



# MSME – DEVELOPMENT INSTITUTE

(Ministry of MSME, Govt of India)

AHMEDABAD

**Welcomes you all !!!**

# **CREDIT GUARANTEE FUND SCHEME FOR MICRO & SMALL INDUSTRIES(CGT MSE)**

- √Collateral free loan for MSEs up to Rs 1 crore.**
- √For term & working capital.**
- √Govt. guarantee of 75% for ssi units.80% for micro units up to Rs 5 lakhs & woman entrepreneurs.**
- √For new and existing units.**

## **CREDIT LINKED CAPITAL SUBSIDY SCHEME FOR TECHNOLOGY UPGRADATION OF THE SMALL SCALE INDUSTRIES (CLCSS)**

- √ The Scheme aims to facilitate technology up gradation of MICRO & SSI units.**
- √ For existing and new units.**
- √ 15% subsidy on loan of Rs 1 crore.**

## Participation in International Trade Fair

### **SUBSIDY TOWARDS :**

- **@50% space rent.(100% to women & SC/ST Entrepreneur)**
- **@75%air fair by economy class. .(100% to women & SC/ST Entrepreneur)**
- **Total subsidy on air fair & space rent restricted to Rs1.25Lakh.**
- **Any unit can avail once in a year.**
- **Only one person of the participating unit would be eligible for subsidy on air fair.**

## Scheme of International Cooperation

The scheme covers the following activities:

- Participation by Indian SSI/SE in **exhibitions, fairs & buyer-seller meet** in India, in which there is **international participation**.
- Deputation of SSI/SE **business delegations** to other countries for exploring new areas of **technology infusion/ upgradation, facilitating joint venture, improving market of SSI/SE products, foreign collaborations, etc.**
- Holding **international conferences and seminars** on topics and themes of interest of the SSI/SE

# Scheme of International Cooperation

## Eligible Organisation:

- **State / Central Government organisation**
- **Industry / Enterprise Association; and**
- **Registered Societies / Trust associated with the SSI/SE.**

## Quantum of Assistance:

- **International Events: Rs.25Lakhs per events.**
- **Domestic Events: Rs. 12 Lakhs per events.**

# Capacity building of associations

- Scheme for capacity building & strengthening of data base of associations.
- Amount available in first phase for equipment like computer, furniture, photocopier, etc is 50% of investment max up to Rs 7.5 lakhs.
- Amount available in second phase for consumables, training of staff ,travelling , contingent etc is 50% of investment max up to Rs 2.5 lakhs
- For organising seminar,workshops etc at international level Rs 2 lakh is available & at state level Rs 1 one lakh is available.

## Subsidy scheme for ISO 9000/14000

- 75% of expenses occurred on acquiring ISO 9000/14000 or Rs 75000 whichever is less is available to Mses.

# National award

- National award is bestowed to Best entrepreneur in general, women , SC/ST R&D and quality category. Above 80% marks consolation award .

# National manufacturing competitive programme

- Conceived to counter the effects of liberalisation.
- Post liberalisation, protection to MSMEs have come down by the way of rationalisation of import duties and dereservation of items in MSME sector.
- Manufacturing sector is growth engine.
- MSMEs contribute 40% of manufacturing, 40% of exports and 40% of employment.

## Financial assistance for adoption of bar coding by MSEs

- Bar coding is series of black & white lines on product package.
- 75% one time fee w.e.f 1<sup>st</sup> Jan 2002 and 75% of annual recurring fee for first three years w.e.f 1<sup>st</sup> June 2007.

# Support for entrepreneurial & managerial development of SMEs through incubation

Main objective is to promote development of knowledge based innovative ventures. Early stage funding for nurturing innovative business ideas into commercial activity. Reputed institutes & colleges with infrastructure to support will be incubators. Each business incubators to support 10 ideas. Each idea will get Rs 4-6 lakhs financial assistance for incubation

## Enabling manufacturing sector to be competitive through quality management standards and quality tools(QMS/QTT)

- Efficient use of resources
- Improvement in product quality.
- Three components.
- a)Introduce course in ITIs so that MSMEs get trained personnel.
- b)Organising awareness campaign for micro and small enterprises within limit of RS 1.25 lakhs with GOI contribution RS 79,000 and RS 46,000.
- c)Organising competition-watch(C-watch) in threatened group due to imports.

