimum number of artisans associated with the institutions of Hill, Border & LWE affected areas.

2.5. **Market Promotion and Development Assistance scheme (MPDA):** The MDA scheme of KVIC has been modified as Market Promotion and Development Assistance scheme (MPDA). MPDA scheme is formulated as a unified scheme by merging different schemes/subschemes/components of different Heads implemented in the 11th Plan, namely, Market Development Assistance, Publicity, Marketing and Market promotion. A new component of Infrastructure namely setting up of Marketing Complexes/ Khadi Plazas has been added to expand the marketing net worth of Khadi & VI products.

Under the erstwhile MDA scheme financial assistance was distributed amongst Producing Institutions (30%), Selling Institutions (45%) and Artisans (25%). Under the modified MPDA scheme financial assistance is distributed amongst Producing Institutions (20%), Selling Institutions (40%) and Artisans (40%). This will lead to increase in the earnings of artisans.

- 2.6. Scheme of Fund for Regeneration of Traditional Industries (SFURTI): Government, in the Union Budget for 2013-14, has announced setting up of 800 clusters of Khadi, Village Industries and Coir during XII Plan with an outlay of ₹850.00 crore to cover around 4 lakh artisans. Ministry of MSME under Phase-I has approval to set up 71 clusters (including coir) Mini-59, Major-10 & Heritage-2 with coverage of 44500 artisans (approx.) with an outlay of ₹149.44 crore. Ministry has approved 67 clusters with a cost of ₹22.44 crore benefiting around 40000 artisans.
- 2.7. **Coir Vikas Yojana:** The Coir Board, a statutory body established under the Coir Industry Act, 1953 takes up many activities for promoting overall development of the coir industry and improving the living condition of the workers engaged in this traditional industry. The activities include undertaking scientific, technological and economic research and development activities; developing new products & designs; and marketing of coir and coir products in India and abroad.
- 2.8. **Coir Udyami Yojana:** The Ministry through Coir Board is implementing a central sector Scheme of Rejuvenation, Modernization and Technology Upgradation of Coir Industry (REMOT). Under this scheme, financial assistance is provided for replacement of outdated ratts/looms and for construction of worksheds so as to increase productivity/production and earnings of workers. The ceiling limit for setting up of coir units under this scheme has been increased (from ₹ 80,000/- in spinning sector and ₹ 2 lakh in tiny/household sector) to ₹ 10 lakh. The pattern of financial assistance under the scheme is 40% as Govt. of India grants, 55% as loan from Banks and 5% as beneficiary contribution for setting up of coir units with project cost upto ₹ 10 lakh. The scheme has been renamed as Coir Udyami Yojana(CUY) vide order dated 31.12.2014.
- 3.. Technology Upgradation and Quality Certification 3.01 A Scheme For Promotion of Innovation, Rural Industry & Entrepreneurship (ASPIRE): The Ministry of Micro, Small & Medium Enterprises has launched a new scheme namely, ASPIRE (A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship) on 18.3.2015 to accelerate entrepreneurship and to promote start-ups for innovation and entrepreneurship in agro-industry. Under ASPIRE, 80 Livelihood Business Incubation (LBI) centres are to be set up in which a total of 104000 incubates will be trained and 30 (10 new & 20 existing) Technology Business Incubation (TBI) centres

will be supported and setup. A Fund of Funds has been created under SIDBI for start-ups and ₹ 60 crore released for operationalizing the fund.

- 3.02. **National Manufacturing Competitiveness Programme (NMCP):** The programme covers Credit Linked Capital Subsidy Schemes, ISO 9000/14001 reimbursement schemes, ZED Maturity Model (ZMM), schemes of National Manufacturing Competitiveness Programme (six Schemes) viz. Lean Manufacturing Scheme, Promotion of ICT Tools, Quality Management Standards and Quality Technology Tools, Technology Upgradation Quality Certification (TEQUP), Incubation Centre, Intellectual Property Rights (IPR) and Bar Code.
- 4.01. **Prime Ministers Employment Generation Programme (PMEGP):** A credit linked subsidy scheme titled Prime Ministers Employment Generation Programme(PMEGP) was launched in 2008-09 through merger of the erstwhile schemes of Prime Ministers Rozgar Yojana (PMRY) and Rural Employment Generation Programme (REGP). PMEGP is aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth. General category beneficiaries can avail of margin money subsidy of 25 % of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to special categories such as scheduled caste/scheduled tribe /women the margin money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of projects is ₹25 lakh in the manufacturing sector and ₹10 lakh in the service sector.

Since 2008-09 to 2015-16 (upto 31.12.2015), 3.52 lakh units have been set up creating employment opportunities to an estimated 30.04 lakh persons with involvement of ₹ 6973.00 crore margin money subsidy. ₹1050 crore was earmarked in BE 2015-16 and has been enhanced to ₹ 1275.68 in RE 2015-16 under this scheme. ₹8060 crore has been allocated in 12th Plan for PMFGP.

