



Year End Review- 2021 Ministry of Micro, Small & Medium Enterprises

Initiatives under AtmaNirbhar Bharat for assistance to MSME Sector

Self Reliant India (SRI) FUND as growth capital in the form of equity or quasiequity, for enhancing equity / equity like financing to MSMEs

Including Retail and Wholesale trades as MSMEs

World's largest Monumental National Flag of Khadi Fabric to celebrate "Azadi ka Amrit Mahotsav"

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The Ministry of Micro, Small and Medium Enterprises (MSME) has undertaken several path-breaking/important initiatives during the year 2021. The following details provide a glimpse of various initiatives of the Ministry during 2021:

#### 1. Atmanirbhar Bharat Initiatives:

i) Distressed Assets Fund -Subordinate Debt for stressed MSMEs- Credit Guarantee Scheme- Subordinate Debt (CGSSD):

The Scheme was launched on 24.06.2020 and it has been extended till 31.03.2022. During the period of January, 2021 to November, 2021, guarantee to 537 borrowers amounting to Rs. 59.98 crore have been released.

ii) Fund of Funds Scheme for MSMEs: Self Reliant India (SRI) FUND

- a) SRI Fund is a Category-II Alternative Investment Fund registered with SEBI with Mother Fund / Daughter Fund structure. The Government of India is the sole anchor investor with the initial budgetary support of Rs. 10,000 crore to the mother fund in phased manner. This shall stand leverage to the extent of Rs. 50,000 crores through Daughter Funds. For anchoring the Mother Fund, NSIC Venture Capital Fund Limited (NVCFL), subsidiary of The National Small Industries Corporation Limited (NSIC) has been incorporated under the Companies Act 2013.
- b) NVCFL has been registered as a Category II Alternative Investment Fund and the Private Placement Memorandum of SRI Fund has been approved. Contribution Agreement, duly vetted by the Department of Legal Affairs, Ministry of Law & Justice was executed by the Anchor Investor (M/o MSME, Government of India), Sponsor (NSIC), AIF Company (NVCFL) and the Investment Manager (SBICAP Ventures Limited), in the presence of the Hon"ble Minister of MSME, Hon"ble Minister of State for MSME and Secretary MSME.
- c) Within 3 months of signing of the Contribution Agreement, Rs. 2,640 crore (representing 26.38% of the total Fund corpus) has been committed. By the end of FY2021-22, it is expected another Rs. 500 crore worth of commitments will be provided. However, deployment of Funds will be in phases as per demand raised by the empanelled Daughter Funds.

#### **Benefits**

- a) To provide funding support to the MSMEs through the Daughter Funds, as growth capital in the form of equity or quasi-equity, for enhancing equity / equity like financing to MSMEs, listing of MSMEs on Stock Exchanges and supporting faster growth of MSME Businesses and thereby ignite the economy and create employment opportunities.
- b) supporting enterprises which have the potential to graduate beyond the MSME bracket and become National / International champions; and
- c) supporting MSMEs in making India self-reliant by producing relevant technologies, goods and services.
- d) The fund shall be dispersed through daughter funds across the Nation to all MSMEs as defined in MSMED Act.

## 2. Policy Initiatives:

#### a) Udyam Registration (UR) Portal:

It provides faceless, fully online, paperless and transparent MSME registration process fully integrated with Income Tax and GSTIN systems. Total MSMEs Registered on Udyam Registration Portal during the period from 01.01.2021 to 31.10.2021 is 38,78,748.

b) Exemption from requirement of having GSTIN

This Ministry, wide notification No. S.O.1055(E) dated 05.03.2021, has notified that the exemption from the requirement of having GSTIN shall be as per the provisions of the Central Goods and Services Tax Act, 2017 (12 of 2017), which will let more and more MSMEs to register on Udyam Registration portal.

c) Inclusion of Retail and Wholesale Trade:

With effect from 2<sup>nd</sup> July, 2021, the Government has included Retail and Wholesale trades as MSMEs. They are allowed to be registered on Udyam Registration Portal. Benefits to them are restricted to Priority Sector Lending only.

· Inclusion of Urban Street Vendors in MSME Category:

With effect from 2<sup>nd</sup>. August. 2021, the Government has included Street Vendors as Retail Trades as MSMEs. They are allowed to be registered on Udyam Registration Portal. Benefits to them are restricted to Priority Sector Lending only.

#### d) SAMADHAAN Portal for delayed payments:

A special sub-portal within SAMADHAAN portal (https://samadhaan.msme.gov.in/) an online reporting system developed for reporting the dues and monthly payments by GOI Ministries and CPSEs to the MSMEs was launched on 14" June, 2020. Dues of Rs. 50,438.59 crore have been paid to the MSME vendors by Government Ministries/Departments/CPSUs during the period from 01.01.2021 to 31.10.2021.

