

MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

DEMAND NO. 66

Ministry of Micro, Small and Medium Enterprises

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

Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			<i>(In crores of Rupees)</i> Budget 2013-2014			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	1781.34	301.36	2082.70	2752.00	319.86	3071.86	2459.54	288.90	2748.44	2899.00	311.91	3210.91	
Capital	157.46	0.26	157.72	83.00	0.80	83.80	82.41	0.80	83.21	78.00	0.80	78.80	
Total	1938.80	301.62	2240.42	2835.00	320.66	3155.66	2541.95	289.70	2831.65	2977.00	312.71	3289.71	
1. Secretariat Economic Services	3451	...	7.24	7.24	...	7.65	7.65	...	9.02	9.02	...	9.24	9.24
Micro, Small and Medium Enterprises(MSME)													
2. Credit Support Programme	2851	18.31	...	18.31	7.00	...	7.00	6.01	...	6.01	28.50	...	28.50
3. Quality of Technology Support Institution & Programmes	2851	323.37	...	323.37	468.00	...	468.00	399.66	...	399.66	487.75	...	487.75
4. Other Schemes													
4.01 Survey Studies and Policy Scheme	2851	0.13	...	0.13	1.00	...	1.00	1.00	...	1.00	1.00	...	1.00
4.02 International Cooperation Scheme	2851	1.65	...	1.65	3.60	...	3.60	3.60	...	3.60	4.60	...	4.60
4.03 Assistance to Training Institutions	2851	62.47	...	62.47	61.00	...	61.00	61.00	...	61.00	90.40	...	90.40
Total- Other Schemes		64.25	...	64.25	65.60	...	65.60	65.60	...	65.60	96.00	...	96.00
5. National Small Industries Corporation Ltd.													
5.01 Performance and Credit Rating Scheme	2851	69.25	...	69.25	96.00	...	96.00	70.10	...	70.10	65.00	...	65.00
5.02 Marketing Assistance Scheme	2851	10.00	...	10.00	9.90	...	9.90	9.90	...	9.90	11.80	...	11.80
Total- National Small Industries Corporation Ltd.		79.25	...	79.25	105.90	...	105.90	80.00	...	80.00	76.80	...	76.80
6. Rajiv Gandhi Udyami Mitra Yojana	2851	1.59	...	1.59	2.70	...	2.70	2.70	...	2.70	2.70	...	2.70
7. Development Commissioner (MSME)	2851	...	16.63	16.63	...	17.90	17.90	...	18.78	18.78	...	20.34	20.34
8. Promotional Services Institutions and Programmes	2851	45.24	77.33	122.57	46.35	82.77	129.12	42.13	83.28	125.41	49.00	90.22	139.22
9. Infrastructure Development & Capacity Building (Erstwhile MSME Clusters Development Programmes and MSME Growth Poles)	2851	27.64	...	27.64	111.00	...	111.00	136.88	...	136.88	156.00	...	156.00
10. Marketing Development Assistance Programme	2851	5.31	...	5.31	26.00	...	26.00	15.80	...	15.80	18.25	...	18.25
11. Upgradation of Database	2851	0.83	...	0.83	40.50	...	40.50	18.36	...	18.36	19.44	...	19.44
	3601	6.74	...	6.74	7.00	...	7.00	...	...	...	0.03	...	0.03
	3602	0.28	...	0.28	0.50	...	0.50	...	...	...	0.03	...	0.03

(In crores of Rupees)

	Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			Budget 2013-2014			
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
	Total	7.85	...	7.85	48.00	...	48.00	18.36	...	18.36	19.50	...	19.50	
12.	Construction of Office Accommodation-Village and Small Industries	4059	1.46	...	1.46	8.00	...	8.00	7.41	...	7.41	8.00	...	8.00
13.	Special Scheme on MSME	2851	...	...	...	1.00	...	1.00	...	...	...	...	...	...
14.	<i>Credit & Finance Schemes</i>													
14.01	Fund of Funds	2851	...	...	...	0.70	...	0.70	0.01	...	0.01	...	...	...
14.02	Venture Capital Fund	2851	...	...	...	0.70	...	0.70	0.01	...	0.01	...	...	...
14.03	Support for Factoring Service	2851	...	...	...	0.70	...	0.70	0.01	...	0.01	...	...	...
14.04	SME Exchange Support Scheme	2851	...	...	...	0.70	...	0.70	0.01	...	0.01	...	...	...
	Total- Credit & Finance Schemes	...	...	...	...	2.80	...	2.80	0.04	...	0.04	...	...	...
15.	<i>Marketing & Procurement Scheme</i>													
15.01	Marketing Infrastructure for MSMEs	2851	...	...	...	0.70	...	0.70	0.01	...	0.01	...	...	...
15.02	Marketing Organisation in Clusters	2851	...	...	...	0.70	...	0.70	0.01	...	0.01	...	...	...
15.03	Enabling Global Footprint for MSME	2851	...	...	...	0.70	...	0.70	0.01	...	0.01	...	...	...
	Total- Marketing & Procurement Scheme	...	...	...	...	2.10	...	2.10	0.03	...	0.03	...	...	...
16.	Skill Development - Virtual SME University	2851	...	...	...	0.70	...	0.70	0.01	...	0.01	...	...	...
17.	<i>Institutional Structure & Reforms Scheme</i>													
17.01	Online Filing of Entrepreneur's Memorandum (EM)	2851	...	...	...	0.70	...	0.70	0.01	...	0.01	...	...	...
17.02	Re-engineering and Strengthening of DC, MSME Offices	2851	...	...	...	0.70	...	0.70	0.01	...	0.01	...	...	...
	Total- Institutional Structure & Reforms Scheme	...	...	...	...	1.40	...	1.40	0.02	...	0.02	...	...	...
18.	India Inclusive Innovation Fund (Erstwhile National Innovation Fund)	2851	...	...	...	90.00	...	90.00	50.00	...	50.00	45.00	...	45.00
	Total-Micro, Small and Medium Enterprises(MSME) Khadi & Village Industries	574.27	93.96	668.23	986.55	100.67	1087.22	824.65	102.06	926.71	987.50	110.56	1098.06	
	Khadi and Village Industries Commission													
19.	<i>Khadi and Village Industries Commission</i>													
19.01	<i>Khadi Industries</i>													
19.01.01	Khadi Grant including MDA for Khadi	2851	146.30	157.36	303.66	107.56	167.72	275.28	157.56	162.15	319.71	107.56	152.30	259.86
19.01.02	Khadi (S&T)	2851	0.81	...	0.81	1.24	...	1.24	1.24	...	1.24	1.24	...	1.24
	Total- Khadi Industries	...	147.11	157.36	304.47	108.80	167.72	276.52	158.80	162.15	320.95	108.80	152.30	261.10
19.02	<i>Other Village Industries</i>													
19.02.01	VI Grant	2851	33.16	...	33.16	66.68	...	66.68	66.68	...	66.68	66.68	...	66.68

(In crores of Rupees)

	Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			Budget 2013-2014		
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
19.02.02 VI(S&T)	2851	...	...	...	1.24	...	1.24	1.24	...	1.24	1.24	...	1.24
<i>Total- Other Village Industries</i>		<i>33.16</i>	<i>...</i>	<i>33.16</i>	<i>67.92</i>	<i>...</i>	<i>67.92</i>	<i>67.92</i>	<i>...</i>	<i>67.92</i>	<i>67.92</i>	<i>...</i>	<i>67.92</i>
19.03 Janshree Bima Yojana for Khadi Artisans (Inclusive of New Component of Health Insurance)	2851	...	...	...	0.03	...	0.03	0.01	...	0.01	0.03	...	0.03
19.04 Development of Infrastructure and Skill set in KVI Sector (DISK)	2851	...	...	...	0.03	...	0.03	0.01	...	0.01	0.03	...	0.03
19.05 Promotion of VI and Development of Existing Weak VI Institution (PROVIDE) (Inclusive of New Component for revival of weak VI Institutions)	2851	...	...	...	0.03	...	0.03	0.01	...	0.01	0.03	...	0.03
19.06 Scheme for write off of old loans by a one time waiver / Settlement	2851	...	...	...	0.03	...	0.03	0.01	...	0.01	...	...	...
19.07 Market Promotion (Including Export Promotion) and Publicity (Inclusive of New Component of Marketing complexes / Plazas) and Modified MDA	2851	...	...	...	0.03	...	0.03	0.01	...	0.01	0.03	...	0.03
19.08 Khadi and VI (S & T) & Scheme for Promotion of Khadi as an Exclusive Heritage and Green Product(SPOKE)	2851	...	...	...	0.03	...	0.03	0.01	...	0.01	0.03	...	0.03
<i>Total- Khadi and Village Industries Commission</i>		<i>180.27</i>	<i>157.36</i>	<i>337.63</i>	<i>176.90</i>	<i>167.72</i>	<i>344.62</i>	<i>226.78</i>	<i>162.15</i>	<i>388.93</i>	<i>176.87</i>	<i>152.30</i>	<i>329.17</i>
Interest Subsidies													
20. <i>Interest Subsidies</i>													
20.01 Khadi Industries	2851	0.01	22.00	22.01	0.10	22.00	22.10	0.10	0.10	0.20	0.10	21.25	21.35
20.02 Other Village Industries	2851	0.01	5.36	5.37	0.10	5.36	5.46	0.10	0.10	0.20	0.10	5.36	5.46
<i>Total- Interest Subsidies</i>		<i>0.02</i>	<i>27.36</i>	<i>27.38</i>	<i>0.20</i>	<i>27.36</i>	<i>27.56</i>	<i>0.20</i>	<i>0.20</i>	<i>0.40</i>	<i>0.20</i>	<i>26.61</i>	<i>26.81</i>
21. Interest Subsidy Eligibility Certificate for Khadi and Polyvastra	2851	...	...	...	0.03	...	0.03	0.01	...	0.01	0.03	...	0.03
22. Mahatma Gandhi Institute for Rural Industrialisation	2851	3.97	0.50	4.47	11.00	0.50	11.50	4.00	0.50	4.50	11.00	0.50	11.50
23. <i>Scheme for Fund for Regeneration of Traditional Industries (SFURTI - Khadi)</i>													
23.01 SFURTI - KVIC	2851	...	...	...	0.03	...	0.03	0.01	...	0.01	0.03	...	0.03
23.02 SFURTI	2851	...	...	...	49.89	...	49.89	5.00	...	5.00	49.92	...	49.92
23.03 Workshed Scheme for Khadi Artisans	2851	17.61	...	17.61	18.00	...	18.00	14.95	...	14.95	18.00	...	18.00

(In crores of Rupees)

	Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			Budget 2013-2014			
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
23.04	Scheme for enhancing Productivity & Competitiveness of Khadi Industries and Artisans	2851	...	...	...	13.50	...	13.50	0.04	...	0.04	13.50	...	13.50
23.05	Strengthening of Infrastructure of existing weak khadi institutions and assistance for marketing infrastructure	2851	2.50	...	2.50	7.42	...	7.42	5.00	...	5.00	7.42	...	7.42
	<i>Total- Scheme for Fund for Regeneration of Traditional Industries (SFURTI - Khadi)</i>		20.11	...	20.11	88.84	...	88.84	25.00	...	25.00	88.87	...	88.87
24.	Prime Ministers' Employment Generation Programme	2851	1057.06	...	1057.06	1146.10	...	1146.10	1146.10	...	1146.10	1237.90	...	1237.90
25.	Khadi Reform Development Package (ADB Assistance)	2851	...	...	...	45.00	...	45.00	...	...	...	45.00	...	45.00
26.	Loans to Khadi and Village Industries Commission	6851	1.00	...	1.00	...	0.50	0.50	...	0.50	0.50	...	0.50	0.50
	Total-Khadi & Village Industries		1262.43	185.22	1447.65	1468.07	196.08	1664.15	1402.09	163.35	1565.44	1559.87	179.91	1739.78
27.	<i>Coir Industries</i>													
27.01	Coir Board	6851	...	0.26	0.26	...	0.30	0.30	...	0.30	0.30	...	0.30	0.30
27.01.01	Coir Board Plan (S & T)	2851	3.01	...	3.01	6.30	...	6.30	6.30	...	6.30	6.30	...	6.30
27.01.02	Coir Board Plan (General)	2851	13.54	14.98	28.52	41.20	15.96	57.16	21.70	14.97	36.67	41.20	12.70	53.90
	<i>Total- Coir Board</i>		16.55	15.24	31.79	47.50	16.26	63.76	28.00	15.27	43.27	47.50	13.00	60.50
27.02	Rejuvenation, Modernisation and Technology Upgradation of Coir Industry	2851	10.00	...	10.00	14.40	...	14.40	4.50	...	4.50	14.40	...	14.40
27.03	Scheme for Fund for Regeneration of Traditional Industries (SFURTI - COIR)	2851	...	...	...	0.03	...	0.03	0.01	...	0.01	0.03	...	0.03
	<i>Total- Coir Industries</i>		26.55	15.24	41.79	61.93	16.26	78.19	32.51	15.27	47.78	61.93	13.00	74.93
	Provision for projects/schemes for the benefit of North Eastern Region and Sikkim													
28.	<i>Provision for projects/ schemes for the benefit of North Eastern Region and Sikkim</i>													
28.01	Other Schemes	2552	...	...	...	10.40	...	10.40	10.40	...	10.40	12.00	...	12.00
28.02	Rajiv Gandhi Udyami Mitra Yojana	2552	...	...	...	0.30	...	0.30	0.30	...	0.30	0.30	...	0.30
28.03	National Small Industries Corporation Ltd.	2552	...	...	...	5.10	...	5.10	3.00	...	3.00	7.20	...	7.20
		4552	...	...	...	43.17	...	43.17	43.17	...	43.17	...	...	...
	<i>Total</i>		...	...	...	48.27	...	48.27	46.17	...	46.17	7.20	...	7.20
28.04	Development Commissioner (MSME)	2552	...	...	...	57.65	...	57.65	40.30	...	40.30	58.00	...	58.00
28.05	Khadi and Village Industries	2552	...	...	...	33.72	...	33.72	20.52	...	20.52	33.72	...	33.72
		6552	...	...	...	...	...	...	...	...	...	...	...	...

