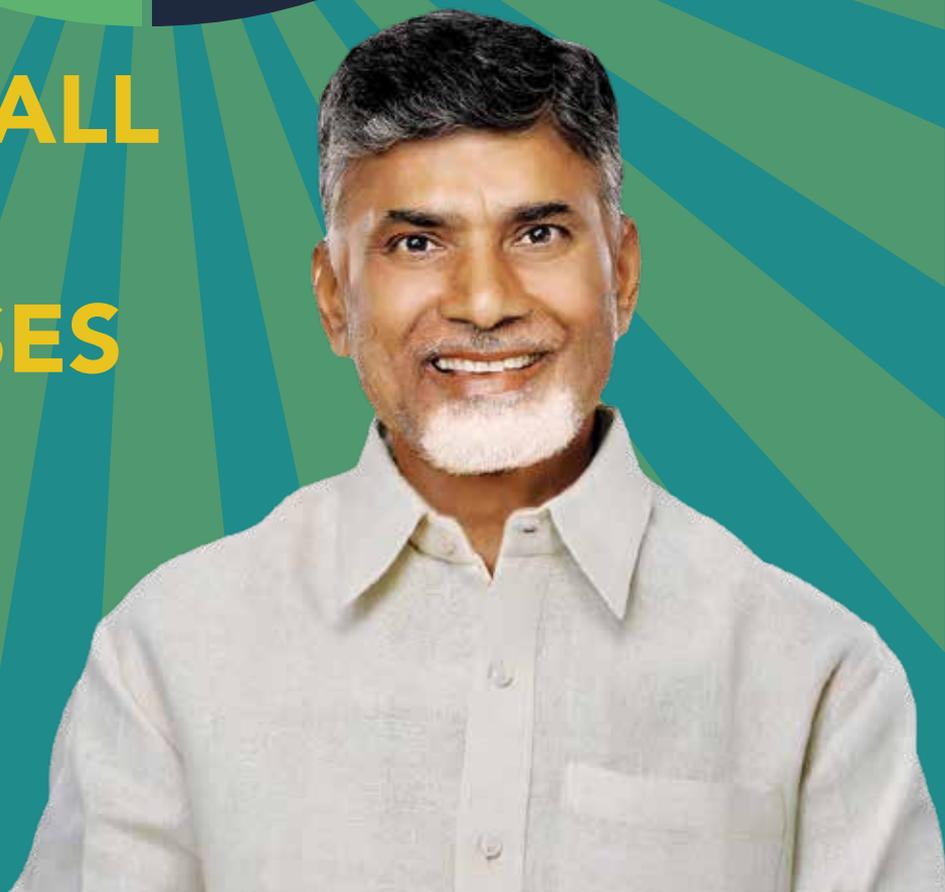


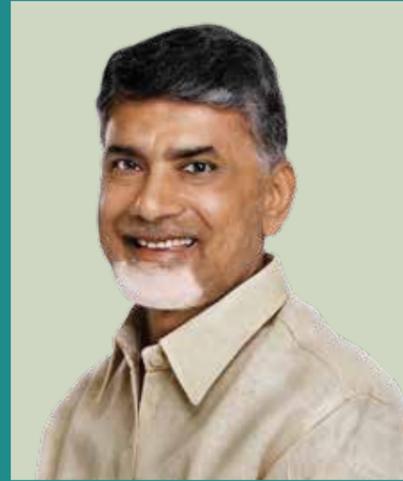
GOVERNMENT OF ANDHRA PRADESH



**MICRO SMALL
& MEDIUM
ENTERPRISES
POLICY
2015-20**



“Government of Andhra Pradesh (GoAP) accords top priority to development of Micro, Small and Medium Enterprises (MSMEs) for catalyzing growth. Development of MSMEs has a significant impact on employment generation, improvement in standard of living and inclusive growth.



Micro Small and Medium Enterprises (MSME) Policy 2015-20 aims to generate new employment opportunities for at least 3.5 lakh people and attract new investments of at least ₹15,000 crore by 2020. MSME Policy 2015-20 proposes a holistic package of interventions encompassing fiscal incentives, capital and interest subsidies, seed capital assistance, incentives on land and power, financial aid for skill development and quality improvement and marketing assistance.

To develop a vibrant MSME sector, institutional measures put in place for addressing incipient sickness, enhancing credit flow and facilitating registration of MSMEs have been fortified; and new measures have been taken up such as MSME Revival Fund of ₹100 crore to be set up in FY 2015-16. The parallel focus on setting up incubation centres and start-ups is aimed at enhancing skill intensity and content in MSMEs.

GoAP plans to set up dedicated MSME Parks in each district in a planned manner and promote cluster development based on cross-sector and cross-district assessment. GoAP also seeks to boost tie-ups with MSMEs in other Asian economics such as China, Japan and Singapore. GoAP has instituted awards for MSMEs on broad-based parameters and award winners would be given preference in participation in international fairs.

I am certain that the MSME Policy 2015-20 would provide a fillip to development of MSMEs and propel them as engines for growth, innovation and entrepreneurship in the State.

Join us as we embark on the growth trajectory of Sunrise Andhra Pradesh.