#### 3. MSME Champions:

MSME Champions scheme has been formulated through Standing Finance Committee (SFC) by merging all 6 components of erstwhile Technology Upgradation Scheme (TUS). It is a Holistic Approach to unify, synergize and converge various schemes and Interventions with a single purpose. The end objective is to pick up clusters and enterprises and modernize their processes, reduce wastages, sharpen business competitiveness and facilitate their National and Global reach and excellence. There are 3 components under the new MSME Champions scheme, the details of which are as below:

- a. MSME-Sustainable (ZED)
- b. MSME-Competitive (LEAN)
- c. MSME-Innovative (for Incubation, IPR, Design and Digital MSME)

#### The Digital MSME will be interlinked with all the other components of the MSME Champions Scheme.

The details on the objectives and achievements in MSME Champions Scheme (erstwhile CLCS-TUS comprising six components ZED, Lean, Incubator, Design, IPR, & Digital MSME) are as follows:

Brief Achievements of MSME Champions Scheme (erstwhile CLCS-TUS) for the period (January, 2021 to October/November, 2021)

S. No	Name of the Scheme	Description	Who can apply/ How to Apply	Achievements (January, 2021 to November, 2021)
1.	MSME- Sustainable (ZED)	MSME Sustainable (ZED) Certification is an extensive drive to	Udyam Registered manufacturin	23948 nos. of MSMEs registered under ZED scheme
		create awareness	g MSMEs.	since inception.

amongst MSMEs about Zero Defect Zero Effect (ZED) practices and motivate and incentivize them ZED for Certification while also encouraging them to become **MSME** Champions. Through the journey of ZED Certification, MSMEs can reduce wastages substantially, increase productivity, enhance environmental consciousness, save energy, optimally use natural resources, expand their markets, etc. MSMEs will also be motivated to adopt best practices in work culture, standardization of products, processes and systems etc. in order to enhance their global competitiveness and sustainability. The ZED Certification aims enhancing the competitiveness of an MSME by assessment, modification through guidance, handholding, managerial and technological intervention – not just certification.

503 MSMEs has been rated under the scheme.

2.	MSME-	MSME Competitive	Udyam	In 267 clusters
	Competitive (LEAN)	(LEAN) Scheme is for	Registered manufacturin	(2500 MSMEs
		enhancing the		approx.) the Scheme

		competitiveness of  MSME Sectors through implementation of Lean Tools and Techniques. Lean Tools and Techniques are a tested and proven  methodology for improving the competitiveness of MSME sector.	g MSMEs.	has been implemented throughout the country by QCI and NPC.  Reduction in waste and savings through Lean Manufacturing: 5- 10%
3.	MSME- Innovative (Incubation, IPR, Design and Digital MSME) SME- Innovative (for Incubation, IPR, Design and Digital MSME)	MSME Innovative is a  new concept for MSMEs with a  combination of  innovation in  incubation, design intervention and by protecting IPR in a single mode approach to create awareness amongst MSMEs about India"s innovation and motivate them to	(i) Incubation: Udyam Registered manufacturin g MSMEs/Othe rs To apply: https:// my.msme.gov .in/inc/	Host Institutes (HIs) approved: 39 nos.  Ideas approved: 87 nos.
		become MSME  Champions. This will act as a hub for innovation activities facilitating and guiding development of ideas into viable business proposition that can benefit society directly and can be marketed successfully.  "Digital MSME" Scheme is to make MSMEs digitally empowered and motivate them to adopt digital tools, applications and	(ii) Design: Udyam Registered manufacturin g MSMEs  MSMEs can submit their proposal to Implementing Agency (IA) as per scheme Guideline.  The scheme guideline is available at:  For more details: http:// www.dcmsme	No. of Professional Design /Student Projects approved: 47  22 nos. of Toy Design Projects approved under the scheme.  Ministry has signed 20 MoUs with IITs/NITs for implementation of Design Scheme



technologies in their  production & business processes with a view to improve their competitiveness  in domestic and global markets.	.gov.in/schemes/Design- Guidelines- CLCS-TUS- 2019- 2020.pdf	
	(iii)  IPR: Register ed manufacturing MSMEs  To  apply: https:// my.msme.gov .in/MyMsme/ Reg/COM_IprReim.aspx	No. of IP Facilitation Centres approved: 28 No. of Reimbursement for Patent/Trademark/ GIs reimbursed: 105.
	(iv) Digital MSME: Udyam Registered manufacturing MSMEs	29 nos. of  Awareness programmes/ workshops were organized all over the country.

# New Initiatives:

(a) Ministry of MSME, UNIDO, Global Environment Fund (GEF) -5 Project on "Promoting Market Transformation for Energy Efficiency in MSMEs.

# **Background:**

The project intends to develop and promote market environment for MSMEs by introducing energy efficient technologies and enhancing the use of identified technologies in the clusters. The programme focuses on ten clusters from seven sectors (Pulp & Paper, Textile, Food Processing, Pharma, Chemical & Dye, Foundry & Forging, Iron & Steel). The project is under GEF programmatic framework for energy efficiency in India and includes United Nations Industrial Development Organization (UNIDO) as the Implementing Agency (IA) and Ministry of MSME as the Lead Executing Agency (EA). The key executing partner for the project is Energy Efficiency Services Ltd (EESL). Small Industrial Development Bank of India (SIDBI) and Bureau of Energy Efficiency (BEE) are the guiding agencies for the project.

## Objective:

The project specific objectives are as follows:

- a) promote implementation of energy efficiency in the MSME sector;
- b) create and sustain a mechanism that would ensure replication of energy efficiency measures in the sector;
- c) create a revolving fund by apportioning a part of the revenues from the aggregator (EESL) that would sustain the activities beyond the life of this project; and
- d) to address the identified barriers for scaling-up energy efficiency measures and consequently promote a cleaner and more competitive MSME industry in India.

#### **Energy Saving Target:**

The project is expected to result directly 956,183.80 GJ of energy savings per year, with lifetime investment for 10 years, as a result of saving of 9,561,838 GJ energy. There will be a target of reduction of 86,000 Tonnes of CO2 emission per year.

