**Government of India Schemes/Initiatives; NABARD Funds; concepts and developments in Agriculture and MSME.**

**Centre for Professional Excellence in Cooperatives**

A Centre for Professional Excellence in Cooperatives (C-PEC) has been set up within the Bankers Institute of Rural Development (BIRD) to streamline training systems in Cooperative Credit Structure (CCS), which would ensure availability of professional staff with the cooperatives for efficient delivery of banking, and financial services. This CCS training and certification system is conceptually a part of the overall training strategy visualized for sustainability of the Cooperative Reform Programme and is being implemented within the overall “Institutional Development” mandate of NABARD. The Centre initially started in 2009 with support of GIZ under “Rural Financial Institutions Programme”, till 30 September 2015.

[**http://bird-cpec.in/**](http://bird-cpec.in/)

**SIDBI Foundation for Micro Credit (SFMC)**

SIDBI Foundation for Micro Credit (SFMC) was launched by Small Industries Development Bank of India in January 1999 for channelizing funds to the poor in line with the success of pilot phase of Micro Credit Scheme. Its mission is to create a national network of strong, viable and sustainable Micro Finance Institutions (MFIs) for providing micro finance services to the economically disadvantaged people, especially women.

SFMC is the apex wholesaler for micro finance in India providing a complete range of financial and non-financial services such as loan funds, grant support, equity and institution building support to the retailing Micro Finance Institutions (MFIs) so as to facilitate their development into financially sustainable entities, besides developing a network of service providers for the sector. SFMC is also playing significant role in advocating appropriate policies and regulations and to act as a platform for exchange of information across the sector. The launch of SFMC by SIDBI has been with a clear focus and strategy to make it as the main purveyor of micro finance in the country. Operations of SFMC in the coming years, are expected to contribute significantly towards development of a more formal, extensive and effective micro finance sector serving the poor in India with focus on innovation and action research.

[**http://old.sidbi.in/Micro\_Credit.php**](http://old.sidbi.in/Micro_Credit.php)

**Micro Enterprise Development Programmes (MEDPs)**

NABARD since 2006 has been supporting need-based skill development programmes (MEDPs) for matured SHGs MEDPs are on-location skill development training programmes which attempt to bridge the skill deficits or facilitates optimization of production activities already pursued by the SHG members Grant is provided e-commerce to eligible training institutions and SHPIs to provide skill development training in farm/off-farm/service sector activities leading to establishment of micro enterprises either on individual basis or on group basis Over the years around 4.68 Lakh SHG members have been covered through 16,406 MEDPs.

[**https://www.nabskillnabard.org/guidelines.php?language=LG-1&status=Active**](https://www.nabskillnabard.org/guidelines.php?language=LG-1&status=Active)

**Livelihood and Enterprise Development Programmes (LEDPs).**

Livelihood and Enterprise Development Programme (LEDP) was launched in December 2015 to Skill create opportunities of sustainable livelihoods among SHG members attain optimum benefit out of skill upgradation It envisages conduct of livelihood promotion programmes in clusters. There is provision for intensive training for skill building, refresher training, backward-forward linkages and handholding & escort supports. It also encompasses the complete value chain and offers end-to-end solution to the SHG members. It is to be implemented on a project basis covering e-commerce 15 to 30 SHGs in a cluster of contiguous villages where from SHG members may be selected. The skill upgradation training is provided in batches of 25-30 members and covers agri & allied activities as well as rural off-farm sector activities. NABARD will provide grant support for skill upgradation programmes, establishment of demonstration unit and need based critical infrastructure. LEDP has been mainstreamed in May 2017. Cummulatively 15,382 SHG members has been supported through 324 LEDPs upto 31 March 2018.