Nara Chandrababu Naidu
Hon'ble Chief Minister of Andhra Pradesh

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ANDHRA PRADESH

01

PREAMBLE

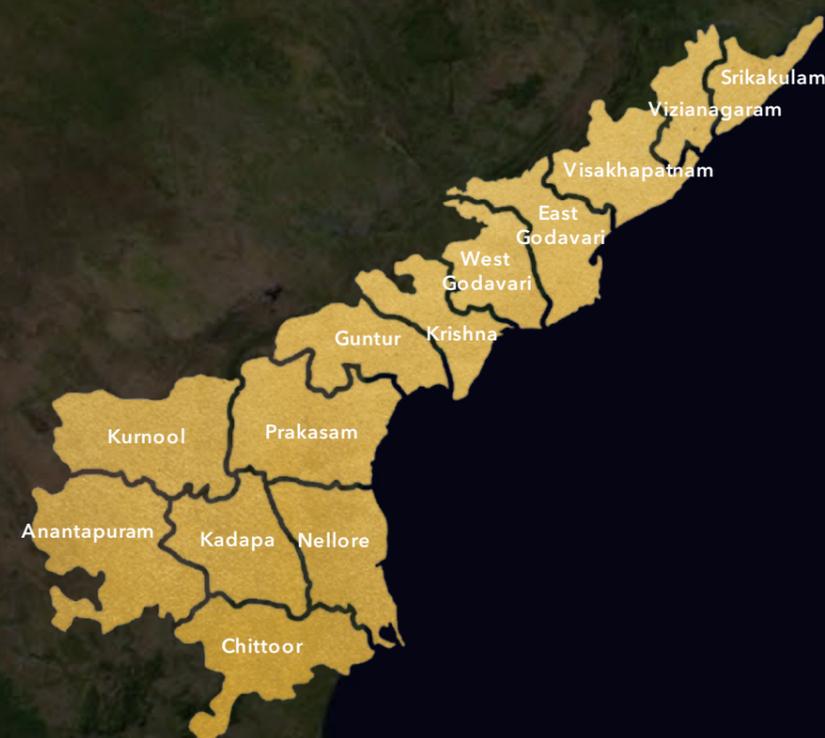
a. Introduction to Andhra Pradesh

Andhra Pradesh is strategically located on the Southeast coast of India and is a natural gateway to East and Southeast Asia. The State has a population of 4.93 crores (as per population census - 2011), accounting for 4% of India's population, residing in 4.9% of geographical area. The State is endowed with abundant natural resources (Barytes, Limestone, Bauxite, and a number of minor minerals), fertile land and river basins, water resources, extensive canal system and conducive agro-climatic conditions. The State has the second longest coastline in India and is also one of the largest producers of marine products.

At current prices, the Gross State Domestic Product (GSDP) of Andhra Pradesh was ₹4,75,859 crores in 2013-14. Between 2004-05 and 2012-13, the average annual GSDP growth rate of Andhra Pradesh was 7.25% while the average per capita income at (current prices) increased from ₹46,345 in 2008-09 to ₹88,876 in 2013-14.

The Advanced Estimate for GSDP in 2014-15 is ₹5,20,030 crore and the target for GSDP in 2015-16 is ₹6,36,606 crore (both at current prices).

Over the years, the State has established a strong presence in agro and food processing, textiles, chemicals & petrochemicals, pharmaceuticals, metallurgy, electronics and electrical engineering sectors.



b. Introduction -

Micro, Small and Medium Enterprises (MSME)

MSME sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs contribute to nearly 8% of the country's GDP, 45% of the manufacturing output and 40% of the exports. MSMEs provide the largest share of employment after agriculture and hence, development of MSME sector can contribute enormously to the socio-economic development of the country.

MSME sector underscores entrepreneurship and innovation. Moreover, MSMEs are complementary to large industries as ancillary units. Micro Small Medium Enterprises Development (MSMED) Act, 2006 seeks to facilitate the development of these enterprises, enhance their competitiveness and provides a legal framework for recognition of both manufacturing and service entities in the concept of "enterprise".

c. Why Andhra Pradesh?

The Hon'ble Chief Minister has identified development of MSMEs as a catalyst for job creation and poverty mitigation and GoAP has accorded top priority to their development. In parallel, there is significant thrust on encouraging startups and setting up incubation centres to provide a conducive eco-system for MSME.

The MSME sector in AP manufactures a variety of products. There is a high concentration of micro and small units in the food sector, mineral and building materials sector, drugs and pharmaceuticals, fabricated materials, trading and service sector.

The Andhra Pradesh MSME Policy 2015-20 is aimed at "establishing state-of-the-art infrastructure, advancing inclusivity, fostering innovation and creating employment opportunities across different skill sets".

FUTURE IS HERE

d. Tactical advantages that AP offers

I. Robust Infrastructure

Andhra Pradesh has robust infrastructure comprising good road and rail network, 4 major ports, 4 active airports and 24X7 power for industrial/commercial use. Additionally, the State is creating a land bank of 10 lakh acres to facilitate industrial development. Mega projects like Visakhapatnam-Chennai Industrial corridor (VCIC) and Chennai-Bengaluru Industrial Corridor (CBIC) will help develop new economic centres in the State, further giving fillip to industrial development.

II. Large Base Of Skilled Manpower

The State has over 120 polytechnics, 225 engineering colleges and several management institutes which meet the industries' requirements for skilled manpower. The State also boasts of cordial labour relations as well as general peace and order owing to GoAP's welfare policies (Andhra Pradesh was the first state to amend Contract Labour Act to define core and non-core activities). Last but not the least, Andhra Pradesh is uniquely positioned to access the global talent pool by leveraging a strong diaspora active in this sector.



ROBUST INFRA

02

POLICY OBJECTIVE

GoAP aims to give fillip to the MSME sector to facilitate inclusive growth and development. The objective is to provide a conducive eco-system to encourage MSMEs and attract new investments into the sector.

03

POLICY TARGETS

Policy targets are as follows:

- Enhance competitiveness of the sector to make Andhra Pradesh one of the most preferred destinations for MSMEs
- Attract new investments worth ₹15,000 crore in the sector by 2020
- Create additional employment opportunity for 3,50,000 people in the sector by 2020

04

DEFINITION

Medium, Small And Micro Enterprises (MSME)

The below definition pertains to MSMEs in manufacturing sector in terms of investment in plant and machinery as per the MSMED Act, 2006, as amended from time to time.

- Micro: Does not exceed ₹25 lakhs
- Small: More than ₹25 lakhs but does not exceed ₹5 crore
- Medium: More than ₹5 crore but does not exceed ₹10 crore

MOVING AHEAD

05

OPERATIVE PERIOD OF THE SCHEME

The scheme will come into operation from the date of its issue and shall remain in force for five years.

06

INCENTIVES

A. Stamp Duty

- a. 100% of stamp duty and transfer duty paid by the industry on purchase or lease of land meant for industrial use shall be reimbursed.
- b. 100% of stamp duty for lease of land/shed/buildings, mortgages and hypothecations shall be reimbursed.
- c. All the reimbursements shall be done within 6 months.

B. VAT/CST/SGST

- a. For micro and small industries, 100% of net VAT/CST/SGST shall be reimbursed for a period of 5 years from the date of commencement of commercial production.
- b. For medium industries, 75% of net VAT/CST/ SGST shall be reimbursed for a period of 7 years from the date of commencement of commercial production or up to realization of 100% fixed capital investment, whichever is earlier.