- 4.02. Interest Subsidy Eligibility Certificate for Khadi and Polyvastra (ISEC):: ISEC scheme is the major source of funding for Khadi programme introduced in May 1977 to mobilize funds from banking institutions to fill the gap in the actual fund requirement and its availability from budgetary sources. Under the ISEC Scheme, credit at the concessional rate of interest is made available as per the requirement of the institutions. The institution is required to pay only 4%. Any interest charged by banks over 4% will be paid by Central Government through KVIC. All khadi institutions registered with the KVIC/State Khadi and Village Industries Boards (KVIBs) can avail of financing under the ISEC scheme.
- 4.03. **Credit Support Programme:** This Programme cover two schemes namely Credit Guarantee Scheme and India Inclusive Innovation Fund. The Credit Guarantee Scheme for Micro Small and Enterprises is operational and through this scheme, the guarantee cover is provided for collateral free credit facility extended by Member Lending Institutions (MLIs) to the new as well as existing Micro and Small enterprises on loans up to ₹ 100 lakh. In another component of Portfolio Risk Fund (PRF) under this programme, Government of India provides funds for Micro Finance Programme to SIDBI is used for security deposit requirement of the loan amount from the MFIs/NGOs.
- 4.04. **India Inclusive Innovation Fund:** The India Inclusive Innovation Fund Ministry of MSME has proposed to set up a dedicated fund in the name of India Inclusive Innovation Fund for promoting grass-root innovations with social returns as well as modest economic returns. The fund would operate as a for-profit entity with a social investment focus. The India Inclusive Innovation Fund would back enterprises developing innovative solutions preliminarily for citizens who lie in the lower half

of India s economic pyramid, with a limited physical and institutional access to basic services. The total corpus of this fund is proposed to be an initial size of₹ 500 crore and maximum size of₹ 5,000 crore with initial GOI contribution of ₹ 100.00 crore. The cabinet has approved the setting up of the India Inclusive Innovation Fund.

- 4.05. **Performance and Credit Rating Scheme:** The scheme is being implemented through National Small Industries Corporation Limited (NSIC), a PSU under this Ministry. Under this scheme, Micro and Small enterprises are subsidized by the Government to the extent of 75% (upto a maximum of ₹ 40000) for getting themselves rated for performance as well as creditworthiness by one of the empanelled accredited credit rating agency.
- 5. Marketing Promotional Scheme 5.01 Marketing Development Programme (MDA): For successful international marketing of products in the retail market bar coding is an essential requirement. To promote adoption of bar coding of products by micro and small enterprise (MSEs) a scheme of reimbursement of 75% of one time registration cost for bar coding is operational for MSEs. To encourage MSEs to adopt the practice of Bar Coding on a larger Scale. 75% of the annual fees (recurring) charged by GSI India is also reimbursed as Subsidy for the first three years. The schemes includes financial assistance to enable MSEs to obtain product patents. MSEs are also encouraged to participate in international fairs. Various training programmes are also organized in packaging for exports. It also includes Vendor Development Programme for Ancillarisation Support for entrepreneurial and Management Development of MSMEs, Marketing.
- 5.02. **Marketing Assistance Scheme:** The scheme is being implemented through National Small Industries Corporation Limited (NSIC), a PSU under this Ministry. Under this scheme, MSMEs are provided support to market their products in the domestic as well as international markets by way of organizing/participating in various domestic & international exhibitions/trade fairs, buyer seller meets, intensive-campaigns & other marketing events.
- 5.03. **International Cooperation Scheme:** International cooperation also known as Promoting International Cooperation among Micro, Small and Medium Enterprises (MSMEs). It aims to promote International cooperation between Indian MSMEs and enterprises abroad with a view to technology infusion and/or Upgradation of Indian Micro, Small and Medium Enterprises, their modernization and promotion of exports.
- 6. Entrepreneurship and Skill Development 6.01 Mahatma Gandhi Institute for Rural Industrialization (MGIRI): Mahatma Gandhi Institute for Rural Industrialization has been established in 2001 by revamping the Jamnalal Bajaj Central Research Institute, Wardha. The objective of MGIRI is to accelerate the process of Rural Industrialization in the Country along the lines of Gandhian vision of sustainable and self-reliant village economy and to provide S&T support to upgrade products of rural industry so that they gain wide acceptability in local and global markets.

The activities of MGIRI are being carried out by its six Divisions each headed by a Senior Scientists/ Technologist.

(i) Chemical Industries Division: The main focus of this division is to promote quality consciousness and consistency in the area of food processing, organic foods and other products of rural chemical industries. It also provides a comprehensive quality testing support and is working towards developing field worthy kits, techniques and technologies to facilitate the cottage and small scale units in this area.