#### **Achievement:**

- i. 740 surveys, 100 baseline studies and 90 detailed energy audits have been completed in 10 clusters.
- ii. 110 MSME units directly benefitted through MSME technology manufacturers and technology suppliers under 19 technologies. 35 technical workshops have been organized in which 2500 MSME personnel benefitted in capacity building till October 2021.
- iii. 470 MSME units will be directly benefitted by adoption of 35 energy efficient technologies. So far, due to this intervention, around 50 MSME units have implemented these energy efficient technologies in their units.
- iv. The project is also in the process of developing and training 100 local service providers (LSPs) related to those energy efficient technologies
- v. It is on the path of creating an investment opportunity to the tune of 150 mn USD.
- vi. So far, 17 technologies have been implemented in 31 MSME Units at the identified clusters which has resulted into a reduction of 3585.21 tonnes of CO2 and allied energy savings of 697.906 MWh of Electricity, 1203.7 tonnes of Coal, 234 MT/y of Furnace Oil and 25039 KL of Water, 98512 SCM/Y of Natural Gas and 321 Tonnes of Material per year. This in terms of monetary value can be accounted to the tune of Rs. 155.66 Lakh per year.
- (b) Single Use Plastic (SUP): Ministry of Environment, Forest & Climate Change had issued a notification in the Gazette of India vide G.S.R. 571(E) on 12th August 2021 for amending Plastic Waste Management Rules, 2016, inter alia prohibiting the use of identified single use plastic items by

2022. Considering the adverse impacts of littered plastic waste on both terrestrial and aquatic ecosystems, Ministry of MSME is actively supporting the Implementation of Plastic Waste Management Rule-2016 and its amendment in the year 2018 & 2021 including phasing out of notified single use plastic items across the MSMEs. The details of the few actions taken are as below:

- i. Ministry of MSME has done consultation with stakeholders for addressing the issues faced by them.
- ii. In order to achieve greater scale and coverage conducted more than 50 awareness programmes across clusters, units, associations etc.
- iii. Based on the consultation/suggestions emerged from the stakeholders, MoEFCC, industry associations, experts, MSME Officials, a comprehensive action plan is prepared for assisting MSMEs through various schemes of this Ministry w.r.t. technology up gradation, creating awareness, marketing supports, infrastructural support and for adopting alternatives to SUP etc.
- iv. An O.M dated 14.09.2021 has been issued by the Ministry of MSME for banning of notified Single Use plastic items (SUP) w.e.f 30th September, 2021 for its uses/purchase in the Ministry of MSME itself as well as attached/subordinate offices under the administrative control of this Ministry.
- v. Four exhibitions in metro cities are planned to showcase the alternatives of SUP.
- **(c) Hydrogen As a Fuel For MSMEs:** Under National Hydrogen Mission and the vision of Prime Minister, this Ministry has taken a lead to explore the possibility of the feasibility of using Hydrogen as a fuel by MSMEs in their manufacturing process.
- · A Task Force has been constituted under the Chairmanship of Joint Secretary (AFI), Ministry of MSME to explore the possibility of utilization of Hydrogen as a Fuel in Glass & Ceramic Sector/MSMEs.
- ·In this connection, it is decided to conduct feasibility study during the first meeting of the Task Force, Centre for Development of Glass & Ceramic (CDGI) Firozabad under Ministry of MSME has been assigned for demonstration of Pilot project for usage of Hydrogen fuel in consultation with Bureau of Energy Efficiency (BEE) and Energy Efficiency Service Limited (EESL). Other initiative regarding utilization of hydrogen is under process.

## 4. Prime Minister's Employment Generation Programme (PMEGP):

- · PMEGP is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro- enterprises in the non-farm sector by assisting traditional artisans and unemployed youth in rural as well as urban areas. Khadi and Village Industries Commission (KVIC) is the nodal agency at the national level. At the State/district level, State offices of KVIC, Coir Board, KVIBs and District Industry Centers (DIC) are the implementing agencies.
- · PMEGP was launched in 2008-09, a total of about 7.23 lakh micro enterprises have been assisted with a margin money subsidy of Rs 17,542 crore providing employment to an estimated 59 lakh persons since inception till 30.11.2021. About 80% of the units assisted are in rural areas and about 50% units are owned by SC, ST and women categories.
- ·During the period January 2021 to 30<sup>th</sup> November 2021, 85030 micro enterprises have been assisted with margin money subsidy of Rs. 2512.95 crore generating employment for about 6.80 lakh persons.

#### **Recent initiatives:-**

- · Scheme process has been simplified by discontinuing the role of District Level Task Force Committee (DLTFC) in selection of applications, to speed up selection and setting of units under PMEGP on Score Card model.
- ·Provision is made for engaging marketing and technical experts in all States for providing handholding and mentoring to PMEGP beneficiaries.
- · Online Entrepreneurship Development Programme (EDP) training portal has been introduced and beneficiaries are being encouraged to take on-line EDP training in prevailing Covid19 conditions.
- · Diversification of products by PMEGP units has been permitted to increase the economic viability of the units according to market needs and the prevailing Covid19 circumstances.
- · A geo-tagging portal namely www.geotag.kvic.gov.in is prepared and is being put into operation. All the micro-enterprises setup under PMEGP will be Geo-mapped, facilitating easy location and monitoring of units.