BEST-IN-CLASS INCENTIVES

C. Power:

- a. Andhra Pradesh is one of the states selected for the centrally-sponsored "power for all" scheme. This scheme will ensure 24x7 quality and reliable power across the State.
- b. Fixed power cost reimbursement is proposed to be provided at ₹1.00 per unit for 5 years from the date of commencement of commercial production. This will apply to open access units as well.
- c. The units generating power from captive power plant will not be eligible for the subsidy.



D. Fixed Capital Subsidy

- a. 15% investment subsidy on fixed capital investment subject to a maximum of ₹20 lakhs for micro and small enterprises
- a. Investment subsidy will also be extendable to the identified service activities related to industries setup anywhere in the State as per the list appended as Annexure-I

E. Seed Capital Assistance For Micro Enterprises:

Seed capital assistance to First Generation Entrepreneurs to set-up Micro Enterprises @10% of the Machinery cost, which will be deducted from the eligible investment subsidy.

F. Skill Upgradation

- a. As outlined in the Industrial Policy 2015-20, GoAP shall create a model for development of skilled manpower and for improving employability in the State. Under this model, State will identify the quantum requirement of skilled manpower, identify industry specific skill sets required and provide courses at different levels of education – matriculation and above.
- b. GoAP recognizes that MSME requires additional support for skill development. GoAP will reimburse 50% of the cost involved in skill upgradation and training the local manpower limited to ₹5000 per person for 10 persons in micro and 20 persons in small and medium industries.



YOUNG
WORKFORCE

VAST LAND BANK

- a. GoAP shall reserve 15% of total area of land for MSME industries in any 2 of developed Industrial Parks of APIIC in every district, which will not be less than 40 acres of developed land in every district and allot land in government run Industrial Areas.
- b. GoAP shall reimburse 25% of land conversion charges for industrial use limited to ₹10 lakh.
- c. GoAP shall provide 25% rebate in land cost limited to ₹10 lakh in Industrial Estates/ Parks.
- d. Of the land reserved for MSME industries in its plots / industrial estates, APIIC shall allocate 15% of plots to Scheduled Caste Entrepreneurs, 5% of plots to Scheduled Tribe Entrepreneurs, 20% for Backward Classes and 5% for Minorities.
- e. Of the land reserved for MSME industries in its plots / industrial estates, APIIC shall allocate 10% of number of plots to Women Entrepreneurs.



QUALITY IMPROVEMENT / CLEAN PRODUCTION INTERVENTIONS

- a. MSMEs would be encouraged to undertake quality improvement interventions such as relevant upgrade of existing technologies and installing of new technologies for quality control, cleaner environment friendly production, water and energy audits, quality certifications etc. MSMEs may take assistance of recognized MSME associations to undertake quality improvement measures.
- b. Further GoAP will provide assistance by way of 50% grant limited to ₹1 lakh for water audit and ₹2 lakh for energy audit to micro and small enterprises in Andhra Pradesh.

TOP QUALITY
TOP PRIORITY

MARKETING ASSISTANCE

FULL
MARKETING
SUPPORT

- a. GoAP would extend all the required support for market development activities. GoAP places significant thrust on the entire spectrum of marketing activities. GoAP will provide financial assistance to MSME associations for funding market studies, market creation efforts, quality improvement effort and disseminating this information to MSMEs. Market studies funded by GoAP should be available in the public domain.
- b. District Industries Centres will hold MSME meets bi-annually and also invite large companies to facilitate a strong network between MSMEs and large companies.
- c. GoAP will appoint a consultancy to do the following:
 - i. Sector/ District-wise study to identify possible specific Clusters based on development of MSMEs.
 - ii. To identify potential upstream and downstream linkages in each Cluster.
 - iii. Creating an enabling framework for effective tie-up with MSMEs in countries like China, Japan, Singapore etc.
 - iv. Creating an enabling framework for mapping Skill Inventories with upcoming Industrial demand and methodology to augment the same.
- d. GoAP will leverage the Public Procurement Policy for Micro and Small Enterprises (MSEs) of Government of India, which mandates the Government of India Ministries, Departments and Public Sector Undertakings to procure minimum of 20 per cent of their annual value of goods or services from MSEs and GoAP will take all necessary steps to create a base of MSME suppliers in Andhra Pradesh.

10

QUALITY CERTIFICATION/ PATENT & TRADEMARK REGISTRATION

- a. 75% subsidy on the expenses incurred for quality certification/patent registration limited to ₹5 Lakhs for MSMEs
- b. Trademark: 50% of the cost of the application for trade mark registration or ₹25,000, whichever is less

11

AWARDS & RECOGNITION

GoAP will institute awards for MSMEs both at District / State levels based on criteria mentioned below:

- a. Highest growth in production and profit
- b. Quality improvement measures
- c. Environment improvement measures, Innovation and new product/process/technology development
- d. Employment generation
- e. Innovation & Productivity

Award recipients will get priority for participation in international trade fairs and other incentive schemes.

AWARDING THE
DESERVING

MSME PARKS

GoAP shall establish a dedicated MSME Park in each district up to an extent of 25 acres with common infrastructure like roads, industrial water supply, power, effluent treatment plant. These MSME Parks shall be established across all districts in a phased fashion depending upon sectoral assessment to be taken up during Q2/Q3 of FY 2016.

MSME PARK IN EVERY DISTRICT



MSME FACILITATION

Facilitation Desk

- GoAP shall constitute an MSME Facilitation Desk to provide one-stop solution to all MSME related queries/grievances.
- To further support the same, a helpline shall be established for ensuring better reach and coordination between GoAP and the MSME sector.
- MSME associations shall be co-opted in the Facilitation Desk to ensure establishment of a timely and methodical feedback channel. This Desk is envisaged to play a crucial role in identifying incipient sickness and thereby assist GoAP in redressing the same.

