Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last six decades. MSMEs not only play a crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances, ensuring more equitable distribution of national income and wealth. Ministry of Micro, Small & Medium Enterprises (Mo-SMSE) envisaged a vibrant MSME sector by promoting growth and development of the MSME Sector. Office of the Development Commissioner (Micro, Small & Medium Enterprises) provides a wide range of services & schemes for the promotion and development of MSME sector through 30 Micro, Small and Medium Enterprises Development Institutes (MSME-DIs): 28 Branch MSME-DIs located across the country. The institute assists MSMEs finance through the schemes and improves their technical skills through skill upgradation / training programmes. This institute also focuses on creating young entrepreneurs through various industrial motivation & Entrepreneurship development programmes.

SCHEMES OF OFFICE OF DC-MSME

CGT-MSE - Credit Guarantee Trust Fund Scheme for Micro & Small Enterprises:
- Capital-free loans for Term loan & Working capital facility for new or existing MSEs
  - 75% Guarantee cover of credit facility up to Rs. 50 lakh
  - 80% Guarantee cover for Women-owned / operated MSEs
  - 85% Guarantee cover - Loans up to Rs. 5 lakh for micro enterprises
  - Uniform guarantee at 50% - For entire amount if credit exposure is above Rs. 50 lakh and up to Rs. 100 lakh

CLCSS - Credit Linked Capital Subsidy Scheme for Technology Upgradation of MSMEs: Facilitating Technology Upgradation of MSMEs
- 15% capital subsidy for purchase of Plant & Machinery Maximum Rs.15 lakh (Loan ceiling Maximum Rs. 1.5 Crore)

PUBLIC PROCUREMENT POLICY - MSEs 2012
- Improve MSE market access:
  - 20% mandatory annual procurement from MSEs by Central Government Ministries, Departments & PSUs
  - 20% out of 20% - 4% from SC/ST Entrepreneurs

MSE - CDP (Micro & Small Enterprises - Cluster Development Programme):
- Creating & developing clusters with group of MSEs for facilitating common infrastructure, common facilities, R&D

Detailed Project Report (DPR):
- If DPR is finally approved, Rs.10 lakh considered as contribution by Special Purpose Vehicle (SPV) towards project.

Hard Interventions Setting up of Common Facility Centers (CFCs):
- 70% grant of project cost
- 90% - For CFCs in Clusters with >= 50% micro/ village/ women owned/ SC/ST units
- Maximum Rs. 15 crore

Infrastructure Development
- 60% grant of project cost
- 80% - For Clusters with >= 50% micro/ village/ women owned/ SC/ST units
- Maximum Rs. 10 crore

ZERO DEFECT ZERO EFFECT (ZED) SCHEME:
After ZED assessment, MSMEs can reduce wastages substantially, increase productivity, expand their market as IPOs, become vendors to CPSUs, have more IFPs, develop new products and processes etc.

<table>
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<tr>
<th>Component</th>
<th>Fees (per enterprise)</th>
<th>Subsidies for Enterprises</th>
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<tbody>
<tr>
<td>Assessment/Rating by empanelled Credit Rating Agencies</td>
<td>Assessment Fee:</td>
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<td>Rs. 10,000/- Desktop Assessment</td>
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<td>Rs. 80,000/- ZED rating Comprehensive Assessment</td>
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<td>Rs. 40,000/- Additional rating for Defence ZED</td>
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<td>Rs. 40,000/- Re-Assessment/Re-Rating</td>
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<td>Hand holding charges: Rs. 1.9 Lakh</td>
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<td>80% - Micro</td>
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<td>60% - Small</td>
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<td>50% - Medium</td>
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INCUBATORS - Support for Entrepreneurial and Managerial Development of SMEs through Incubators:
- Funding for nurturing of innovative ideas of MSMEs
- Rs. 6.25 lakh (Rs. 4 lakh to Rs. 8 lakh) per innovative idea for development
- Implemented through Business Incubators (Technical Institutions, Engineering Colleges, IITs, NITs)