#### 5. Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE):

During the period January 2021 to 30<sup>th.</sup> November ,2021, a total of 7,53,321 guarantees have been approved, involving an amount of Rs. 43,474.28 crore approximately.

#### 6. Interest Subvention Scheme for Incremental Credit to MSMEs- 2018:

During the period January 2021 to 30th November 2021, a total of 92517 borrowers have been benefited by releasing an amount of Rs. 210.71 crore approximately. The scheme was in force till 31.03.2021.

#### 7. Cluster Development Programme

- · 54 New projects with total project cost of Rs. 690.19 crore and GoI grant of Rs. 431.93 crore have been given final approval during the period January 2021 to December 2021. Out of these approved projects, 23 projects are for setting up of Common Facility Centers (CFCs) in the State of Andhra Pradesh, Goa, Haryana, Kerala, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Punjab, and Tamil Nadu. The remaining 31 projects are for Infrastructure Development (ID) of Industrial Estates / Flatted Factory Complexes in the State of Andhra Pradesh, Assam, Himachal Pradesh, Jammu & Kashmir, Kerala, Madhya Pradesh, Manipur, Odisha, Telangana and Uttar Pradesh.
- · 5 CFC projects have been completed during the period January 2021 to December 2021. The CFCs which have been set up are Footwear Cluster, Bahadurgarh, Jhajjar, Haryana, Modern Carpet Cluster, Bhadohi, Uttar Pradesh, Puffed Rice Cluster, Chitra Durga, Karnataka, Gota loom Cluster, Ajmer, Rajasthan and Readymade Garment Cluster, Bareilly, Uttar Pradesh. 2 Infrastructure Development (ID) Projects have also been commissioned.

#### 8. SFURTI Clusters:

·Under the Scheme of Funds for Regeneration of Traditional Industries (SFURTI), from the year 2015 to 30<sup>th</sup> November 2021, 434 clusters have been approved with GoI grant worth Rs. 1106 crore that will benefit about 2.50 lakh artisans. 77 of these clusters are approved in North Eastern Region. 152 of 434 clusters are functional, out of which 96 became functional in 2020-21

· During the period January 2021 to November 2021, 103 SFURTI cluster proposals have been approved.

# 9. Technology Centers/Tool Rooms:

ACHIEVEMENTS /INITIATIVES OF THE OFFICE OF DC (MSME) DURING

FY 2020-21 (during 1<sup>st</sup> Jan 2021 to 25 Nov. 2021)

Name of the Scheme

Tool Room & Technical Institutions (TRs & TIs)

Highlights of the Achievements made during 1st Jan.2021 To 25 Nov. 2021.:

(A) Physical Performance for the duration: -

#### **Achievement**

Trainees trained : 134083

Unit assisted : 26671

- (B) Few of the Major achievements of 18 Technology Centre (TCs)/ Tool Room & Technical Institutions (Including Import Substitute or assistance in development of Import Substitute, Export assistance & Patent Approval)
  - · CTTC Bhubaneswar has manufactured following parts/component: -
- (i) Lubrication pump parts, Emergency shut off valve and Engine fuel control system, components of Kaveri Engine for Gas Turbine Research Establishment (GTRE), Defence Research and Development Organization (DRDO), Ministry of Defence.
- (ii) NOZZLE assembly (**import substitute**, being imported from UK and France) for M/s WashMatic Systems (P) Ltd., Kolkata. The cost of item has been reduced from Rs. 5000/- to Rs. 1000/-.
  - · IDEMI Mumbai has exported Single Station Piercing Tool used for packing work to M/s National Heaters Ind. Co. LLC., Sultanate of Oman in Middle East.
  - · Indo Danish Tool Room (IDTR), Jamshedpur has developed & manufactured following Parts:

- (i) A precision component "Grip Jaw" **(an import substitute)** through reverse engineering which is used in clamping of sheets in Steel Rolling Mill. This item is manufactured for M/s. Automotive India, Kolkata, an MSME.
- (ii) Auto coupler male & female assembly through reverse engineering for perching Nitrogen gas into the molten material in Tata Steel Jamshedpur. It is **an import substitute** (being imported from Germany).
- (iii) 42 nos. tools which are used in manufacturing of Russian made 7.62mm PKT Machine Gun Bullet Loader Mechanism (**Import Substitute**) for Ordnance Factor y, Dumdum.
- · CTR Ludhiana has developed pressure die casting die (an import substitute, being imported China) for a MSME unit, M/s Deepak International Ltd, Kangra (H.P). The component is for battery of Electric vehicle.
- · CTR Ludhiana has completed machining of axle shaft order of 400 nos. for M/s BBN Overseas Pvt. Ltd. (an export-oriented Unit), Ludhiana. Items to be **exported to Italy**.
- ·CFTI Agra has developed 80 new styles of Infant shoes and its pattern in its Shoe Design Studio for 02 **export-oriented** Unit in Agra. The scope of work includes Last Scanning, 3D Software Virtual Designing, Range building etc.
- · IGTR Aurangabad has manufactured High Pressure Die Casting Dies of 900 Ton for KTM Crank Case RH component. KTM Crank Case RH component is an Engine part of 200cc KTM bikes (Bike are **exported** to America, China, Brazil, European countries).
- ·Central Institute of Tool Design (CITD) Hyderabad along with M/s standard Fireworks Private Limited has been granted a **Patent No. 376805 on 09.09.2021** for innovating "Automatic Machine for the Production of Conical Shaped Fireworks" in Fireworks Industries.