Institutional Measures for addressing incipient sickness:

- Andhra Pradesh Micro & Small Enterprises Facilitation Council: GoAP has constituted the A.P. Micro and Small Enterprises Facilitation Council, as per MSMED ACT 2006, to prevent sickness of MSEs on account of delayed payments by the government.
- Regular Review meetings: General Manager of DICs will hold regular facilitation meetings in association with all the concerned departments every month in each Industrial estate/Cluster/IDA, to understand the issues faced by MSMEs in running their industry. Such issues will be brought to the notice of DIPC for resolution. The issues which require Government intervention, are to be forwarded to the Director of Industries by DIPC.
- State Level Inter Institutional Committee (SLIIC) Sub-Committee: As per RBI instructions, an SLIIC sub-Committee has been constituted under the Chairmanship of the Director of Industries for revival and rehabilitation of Sick Industries with the cooperation of bankers. The SLIIC Committee will identify the sick units for revival and rehabilitation while the sub-committee will look into the problems of individual sick MSE units and submit its recommendations to SLIIC for consideration.
- State Level Bankers' Committee (SLBC) Meetings: In addition to regular SLBC meetings to discuss measures for revival of sick industries, GoAP has requested all banks to increase the credit flow to MSME sector. Banks are also requested to adopt sympathetic attitude and strive for rehabilitation, wherever the sickness is beyond the control of the entrepreneurs running the enterprise.
- Andhra Pradesh Small Scale Industries Revival Scheme 2006 - Rehabilitation Package: Some of the reliefs and concessions made available as part of the rehabilitation package accepted in principle by GoAP are as mentioned below. For details, please refer to G.O.M. No. 203 dated 20.07.2006.



- Interest rebate to Banks/Financial Institutions: 6% interest subsidy will be provided to all identified/eligible sick units, subject to maximum of ₹2 lakh per year for a maximum period of three years.
- Deferment of CT arrears: Arrears of payment of purchase tax, sales tax and interest towards non-payment of sales tax shall be deferred for 3 years from the date of grant of revival package.
- Relief in Energy Charges: If the sick industrial unit under consideration has to pay arrears of CC (Capital Cost) charges, it may be given choice to pay the entire arrears of CC charges up to the date of disconnection with interest and 4 months minimum charges during closure period without interest +CMD (Contracted Maximum Demand) charges for new connection, either in one lump sum or in 3 annual installments. The percentage of interest charged by APTRANSCO/DISCOM (Distribution Company) on the arrears of CC charges will be subsidized to the extent of 15% of interest charged from out of the percentage of the total interest charged, subject to a maximum of ₹5 lakh for the former option and maximum of ₹3 lakh per year for 3 years for the latter option.

Enhancing Credit Flow:

- GoAP shall facilitate loans under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) Scheme, whereby Gol has issued instructions to financial institutions to sanction collateral free loans, up to ₹1crore by charging additional (maximum) annual service fee on such loans as follows: 1st year – 1.5% and 2nd year onwards – 0.75%.
- GoAP shall facilitate raising funds through SME Exchange, dedicated stock exchange for trading the shares / securities of SMEs, offered by both BSE and NSE, as per SEBI guidelines.
- Interest subsidy on the term loan taken for fixed capital investment by New Micro and Small Enterprises in excess of 3% per annum subject to a maximum reimbursement of 9% per annum for a period of 5 years from the date of commencement of commercial production.

Registration of un-registered MSMEs:

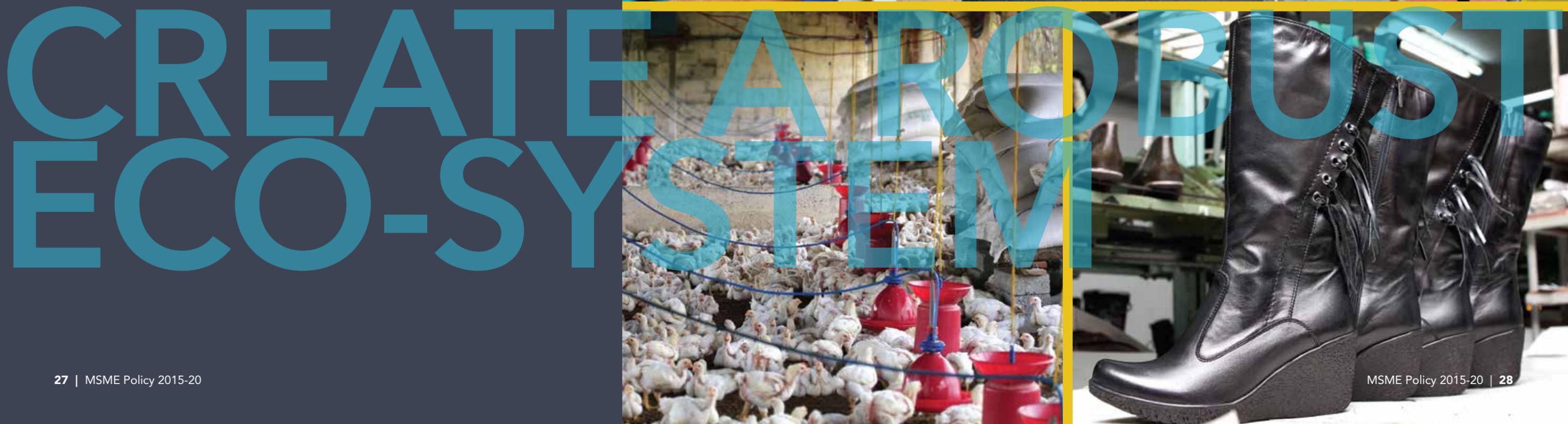
It is estimated, based on available statistics, that only 10-15% of MSMEs have been registered with the Department of Industries. Hence, a special drive has been proposed to identify such units and get them registered with the Department.

The drive will include assigning targets district-wise and cascading them down to mandal-wise targets. The information on units will be obtained and verified using cross-departmental data (Labour department; APTRANSCO; MA&UD; Commercial Taxes department, among others) and collected according to a proforma format. A monthly list of such units will be collated, cross-checked by the GM with the existing list of registered units and placed in front of the DIPC to be audited and finalised. A performance-based remuneration may be provided to the IPO/Area Officer who has collected the information.

REVAMP. REBUILD.

MSME REVIVAL FUND

GoAP will create a fund of ₹100 crore in FY 2015-16 to support the revival of MSMEs across the State. The fund should be specifically utilized to achieve the goals of speedy revival, additional employment generation, enhance market linkages and discipline the management of MSMEs to create a robust Eco-system.