[**https://www.nabskillnabard.org/guidelines.php?language=LG-1&status=Active**](https://www.nabskillnabard.org/guidelines.php?language=LG-1&status=Active)

**Financial Inclusion Advisory Committee**

The Reserve Bank of India had constituted a high level Financial Inclusion Advisory Committee (FIAC) in October 2012 to spearhead the efforts towards greater financial inclusion. The collective expertise and experience of the members of the committee is expected to explore issues such as developing viable and sustainable banking services delivery models focussing on accessible and affordable financial services, developing products and processes for rural as well as urban consumers presently outside the banking network and suggest appropriate regulatory framework to ensure that financial inclusion and financial stability move in tandem.

It may be mentioned that there has been significant, albeit slow, progress towards greater financial Inclusion. However, ensuring accessible and affordable financial services in all 6 lakh villages in India is a herculean task and given the enormity of the task, a lot of ground still needs to be covered. This calls for a partnership of all the stakeholders – Reserve Bank, other sectoral regulators like Securities and Exchange Board of India, Insurance Regulatory and Development Authority, Pension Fund Regulatory and Development Authority, National Bank for Agriculture and Rural Development; Banks; Governments; Civil Society; Non-Governmental Organisations, etc.

While the regulators and the Government of India are already part of the Technical Group on Financial Inclusion and Literacy of the Sub-committee of the Financial Stability & Development Council, a need was felt to engage the members from the civil society/Non-Governmental Organisations and others for a sound and purposeful collaboration. The Committee, if necessary, would call other market players like Corporate Business Correspondents, Technology Vendors etc., as special invitees to the meetings. Since the financial inclusion model selected in India is primarily bank-led, the Financial Inclusion Advisory Committee may also invite the Chairperson/Managing Directors of banks to each of its meetings to gather the perspective of the banks.

Reserve Bank of India (RBI) has reconstituted the Financial Inclusion Advisory Committee (FIAC) in July 2015 with the following terms of reference:

* Monitoring of the Financial Inclusion Plan progress submitted by banks and evaluation of its impact through conduct of study/surveys;
* Monitoring of the Financial Literacy progress reported by banks and evaluation of its impact through conduct of study/surveys;
* Preparation of National Strategy for Financial Inclusion which will be convergence of the Financial Inclusion efforts of various stakeholders including the PMJDY and monitoring of the progress made under the same.

For further details see [www.rbi.org.in](http://www.rbi.org.in)

**Report of the Committee on Medium-term Path on Financial Inclusion**

**(Chairman: Shri Deepak Mohanty)**

Taking inspiration from the remarks of the Hon’ble Prime Minister made in his address at the 80th anniversary celebrations of the Reserve Bank, the Committee on Medium-term Path on Financial Inclusion under the Chairmanship of Shri Deepak Mohanty, Executive Director, RBI was constituted with the objective of working out a medium-term (five year) measurable action plan for financial inclusion. It was mandated to, inter alia, review the existing policy of financial inclusion including supportive payment system and customer protection; study cross-country experiences of financial inclusion to identify key learnings, particularly in the area of technology-based delivery models; articulate the underlying policy and institutional framework and finally, suggest a monitorable medium-term action plan for financial inclusion in terms of its various components such as payments, deposit, credit, social security transfers, and other financial products and services.

<https://www.rbi.org.in/Scripts/PublicationReportDetails.aspx?UrlPage=&ID=836>

**Food security mission**

The National Development Council (NDC) in its 53rd meeting held on 29th May, 2007 adopted a resolution to launch a Food Security Mission comprising rice, wheat and pulses to increase the production of rice by 10 million tons, wheat by 8 million tons and pulses by 2 million tons by the end of the Eleventh Plan (2011-12). Accordingly, a Centrally Sponsored Scheme, 'National Food Security Mission' (NFSM), was launched in October 2007. The Mission is being continued during 12th Five Year Plan with new targets of additional production of food grains of 25 million tons of food grains comprising of 10 million tons rice, 8 million tons of wheat, 4 million tons of pulses and 3 million tons of coarse cereals by the end of 12th Five Year Plan. The National Food Security Mission (NFSM) during the 12th Five Year Plan will have five components (i) NFSM- Rice; (ii) NFSM-Wheat; (iii) NFSM-Pulses, (iv) NFSM-Coarse cereals and (v) NFSM-Commercial Crops.