# Fight against Covid 19:-

For Covid-19 related MSME TCs have developed, manufactured various components /products and shared these with MSMEs for domestic/indigenous production and marketing.

CTTC Bhubaneswar has developed first prototype of Oxygen Generator (**PRANAVAYU**) with the technology support by CSIR- Central Mechanical Engineering Research Institute, Durgapur. The oxygen flow rate will be 5-10 Litre per minute.

# 10. Technology Centre Systems Programme (TCSP):

- · Looking at the successful functioning of the existing Technology Centres (TCs) and with a view to expand and upgrade the network of Technology Centres (Tool Rooms and Technology Development Centres) in the country, Ministry of MSME launched the Technology Centre Systems Programme (TCSP) at an estimated Projected cost of Rs 2200 crore to establish 15 new Technology Centres (TCs) and upgrade existing TCs across the country.
- TCSP has been conceptualized to create innovative eco-system for the MSMEs in the country.
- The implementation of the programme commenced from 15<sup>th</sup> January 2015.
- · The contract of civil work has been awarded for all 15 new TCs.
- · 3 TCs i.e., Bhiwadi, Vizag & Bhopal in FY 2020-21 were inaugurated by Hon"ble Minister (MSME) & dedicated to the nation, 01 TC at Rohtak was inaugurated in FY 2021-22.

- · 514 nos. of machines & labs (Training & Production) have been delivered at TCs sites.
- · Training courses have been started by 11 new TCs. More than 8,000 thousand students have been trained.
- · AICTE approval obtained for 7 new TCs i.e., Bhiwadi, Bhopal, Vizag, Durg, Baddi, Kanpur & Rohtak TC.

## 11. Technology Centres/ Extension Centres (TCEC):

- · To augment the network of 18 existing Technology Centres, and 15 new Technology Centres being established under World Bank assisted Technology Centre Systems Programme (TCSP), a new scheme, "Establishment of new Technology Centres / Extension Centres", was announced by Prime Minister on 2nd November, 2018 as part of the 12-point outreach programme for MSMEs.
- •The scheme envisages establishing 20 Technology Centres (TCs) and 100 Extension Centres (ECs) at an estimated cost of Rs 6000 crore to enhance outreach of TCs/ECs throughout the country. These TCs/ECs provide various services like technology support, skilling, incubation and consultancy to MSMEs and skill seekers leading to enhancement in employability of the skill seekers, competitiveness of MSMEs and creation of new MSMEs in the Country.
- · Till date, 24 Extension Centres have already been approved and are in the process of establishment. Four of these Extension Centres at Nagaur, & Jaipur in Rajasthan, Srinagar in Jammu and Kashmir, Berhampur in Odisha have been inaugurated. Out of the 24 Extension Centres approved so far, 17 Extension Centres have started providing training to the skill seekers.

#### 12. Public Procurement Policy for MSEs Order, 2012:

- To provide Marketing support to Micro and Small enterprises (MSEs), the Ministry of MSME has notified the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 under the MSMED Act, 2006 which is effective from 1st April, 2012 and has become mandatory w.e.f. 1st April, 2015.
- The Policy has been amended vide Gazette notification No. S.O. 5670(E) dated 9<sup>th</sup> November, 2018. Amended policy mandates 25% annual procurement from MSEs by Central Ministries/ Departments/ Central Public Sector Enterprises (CPSEs) including 4% from MSEs owned by SC/ST and 3% from MSEs owned by Women entrepreneurs.
- The benefits/ facilities are provided to all registered MSEs such as Tender set free of cost; Exemption from the payment of Earnest Money; In tender, participating MSEs quoting price within price band of L1+15% shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE and such MSE shall be allowed to supply at least 25% of the total tendered value; 358 items are reserved for exclusive procurement from MSEs; The MSEs and Start-ups may also be given exemption in prior experience and turnover clauses.
- An MOU has been signed with GeM for mobilizing maximum number of MSEs on GeM platform. Bulk mail was sent to all UAM holders for registering themselves at GeM portal for availing the benefits of the Public Procurement Policy.
- For effective implementation of the Policy, various step have been taken that include, *inter alia*, introduction of Online Registration Udyam Registration for Ease of Doing business, constitution of Review Committee to monitor the progress of the implementation of the Policy,

opening of a grievance cell to redress the Grievances of MSEs, launch of SC/ST hub to provide hand-holding support to MSEs owned by SC/ST and launch of "MSME Sambandh Portal" to monitor the progress of procurement by the CPSEs from MSEs, etc.

This Ministry has also reduced the Compliance Burden on business as well as on citizens related to Public Procurement Policy for MSEs Order, 2012 vide Notification No. S.O. 3237(E) dated 11th August, 2021 as identified by the Department for Promotion of Industry and Internal Trade (DPIIT).

