Year End Review- 2022 Ministry of Micro, Small & Medium Enterprises

Prime Minister Shri Narendra Modi launched key initiatives for the MSME sector in the ‘Udyami Bharat’ programme -‘Raising and Accelerating MSME Performance’ (RAMP) scheme, ‘Capacity Building of First-Time MSME Exporters’ (CBFTE) scheme and new features of the ‘Prime Minister’s Employment Generation Programme’ (PMEGP)

Udyam Registration Portal achieved Landmark of more than 1 crore registrations

Under PMEGP maximum project cost admissible for setting up of new project enhanced from Rs. 25 lakh to Rs. 50 lakh for manufacturing sector and from Rs. 10 lakh to Rs. 20 lakh for services sector

MSME-Sustainable (ZED) Certification scheme launched on 28.04.2022, Over 23,000 MSMEs registered
The MSME Pavilion 41st India International Trade Fair (IITF), 2022 had highest ever participation of women-owned enterprises (73%)

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Micro, Small and Medium Enterprises (MSME) sector, with more than six crore enterprises, has emerged as a highly vibrant and dynamic sector of the Indian economy, fostering entrepreneurship and generating self-employment opportunities at comparatively lower capital cost, next only to agriculture. Ministry of MSME promotes growth and development of the sector, including Khadi, Village and Coir industries, by implementing various schemes/programmes towards credit support, technological assistance, infrastructure development, skill development and training, enhancing competitiveness and market assistance. Organizations under the Ministry include Office of Development Commissioner (MSME), Khadi and Village Industries Commission (KVIC), Coir Board, National Small Industries Corporation Ltd. (NSIC), National Institute for Micro, Small and Medium Enterprises (ni-msme) and Mahatma Gandhi Institute for Rural Industrialization (MGIRI). Ministry has a vast network of field formations spread across the length and breadth of the country to support and handhold MSMEs, which include MSME Development and Facilitation Offices (MSME-DFO), Branch MSME-DFOs, MSME Testing Centres, MSME-Testing Stations and Technology Centres (Tool Room & Technical Institutions) and field offices of KVIC, Coir Board and NSIC. Major achievements of the Ministry in the year 2022 are detailed as follows.

1. UDYAMI BHARAT

Prime Minister of India, Shri Narendra Modi launched key initiatives for the MSME sector in the ‘Udyami Bharat’ programme held on 30.06.2022 at Vigyan Bhawan, New Delhi. Minister of MSME, Shri Narayan Rane and Minister of State (MoS) for MSME, Shri Bhanu Pratap Singh Verma were present on the occasion.
During the event, Prime Minister conferred ‘National MSME Awards, 2022’ to MSMEs, States/UTs, Aspirational Districts and Banks to recognize their efforts in the growth and development of MSME sector.

Prime Minister launched the ‘Raising and Accelerating MSME Performance’ (RAMP) scheme, ‘Capacity Building of First-Time MSME Exporters’ (CBFTE) scheme and new features of the ‘Prime Minister’s Employment Generation Programme’ (PMEGP). He also digitally transferred assistance to beneficiaries of PMEGP for 2022-23; announced the winners of ‘MSME Idea Hackathon-22’ and issued Digital Equity Certificates to 75 MSME beneficiaries of Self Reliant India (SRI) Fund.

2. POLICY INITIATIVES

Following the adoption of the revised definition of MSMEs, which is based on investment in plant & machinery or equipment; and turnover, the Udyam Registration Portal was launched on 01.07.2020. It is fully online, free of cost, hassle free, does not require any documentation, and is a step towards Ease of Doing Business for MSMEs. Landmark of 1 crore registrations on the portal was achieved on 02.08.2022. As on 22.12.2022, more than 1.28 crore registrations have been made on the portal.

During the 18th Meeting of National Board for Micro, Small and Medium Enterprises (NBMSME) held on 14.09.2022, Minister for MSME launched the integration of Udyam and National Career Service (NCS) portals, which was announced in Budget 2022. Since 14.09.2022, as many as 4.06 lakh MSMEs registered on Udyam have had access to the National Career Service Portal of Ministry of Labour & Employment. MoU was also signed between the Ministry of MSME and Common Service Centre (CSC) for providing suitable handholding for Udyam Registration to enterprises located in remote areas of the country.