Annexure I

List of Service Enterprises, related to industries, eligible for Investment subsidy

Sr.No	Activity
1	Industrial / Material testing laboratories
2	R&D Centres related to industry
3	Printing presses offset printing press, Flexi/Vinyl Printing, Flexo printing
4	Machine operated Seed grading services
5	Industrial Training Centres with necessary machinery and equipment.
6	Power Laundries
7	Readymade Garments units with investment more than 5.00 lakhs on Plant & Machinery
8	Auto servicing and /or repairing units with investment more than 5.00 lakhs on Plant & Machinery
9	Packaging activity with investment more than 10.00 lakhs on Plant & Machinery
10	General Engineering and Fabrication
11	Machine operated Book binding Enterprises and Note Books with investment more than 5.00 lakhs on Plant & Machinery
12	Any other Service Enterprises notified by the State Level Committee for inclusion in this list from time to time.

Note:

- 1) Service Sector projects set up by the entrepreneurs will be limited to 50% of the Budget Provision in order to encourage the remaining 50% for the manufacturing sector.
- 2) The above service activities are eligible only for investment subsidy and all other service / Business activities are not eligible for any incentives.

Annexure II

Various Government of India Schemes for MSMEs are as follows:

Name of Scheme	Description	Nature of Assistance
Scheme for 'Providing Financial Assistance on Bar-Code' an NMCP Scheme - Reimbursement of Aregistration fee for Bar coding	The financial assistance is provided towards 75% reimbursement of only one-time registration fee and 75% of annual recurring fee for first three years paid by MSEs to GS1 India for using of Bar Coding	Funding support for reimbursement of 75% of one time and recurring bar code registration fees.
Scheme for 'Support for entrepreneurial and managerial development of SMEs through incubators'- an NMCP Scheme - Support for setting up of 'Business Incubators'	The objective is to provides early stage funding for nurturing innovative business ideas (new indigenous technology, processes, products, procedure etc.) which could be commercialized in a year	Funding support for infrastructure development and pilot projects
Scheme for ' Enabling manufacturing sector to be competitive through Quality Management Standards and Quality technology tools'- an NMCP Scheme - Funding support for conducting 'QMS Awareness' workshops	This support programs aims at organizing awareness campaigns to sensitize MSMEs, students from it is on Quality Management Standards/Quality Technology Tools and related DC-MSME schemes	Funding support for conducting training and awareness activities.
Scheme for 'Building Awareness on Intellectual Property Rights' (IPR) for the Micro, Small & Medium Enterprises- an NMCP Scheme- Funding support for conducting assessment of IPR related needs of MSMEs	The support programs aims to promote assessment studies to identify the IPR needs of identified MSME clusters/industries and to recommend measures for strengthening of IP portfolio	Funding support for conducting assessment studies.
Scheme for 'Lean Manufacturing Competitiveness of Micro Small and Medium Enterprises (LMCS)'- an NMCP Scheme - Funding support for implementing 'Lean Manufacturing' projects	The objective is to enhance the manufacturing competitiveness of MSMEs through the application of various Lean Manufacturing (LM) techniques	Financial assistance for implementing pilot projects
Scheme for 'Setting up Mini Tool Room & Training Centres under PPP Mode'- an NMCP Scheme - Funding support for setting up 'Mini Tool Rooms'	Financial assistance would be provided by Govt. of India (GOI) to set up Mini tool rooms through a Public Private Partnership mode. The mini tool rooms aim to provide facilities to MSMEs for design and manufacturing of toolings	GOI would provide funds to meet a part of the project cost, the extent of which would be determined through a competitive bidding process
Scheme for 'Building Design expertise of MSMEs Manufacturing sector(Design clinic scheme)'- an NMCP Scheme - Funding support for implementing 'Design' projects	The support program aims to enable MSMEs develop new design strategies, get consultancy support from design experts and implement 'Design' projects.	Funding Support for implementing Design Projects

Name of Scheme	Description	Nature of Assistance
Scheme for 'Marketing Assistance and Technology Up-gradation of MSMEs'- an NMCP Scheme - Enable participation of MSMEs in state/district level trade fairs and provide funding support	Provide marketing platform to manufacturing MSMEs through enabling their participation in State/District level exhibitions being organized by State/District Authorities/Associations	Free registration for participating in trade fairs Reimbursement of 50% of to and fro actual fare by shortest distance/direct train (limited to AC II tier class) from the nearest railway station/bus fare to the place of exhibition and 50% space rental charges for MSMEs (General category entrepreneurs). For Women/SC/ST Entrepreneurs & Entrepreneurs from North Eastern Region Govt. of India will reimburse 80% of items listed above in Point (2)
Scheme for 'Marketing Assistance and Technology Up-gradation of MSMEs'- an NMCP Scheme - Funding for conducting assessment and gap analysis related to packaging needs	The support program aims to promote studies , assessment gap analysis with reference to the existing packaging procedures vis-à-vis the modern packaging techniques required for the export market	Funding support (INR 10 Lakh) for conducting analytical studies.
Scheme for 'Marketing Assistance and Technology Up-gradation of MSMEs'- an NMCP Scheme - Funding support for conducting trade competition studies	The support program aims to conduct studies is to identify sectors in which the products are threatened by international competition due to issues related to marketing/branding strategies	Funding support for conducting market research and analytical studies
Scheme for 'Marketing Assistance and Technology Up-gradation of MSMEs'- an NMCP Scheme - Funding support for conducting awareness workshops on 'Packaging Techniques'	This support program aims at raising awareness on technology upgradation in packaging and building capacities and related DC-MSME schemes through organizing workshops (normally 1 day duration) for MSMEs	Funding support for conducting awareness activities
Scheme for 'Marketing Assistance and Technology Up-gradation of MSMEs'- an NMCP Scheme - Funding support for conducting skill development programs on 'Modern Marketing Techniques'	The focus of this component will be on imparting training for upgrading the skills of cluster/product group members on modern marketing techniques	Skill development
Scheme for 'Marketing Assistance and Technology Up-gradation of MSMEs'- an NMCP Scheme - Funding support for implementation of pilot projects related to 'Packaging Techniques'	The objective of the program is to promote adoption of modern packaging techniques through implementing pilot projects in select MSMEs	Funding support for conducting pilot projects