#### Key features of "MSME SAMBANDH PORTAL":

- Launched on 8<sup>th</sup> December, 2017.
- · Updated and timely information on public procurement.
- · Monitor procurement by Ministries and CPSEs.
- · Enable CPSEs to upload list of products/services required.
- · To upload monthly data.
- · Dashboard providing summary of Procurement.
- Portal can access through link provided: https://sambandh.msme.gov.in/PPP\_Index.aspx

As per information uploaded on MSME SAMBANDH Portal for FY 2018-19, 2019-20, 2020-21 and current year (Till **08.12.2021**) the details of the annual/Month wise (January,2020-November,2021) procurement of goods and services from MSEs including SC/ST and Women by the CPSEs is given as under:

Financial Years	Total Procurement (Rs. in Crores)	Procurement from MSEs (Rs. in Crores)	Procurement from MSEs owned by SC/ST (Rs. in Crores)	Procurement from MSEs owned by Women (Rs. in Crores)
2018-19	153,484.51	40,399.70	824.71	232.56
		(26.32%)	(0.54%)	(0.15%)
(166 CPSEs)		(No. of MSEs Benefited-1,28,152)	(No. of MSEs	(No. of MSEs

							Benefited-4,587)	Benefited- 1,410)
2019-	20	131,427.74			39,665.10 (30.18%)		692.88 (0.53%)	393.51 (0.30%)
(151)	CPSEs)				(No. of MSEs I	Benefited-1,57,986)	(No. of MSEs Benefited-6,340)	(No. of MSEs Benefited-3,666)
2020-	CPSEs)	144,457.72			40,704.70 (28.18%) (No. of MSEs		756.91 (0.52%) (No. of MSEs	718.69 (0.50%) (No. of MSEs
				Ben	efited-1,75,703)	Benefited-6,827)		Benefited-4,960)
	2021-22		70,322.97	22,4	180.18	539.69		518.28
	(103 CPSEs)			(31.	97%)	(0.77%)		(0.74%)
	(As on 08.12.2021)			(No	. of MSEs	(No. of MSE	S	(No. of MSEs
				Ben	efited-1,06,726)	Benefited-3,975)		Benefited-3,553)
	January,2020		28,059.61	3,89	4.47	77.59		60.05
	(143 CPSEs)			(13.	88%)	(1.99%)		(1.54%)
				(No	of MSEs Benefited-	(No. of MSE	S	(No. of MSEs
				15,4	67)	Benefited-582		Benefited-463)

February, 2020	9,860.52	3,621.43	81.93	80.31
		(36.73%)	(2.26%)	(2.21%)
(137 CPSEs)		(No. of MSEs Benefited-	(No. of MSEs	(No. of MS
		15,980)	Benefited-621)	Benefited-471)
March,2020	18,724.86	6,314.05	105.36	114.13
		(33.72%)	(1.66%)	(1.8%)
(131 CPSEs)		(No. of MSEs Benefited-	(No. of MSEs	(No. of MS
		17,922)	Benefited-742)	Benefited-566
April,2021	9,506.36	2,180.87	96.58	72.95
(99 CPSEs)		(22.94%) (No. of MSEs Benefited-	(4.42%) (No. of MSEs	(3.34%) (No. of MS
		13,630)	Benefited-522)	Benefited-429
May, 2021	8,622.08	2,829.51	56.69	79.45
(97 CPSEs)		(32.81%)	(2%)	(2.8%)
		(No. of MSEs Benefited-	(No. of MSEs	(No. of MS
		12,848)	Benefited-476)	Benefited-416

June, 2021	10,038.03	3,095.15	56.28	60.64
		(30.83%)	(1.81%)	(1.95%)
(94 CPSEs)		(No. of MSEs Benefited-	(No. of MSEs	(No. of MSEs
		16,541)	Benefited-533)	Benefited-499)
July, 2021	11,045.36	3,118.61	66.84	61.75
(91 CPSEs)		(28.23%)	(2.14%)	(1.98%)
		(No. of MSEs Benefited-	(No. of MSEs	(No. of MSEs
		15,962)	Benefited-564)	Benefited-537)
August	8,289.79	3,098.79	62.95	78.53
(81 CPSEs)		(37.38%)	(2.03%)	(2.53%)
		(No. of MSEs Benefited-	(No. of MSEs	(No. of MSEs
		16,235)	Benefited-576)	Benefited-549)
September, 2021	10,167.99	3,640.78	81.61	94.2
(82 CPSEs)		(35.8%)	(2.24%)	(2.58%)
		(No. of MSEs Benefited-	(No. of MSEs	(No. of MSEs

		14,678)	Benefited-625)	Benefited-596)
October, 2021	8,815.29	2,907.53	78.46	45.87
(63 CPSEs)		(32.98%)	(2.69%)	(1.57%)
		(No. of MSEs Benefited- 11,846)	(No. of MSEs Benefited-549)	(No. of MSEs Benefited-323)
November, 2021	1,051.17	408.8	3.13	6.12
(21 CPSEs)		(38.89%)	(0.76%)	(1.49%)
		(No. of MSEs Benefited-	(No. of MSEs	(No. of MSEs
		2,249)	Benefited-31)	Benefited-79)

This Ministry is actively monitoring the implementation of the Public Procurement Policy for MSEs Order, 2012 and is in constant touch with the Department of Public Enterprises (DPE). This Ministry also issues clarifications on the Public Procurement Policy for MSEs, whenever required or asked for. These activities have been taken up even more intensively in the present crises scenario.