For further details see <http://nfsm.gov.in/>

**Protection of Plant Varieties and Farmers’ Rights Authority**

In order to provide for the establishment of an effective system for protection of plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants it is necessary to recognize and protect the rights of the farmers in respect of their contribution made at any time in conserving, improving and making available plant genetic resources for the development of the new plant varieties. Moreover, to accelerate agricultural development, it is necessary to protect plants breeders' rights to stimulate investment for research and development for the development of new plant varieties. Such protection is likely to facilitate the growth of the seed industry which will ensure the availability of high quality seeds and planting material to the farmers. India having ratified the Agreement on Trade Related Aspects of the Intellectual Property Rights has to make provision for giving effect to Agreement. To give effect to the aforesaid objectives the Protection of Plant Varieties and Farmers' Rights Act, 2001 has been enacted in India.

For details please see [www.plantauthority.gov.in](http://www.plantauthority.gov.in)

**National Commission on Farmers (NCF)**

The National Commission on Farmers (NCF) was constituted on November 18, 2004 under the chairmanship of Professor M.S. Swaminathan. The final report was submitted on October 4, 2006. The reports contain suggestions to achieve the goal of “faster and more inclusive growth” as envisaged in the Approach to 11th Five Year Plan. The NCF is mandated to make suggestions on issues such as: (a) a medium-term strategy for food and nutrition security in the country in order to move towards the goal of universal food security over time; (b) enhancing productivity, profitability, and sustainability of the major farming systems of the country; (c) policy reforms to substantially increase flow of rural credit to all farmers; (d) special programmes for dryland farming for farmers in the arid and semi-arid regions, as well as for farmers in hilly and coastal areas; (e) enhancing the quality and cost competitiveness of farm commodities so as to make them globally competitive; (f) protecting farmers from imports when international prices fall sharply; (g) empowering elected local bodies to effectively conserve and improve the ecological foundations for sustainable agriculture.

For further details see <http://krishakayog.gov.in>

**POSHAN Abhiyaan - PM's Overarching Scheme for Holistic Nourishment**

[POSHAN Abhiyaan](https://www.icds-wcd.nic.in/nnm/home.htm) is a multi-ministerial convergence mission with the vision to ensure attainment of malnutrition free India by 2022. The objective of POSHAN Abhiyaan to reduce stunting in identified Districts of India with the highest malnutrition burden by improving utilization of key Anganwadi Services and improving the quality of Anganwadi Services delivery. Its aim is to ensure holistic development and adequate nutrition for pregnant women, mothers and children.

The [Ministry of Women and Child Development (MWCD)](http://wcd.nic.in/) is implementing POSHAN Abhiyaan in 315 Districts in first year, 235 Districts in second year and remaining districts will be covered in the third year.

There are a number of schemes directly/indirectly affecting the nutritional status of children (0-6 year's age) and pregnant women and lactating mothers. In spite of these, level of malnutrition and related problems in the country is high. There is no dearth of schemes but lack of creating synergy and linking the schemes with each other to achieve common goal. POSHAN Abhiyaan through robust convergence mechanism and other components would strive to create the synergy.

<https://www.india.gov.in/spotlight/poshan-abhiyaan-pms-overarching-scheme-holistic-nourishment>

**Indira Gandhi Matritva Sahyog Yojana**

The scheme aims to contribute to better enabling environment by providing cash incentives for improved health and nutrition to pregnant and lactating mothers. Information about scheme guidelines, notifications, sanction of grants, etc. is given. Users can access IGMSY web based application for direct cash transfer.