(In crores of Rupees)

	Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			Budget 2013-2014			
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
	Total	...	...	...	33.72	...	33.72	20.52	...	20.52	33.72	...	33.72
28.06	Prime Minister's Employment Generation Programme	2552	...	...	130.18	...	130.18	130.18	...	130.18	180.38	...	180.38
28.07	Coir Industries	2552	...	...	6.10	...	6.10	3.00	...	3.00	6.10	...	6.10
	Total- Provision for projects/ schemes for the benefit of North Eastern Region and Sikkim	...	...	...	286.62	...	286.62	250.87	...	250.87	297.70	...	297.70
29.	Investments in Public Sector Enterprises	4851	155.00	...	155.00	31.83	...	31.83	...	31.83	70.00	...	70.00	
30.	Actual Recoveries	2851	-79.45	-0.04	-79.49	...	...	...	...	...	...	...	...
Grand Total			1938.80	301.62	2240.42	2835.00	320.66	3155.66	2541.95	289.70	2831.65	2977.00	312.71	3289.71
	Head of Dev	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	
B. Investment in Public Enterprises														
	1. National Small Industries Corporation Limited	12851	75.00	341.00	416.00	75.00	341.00	416.00	70.00	308.00	378.00
Total			75.00	341.00	416.00	75.00	341.00	416.00	70.00	308.00	378.00
C. Plan Outlay														
	1. Village and Small Industries	12851	1938.80	...	1938.80	2548.38	341.00	2889.38	2291.08	341.00	2632.08	2679.30	308.00	2987.30
	2. North Eastern Areas	22552	286.62	...	286.62	250.87	...	250.87	297.70	...	297.70
Total			1938.80	...	1938.80	2835.00	341.00	3176.00	2541.95	341.00	2882.95	2977.00	308.00	3285.00

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

2. **Credit Support Programme (Credit & Finance):** Under this Programme, a Credit Guarantee Fund 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 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 which is used for security deposit requirement of the loan amount from the MFIs/NGOs.

3. **Quality of Technology Support Institutions and Programmes:** The programme covers Credit Linked Capital Subsidy Scheme, ISO 9000/14001 reimbursement scheme, schemes of National Manufacturing Competitiveness Programme (six Schemes) viz. Implementation of Lean Manufacturing Competitiveness Programme, Promotion of ICT Tools in MSME Sector, Technology and Quality Upgradation Support to MSMEs, Support for Entrepreneurial and Managerial Development of SMEs through Incubators, Design Clinic Scheme for MSME Sector, Enabling manufacturing Sector to be competitive through Quality Management Standards and Quality Technology Tools.