## 12. Public Procurement Policy for MSEs Order, 2012:

· All Central Government Ministries/Departments and CPSEs are required to procure 25% of their annual requirements of goods and services from MSEs including 4% from MSEs owned by SC/ST and 3% from MSEs owned by women entrepreneurs under the public procurements policy

The progress of procurements from MSEs is regularly monitored through MSME SAMBANDH portal. Procurement from MSEs (as on 27.12.2021) (during the period 1st April,2021 to 27th December,2021) is Rs. 24,038 crore which is 31.62% of total procurement and 1,15,420 MSEs have been benefitted. We have over achieved the target minimums of 25 percent as set in November, 2018

#### 13. GeM- Government e-Marketplace:

- Registration of Micro and Small Enterprises (MSEs) on GeM as on 27.12.2021: 7,40,743.
- 55.96% of orders value on GeM portal is from MSEs.
- · GeM and TReDS platforms have been integrated.
- UAM Portal (valid till 31.12.2021) has been replaced by Udyam Registration Portal (w.e.f. 01.07.2020). Udyam Registration Portal has facility through which an entrepreneur can opt for linking itself with Government e-Marketplace (GeM) by selecting an option on Udyam Portal. The enterprise will be linked to GeM portal and flow of information will start between these two portals. With this facility, MSEs can link themselves with the Government system and can participate in Government's mandatory procurement programme from MSEs.

## 14. Entrepreneurship Skill Development Programme (ESDP):

- · More than Rs. **5.52 crores** have been incurred as expenditure for organising different Entrepreneurship Skill Development Programmes across the country through MSME-DIs/TCs.
- 946 programs have been sanctioned/conducted during the period January 2021 to November 2021, benefiting 43809 number of persons

#### 15. Promotion of MSMEs in North Eastern Region (NER) and Sikkim:

- The Project Approval and Monitoring Committee (PAMC) has approved 14 projects during the period January 2020 to November 2020 with a total project cost of Rs.91.59 crore having Rs. 67.59 crore as Government of India contribution.
- Out of these 14 projects are for development of Industrial Estates at Assam (4), Mizoram (2) and Sikkim (1). 2 projects are for setting up of Technology Centres at Sikkim (1) and Nagaland (1). 5 projects under other activities at Assam (1), Sikkim (20 & studies (2). Total 4 projects having Government of India contribution of Rs.8.0360 crore has been completed under the scheme.
- One International training programme has been organized at Singapore for 24 officers under capacity building of officers engaged in promotion of MSMEs in NER and Sikkim.

## 16. National Schedule Caste and Schedule Tribe Hub (NSSH):

Intervention undertaken under National SC-ST Hub and the achievement during the period January 2021 to November 2021 include the following:

- · A sum of Rs. 15.58 crore has been released to the nodal banks under Special Credit Linked Capital Subsidy Scheme (SCLCSS) component of NSSH in respect of 138 SC-ST MSEs.
- · 2588 SC/ST candidates have been provided capacity building Skill /entrepreneurship development training in various sectors through autonomous training institutes across India
- · 401 SC/ST MSMEs facilitated to participate in exhibitions under Special marketing Assistance Scheme (SMAS) component of NSSH.
- · 5881 SC/ST MSEs have availed subsidy on membership fee of B2B Portal "MSME Mart"
- · 698 SC/ST MSEs have availed subsidy for registration under Single Point registration Scheme (SPRS)
- · 73 Special Vendor Development Programs (SVDPs) were organized that were participated by 2543 SC/ST entrepreneurs
- 96 Awareness Programs on National SC-ST Hub were organized that were participated by 2406 SC/ST entrepreneurs

#### 17. Popularizing Khadi and Empowering Village Industries

#### 17.1 Khadi Vikas Yojana (Khadi Programme):-

- a) Modified Market Development Assistance (MMDA)
- The Government of India has introduced the "Modified Market Development Assistance" (MMDA) scheme w.e.f., 3rd Quarter of 2016 17; under which 30% is provided as Grant on Prime Cost of Khadi & Polyvastra. Modified MDA Scheme aims at decontrolling and de-linking the sales price from the Cost Chart, thus offering scope to the Institutions to add value to Khadi; so that the products can be sold at market-oriented prices.
- · Under the Scheme, achievement is as below:

Period	Physical Achievement	Disbursement of fund (Rs. in crore)
From 01.01.2021	No. of KIs- 954	172.79
to 30.11.2021 (Provisional)	No. of Artisans- 1,32,455	

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

- Government of India has launched the "Interest Subsidy Eligibility Certificate" (ISEC) Scheme in May, 1977 for Khadi Institutions to mobilize additional requirements of fund from the Financial Institutions / Banks. The ISEC Scheme is the major source of funding for the Khadi Programme.
- · Under the Scheme, achievement is as below:

Period	Physical Achievement	Disbursement of fund (Rs. in crore)
From 01.01.2021 to 30.11.2021 (Provisional)	No. of KIs Availed bankFinance- 1,126	29.04

#### c). Work-shed Scheme for Khadi Artisans

- "Work-shed 'scheme for Khadi Artisans" was introduced in 2008- 09 to envisage providing sufficient space and congenial environment to Khadi artisans for smooth and fatigue free working; leading to enhanced productivity and increased earning.
- · Under the Scheme, achievement is as below:

Period	Physical Achievement	Disbursement of fund (Rs. In crore)
From 01.01.2021 to 30.11.2021 (Provisional)	949 No. of Work-shed	2.71

d). Strengthening of Infrastructure of Existing Weak Khadi Institutions and assistance for marketing infrastructure

- $\cdot$  The scheme is a combination of two sub schemes namely "Strengthening of Infrastructure of Existing Weak Khadi Institutions" and "Assistance for Marketing Infrastructure.
- · Under the Scheme, achievement is as below:

Period	Physical Achievement		Disbursement of fund(Rs. in crore)
From 01.01.2021 to	No. of	KIs	1.92
30.11.2021(Provisional)	Strengthen- 24		
	No. of Sales		3.43
	outlets renovated-		
	33		