<http://niti.gov.in/writereaddata/files/document_publication/IGMSY_FinalReport.pdf>

**SVAMITVA**

SVAMITVA Scheme is a Central Sector scheme launched by Hon’ble Prime Minister of India on National Panchayat Day i.e 24th April 2020. The Ministry of Panchayati Raj (MoPR) is the Nodal Ministry for implementation of the scheme. In the States, the Revenue Department / Land Records Department will be the Nodal Department and shall carry out the scheme with support of State Panchayati Raj Department. Survey of India shall work as the technology partner for implementation. The scheme aims to provide an integrated property validation solution for rural India. The demarcation of rural abadi areas would be done using Drone Surveying technology. This would provide the ‘record of rights’ to village household owners possessing houses in inhabited rural areas in villages which, in turn, would enable them to use their property as a financial asset for taking loans and other financial benefits from Bank

The scheme seeks to achieve the following objectives: -

* To bring financial stability to the citizens in rural India by enabling them to use their property as a financial asset for taking loans and other financial benefits.
* Creation of accurate land records for rural planning.
* Determination of property tax, which would accrue to the GPs directly in States where it is devolved or else, add to the State exchequer.
* Creation of survey infrastructure and GIS maps that can be leveraged by any department for their use.
* To support in preparation of better-quality Gram Panchayat Development Plan (GPDP) by making use of GIS maps.
* To reduce property related disputes and legal cases

<https://svamitva.nic.in/svamitva/>

**e-Gram Swaraj**

E-Gram Swaraj has been launched by Prime Minister Narendra Mode on 24 April 2020 at the occasion of National Panchyati Raj Day on the official web portal egramswaraj.gov.in. This Portal is a simplified work-based accounting application form Panchayati Raj. It is specially made to monitor the events organized for the rural areas. So all the candidates check the EGramSwaraj Portal through given below mention direct link.

**Features**

By visiting the Gram Swaraj portal candidates can access all the details of the Indian Panchayat report. PM has announced the launch of Gram Swaraj Portal and app. This portal will simplify the accounting and reporting systems. The main reason to launch the Gram Swaraj is to smooth the implementation of all the plans and strengthen the Panchayati Raj Institutions. It will also enable transparency in the reporting process. You can also access the complete details about all the Panchayats and their reports. You can check Panchayat’s Profile, Planning, Accounting etc. Single platform for all planning and accounting needs of the Panchayats

* Panchayat Profile: Maintains Panchayat profile with Election Details, Elected Members, Committee, etc.
* Planning: Facilitates the planning of activities and action plan creation
* Progress Reporting: Records the physical and financial progress of approved activities
* Accounting: Facilitates the work-based accounting and monitoring of funds
* Asset Directory: Stores all the immovable and movable assets
* Technical architecture supports interoperability with other PES Products
* Simple and User-Friendly
* Work-flow Enabled
* Assets available on Gram Manchitra GIS
* Supports multi-tenancy: multiple tenants in the same instance
* Strong Authentication Mechanism Based on Open Source technologies
* Supports Internet Explorer, Mozilla Firefox, Google Chrome
* Web-based and available 24X7

<https://egramswaraj.gov.in/>

**Model Agricultural Land Leasing Act, 2016**

The Model act was prepared by an expert panel under Dr. T Haque. The act seeks to permit and facilitate leasing of agricultural land to improve access to land by the landless and marginal farmers. It also provides for recognition of farmers cultivating on leased land to enable them to access loans through institutional credit.

**Salient features of Model Act:**

* Model act propose to legalize land leasing to promote agricultural efficiency, equity which ultimately help in poverty reduction.
* This provision secure complete security of land ownership right for land owners and security of tenure for tenants for agreed period.
* The act proposes to remove the clause of adverse possession of land in land laws of various states as it interferes with free functioning of the land lease market.
* The model act allows automatic resumption of land after the agreed lease period without requiring any minimum area of land to be left with the tenant with the termination of the tenancy.
* The model act facilitates all tenants including share croppers to access insurance bank credit and bank credit against pledging of expected output.
* The act is also a step in the direction of motivating the tenants to make investments in land improvement.