For sharing Udyam Registration data, MoU signed between the Ministry of MSME and Ministry of Tourism on 02.08.2022.

During the National Seminar on Growth & Development of MSMEs inaugurated by Minister for MSME at Imphal, Manipur on 20.11.2022, The Ministry signed MoUs with three platforms of Trade Receivables Discounting system (TReDS) viz. Invoicemart, M1Xchange and RXIL which will enable the MSME sector to get access to credit against invoices at a discounted rate to meet payment challenges.
The Ministry has notified on 18.10.2022 that in case of an upward change in terms of investment in plant and machinery or equipment or turnover or both, and consequent re-classification, an enterprise shall continue to avail of all non-tax benefits of the category it was in before the re-classification, for a period of three years from the date of such upward change. Non-tax benefits include benefits of various schemes of the Government, including Public Procurement Policy, Delayed Payments, etc.

**National Board for MSME**

Under the Chairmanship of Minister of MSME, 17th and 18th Meetings of National Board for Micro, Small and Medium Enterprises were held on 23.03.2022 at India Habitat Centre, New Delhi and on 14.09.2022 at Vigyan Bhawan, New Delhi, respectively, during which deliberations were made for strengthening the MSME Sector.

3. **ACHIEVEMENTS UNDER SCHEMES/INITIATIVES OF THE MINISTRY**

Achievements under the major schemes implemented by the Ministry of MSME are detailed below.

1. **Access to Credit**
   
i. **Prime Minister’s Employment Generation Programme (PMEGP)**

Prime Minister’s Employment Generation Programme (PMEGP) is a credit linked subsidy scheme providing employment opportunities through establishment of micro-enterprises in the non-farm sector. During the year 2022, maximum project cost admissible for setting up of new project has been enhanced from Rs. 25 lakh to Rs. 50 lakh for manufacturing sector and from Rs. 10 lakh to Rs. 20 lakh for services sector. Units in Aspirational Districts and Transgenders have been included in the Special Category. Geo-tagging of the PMEGP units have been initiated for capturing the details of the products and services offered by the units and to create market linkages for them.

Since its inception in 2008, under the scheme, more than 8.34 lakh enterprises have been set up generating an estimated employment of around 68 lakh. Around Rs. 20,600 crore disbursed as on 15.12.2022 as Margin Money subsidy.

In FY 2021-22, PMEGP exceeded the previous FY’s performance by disbursing Rs. 2,978 crore (36% higher than FY21) as Margin Money subsidy, assisting 1.03 lakh units (around 39% higher than FY21) and generating employment for around 8 lakh people, which is the highest since inception of the scheme.
95,271 units were assisted generating a total estimated employment of 7.62 lakh from January, 2022 to November, 2022.

ii. **Credit Guarantee Scheme:**

Under Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), collateral free loan up to a limit of Rs. 2 crore to MSEs is provided.

In FY 2022-23, (upto 30.11.2022), 7.07 lakh guarantees have been approved involving Rs 60,376 crore, which is the highest since inception of the scheme in 2000-01.

With effect from 01.12.2022, for credit ceiling up to Rs. 2 crore, the maximum extent of guarantee cover has been enhanced upto 85%. Enterprises owned by women would be eligible for guarantee cover upto 85%.

2. **Infrastructure & Capacity Building**

i. **Micro and Small Enterprises Cluster Development Programme (MSE-CDP)**

The scheme is aimed at enhancing the productivity and competitiveness of Micro and Small Enterprises (MSEs) by extending financial assistance as Government of India (GoI) grant for establishment of Common Facility Centers (CFCs) in the existing clusters and for establishment of new / upgradation of existing Industrial Areas / Estates / Flattened Factory Complex.