- (ii) Khadi and Textiles Division: The activities mainly carried out by this division are to improve the productivity, value addition and quality of products manufactured in khadi institutions by introducing new technologies and by providing quality assurance support. It also works towards facilitating eco-friendly products and methods.
- (iii) Bio-processing and Herbal Division: This division of MGIRI prepares technology package and simple quality assurance methods to facilitate production and utilization of organic manures, bio-fertilizers and bio-pesticides to promote rural entrepreneurs. This section is also making efforts to develop new formulations using Panchagavya and their quality assurance procedures and facilities.
- (iv) Rural Energy and Infrastructure Division: This division has been mandated to develop user-friendly and cost-effective technologies utilizing commonly available renewable resources of energy to facilitate rural industries and also to carry out audit of traditional rural industries so as to make them energy efficient.
- (v) Rural Crafts and Engineering Division: This Division is to help upgrade the skills, creativity and productivity of rural artisans and encourage value-addition and improve the quality of their products.
- (vi) Management & Systems Division: This division provides information and communication technology based solutions for rural industries with a view to enhance their global competitiveness.
- 6.02. **Promotional Services Institutions and Programme:** Office of DC (MSME) provides training to its officers under DC (MSME) Officers Training Programme. Management Development Programme Entrepreneurship Development Programme (NDP, EDP) Skill, Provision for Workshop/training and MSME-Dis are also covered under this programme. The programme also covers Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme for Women under which assistance is provided for economic empowerment of women through development of their entrepreneurial skills in non-faming activates.
- 6.03. **Assistance to Training Institutions:** Funds are provided under the Scheme of Assistance to Training Institutions (ATI) to the three national institutes viz. National Institute of Micro, Small and Medium enterprises (Ni-MSME) at Hyderabad. National Institute for Entrepreneurship (IIE), Guwahati and National Small Industries Corporation (NSIC). New Delhi and Central Tool Room, Ludhiana for carrying out Entrepreneurship-cum-Skill Development Programmes (ESDPs)/entrepreneurship Development Programme (EDPs) across the country Under this Scheme, Assistance is also provided for establishment of new EDIs and for strengthening of existing EDIs.
- 6.04. Rajiv Gandhi Udyami Mitra Yojana (RGUMY): The objective of Rajiv Gandhi Udyami Mitra Yojana (RGUMY) is to provide information, support, guidance and assistance to first generation entrepreneurs as well as other existing entrepreneurs through an Udyami Helpline (a Call Centre for MSMEs on toll-free number 1800-180-6763), to guide them regarding various promotional schemes of the Government, procedural formalities required for setting up and running of the enterprise and not function of a Helpline.
- 7. Infrastructure Development Programme 7.01 Infrastructure Development and Capacity Building: MSME Cluster Development Programme is one of the important schemes of the Office of DC (MSME). Special emphasis has been accorded to comprehensive development of clusters.

Infrastructural support has also been added under this programme with externally aided project funding. Association of women entrepreneurs will be assisted under the Cluster Development Programme in establishing exhibition ventral places for display and sale of products made by women owned MSEs. The other component of this programme is Technology Centre Systems Programme and MSMETCs/TSs

- 7.03. **Construction of Office Accommodation:** provides for construction Office Accommodation for field Offices.
- 8. Research and Evaluation Studies 8.01 Upgradation of Data Base: Collection of statistics and information through annual surveys and quinquennial census, in respect of number of units, employment rate of growth, share of GDP/value of production, extent of Sickness/closure and exports of micro, small and medium enterprises are collected under this Programme. Under the Scheme, data on women owned and/or managed enterprises will also be collected. National Award (Entrepreneur & Quality), DC(MSME) Library, Small Enterprises information and Resources Network Project (SENET), Publicity & Exhibition and Advertising & Publicity are the other components of the Programme. MSME Testing Centre and MSME Testing Stations (TSs) provide testing facilities to Micro Small and Medium Enterprise.
- 8.02. **Survey, Studies and Policy Research:** The main objectives of the Scheme are to regularly/periodically collect relevant and reliable data on various aspects and features of MSMEs, to study and analyze, on the basis of empirical data or otherwise, the constraints and challenges faced by MSMEs as well as the opportunities available to them in the context of liberalization and globalization of the economy, and to use the results of these surveys and analytical studies for policy research and designing appropriate strategies and measures of intervention by the Government.
- 9. **Development Commissioner (MSME):** The Office of Development Commissioner (MSME) is the nodal body for formulating, coordinating and monitoring policies and programmes for promotion and development of micro, small and medium enterprises in the country. Development Commissioner maintains close liaison with the Central Ministries, Planning Commission, State Government, Financial Institutions, Voluntary Organisations and other organizations concerned with the development of the sector. Provision is for establishment related expenses of Headquarter DC (MSME).