<https://niti.gov.in/writereaddata/files/document_publication/Final_Report_Expert_Group_on_Land_Leasing.pdf>

**Repair, Renovation & Restoration (RRR) of Water Bodies under PMKSY (HKKP)**

A pilot scheme for “Repair, Renovation and Restoration (RRR) of Water Bodies directly linked to Agriculture” was launched in January 2005 for implementation during the remaining period of Xth Plan with an outlay of Rs. 300 crores. The scheme was sanctioned in respect of 1098 water bodies in 26 districts of 15 States with a target to create 0.78 lakh ha of additional irrigation potential. Keeping in view the success of the pilot scheme for RRR of water bodies and need for a comprehensive programme to upscale the gains from water bodies, the Ministry of Water Resources launched a State Sector Scheme for Repair, Renovation & Restoration (RRR) of water bodies with two components (i) one with external assistance and (ii) another with domestic support for implementation during XIth Plan. Under the scheme of RRR of water bodies with domestic support, 3341 water bodies at an estimated cost of Rs. 1309.16 crore with CCA of 3.094 lakh ha was proposed to be covered. Under the scheme of RRR of water bodies with external assistance, 10887 water bodies in four States namely Odisha, Karnataka, Andhra Pradesh and Tamil Nadu, at an estimated cost of Rs. 3700 crore with CCA of 8.25 lakh ha was proposed to be covered. To increase the participation of all the States a new scheme for Repair, Renovation and Restoration (RRR) of Water Bodies during the XII Plan as a State Sector Scheme with domestic budgetary support was sanctioned. Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) was launched in 2015- 16 with an aim to enhance physical access of water on farm and expand cultivable area under assured irrigation, improve on farm water use efficiency, introduce sustainable water conservation practices etc. PMKSYHar Khet Ko Pani (HKKP) is one of the component of PMKSY. The scheme of RRR of water bodies has become a part of PMKSY (HKKP).

<http://mowr.gov.in/sites/default/files/RRR_PMKSY_Guidelines%20June%202017.pdf>

<http://jalshakti-dowr.gov.in/archivec-guidelines-repair-renovation-and-restoration-water-bodies>

**PURA model**

The objective of the scheme is to provide urban amenities and livelihood opportunities in rural areas to bridge the rural-urban divide, thereby reducing migration from rural to urban areas. Lack of livelihood opportunities, modern amenities, and services necessary for decent living in rural areas results in a sense of deprivation and dissatisfaction amongst a large percentage of population and leads to migration of people to urban areas. This is primarily due to the big differences in the availability of physical and social infrastructure in rural and urban areas. In order to address these issues, the Government has, in the past, launched various schemes at different points of time. However, due to several reasons, the impact has not been very visible. The deliveries of these schemes were not simultaneous and although huge sums were earmarked for capital expenditure, very little resources were spent on the operation and maintenance of the assets. Also, each of these schemes operated autonomously and the standards set for infrastructure services delivery in the rural areas were far below those set for the urban population. Hence, in spite of several schemes, there continued to be a substantial flow of migration from the rural to urban areas. In order to catalyze the convergence between different infrastructure schemes and create a new model for management of urban services in the rural areas, the Provision for Urban Amenities in Rural Areas ("PURA") Scheme has been developed. PURA aims to achieve “holistic and accelerated development of compact areas around a potential growth centre in a Panchayat (or group of Panchayats) through PPP by providing livelihood opportunities and urban amenities to improve the quality of life in rural areas.” The PURA Scheme (provision of Urban Amenities in Rural Areas) envisages rapid growth of rural India -- given enhanced connectivity and infrastructure, the rural population would be empowered and enabled to create opportunities and livelihoods for themselves on a sustainable and growing basis.

