

MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

DEMAND NO. 64

Ministry of Micro, Small and Medium Enterprises*(In ₹ crores)*

	Actual 2016-2017			Budget 2017-2018			Revised 2017-2018			Budget 2018-2019		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Gross	3641.65	8.42	3650.07	6471.36	10.60	6481.96	6471.86	10.10	6481.96	6540.04	12.57	6552.61
Recoveries	-23.66	...	-23.66	...	...	...	...	...	...	...	...	...
Receipts	...	...	...	...	...	...	...	...	...	...	...	...
Net	3617.99	8.42	3626.41	6471.36	10.60	6481.96	6471.86	10.10	6481.96	6540.04	12.57	6552.61
A. The Budget allocations, net of recoveries, are given below:												
CENTRE'S EXPENDITURE												
Establishment Expenditure of the Centre												
1. Secretariat	14.80	...	14.80	17.21	...	17.21	18.90	...	18.90	20.33	...	20.33
2. Development Commissioner (MSME)	24.92	...	24.92	26.26	...	26.26	25.79	...	25.79	26.04	...	26.04
Total-Establishment Expenditure of the Centre	39.72	...	39.72	43.47	...	43.47	44.69	...	44.69	46.37	...	46.37
Central Sector Schemes/Projects												
Development of Khadi, Village and Coir Industries												
3. Khadi Grant (KG)	315.34	...	315.34	315.00	...	315.00	265.10	...	265.10	415.00	...	415.00
4. Village Industries (VI) Grant	33.67	...	33.67	34.00	...	34.00	70.00	...	70.00	110.00	...	110.00
5. Khadi, VI and Coir (S and T)	8.93	...	8.93	5.00	...	5.00	2.00	...	2.00	5.00	...	5.00
6. Khadi Reform Development Package (ADB Assistance)	5.00	...	5.00	101.39	...	101.39	481.00	...	481.00	80.03	...	80.03
7. Market Promotion and Development Assistance	331.53	...	331.53	340.00	...	340.00	328.31	...	328.31	340.00	...	340.00
8. Scheme for Fund for Regeneration of Traditional Industries (SFURTI)	66.80	...	66.80	75.00	...	75.00	10.00	...	10.00	125.00	...	125.00
9. Coir Vikas Yojana	50.55	...	50.55	50.00	...	50.00	60.00	...	60.00	80.00	...	80.00
10. Coir Udyami Yojana	13.11	...	13.11	10.00	...	10.00	8.20	...	8.20	10.00	...	10.00
11. Loans to Khadi Village and Coir Industries	...	0.15	0.15	...	0.60	0.60	...	0.10	0.10	...	0.57	0.57
12. Solar Charkha Mission	...	...	...	...	...	...	...	...	...	50.00	...	50.00
Total-Development of Khadi, Village and Coir Industries	824.93	0.15	825.08	930.39	0.60	930.99	1224.61	0.10	1224.71	1215.03	0.57	1215.60
Technology Upgradation and Quality Certification												
13. ASPIRE (Promotion of Innovation, Rural Industry and Entrepreneurship)	14.83	...	14.83	50.00	...	50.00	50.00	...	50.00	232.00	...	232.00
14. National Manufacturing Competitiveness Programme (NMCP)	318.94	...	318.94	506.00	...	506.00	461.00	...	461.00	1006.00	...	1006.00

(In ₹ crores)