24 projects with total project cost of Rs. 513.4 crore with GoI assistance of Rs. 364 crore have been approved and 5 projects have been completed from 01.01.2022 to 30.11.2022. Dedicated software has been developed by NIC for Geo tagging of projects under the Scheme.

ii. **Scheme of Fund for Regeneration of Traditional Industries (SFURTI)**

The scheme supports establishment of collective manufacturing enterprise of artisans, to increase their production, making them produce value-added products, enhancing marketability of products. 65 clusters approved with a total GoI Assistance of Rs. 186.26 crore directly benefitting 36,258 artisans from January, 2022 to November, 2022. Out of 266 total clusters, 104 became functional during the period January, 2022 to November, 2022.
SFURTI Mela was organized from 01.10.2022 to 15.10.2022 at INA Dilli Haat, New Delhi, in which around 100 master craftsmen from 50 clusters have setup stalls.

3. Procurement & Marketing Support
   i. Public Procurement Policy for Micro and Small Enterprises

Ministry of MSME notified the Public Procurement Policy for Micro and Small Enterprises (MSEs), Order, 2012, which mandates 25% annual procurement from MSEs by Central Ministries/Departments/ Central Public Sector Enterprises (CPSEs) including 4% from MSEs owned by SC/ST and 3% from MSEs owned by Women entrepreneurs. 358 items are reserved for exclusive procurement from MSEs.

As a result of continuous follow-up and correspondence issued by the Ministry from time to time, 158 CPSEs have reported their procurement data for the FY 2021-22 on Sambandh portal, during which procurement from MSEs was 32.51% of total procurement, including 0.78% and 1.01% from SC/ST and women-owned MSEs, respectively, the highest ever till date.

Revised draft list of 469 items reserved for exclusive procurement from MSEs was published on www.dcmsme.gov.in & www.mygov.in requesting inputs/comments from all concerned stakeholders.

Policy has been amended to consider the one time exemption proposals, as received from various Govt. Departments/CPSEs vide notification dated 08.12.2022.

   ii. Procurement and Marketing Support (PMS) Scheme

The scheme promotes new market access initiatives and enhances the marketability of products and services in the MSME sector.

New Guidelines of PMS scheme were notified/issued on 26.07.2022 introducing various new components like “Adoption of e-Commerce platform and Bar Code by Micro Enterprises”, National Workshops/seminars etc to enhance the marketability of products and services in the MSME sector. With an aim to assist and handhold MSMEs in Aspirational Districts, a National Workshop Seminar was held at Birbhum (an Aspirational District), West Bengal on 24.11.2022.

5,100 MSEs including 205 SC/STs have been assisted by providing subsidy for participation in Trade Fairs/Exhibitions across the country from April 2022 to November 2022.
India International Trade Fair (IITF), 2022

Minister of MSME inaugurated “MSME pavilion” at the 41st India International Trade Fair (IITF), 2022 organized by India Trade Promotion Organization (ITPO) held during 14th to 27th, November under the theme "Vocal for Local, Local to Global". 204 stalls were allocated to Micro and Small Enterprises (MSEs) participating from 24 States/UTs. The MSME Pavilion had highest ever participation of women-owned enterprises (73%). Out of the total allocation, 7% were allocated to Divyang entrepreneurs, 12% allocation to SC(Male) entrepreneurs and 6% representing Aspirational Districts.

iii. International Cooperation Scheme

The Scheme provides financial assistance to Industry Associations to participate in International exhibitions abroad, to organize International conferences in India and to capacity build ‘First Time MSE Exporters’ on reimbursement basis. Under the scheme, a total of 40 Industry Associations and 144 MSMEs have been benefitted from 01.01.2022 to 23.12.2022.

4. Access to Technology

i. MSME Champions

MSME Champions Scheme has been formulated with three components namely, ‘MSME-Sustainable’ (ZED), ‘MSME-Competitive’ (LEAN) and ‘MSME-Innovative’ (Incubation, Design, IPR).

MSME Innovative scheme was launched on 10.03.2022. 632 Host Institutes (HIs) approved, Rs. 20.57 crore released for 257 ideas approved in MSME Idea Hackhathon, 2022, and MSME IDEA Hackhathon 2.0 was launched on 02.10.2022 under ‘Incubation’ component. MoUs have been signed with IISc, Bangalore, 6 IITs, 11 NITs and 24 Professional Design /Student Projects approved under ‘Design’ component. 7 IP Facilitation Centres approved, 126 Patents and 1,387 Trademarks have been reimbursed under ‘IPR’ component.