DESIGN CLINIC - Design Clinic Scheme for design expertise to MSMEs Manufacturing sector (DESIGN):
- Enhance understanding and application of design and innovation in MSMEs
- Implemented through NID, IITC, Bangalore & CSIR

Design project Funding for professionals:
- 75% of project cost or Rs. 15 Lakh (For individual Micro Unit or group of up to 3 Micro Units)
- 75% of project cost or Rs. 25 Lakh (For group of more than 3 Micro Units)
- 60% of project cost or Rs. 25 Lakh (For individual SME Unit or group of up to 3 SME Units)
- 60% of project cost or Rs. 40 Lakh (For group of more than 3 SME Units)

Design Project Funding for Students:
- 75% reimbursement of expenses - Maximum Rs. 1.5 lakh for final year student projects done for MSMEs

IPR - Building Awareness on Intellectual Property Rights (IPR) for MSME:
- Enhance awareness of MSMEs about IPRs to protecting their ideas and business strategies
- Assistance for Grant on Patent/GI Registration
  - Domestic patent - Rs.2500/-
  - Foreign patent - Rs. 2 lakh
  - Geographical Indication (GI) registration - Rs. 1 lakh

LEAN MANUFACTURING Competitiveness Scheme:
Support to MSMEs for undertaking lean manufacturing techniques to enhance productivity and competitiveness
- Formation of Mini Cluster with ideally 10 MSMEs (minimum 6 units)
- Payment to Lean Manufacturing Consultants Charges - Maximum Rs. 36 Lakh per mini cluster

OMS/QTT - Enabling Manufacturing Sector to be competitive through Quality Management Standards & Quality Technology Tools (OMS/QTT)
- Organising Competition - watch (C-watch):
  - Conduct ‘Professional Study’ of ‘threatened product’ - Rs. 2.5 lakh
  - Technical exposure visit by representatives of ‘threatened product’ - Rs. 7.5 lakh
  - Procurement of samples & technical details - Rs. 2.5 lakh
  - Product development by technical bodies - Rs. 5 lakh
  - Popularisation of improved product - Rs. 1.5 lakh

Implementation of OMS/QTT in selected MSEs:
- Rs. 2.5 lakh per unit (for 100 MSEs) - For Diagnostic Study & implementation of OMS/QTT

Monitoring international study missions:
- Rs. 2.5 lakh per MSE (Two delegations per year to International Events) adopt latest OMS and QTT.

TEQIP - Technology and Quality Upgradation Support to MSMEs:
- Enhancing competitiveness of MSME sector through Energy Efficiency and Product Quality Certification
- Encouraging MSMEs to Acquire Product Certification Licenses from National/International Bodies:
  - 75% reimbursement of expenditure, towards licensing of product to National/International Standards
  - Maximum Rs. 1.5 lakh for National certification (BIS, DNV, etc.)
  - Maximum Rs. 2 lakh for international certification (IEC, UL, E Son & TUV, etc.)

Capacity Building of MSME Clusters for Energy Efficiency / Clean Development Mechanisms:
- 75% of expenditure - Rs. 9 lakh per cluster for conducting cluster level energy audits and model DPFRs (For 3 selected enterprises)

50% of expenditure - Maximum Rs. 1.5 lakh per DPR for Preparation of detailed project reports (DPFR) for MSMEs on EET projects

Implementation of Energy Efficient Technologies (EET) in MSMEs:
- 25% of project cost - Maximum Rs. 10 lakh for implementation of EET

Setting Up of Carbon Credit Aggregation Centres (CCA):
- 75% of expenditure - Maximum Rs. 15 lakh per CCA centre.

ICT - Promotion of ICT in Indian Manufacturing Sector:
- Motivate MSME Clusters to adopt ICT tools and applications for their production & business processes

Cloud Computing:
- Subsidy of Rs. 3 lakh (maximum) per unit, for a period of maximum of three years