4.01. **Survey, Studies and Policy Research:** Under Survey, Studies and Policy Research, grants are provided to reputed independent agencies for conducting survey/studies on various aspects and features of Micro, Small and Medium Enterprises.

4.02. **International Cooperation Scheme:** International cooperation also known as Promoting International Cooperation among Micro, Small and Medium Enterprises. Promoting International Cooperation among Micro, Small and Medium Enterprises aims to promote International cooperation between Indian Micro, Small and Medium Enterprises (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.

4.03. **Assistance to Training Institutions:** Under the scheme of Assistance to Training Institutions, the three national institutes viz National Institute for Entrepreneurship and Small Business Development (NIESBUD) at NOIDA Indian Institute of Entrepreneurship (IIE), Guwahati and National Institute of Micro, Small and Medium Enterprises (NIMSME), Hyderabad are provided funds for carrying out trainings of potential entrepreneurs in all parts of the country. (Under this scheme, assistance is also provided for establishment of new training institutes as well as for strengthening of existing institutions.)

5.01. **Performance and Credit Rating Scheme:** 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.

5.02. **Marketing Assistance Scheme:** 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.

6. **Rajiv Gandhi Udyami Mitra Yojana:** The main objective of this scheme is to provide handholding support and assistance to the potential first generation entrepreneurs in the establishment and management of the new enterprise, in dealing with various procedural and legal hurdles and in completion of various formalities required for setting up and running of the enterprises.

7. **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 Governments, Financial Institutions, Voluntary Organisations and other organisations concerned with the development of the sector. Provision is for establishment related expenses of Headquarter DC (MSME).

8. **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 (MDP, EDP) Skill, Provision for Workshop/training 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.

9. **Infrastructure Development & Capacity Building (Erstwhile MSME Cluster Development Programme and MSME Growth Poles (Infrastructure Development)):** 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. Association of women entrepreneurs will be assisted under the Cluster Development Programme in establishing exhibition central places for display and sale of products made by women owned MSEs. This programme also includes Tool Rooms and Technical Institutions. These are located at Kolkata, Ludhiana, Ahmedabad, Aurangabad, Indore, Bhubaneswar, Jamshedpur Jalandhar, Guwahati and Hyderabad. These were started with Indo-German and Indo Danish collaborations to assist MSMEs in technical upgradation good quality tooling by designing and producing tools moulds jigs and fixtures components etc. This programme also includes one of the National Manufacturing Competitiveness Programmes viz. Mini Tool Rooms. In addition, this programme includes technical Institutions which provide training and consultancy for tool & die makers. MSME Technology Development Centre (MSME TDCs) which are at Ramnagar, Firozabad, Meerut, Agra, Kanauj, Mumbai and Hyderabad. These are product specific centres to look into specific problems and render technical service develop and upgrade technologies and manpower development and training in specific product groups like Foundry, Forging, Electronics, Fragrances and Flavour, Sports goods, Electrical Measuring Instruments and Glass. MSME Technology Development Centre (Central Footwear Training Institutes) at Agra and Chennai, provide training to develop manpower in footwear

industry and provide common facility services to the micro & small footwear manufacturing units for doing their job work and also develop new designs for the footwear industry.

10. **Marketing Development Assistance Programme (Marketing & Procurement):** 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 enterprises (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 large 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 Assistance & Technology Upgradation and Building Awareness on Intellectual Property Rights for MSMEs (NMCP).

11. **Upgradation of Database (Institutional Structure):** 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. It also provides for Computerisation of District Industries Centres. National Award (Entrepreneur & Quality), MSME-DIS, Small Enterprise information and Resources Network Project (SENET), Publicity & Exhibition, Advertising & Publicity and MSME TCs/TSs are the other components of the Programme. MSME Testing Centre and MSME Testing Stations (TSs) provide testing facilities to Micro Small and Medium Enterprises.

12. **Construction of Office Accommodation Village and Small Industries:** Provides for construction Office Accommodation for field Offices.