MSME-Sustainable (ZED) Certification scheme was launched on 28.04.2022. Over 23,000 MSMEs registered. 834 Bronze, 35 Silver and 29 Gold certifications awarded to MSMEs. 17 States/UTs have included ZED in their respective Industrial Policies and offering additional incentives to ZED certified MSMEs. 15 Banks have notified incentives to ZED certified MSMEs in the form of concessions in
processing fee and rate of interest. Under Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), increased guarantee coverage of 85% and 10% additional concession in guarantee fee is being offered to ZED certified MSMEs.

ii. Technology Centres

Technology Centres (Tool Room & Technical Institutions) are providing trained personnel, consultancy in tooling and upgradation of technologies/products in sectors like Foundry & Forging, Electronics, Electrical Measuring Instruments, Fragrance & Flavour, Glass, Sport Goods, and Footwear designing, besides conducting skill development training programmes.

29,540 Units assisted by 18 Tool Rooms & Technical Institutions from 01.01.2022 to 30.11.2022. To provide impetus to Aatmanirbhar Bharat, key import substitution initiatives undertaken are given below.

<table>
<thead>
<tr>
<th>Name of the Tool Room</th>
<th>Component(s) Manufactured</th>
<th>Currently being imported from</th>
<th>Customer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indo Danish Tool Room (IDTR), Jamshedpur</td>
<td>Argon Gas Injector Assembly (through Reverse Engineering)</td>
<td>Germany</td>
<td>M/s TATA Steel, Jamshedpur Plant</td>
</tr>
<tr>
<td></td>
<td>Manipulator used for AL-80 Refractory Handling Jig</td>
<td>Japan</td>
<td>M/s TRL Krosaki, Jamshedpur</td>
</tr>
<tr>
<td></td>
<td>Spinner assembly</td>
<td>Germany</td>
<td>M/s Mineral Tech, Jamshedpur</td>
</tr>
<tr>
<td>Name of the Tool Room</td>
<td>Component(s) Manufactured</td>
<td>Currently being imported from</td>
<td>Customer</td>
</tr>
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<td>-----------------------------------------------------------</td>
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<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Central Tool Room &amp; Training Centre (CTTC), Kolkata</td>
<td>Niobium Cell (used for scientific research)</td>
<td>U.K.</td>
<td>M/s Variable Energy Cyclotron Centre (VECC), D/o Atomic Energy, Govt. of India</td>
</tr>
<tr>
<td>Central Institute of Hand Tools (CIHT), Jalandhar</td>
<td>Injection moulds (used for Sports Goods making)</td>
<td>Yuki, China</td>
<td>M/s Brightway Fitness LLP, Jalandhar</td>
</tr>
<tr>
<td>CTTC, Bhubaneswar</td>
<td>Metal 3D printing of 50 Machine Dome &amp; Cooling blocks</td>
<td>France</td>
<td>M/s Shlok Solution, Ahmedabad</td>
</tr>
</tbody>
</table>

Under World Bank assisted “Technology Centre Systems Programme” (TCSP), 15 new Technology Centres (TC) are being established and modernizing of the existing TCs across the country are being done. TCs at Bhiwadi, Vizag, Bhopal and Rohtak have already been inaugurated. During this year, Prime Minister inaugurated Technology Centre, Puducherry, on the occasion of “National Youth Day” on 12.01.2022. These TCs have started assisting MSMEs and imparting skill training.

To augment the network of Technology Centres, Under the Scheme, "Establishment of New Technology Centres / Extension Centres", 20 Technology Centres (TCs) and 100 Extension Centres (ECs) are being established across the country under Hub and Spoke model, to provide various services like technology support, skilling, incubation and consultancy to MSMEs and creation of new MSMEs. From January, 2022 to November, 2022, 111 MSMEs have availed Technology Services of TCs.

5. Skilling
1,222 programmes conducted benefiting 91,938 persons under the scheme, ‘Entrepreneurship Skill Development Programme’ (ESDP) from 01.01.2022 to 23.12.2022.

2,68,070 persons imparted skill training through various organizations under the Ministry i.e. Tool Rooms & Technical Institutions, New Technology Centres established under TCSP, National Small Industries Corporation (NSIC) Ltd., Khadi and Village Industries Commission (KVIC), National Institute for Micro, Small and Medium Enterprises (ni-msme) and Coir board from January, 2022 to November, 2022.