Name of Scheme	Description	Nature of Assistance
Scheme for 'Marketing Assistance and Technology Up-gradation of MSMEs'- an NMCP Scheme - Funding support for setting up of 'Marketing Hubs'	Marketing hubs are being set up to provide facilities for B2B meeting among MSMEs, wholesale and retail marketing of MSME products, exploring the export opportunities for the MSME products ,to attract new customers and enhance the marketing reach of the MSMEs	Financial assistance for infrastructure development
Scheme for 'Marketing Assistance and Technology Up-gradation of MSMEs'- an NMCP Scheme - Funding support to MSME for adopting Corporate Governance practices	The objective is to encourage MSMEs to adopt good corporate governance practices. Office of the Development Commissioner (MSME) will identify MSME units for participating in the corporate governance activities on the basis of request received through the MSME- DIs, Industries Associations and NGOs	Financial assistance for adopting corporate governance practices.
Scheme for 'Marketing Assistance and Technology Up-gradation of MSMEs'- an NMCP Scheme - Funding support to MSMEs belonging to North-East (NE) Regions for participation in marketing events	The Office of the DC (MSME) will identify MSME clusters / units from NE region for participation in selected marketing events and exhibitions for displaying their products & services	Reimbursement of registration fee and travel cost for participation in marketing events
Scheme for 'Marketing Assistance and Technology Up-gradation of MSMEs'- an NMCP Scheme - Participate in awareness workshops on 'Packaging Techniques'	The workshops aim to encourage MSMEs adopt latest packaging techniques and provide DC-MSME scheme related awareness. The workshop will normally be of one-day duration.	Skill development
Scheme for 'Technology and Quality Upgradation (TEQUP) Support to MSMEs'- an NMCP Scheme - Funding for organizing awareness programs on Energy Efficiency	Energy efficiency workshops will be conducted in MSME clusters. The primary objective of this Activity is to handhold the MSME clusters in adopting energy efficient processes. The awareness programme will normally be of one day duration with the participation of at least 30 MSMEs	Funding support for organizing training and awareness activities on energy efficiency
Scheme for 'Technology and Quality Upgradation (TEQUP) Support to MSMEs'- an NMCP Scheme - Funding support for conducting energy audits, preparation of audit reports and detailed project reports (DPRs)	The support program aims to handhold the MSME clusters in adopting energy efficient processes, conducting energy audits and preparing related reports (audit reports, DPRs)	Funding support to MSMEs, industry associations and expert agencies for conducting energy audits, preparing audit reports and DPR.
Scheme for 'Technology and Quality Upgradation (TEQUP) Support to MSMEs'- an NMCP Scheme - Funding support for implementing pilot projects on 'Energy Efficient Technologies'	The objective is to encourage MSMEs in adopting energy efficient technologies through implementation of pilot projects	Financial support through banks (SIDBI) to MSMEs for adopting energy efficient technologies.
Scheme for 'Technology and Quality Upgradation (TEQUP) Support to MSMEs'- an NMCP Scheme - Funding support for 'Product Certifications'	The objective is to provide subsidy to MSME units towards the expenditure incurred by them for obtaining product certification licenses from National Standardization Bodies or International Product Certifications	Reimbursement of expenditure incurred on product certification.