	Actual 2016-2017			Budget 2017-2018			Revised 2017-2018			Budget 2018-2019		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Total-Technology Upgradation and Quality Certification	333.77	...	333.77	556.00	...	556.00	511.00	...	511.00	1238.00	...	1238.00
Prime Minister Employment Generation Programme (PMEGP) and Other Credit Support Schemes												
15. Prime Minister Employment Generation Programme (PMEGP)	1112.65	...	1112.65	1024.49	...	1024.49	1195.00	...	1195.00	1800.64	...	1800.64
16. Interest Subsidy Eligibility Certificate	48.94	...	48.94	50.00	...	50.00	38.00	...	38.00	50.00	...	50.00
17. Credit Support Programme	715.68	...	715.68	3002.00	...	3002.00	2802.26	...	2802.26	700.00	...	700.00
18. Performance and Credit Rating Scheme	57.93	...	57.93	10.00	...	10.00	5.00	...	5.00	5.00	...	5.00
Total-Prime Minister Employment Generation Programme (PMEGP) and Other Credit Support Schemes	1935.20	...	1935.20	4086.49	...	4086.49	4040.26	...	4040.26	2555.64	...	2555.64
Market Promotion Scheme												
19. Marketing Development Assistance (MDA)	8.25	...	8.25	15.00	...	15.00	11.00	...	11.00	65.00	...	65.00
20. Marketing Assistance Scheme (MAS)	14.80	...	14.80	15.00	...	15.00	11.00	...	11.00	15.00	...	15.00
21. International Cooperation Scheme	4.98	...	4.98	5.00	...	5.00	5.00	...	5.00	5.00	...	5.00
Total-Market Promotion Scheme	28.03	...	28.03	35.00	...	35.00	27.00	...	27.00	85.00	...	85.00
Entrepreneurship and Skill Development												
22. Mahatma Gandhi Institute for Rural Industrialisation	9.41	...	9.41	10.00	...	10.00	10.00	...	10.00	10.00	...	10.00
23. Promotional Services Institutions and Programme	132.72	...	132.72	160.00	...	160.00	138.00	...	138.00	200.00	...	200.00
24. Assistance to Training Institutions	38.24	...	38.24	30.00	...	30.00	5.00	...	5.00	30.00	...	30.00
25. Rajiv Gandhi Udyami Mitra Yojana	0.54	...	0.54	...	...	...	...	...	...	...	...	...
26. MSME Fund	...	...	...	0.01	...	0.01	...	...	...	100.01	...	100.01
Total-Entrepreneurship and Skill Development	180.91	...	180.91	200.01	...	200.01	153.00	...	153.00	340.01	...	340.01
Infrastructure Development Programme												
27. Infrastructure Development and Capacity Building	225.31	...	225.31	300.00	...	300.00	250.00	...	250.00	400.00	...	400.00
28. Infrastructure Development and Capacity Building-EAP Component	59.37	...	59.37	250.00	...	250.00	150.00	...	150.00	550.00	...	550.00
29. Construction of Office Accomodation- Capital Outlay on Public Works	...	8.27	8.27	...	10.00	10.00	...	10.00	10.00	...	12.00	12.00
Total-Infrastructure Development Programme	284.68	8.27	292.95	550.00	10.00	560.00	400.00	10.00	410.00	950.00	12.00	962.00
Research and Evaluation Studies												
30. Upgradation of Database	9.38	...	9.38	9.00	...	9.00	10.00	...	10.00	15.03	...	15.03
31. Survey, Studies and Policy Research	0.49	...	0.49	1.00	...	1.00	1.30	...	1.30	1.00	...	1.00
32. National Schedule Caste/Schedule Tribe Hub Centre	4.54	...	4.54	60.00	...	60.00	60.00	...	60.00	93.96	...	93.96
Total-Research and Evaluation Studies	14.41	...	14.41	70.00	...	70.00	71.30	...	71.30	109.99	...	109.99
Total-Central Sector Schemes/Projects	3601.93	8.42	3610.35	6427.89	10.60	6438.49	6427.17	10.10	6437.27	6493.67	12.57	6506.24
Other Central Sector Expenditure												
Others												
33. Actual Recovery	-23.66	...	-23.66	...	...	...	...	...	...	...	...	...

(In ₹ crores)

	Actual 2016-2017			Budget 2017-2018			Revised 2017-2018			Budget 2018-2019		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Grand Total	3617.99	8.42	3626.41	6471.36	10.60	6481.96	6471.86	10.10	6481.96	6540.04	12.57	6552.61
B. Developmental Heads												
General Services												
1. Capital Outlay on Public Works	...	8.27	8.27	...	9.00	9.00	...	10.00	10.00	...	12.00	12.00
Total-General Services	...	8.27	8.27	...	9.00	9.00	...	10.00	10.00	...	12.00	12.00
Economic Services												
2. Village and Small Industries	3603.77	...	3603.77	5810.30	...	5810.30	5989.88	...	5989.88	5849.66	...	5849.66
3. Secretariat-Economic Services	14.80	...	14.80	17.21	...	17.21	18.90	...	18.90	20.33	...	20.33
4. Loans for Village and Small Industries	...	0.15	0.15	...	0.60	0.60	...	0.10	0.10	...	0.57	0.57
Total-Economic Services	3618.57	0.15	3618.72	5827.51	0.60	5828.11	6008.78	0.10	6008.88	5869.99	0.57	5870.56
Others												
5. North Eastern Areas	...	...	...	643.85	...	643.85	463.08	...	463.08	670.05	...	670.05
6. Grants-in-aid to State Governments	-0.58	...	-0.58	...	...	...	...	...	...	...	...	...
7. Grants-in-aid to Union Territory Governments	...	...	...	...	...	...	...	...	...	...	...	...
8. Capital Outlay on North Eastern Areas	...	...	...	...	1.00	1.00	...	...	...	...	...	...
Total-Others	-0.58	...	-0.58	643.85	1.00	644.85	463.08	...	463.08	670.05	...	670.05
Grand Total	3617.99	8.42	3626.41	6471.36	10.60	6481.96	6471.86	10.10	6481.96	6540.04	12.57	6552.61
	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
C. Investment in Public Enterprises												
1. National Small Industries Corporation	...	66.96	66.96	...	439.00	439.00	...	310.00	310.00	...	370.00	370.00
2. Coir Board	...	2.55	2.55	...	...	...	...	2.81	2.81	...	2.55	2.55
Total	...	69.51	69.51	...	439.00	439.00	...	312.81	312.81	...	372.55	372.55

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

2. **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. Provision is for establishment related expenses of Headquarter DC (MSME).