10,317 trainees trained by Livelihood Business Incubators (LBIs) and 14 Business Incubators became functional from January, 2022 to September, 2022, under ‘A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship’ (ASPIRE).

6. Promotion of MSMEs among SC/STs & in NER
   i. National SC-ST Hub (NSSH)

   Scheme is aimed at promoting entrepreneurship among the SC/ST and to fulfil the 4% procurement mandate by the CPSEs as laid down in the Central Government Public Procurement Policy and to boost entrepreneurship among SC/STs. 17,782 SC-ST beneficiaries have been assisted from January, 2022 November, 2022. Six Mega Events/National SC-ST Hub Conclaves were organized at the SC-ST predominant area (Sindhudurg, Manipur, Thanjavur, Nagaland, Mizoram, Ahmedabad). CPSE Conclave was organized on 18.11.2022 at Vigyan Bhawan, New Delhi with an objective of sensitizing, recognizing, and felicitating the efforts of CPSEs towards fulfilling the mandate of Public Procurement Policy.

   ii. ‘Promotion of MSMEs in NER and Sikkim’ Scheme

   Scheme includes components viz., Setting up of new and modernization of existing Mini Technology Centre, Development of new & existing Industrial Estates and Development of Tourism Sector. Under the Scheme, from January, 2022 to November, 2022, 4 projects (2 in Mizoram, 1 each at Tripura and Assam) completed for development of Industrial Estates with Government of India contribution of Rs. 28.19 crore. Minister for MSME launched new portal https://ner-promotion.msme.gov.in/ on 14.09.2022 for online submission and approval of applications under the Scheme.

7. Promotion of Khadi, Village Industries and Coir sector
   i. Khadi and Village Industries
KVIC implements “Khadi Gramodyog Vikas Yojana” with two major components Khadi Vikas Yojana (KVV) and Gramodyog Vikas Yojana (GVY). Achievements under these components from January, 2022 to November, 2022 are given below.

- 1,123 Khadi Institutions (KIs) have been supported benefitting 1.51 lakh artisans, with a disbursement of Rs. 186.89 crore under ‘Modified Market Development Assistance’ (MMDA).
- 1,041 KIs have been benefitted with a disbursement of Rs. 29.14 crore under ‘Interest Subsidy Eligibility Certificate’ (ISEC) Scheme.
- 817 Work sheds were developed for Khadi artisans with a disbursement of Rs. 4.90 crore, under ‘Workshed Scheme for Khadi Artisans’.
- 17 KIs were strengthened and 66 Sales outlets renovated under ‘Strengthening of Infrastructure of Existing Weak Khadi Institutions’ and ‘Assistance for Marketing Infrastructure’, respectively.
- 3,800 Electric Potter Wheels distributed with disbursement of Rs. 6.42 crore under Kumhar Sashaktikaran Programme under Mineral Based Industry.
- 20,780 Bee Boxes distributed benefitting 2,078 persons with disbursement of Rs. 5.48 crore under Honey Mission/beekeeping under Agro Based and Food Processing Industry, aimed at uplifting people living in extremely interior rural areas by introducing and popularizing modern Beekeeping and creating sustainable employment and income.

ii. **Coir Sector**

Coir Board under the Ministry *inter alia* implements Skill Upgradation & Mahila Coir Yojana scheme through which 94 programmes like EDP, Awareness Programme, Workshops & Seminars conducted. 4,749 Artisans were trained. ‘Coir Industry Award’ for the years 2015-16, 2016-17, 2017-18 & 2018-19 were presented at the "Enterprise India National Coir Conclave and Presentation of Coir Industry Award Function" held on 05.05.2022.

Coir Board has participated in 72 exhibitions in the country from January, 2022 to November, 2022. ‘National Coir Conclave’ was organized at Coimbatore, as part of Enterprise India initiative witnessing participation of 14 State Governments’ representatives from coir producing States.