## 17.2 Gramodyog Vikas Yojana (Village Industry Programme)

# a. Kumhar Sashaktikaran Programme under Mineral Based Industry

- · Under Mineral Based Industry, Khadi & Village Industries Commission (KVIC) distributed Electric Pottery Wheels along- with other tools & equipments to the Pottery artisans, for strengthening Potter families engaged in Pottery.
- · Under the Scheme, achievement is as below:

fund (Rs. in crore)
10.74

- b. Honey Mission/beekeeping under Agro Based and Food Processing Industry:
  - · Khadi & Village Industries Commission (KVIC) is engaged in the development of the Beekeeping Industry with a view to uplift people living in extremely interior rural areas by introducing and popularizing modern Beekeeping and creating sustainable employment and income
  - · Under the Scheme, achievement is as below:

Period	Physical Achievement	Disbursement of fund(Rs. in crore)
From 01.01.2021 to	No. of Bee Boxes- 5700 No. of Beneficiaries-570	13.96
30.11.2021(Pro		
visional)		

# 17.3 Khadi Reform and Development programme

The main objective of the scheme is to fully realize the significant growth potential of Khadi and Village Industries sector in terms of employment generation, enhancement of the earnings of the Artisans, replacement of implements & improving the technology, and also to ensure positioning of Khadi in consonance with current Market needs.

Period	Physical Achievement	Disbursement of fund(Rs. in crore)
From 01.01.2021 to 30.11.2021	No. of V.I Institution (DRA) - 01	7.10
(Provisional)		

17.4. Performance of Khadi& Village Industries 1st January 2020 To 31st October, 2020

(Rs. in crore and Employment in lakh persons)

S. No.	Particulars	1 <sup>st</sup> January 2020	
		To 31stOctober, 2020	
I.	PRODUCTION		
A.	Khadi	1340.75	
В.	Village Industries	52819.89	
II.	SALES		
		1929.29	
A	Khadi		
В.	Village Industries	69210.31	
III.	EMPLOYMENT(cumulative)		
A.	Khadi	4.97	
В.	Village Industries	150.84	

# 18. <u>Coir Vikas Yojana</u>:

Export of Coir & Coir Products: Rs. 2843.00 crore (January 2021 to July 2021)

- Production of Coir & Coir Products: 639.000 M T. (January 2021 to November 2021)
- Employment Generation: 2757 Nos. (January 2021 to November 2021)

#### 19. Assistance to Training institutions: -

- 8 institutions under the Ministry and State Governments have been supported for infrastructure development between January, 2021 to November, 2021.
- 9655 number of beneficiaries have been imparted skill training under ATI scheme.

# 20. International Cooperation: -

#### (i) Bilateral Matter:

- Ministry of MSME organized a conference (in virtual mode) on "Indian MSMEs Growth Engines of Economy" on **28th June**, **2021** to celebrate the International MSME Day and also to acknowledge the contribution of MSME sector to the country's economy. Minister for MSME, Mr. Nitin Gadkari and Minister of State for MSME Mr. Pratap Chandra Sarangi graced the event as Chief Guest and Guest of Secretary (MSME) and other Senior Officers of the Ministry along-with 1000 plus representatives from trade/industry associations across the country attended the event. During the conference, Knowledge Sessions were organized on various topics such as Enabling MSME Ecommerce; enabling value creation in MSMEs through innovation and intellectual property etc. for the benefit of MSMEs.
- · BRICS MSME Roundtable 2021 was hosted by Ministry of Micro, Small and Medium Enterprises on 22ndJuly 2021 (in virtual mode). The roundtable witnessed participation by senior functionaries from BRICS nations. In the Roundtable Vision of Post Covid roadmap and mutual collaboration leveraging BRICS platform for accelerated development of MSMEs were discussed.
- The IBSA 6thTri-nations Virtual Conference on Small and Medium sized Enterprises (SME) was hosted by the Ministry of MSME, Gol from 02-03 Sept, 2021 in association with the National Small Industries Corporation Ltd. (NSIC), Brazilian Micro and Small Business Support Service (SEBRAE), Department of Small Business Development (DSBD) & Small Enterprise Development Agency (SEDA), South Africa. The theme of the tri-nation summit was: "Development Role of SMEs in creating equal economic opportunities for sustainable demography". The conference witnessed participation by senior functionaries from IBSA nations.
  - (ii) Brief of International Cooperation (IC) Scheme:

International Cooperation (IC) Scheme is a Central Sector Scheme administered by Ministry of Micro, Small and Medium Enterprises (MSME). The Scheme is in operation since 1996. IC Scheme guidelines 2021 aims to capacity build MSMEs for entering export market by facilitating their participation in international exhibitions/trade fairs/conferences/seminars/buyer-seller meets abroad as well as providing them with actionable market-intelligence and reimbursement of various costs involved by export of goods and services. The scheme provides opportunities to MSMEs to continuously update themselves to meet the challenges emerging out of changes in technology, changes in demand, emergence of new market etc.

#### 21. Information, Education and Communication:-

'Sambhav' e-National level Awareness Programme is being implemented by the Ministry to promote entrepreneurship culture and create awareness about schemes/initiatives of the Ministry amongst students & Youth through Audio/video film presentations. The Programme has been launched on 27.10.2021. Under the mass outreach programme, students of different colleges from all parts of the country are being encouraged to take up entrepreneurship. Further, as on 02.12.2021, a total of 61,481 students have participated in

"Sambhay" across India.

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**MJPS** 

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