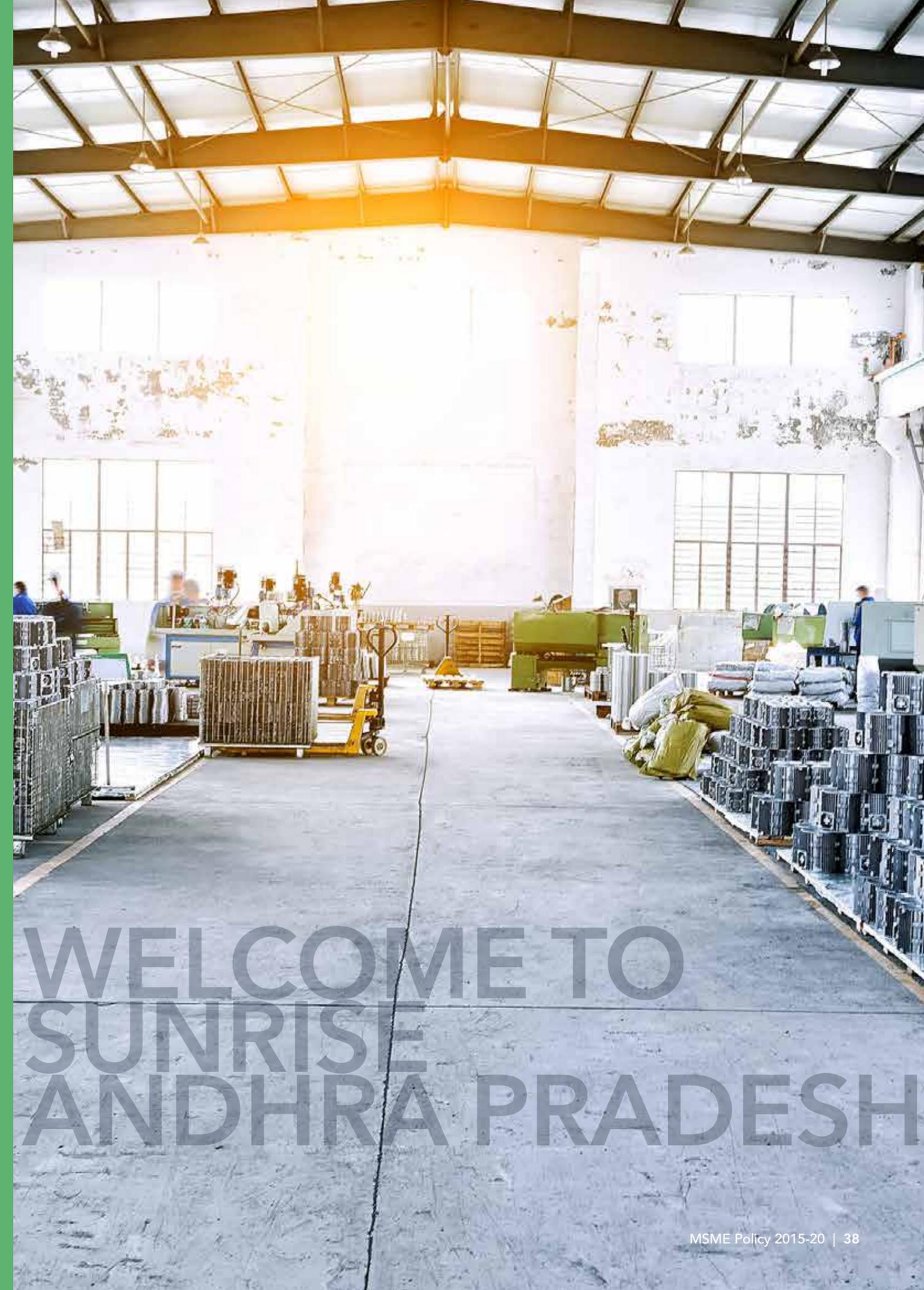
Name of Scheme	Description	Nature of Assistance
'Scheme for 'Technology and Quality Upgradation (TEQUP) Support to MSMEs'- an NMCP Scheme - Funding support for setting up of 'Carbon Credit Aggregation Centres'	The support program aims to promote setting up of carbon aggregation centers in the potential clusters having adequate number of EET/Renewable Energy (RE) based projects	Funding support for infrastructure development.
Scheme for 'Technology and Quality Upgradation (TEQUP) Support to MSMEs'- an NMCP Scheme - Participate in 'Energy Efficiency' workshop	The primary objective of the workshops is to encourage MSMEs adopt energy efficient processes and increase awareness about related DC-MSME schemes. The awareness programme will normally be of one day duration with the participation of at least 30 MSMEs	Skill Development
Scheme for 'Promotion of ICT in Indian Manufacturing Sector (ICT)'- an NMCP Scheme - Funding support for conducting ICT Awareness Workshop	The objective is to sensitize the MSMEs in the identified cluster towards the benefits from the adoption of ICT tools in their production chain and business process through training and awareness workshops and increase awareness of related DC-MSME schemes	Financial assistance for conducting training and awareness activity.
Scheme for 'Promotion of ICT in Indian Manufacturing Sector (ICT)'- an NMCP Scheme - Funding support for establishing National portal	The scope of this activity includes setting up a National level portal connected with web portals at cluster level to facilitate e-commerce & e-catalogue related facility to MSMEs	Funding support for soft infrastructure upgradation
Scheme for 'Promotion of ICT in Indian Manufacturing Sector (ICT)'- an NMCP Scheme - Funding support for ICT infrastructure upgradation	To support upgradation of ICT infrastructure of MSMEs in the selected clusters, a one-time subsidy of 25 per cent,(subject to the prescribed ceiling,)will be provided to the MSMEs on the institutional finance availed by them for procurement of ICT related hardware and software	Funding support to MSMEs for infrastructure upgradation
Scheme for 'Promotion of ICT in Indian Manufacturing Sector (ICT)'- an NMCP Scheme- Funding support for setting up of 'E-readiness Center'	E-readiness centre will be set up for providing local solution and training of MSME staff, To establish an e-RC, the concerned SPV will provide land & building as per the requirement set out in the cluster-specific DPR The necessary hardware and software for the centre will be set up by the selected hardware vendor	Financial assistance for infrastructure development Note: The concerned SPV will provide land & building as per the requirement set out in the cluster-specific DPR. The necessary hardware and software for the centre will be provided by the selected hardware vendor.
Scheme for 'Promotion of ICT in Indian Manufacturing Sector (ICT)'- an NMCP Scheme- Participate in 'ICT Awareness' workshop	The objective is to sensitize the MSMEs in the identified cluster towards the benefits from the adoption of ICT tools in their production chain and business process through training and awareness workshops and increase awareness of related DC-MSME schemes	Skill Development.

Name of Scheme	Description	Nature of Assistance
Scheme for 'Micro & Small Enterprises Cluster Development Programme (MSE-CDP)' - Funding support for cluster related hard interventions	This support program aims to enhance and develop cluster infrastructure projects for facilities such as power distribution, water, telecommunication etc.	Funding support for cluster infrastructure development.
Scheme for 'Micro & Small Enterprises Cluster Development Programme (MSE-CDP)' - Funding support for conducting soft interventions in MSME clusters	The several soft interventions include activities such as: General awareness, counseling, motivation and trust building, Exposure visits Market development including exports, participation in seminars Workshops and training programmes on technology upgradation etc.	Funding support for conducting training and awareness activities
Scheme for 'Micro & Small Enterprises Cluster Development Programme (MSE-CDP)' - Funding support for preparing cluster level 'Detailed Project Report (DPR)'	This support programs aims at conducting preparation of cluster level DPRs to analyze the technical feasibility and financial viability for setting up CFCs , infrastructural development project for new industrial estate/area/cluster and other aspects	Funding support for conducting analytical studies.
Scheme for 'Micro & Small Enterprises Cluster Development Programme (MSE-CDP)' - Funding support for preparing cluster level 'Diagnostic Study Report (DSR)'	This support programs aims at conducting DSRs to map all business processes of the cluster units, do SWOT analysis, analyse problems and impediments, provide suggestions and a well-drawn action plan for enhancing competitiveness of the units of the cluster on a self-sustaining trajectory of growth	Funding support for conducting analytical studies
Scheme for 'Micro & Small Enterprises Cluster Development Programme (MSE-CDP)' - Funding support for setting up of 'Common Facility Centers'	The support programs aims to set up CFCs including tangible "assets" like Testing Facility, Design Centre, Production Centre, Effluent Treatment Plant, Training Centre, R&D Centre, Raw Material Bank/Sales Depot, Product Display Centre, Information Centre, and any other need based facility for balancing/correcting/improving production line that cannot be undertaken by individual units	Funding support for infrastructure development
Scheme for 'Micro & Small Enterprises Cluster Development Programme (MSE-CDP)' - Funding support for setting up of common display centers for women	The GoI financial assistance (upto 40% of the project cost) shall be available to Associations of Women Entrepreneurs for establishing exhibition centres at central places for display and sale of products of women owned micro and small enterprises	The GoI financial assistance (upto 40% of the project cost) shall be available for infrastructure development
Scheme for 'Micro & Small Enterprises Cluster Development Programme (MSE-CDP)' - Participate in awareness programs on 'Cluster Development'	Soft interventions including general awareness, counselling, motivation and trust building, exposure visits, market development including exports, participation in seminars, workshops and training programmes on technology upgradation, etc. will be conducted in the cluster for sensitizing the cluster on cluster development activities and trust building	Skill development