13. **Special Scheme on MSME:** The Report of the Task Force on Micro, Small and Medium Enterprises was presented to the Hon'ble Prime Minister in January 2010 by its Chairman, Shri T.K.A.Nair. The report provides a roadmap for the development and promotion of the Micro, Small and Medium Enterprises (MSMEs). It recommends an agenda for immediate action to provide relief and incentives to the MSMEs, especially in the aftermath of the recent economic slowdown, accompanied by institutional changes and detailing of programmes, to be achieved in a time bound manner. In addition, it suggests setting up of appropriate legal and regulatory structures to create a conducive environment for entrepreneurship and growth of micro, small and medium enterprises in the country. Setting up of a Special Fund for the Micro Enterprises for exclusive lending to this sub-sector; introduction of a Public Procurement Policy which mandates government and PSUs to reach, in a stipulated time period, a target of atleast 20 percent of their annual volume of purchases from micro and small enterprises; and earmarking of additional public spending of around Rs 5500 crore over a five year period, to specifically target deficiencies in the existing infrastructure and institutional set up are amongst some of the major recommendations of the Task Force.

18. **India Inclusive Innovation Fund:** This new scheme will be launched in Plan to support innovation for growth of MSME sector.

19.01. **Khadi Industries:** Budgetary allocation under Khadi grant is for promotion and development of khadi, financial assistance for revitalisation of KVI institutions through, inter-alia, replacement of charkhas and looms that have outlived their utility, scheme for encouraging value

addition by converting khadi fabric into readymade garments, provision for rebate on sale of khadi, Marketing Development Assistance based on production, interest subsidy on term and working capital loans taken by khadi institutions at reduced interest rate of 4%, allocation for the PRODIP scheme for development of new products, designs and better packaging for Khadi products and welfare of khadi artisans, etc.

19.02. **Other Village Industries:** The budget provision under this sub-head is meant for promotion and development of village industries through technology upgradation, improved market access through facilitating participation in exhibitions at International, National, State and District levels, Modernisation of sales outlets, allocation for the PRODIP scheme for development of new products, designs and better packaging for VI products, rebate on retail sales of Polyvastra/MDA based on production of Polyvastra, up gradation of existing training institutes of KVIC/KVIBs and institutions affiliated to KVIC/KVIBs, development of clusters under the Rural Industries Service Centre (RISC) scheme through setting up of Common Facilities Centre (CFCs).

19.03. **Janashree Bima Yojana for Khadi artisans (JBY) (inclusive of new component of health insurance):** KVIC, in association with LIC India, launched a Group Insurance Scheme namely Khadi Karigar Jana Shree Beema Yojana (JBY) for Khadi artisans on the eve of Independence Day on 15th August, 2003. The Scheme covers all the spinners, weavers, pre-spinning artisans and post-weaving artisans engaged in Khadi/Polyvastra activities and associated with Khadi institutions (NGOs) throughout the country. It is envisaged to include a new component of health insurance in the XII Plan.

19.04. **Development of Infrastructure and Skill sets in KVI Sector (DISK):** This scheme has been proposed by bundling IT, HRD & Estates and Services to meet the infrastructural, ICT and skill need of KVI sector etc.

19.05. **Promotion of V.I. & Development of Existing Weak V.I. Institutions (PROVIDE) (inclusive of new component for revival of weak V.I. institute):** This will be a bundle of the existing schemes of expenditure relating to the promotion of seven categories of village industries with an additional component of a revival package for around 500 weak V.I. institutions. It will also include insurance.

19.07. **Market Promotion (including Export Promotion) & Publicity (inclusive of a new component of marketing complexes / plazas) and Modified MDA:** This scheme will be an umbrella scheme for existing marketing and publicity activities. It envisages a new component of plazas/complexes.

MDA has been introduced w.e.f. 01.04.2010. The scheme envisages financial assistance @ 20% on value of production of khadi and polyvastra, to be shared among artisans, producing institutions and selling institutions. The MDA scheme will be further developed and implemented as a distinct component of this umbrella scheme for Market Promotion and Publicity.

19.08. **Khadi/VI S&T and Scheme for Promotion of Khadi as an Exclusive Heritage and Green product (SPOKE) (new component):** Khadi/VI S&T is provided for setting up of projects to reduce the drudgery in work, improve the Khadi and V.I. products.

Scheme for Promotion of Khadi as an Exclusive Heritage and Green Product (SPOKE) will have two distinct components to provide for holistic promotion of KVI items as heritage and

green products to harness its USP and to encourage the development and protection of new technology/ machinery/ processes/ products, etc. in the KVI sector through provision of appropriate incentives.