[https://rural.nic.in/sites/default/files/07PURA(F).pdf](https://rural.nic.in/sites/default/files/07PURA%28F%29.pdf)

'**Jal Shakti Abhiyan'**

On July 1, 2019, Union Jal Shakti Minister, Shri Gajendra Singh Shekhawat, announced the commencement of the Jal Shakti Abhiyan - a campaign for water conservation and water security. The campaign will run through citizen participation during the monsoon season, from 1st July, 2019 to 15th September, 2019. An additional Phase 2 will be run from 1st October, 2019 to 30th November, 2019 for States receiving the North East retreating monsoons. The focus of the campaign will be on water stressed districts and blocks.

<https://www.pib.gov.in/newsite/PrintRelease.aspx?relid=191069>

Jal Jeevan Mission, is envisioned to provide safe and adequate drinking water through individual household tap connections by 2024 to all households in rural India. The programme will also implement source sustainability measures as mandatory elements, such as recharge and reuse through grey water management, water conservation, rain water harvesting. The Jal Jeevan Mission will be based on a community approach to water and will include extensive Information, Education and communication as a key component of the mission. JJM looks to create a jan andolan for water, thereby making it everyone’s priority.

<https://www.pib.gov.in/newsite/PrintRelease.aspx?relid=191069>

**Watershed Development Programme**

The Union Finance Minister, in his budget speech for 1999-2000, had announced the creation of a Watershed Development Fund (WDF) in National Bank for Agriculture and Rural Development (NABARD) with broad objectives of unification of multiplicity of watershed development programmes into a single national initiative through involvement of village level institutions and Project Facilitating Agencies (PFAs).

In pursuance thereof, WDF was created in NABARD with a contribution of Rs. 100 crore each by Ministry of Agriculture, Government of India (GoI) and NABARD.

Watershed development involves the following components / sectors:

i) Human resource development (community development);

ii) Soil and land management (conservation and use);

iii) Water management (conservation and use);

iv) Afforestation;

v) Pasture(Fodder) development;

vi) Agricultural development;

vii) Livestock management; and

viii) Rural energy management

<https://www.nabard.org/demo/auth/writereaddata/File/Watershed%20Operational%20Manual%20-%20English%202016.pdf>

**One Nation One Ration Card**

Individual beneficiaries having Ration Cards under NFSA to furnish proof of possession of Aadhaar number or undergo Aadhaar authentication to receive subsidies under NFSA. Notification issued by the Ministry Consumer Affairs, Food and Public Distribution & comes into effect from 8th February, 2017. Beneficiaries under NFSA not yet enrolled for Aadhaar, require to make application for Aadhaar enrolment by 30th June, 2017.

<https://pib.gov.in/PressReleseDetail.aspx?PRID=1482385>

**Stand Up India**

Stand Up India Scheme facilitate bank loans between 10 lakh and 1 crore to atleast one scheduled caste (SC) or Scehduled Tribe, borrower and atleast one women per bank branch for setting up a greenfield enterprise. This enterprise may be in manufacturing, services or the trading sector. In case of non-individual enterprises at least 51% of the shareholding and controlling stake should be held by either an SC/ST or Woman entrepreneur.

[Stand - Up India: Scheme Guidelines (standupmitra.in)](https://www.standupmitra.in/Home/SchemeGuidelines)

**Prime Minister Employment Generation Program**

The Prime Minister Employment Generation Programme (which is the PMEGP full form) is a Government of India-backed credit linked subsidy scheme. Under this scheme, beneficiaries can get a subsidy amounting to 15-35% of the project cost from the government. PMEGP is an initiative of the Ministry of Micro, Small and Medium Enterprises and is implemented at a national level by Khadi and Village Industries Commission (KVIC). For an entrepreneur, PMEGP can give financial assistance required to set up a new project.

<https://msme.gov.in/11-prime-ministers-employment-generation-programme-pmegp>

D**igital India Land Record Modernization Program (DILRMP)**

For modernization of land records system in the country, a modified programme, viz., the National Land Records Modernization Programme (NLRMP) a Centrally Sponsored Scheme, was formulated by merging two Centrally-sponsored schemes of Computerization of Land Records (CLR) and Strengthening of Revenue Administration and Updating of Land Records (SRA&ULR) and was approved by the Cabinet on 21.08.2008. The NLRMP, has since been revamped as the Digital India Land Records Modernization Programme (DILRMP) as a Central Sector Scheme with cent per cent Central funding with effect from 01 April 2016 and extended up to 2019-20.