# Intellectual property rights

- To protect idea & business strategies.
- Technology up gradation.
- Enhancing competitiveness
- To significantly raise the level of awareness and interest / knowledge about IPR issues.
- To enhance capacity to fight counterfeiting.

# Intellectual property rights

- Awareness/ Sensitisation Programmes on IPR.  
Rs 1.00L
- Pilot Studies for Selected Clusters/ Groups of Industries. Rs 2.50L
- Interactive Seminars / Workshops. Rs 2.00L
- Specialized Training.  
ST- Rs 6.00L

# Intellectual property rights

- LT- Rs 45.00L
- Assistance for Grant on Patent/ GI Registration.

Domestic Patent	Rs. 0.25L
Foreign Patent	RS. 2.00L
GI Registration	Rs. 1.00L
Setting up of 'IP Facilitation Centre for MSME'	Rs.65.00L

# Lean manufacturing competitive scheme

- To reduce manufacturing cost through proper personnel management, better space utilisation, scientific inventory management, improved process flows, reduced engineering time.
- To support the MSMEs for the first year.
- Applying lean manufacturing techniques such as Total productive maintenance(TPM), 5S, visual control, standard operation procedures, just-in-time, kanban systems cellular layout, poka yoke etc

# Lean manufacturing competitive scheme

- Formation of mini spv of 10 member in a cluster.
- Apply in prescribed application to DCMSME
- National productivity council will be coordinator.
- GOI contribution 80% and 20% by spv

# Setting up Mini tool room and training center in ppp mode

- To create mini tool rooms to provide technological support to MSMEs by developing capacities in private sector for designing and manufacturing quality tools.
- To provide training facilities

# Funding pattern

- Private partner i.e. an individual, firm, company, association, NGO or society(central ppp model)
- SPV set up by states in partnership with private partners(state ppp model)
- State Govt. or state agencies other than NGOs
- 40% of cost subject to maximum Rs 9 crore
- 90% cost of machinery & equipment subject to maximum Rs.9 crore.
- 90% cost of machinery & equipment subject to maximum Rs.9 crore.

# Design clinic scheme

- Enhance industry understanding & application of design and innovation
- To promote design as value adding activity.
- To move up MSMEs from original equipment manufacturing to original design manufacturing units.
- To increase competitiveness of local products and services through design.

# Design clinic scheme

- The scheme will be coordinated by NID
- Organizing sensitization programme in cluster by experts about usefulness/importance of design. GOI contribution full Rs 6000 per programme. Duration will be for one day.
- Followed by workshops. Duration 3-5 days. On first day expert will take stock of the cluster & thereafter there will be training on design solution followed by report.
- The report will focus on present state of cluster, areas of improvement and solutions there of. GOI contribution will be 75% of maximum expenses of Rs4,00,000. 25% by participation units.

# Design projects

- Applicable only to new design strategies or design related products and services.
- Individual or group of enterprises are eligible.
- Govt contribution is up to 60% of maximum expenses up to Rs 9 lakhs in group of three units and is up to Rs 15 lakhs in group of four or more units. Rs 1.5 lakhs out of Rs 2 lakhs is available to student as final year project.