20.01. **Interest Subsidies(Khadi):** The scheme is meant for subsidy in lieu of interest accrued on Government loans given in the past to KVIC for promotion of Khadi and Village Industries sector for onward lending to khadi institutions. This amount is a book transfer, as it is adjusted against the Khadi Loan interest dues of Khadi & Village Industries Commission.

20.02. **Interest Subsidies(VI):** The scheme is meant for subsidy in lieu of interest accrued on Government loans given in the past to KVIC for promotion of Khadi and Village Industries sector for onward lending to KVI institutions. This amount is a book transfer, as it is adjusted against the V I Loan interest dues of Khadi & Village Industries Commission.

21. **Interest Subsidy Eligibility Certificate for Khadi and Polyvastra (ISEC):** The ISEC scheme is applicable for all registered institutions under KVIC / State KVIBs. Under the scheme, the Khadi/Polyvastra and V.I (Old) programme implementing agencies bear only 4% of the interest charged and the difference between the actual rate of interest charged by banks and 4% is extended as Interest Subsidy and directly reimbursed to the financing banks.

22. **Mahatma Gandhi Institute for Rural Industrialisation (MGIRI):** Mahatma Gandhi Institute for Rural Industrialization (MGIRI) 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. **Scheme of Fund for Regeneration of Traditional Industries (SFURTI) - KVI:** This scheme will develop around 800 khadi/ VI clusters. Besides retaining existing components like equipment replacement, common facilities centres, product development support, market promotion, capacity building and exposure visits etc, the following components will be included: (i) Enhancing Productivity and Competitiveness of Khadi Industry and Artisans, (ii) Strengthening Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure (iii) Product Development Design Intervention and Packaging, (iv) Workshed Scheme for Khadi Artisans, (v) Rural Industries Service Centre and other small interventions like Ready Warp Units, Ready to Wear Mission, etc. run by KVIC during XI Plan from Khadi Grants and VI Grants.

24. **Prime Minister's Employment Generation Programme (PMEGP):** The Prime Minister's Employment Generation Programme (PMEGP) launched during the XI plan by merger of erstwhile Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) has created around 1.64 lakh micro-enterprises providing employment to around 16.06 lakh persons by the end of XI plan. Response to PMEGP has been very encouraging. The scheme has created new hopes among youth, particularly the educated unemployed, of becoming entrepreneurs themselves. It is proposed to upscale the scheme, for creation of 27.12 lakh employment opportunities through setting-up of 3.39 lakh micro enterprises during XII plan.

25. **Khadi Reform and Development Programme (ADB Assistance):** In order to revitalize and reform the traditional khadi sector with enhanced sustainability of khadi, increased artisans welfare, increased incomes and employment opportunities for spinners and weavers, with lesser dependence on Government grants, a Khadi Reform and Development Programme was formulated by

the Ministry of MSME in consultation with KVIC, Asian Development Bank and Department of Economic Affairs(DEA). This programme is proposed to be implemented in two phases. Phase I, which is ongoing, will cover 300 institutions (against which 50 institutions have already been taken up during XI Plan; the remaining 250 institutions of Phase I, will be covered under XII plan), and another 300 institutions will be covered in Phase II..

27.01. **Coir Board:** (i) Plan (General) : The Plan General comprises of schemes for Skill Upgradation, Quality Improvement and Mahila Coir Yojana, Development of Production Infrastructure, Export and Domestic Market Promotion, Trade and Industry Related Functional Support Services (TIS) and providing insurance with a new component of health insurance for coir workers in the XII Plan.

(ii) Plan (S&T) : This scheme aims to undertake projects on process improvement in extraction of fiber, pollution free retting process, product development/ diversification, development of new machinery. Extension of research efforts for commercial application at field level and providing testing and service facilities to exporters /entrepreneurs are areas of special attention.

27.02. **Rejuvenation, Modernisation and Technological Upgradation of Coir Industry:** The scheme aims at developing coir industry by providing financial assistance to spinners and tiny household sector. Under this scheme, assistance is provided for replacement of outdated ratts/looms and for constructing worksheds so as to increase production and earning of workers.

28. **Provision for project/schemes for the benefit of North Eastern Region and Sikkim:** Scheme-wise provision has been kept for the projects/schemes for the benefit of North Eastern Region and Sikkim.

29. **Investment in Public Enterprises:** Provision is for additional equity investment in National Small Industries Corporation Ltd(NSIC), as per the Prime Ministers Task Force recommendations.