8. **RAMP Scheme**
Raising and Accelerating MSME Performance Programme (RAMP) scheme aims at strengthening institutions and governance at the Centre and State, improving Centre-State linkages and partnerships and improving access of MSMEs to market and credit, technology upgradation and addressing the issues of delayed payments and greening of MSMEs. Under the RAMP scheme, 25 States and one Union Territory have confirmed their participation through execution of the Letter of Undertaking (LoU), through which the participating States/ UTs undertake to prepare a Strategic Investment Plan (SIP) which shall act as a roadmap for the development of the MSME Sector in the State.

4. ACHIEVEMENTS OF NSIC & MGIRI

i. National Small Industries Corporation Ltd. (NSIC)

NSIC provides credit support for raw material procurement by making the payment to suppliers in Raw Material Assistance scheme against Bank Guarantee. NSIC also facilitates financing by providing assistance to MSMEs under schemes such as Tender Marketing Scheme. In FY 2022-23 (upto 30.09.2022), credit facilitation of Rs. 2,753.13 crore was provided to more than 2,300 units.

Under the Tender Marketing Scheme, NSIC facilitates the MSE(s) in every stage of tender activity right from the participation in tenders till execution of tenders, During the FY 2022-23 (upto 30.09.2022), the Company has participated in 261 tenders valuing Rs. 261.15 crore and executed tenders amounting to Rs. 44.51 crore.

NSIC also facilitates E-Marketing Service through MSME Global Mart Web Portal (www.msmemart.com). In FY 2022-23 (upto 30.09.2022), 4,743 members enrolled and revenue generated is Rs. 1.94 crore.

ii. Mahatma Gandhi Institute for Rural Industrialization (MGIRI)

Mahatma Gandhi Institute for Rural industrialization (MGIRI) has developed 17 innovative Products/ Processes/Machinery etc. and organized 54 training programmes in which 256 persons have been trained.

Minister for MSME inaugurated “Sewagram Audyogik Mahotsav” organized by MGIRI in Wardha, on the occasion of Mahatma Gandhi's birth anniversary on 02.10.2022.

5. HANDHOLDING, GRIEVANCE REDRESSAL AND PUBLICITY INITIATIVES
Prime Minister launched an online Portal “CHAMPIONS” on 1st June, 2020 which covers many aspects of e-governance including grievance redressal and handholding of MSMEs. 12,035 queries/grievances have been received on the portal out of which 11,910 have been replied, from January, 2022 to November, 2022.

Ministry has organized Nukkad Natak in 46 Aspirational Districts in 9 States. To enhance awareness of Schemes of the Ministry, many awareness videos have been produced in-house by the Ministry.

Ministry has an active presence on various Social Media platforms like Twitter, Facebook, Instagram, YouTube, LinkedIn etc. Followers on Twitter has reached more than 5.26 lakh from 3.23 Lakh in 2021. On Facebook it has reached to more than 1.65 lakh from 1.14 lakh in 2021.

6. CONFERENCES/SUMMITS

A “National Conference of MSME-Development Institutes, Testing Centres and Technology Centres” was held on 10.05.2022 under the Chairmanship of Minister for MSME to chalk out future plans for better implementation and monitoring of MSME schemes and coordination with State Governments and other stakeholders for the benefit of MSMEs.

Under the ‘International Cooperation’ scheme, Ministry has organized the following Summits in New Delhi;

- ‘Mega International Summit on MSMEs’ Competitiveness and Growth’ on 29th and 30th March, 2022 in association with Entrepreneurship Development Institute of India (EDII)
- 2nd International Conference on Defence and Security on 30th and 31st March 2022 for deliberating upon issues in defence and security with respect to contribution of MSMEs, in association with PHD Chamber of Commerce and Industry (PHDCCI)

‘Global MSME Convention for Plastics Industry’ was organised at Goa on 16th and 17th November, 2022 in partnership with the All India Plastics Manufacturers' Association (AIPMA).
In the year 2022, Meetings of Joint Committee / Joint Working Group on cooperation in MSME sector were held between Ministry of MSME, Govt. of India and counterpart Ministry/Department of Taiwan, Mauritius and Japan respectively. During these bilateral meetings, the two sides exchanged the best practices and experiences in MSME sector development and deliberated upon potential areas of bilateral cooperation in MSME sector.

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