3. **Khadi Grant (KG):** : (a) Under Khadi Grant budgetary head, an allocation for promotion and development of khadi.

(b) Workshed Scheme for Khadi Artisans.

(c) Strengthening infrastructure of existing weak Khadi institutions and assistance for marketing infrastructure.

4. **Village Industries (VI) Grant:** The budgetary 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.

5. **Khadi, VI and Coir (S and T):** This sub-head provides budgetary allocation for incurring expenditure on various R&D activities being undertaken by KVIC for Khadi and Village Industries.

6. **Khadi Reform Development Package (ADB Assistance):** 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.

7. **Market Promotion and Development Assistance:** 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/sub-schemes/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.

8. **Scheme for Fund for Regeneration of Traditional Industries (SFURTI):** This includes provision for setting up of clusters to cover artisans under Khadi, Village Industries and Coir.

9. **Coir Vikas Yojana:** The Coir Board is a statutory body established under the Coir Industry Act, 1953 for promoting overall development of the coir industry and improving the living condition of the workers engaged in this traditional industry. The activities of the Board for development of coir industries, inter-alia, 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.

10. **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.

12. **Solar Charkha Mission:** Solar Charkha Mission is a project-based scheme to set up 500 exclusive solar charkha based clusters across the country to help promote industrial growth, employment generation and technology up-gradation. It is completely innovative concept of innovation of Solar Charkha to create employment opportunities for youth including at least 50% women beneficiaries in rural households across the country.

13. **ASPIRE (Promotion of Innovation, Rural Industry and Entrepreneurship):** ASPIRE (A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship) was launched 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. As on 28.12.2016, 50 LB/s and 5 TB/s have been approved with total support of ₹ 40.64 crore.

14. **National Manufacturing Competitiveness Programme (NMCP):** The programme covers Credit Linked Capital Subsidy Schemes, schemes of National Manufacturing Competitiveness Programme (six Schemes) viz. Lean Manufacturing Scheme, Promotion of ICT Tools, Technology Upgradation Quality Certification (TEQUP), Incubation Centre, Intellectual Property Rights (IPR) and Bar Code, Financial support to MSMEs in ZED certification scheme (ZED Scheme).

15. **Prime Minister Employment Generation Programme (PMEGP):** A credit linked subsidy scheme titled Prime Minister Employment Generation Programme (PMEGP) was launched in 2008-09 through merger of the erstwhile schemes of Prime Minister 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 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.

16. **Interest Subsidy Eligibility Certificate:** 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.

17. **Credit Support Programme:** Under credit support programme, through the Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE) Credit Guarantee Scheme for Micro and Small Enterprises is operational 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. The maximum loans limit has been enhanced from ₹ 100 lakh to ₹ 200 lakh. The corpus of this fund has been enhanced from Rs 2500 crore to Rs 7500 crore. In another component of Portfolio Risk Fund (PRF) under this programme, Government of India provides funds for Micro Finance Programme to SIDBI which is used for security deposit requirement of the loan amount from the MFIs/NGOs.

18. **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.

19. **Marketing Development Assistance (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 scheme 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.

20. **Marketing Assistance Scheme (MAS):** 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.

21. **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.

22. **Mahatma Gandhi Institute for Rural Industrialisation:** 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.

23. **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 (IMC/EDP/ESDP/MDP) 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-farming activities.

24. **Assistance to Training Institutions:** The revised guidelines (effective from 01.09.2016) provide for financial assistance in the form of grant for :- (i) Infrastructure support and capacity building of training institution of Ministry of MSME and the existing State Level EDIs. (ii) Research and Studies on MSME related matters (iii) MSME Chair; and (iv) Training (Skill Development programmes/Training of Trainers) by training institution of Ministry of MSME.

No financial assistance will be provided under the revised scheme for setting up of a new EDI. The private training institutions/NGOs are not covered under the scheme for financial assistance.

26. **MSME Fund:** This includes for provision for MSME Fund.

27. **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 at 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 MSME-TCs/TSs.

29. **Construction of Office Accomodation- Capital Outlay on Public Works:** To purchase of land for construction of New building for field offices and works related to alterations/additions in the existing buildings and construction of new residential quarters.

30. **Upgradation of Database:** 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), Advertising & Publicity are the other components of the Programme.

31. **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.

32. **National Schedule Caste/Schedule Tribe Hub Centre:** Ministry of MSME has issued a guidelines for creation of National Schedule Caste and Schedule Tribe Hub in the Ministry of Micro, Small and Medium Enterprises on 25.07.2016. The Hub will provide professional support to SC/ST entrepreneurs to fulfill the obligations under the Central Government Public Procurement Policy for Micro and Small Enterprises Order 2012, adopt applicable business practices and leverage the Stand up India initiatives. The Scheme would be implemented through National Small Industries Corporation Ltd. (NSIC). The functions of Hub include collection, collation and dissemination of information regarding SC/ST enterprises and entrepreneurs, capacity building among existing and prospective SC/ST entrepreneurs through skill training and EDPs, vendor development.