Name of Scheme	Description	Nature of Assistance
Scheme for 'Credit Linked Capital Subsidy for Technology Upgradation (CLCS- TU)'- Capital subsidy support on credit for technology upgradation	MSMEs can get a capital subsidy (~15%) on credit availed for technology upgradation	Financial assistance for availing credit and loan.
Scheme for 'Credit Guarantee Fund for Micro and Small Enterprises'- Provision of collateral free credit for MSMEs	Banks and financial institutions are provided funding assistance under this scheme so that they can in turn lend collateral free credit to MSMEs	Funding support to banks and financial institutions for lending collateral-free credit to MSMEs.
Scheme for 'ISO 9000/ISO 14001 Certification Reimbursement - Reimbursement of certification fees for acquiring ISO standards	The GoI assistance will be provided for one-time reimbursement of expenditure to such MSME manufacturing units which acquire ISO 18000/ISO 22000/ISO 27000 Certification	Reimbursement of expenditure incurred on acquiring ISO standards.
Scheme for 'Market Development Assistance (MDA) to MSMEs'- Enable participation of MSMEs in international trade fairs and provide funding support	Encourage participation of representatives from MSMEs under MSME India stall at International Trade Fairs/ Exhibitions.	<ol style="list-style-type: none"> Free registration for participating in trade fairs Note: The selection of participants would be done by the MSME-DIs post the submission of application 75% of air fare by economy class and 50% space rental charges for MSMEs (General category entrepreneurs). Note: The total subsidy on air fare & space rental charges will be restricted to Rs.1.25 lakh per unit and one person per MSME unit. For Women/SC/ST Entrepreneurs & Entrepreneurs from North Eastern Region Govt. of India will reimburse 100% of space rent and economy class air fare.

Name of Scheme	Description	Nature of Assistance
Scheme for 'Market Development Assistance (MDA) to MSMEs'- Funding support for contesting anti-dumping cases	The assistance includes funding support for initiating/ contesting anti-dumping cases by MSME Associations	Funding support for undertaking legal procedures
Scheme for 'Market Development Assistance (MDA) to MSMEs'- Reimbursement of registration fee for Bar coding	The financial assistance is provided towards 75% reimbursement of only one-time registration fee and 75% of annual recurring fee for first three years paid by MSEs to GS1 India for using of Bar Coding	Funding support for reimbursement of 75% of one time and recurring bar code registration fees.
Scheme 'Strengthening of Training Infrastructure of existing and new Entrepreneurship Development Institutions'- Funding support for strengthening of infrastructure of EDIs-	The financial assistance will be provided to EDIs for improvement in areas like building, training aids/equipment and other support services. The State Govt. will examine the expansion/ modernisation programmes of EDIs.	Financial assistance to existing and new EDIs for infrastructure development.
Scheme for 'Micro Finance Programme'- Funding support to provide for security amount for extending credit to MFIs/NGOs	The scheme of Micro-Finance Programme has been tied-up with SIDBI by way of contributing towards security deposits required from the MFIs/NGOs to get loans from SIDBI	Financial assistance to provide for security deposits for lending credit and loans.
Scheme for 'National Awards'- National award for outstanding entrepreneurship	The objective of the award is to recognize the achievements of successful entrepreneurs in MSMEs	All MSMEs with EM registration.
Scheme for 'National Awards'- National award for R&D efforts	This award encourages in-house R&D efforts, promote qualitative development of MSMEs	Rewards and recognition to MSMEs along with financial assistance upto 1 lakh.
Scheme for 'National Awards' - National award in selected products	This award is to encourage MSE to produce quality products conforming to national and international standards	Rewards and recognition to MSMEs along with financial assistance upto 1 lakh.
Scheme for 'Supporting 5 selected universities / colleges to run 1200 entrepreneurship clubs per annum' - Funding support for the formation of Entrepreneur's Clubs	The support program aims to support 5 universities to form and run entrepreneurship clubs (one each from Northern, Western, Eastern, Southern and North East region) for increasing networking and interaction among MSMEs. Each university would be required to run 240 clubs per year and each club may have a membership of 50 entrepreneurs.	Funding support to the selected universities for formation and operation of entrepreneurship clubs.
Scheme for 'Supporting 5 selected universities / colleges to run 1200 entrepreneurship clubs per annum' - Programs in Entrepreneurs Club	The E-clubs are intended to create a platform for entrepreneurs to come together through workshops/seminars, discuss common issues and identify solutions in areas such as obtaining certifications, participating in trade fairs, implementing of Quality Management Tools etc.	Funding support is available for formation of entrepreneurship clubs, conduct meetings and management training activities. Free registration for club members.

Name of Scheme	Description	Nature of Assistance
Scheme for 'Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme to Women' - Funding support for conducting programs for empowerment of women	Training organizations conducting training programmes for empowerment of women beneficiaries identified under the scheme would be provided a grant upto maximum limit of Rs. 1.00 lakh per programme provided such institutions also bring their share to the extent of minimum 25%(10% in case of NER) of the Government grant. The batch size for such a training activity will be at least 20 participants. Duration of the training programme will be minimum one month.	Funding support for conducting training program for women empowerment.
Scheme for 'Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme to Women' - Loan related assistance to women	The support programs aims to provide grant (up to 30% of the total project cost as appraised by lending institutions) to provide adequate security demanded by banks in the form of collaterals. GOI Grant and the loan portion from the lending agencies to assist such women shall be routed through eligible NGOs engaged in assisting poor women through any kind of income generating activities in non-farm sector	Ease in availability of credit for women-led enterprises.
Scheme for 'Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme to Women' - Participate in training programs for women empowerment	Skill development training will be provided to women applicant under the scheme. Duration of the training programme will be minimum one month. The batch size for such a training activity will be at least 20 participants	Skill development.
Scheme for 'Entrepreneurship Skill Development Programmes (ESDP)'- Participation in Entrepreneur Skill Development Programme	The four kind of training programmes conducted by MSME-DIs include Motivation Campaigns, Entrepreneurship Development Programmes, Entrepreneurship Skill Development Programme, Management Development Programmes, which cover diverse skill set need of new and existing entrepreneurs.	1. Skill Development. 2. Participation in Entrepreneur Skill development programme is free of charge (No registration fees).





**GOVERNMENT OF
ANDHRA PRADESH**