# Scheme for Marketing assistance & technology up gradation in MSMEs

The various activities under this scheme are

- a) Technological upgradation in packaging
- b) Skill upgradation on modern marketing techniques
- c) competition studies
- d) New market through state /district level exhibition/trade fair.
- e) corporate governance practices
- f) Marketing hubs
- g) Reimbursement of ISO 18000/22000/27000 certification

# Technology upgradations in packaging

Sl.no	Sub activities	Maximum cost provision	Target	
			2010-11	2011-12
(a)	Awareness programmes on new packaging concepts & technologies.	Rs. 0.5 lakhs per programme ( GOI 80% unit 20%	50 nos.	50 nos.
(b)	Cluster based studies on technology status and needs for upgradation	Rs 10 lakhs per study ( GOI 80% unit 20%	10 nos.	10 nos.
(c)	Unit based interventions for specific packaging requirement in 20 cluster(20 units per cluster)	Rs 9 lakh per group of 10 units.( GOI 80% units 20%)	10 nos.	10 nos.

# Skill upgradation/development for modern marketing techniques

- The main objective of this activity is to improve the IT skills, of MSMEs, used in marketing.

Sl.No	Activities	Max.cost provision	Physical targets	
			2010-11	20110 - 12
a)	Designing and conducting specific need based skill development programme for cluster for adopting modern marketing techniques	Rs 6 lakh per cluster. GOI 80% unit 20%	10 nos.	10 nos.

# Competition studies

- To identify the sectors in which the products are threatened by international competition and analyze the reasons of threat in perspective of world trade organization and free trade agreements and ways and means to counter these challenges.

Sl.no	activities	Maxi. cost provision	Physical target	
			2010-11	2011-12
a)	Detailed studies of threatened group & suggestion to counter them	Rs 8 lakhs per study. GOI 80% unit 20%	4nos	4nos

# New markets through state/districts local exhibition/trade fairs

Sl. no	Activities	Maxi. Cost provision	Physical targets	
			2010 -11	2011-12
a)	To provide marketing platform to MSMEs through participation in state & district level exhibition organised by state/district authorities/ associations	Rs 3lakhs per exhibition. GOI 80% Unit 20%	30 nos	36 nos

# Corporate governance practices

- The main objective is to adopt good governance practices for improving competitiveness, reducing operational risk factors, overcoming barriers to trade, successfully meeting the challenges of globalization accessing lower cost of finance .

Sl.no	Activities	Maximum cost provision	Physical targets	
			2010-11	2011-12
1	To encourage MSMEs to adopt good governance practices	Rs 0.9 lakhs GOI 50%, unit 50%	200	200

# Marketing Hub

- To provide facilities for manufacturing MSMEs for B2B meeting among MSMEs, wholesale and retail marketing of MSME products, exploring export opportunities for MSME products and attract new customers.
- Recurring operating expenditure RS 15 lakh per hub for 2 year( GOI 80%.unit 20%). The recurring expenditure will be towards the cost of organising expo-event/exhibition for purpose of B2B or B2C interaction. The private contribution will be in the form of participation fee.
- Reimbursement for 18000/22000/27000 certification up to Rs one lakh.

# Scheme for Technology and Quality Upgradation Support to MSMEs

- Enhancing competitiveness through energy savings.
- Availing carbon credit through cluster based carbon credit aggregation center.
- Implementation of energy efficient technologies.
- At least 15% energy savings should be there.

# Scheme for Technology and Quality Upgradation Support to MSMEs

- A) Conducting of awareness programme through expert agency. 75% of cost of the programme will borne us( limited to Rs 75,000)& 25% by cluster.
- B) selection of three units: micro, small & medium units who are ready to show the benefits to other units.

# Scheme for Technology and Quality Upgradation Support to MSMEs

- Conduct energy audits and DPR in the units by expert(same or other) agency within overall budget of RS 9 lakhs. GOI contribution will 75%.
- Encourage the units to adopt energy efficient technologies for which 25%(max RS 10 Lakhs) subsidy will available on equipment.
- For other than model units the subsidy for audit and DPR will be 50% subject to max Rs 1.5 lakhs
- 60 awareness programme & 30 cluster as model cluster.
- 390 units will assisted initially.

# Infrastructure development

- Cluster can have common facility for generating captive power from non convention sources.
- GOI grant will be 60% of project cost of Rs 10 crores. 80% if cluster consists 50% or more micro & women owned sc/st units.

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**THANKS**