<https://dolr.gov.in/sites/default/files/Final%20%20Guideline%20of%20DILRMP%2002-01-2019.pdf>

**Dairy Processing & Infrastructure Development Fund (DPIF)**

Consequent to the Union Budget 2017-18 announcement, Dairy Processing & Infrastructure Development Fund has been set up with a corpus of Rs. 8,004 crore with National Bank for Agriculture and Rural Development (NABARD). The CCEA in its meeting dated 12.09.2017 has approved the scheme which has the objective to provide subsidized loan @6.5% to capital stressed milk cooperatives for primarily replacing their decades old chilling and processing plants and addition of value added product plants. Out of Rs 10,881 crore of financial outlay for project components of DIDF, Rs 8,004 shall be loan from NABARD to NDDB/NCDC, Rs 2,001 crore shall be end borrowers contribution, Rs 12 crore would be NDDB/NCDC’s share and Rs 864 crore shall be contributed by DAHD toward interest subvention. The project focuses on building an efficient milk procurement system by setting up of processing and chilling infrastructure & installation of electronic milk adulteration testing equipment at village level.

<http://dahd.nic.in/didf>

**Cooperative Development Fund (CDF)**

CDF was established by NABARD in February 1993 under the provisions of section 45 of NABARD Act, 1981 with an initial corpus of Rs. 10 crore. Thereafter, the corpus of the fund has been augmented through contribution from NABARD’s annual profit.

The objectives of the CDF are:

1. To support the efforts of the ground level cooperative credit institutions, viz, Primary Agricultural Credit Society (PACS) and weak District Central Cooperative Banks (DCCB), on selective basis in mobilising resources
2. Human Resource Development for achieving better working results and improvement in viability as well as introduction of and improvements in systems and procedures in cooperative credit institutions
3. Building up of better Management Information System (MIS)
4. Conduct of special studies for improving functional efficiency
5. During the year 2015-16, Rs.15.40 crore has been disbursed under CDF (cumulatively, Rs140.66 crore) for various promotional programmes conducted by different tiers of both Short Term and Long Term Coop Credit Structure.

**Short Term Cooperative Rural Credit (Refinance) Fund**

Government has set up a fund namely Short Term Cooperative Rural Credit (Refinance) Fund in National Bank for Agriculture & Rural Development (NABARD) for providing concessional short term refinance to Cooperative Banks. The said fund is made available to NABARD from out of the shortfall in priority sector lending targets by commercial banks. An amount of ₹ 45,000 crore has been allocated for Short Term Cooperative Rural Credit (Refinance) Fund during 2016-17.

**Rural Infrastructure Promotion Fund (RIPF)**

NABARD has created a separate fund titled ‘Rural Infrastructure Promotion Fund’ (RIPF) to support programs and activities that promote rural infrastructure, with the ultimate objective of facilitating agriculture and rural development. RIPF has been set up with a corpus of Rs. 25 crore. The amount is contributed out of margin received by NABARD from a special window created under RIDF for funding the rural roads component of Bharat Nirman through National Rural Roads Development Agency (NRRDA).

[https://www.nabard.org/demo/auth/writereaddata/File/Rural%20Infrastructure%20Promotion%20Fund%20(RIPF).pdf](https://www.nabard.org/demo/auth/writereaddata/File/Rural%20Infrastructure%20Promotion%20Fund%20%28RIPF%29.pdf)

**National Agricultural Science Fund**

The ‘National Agricultural Science Fund’ with an outlay of Rs. 500 crore during the XII Plan, supports basic and strategic research in agriculture. The main objective of the scheme has been to build capacity for basic, strategic and cutting edge application research in agriculture and address issues which can be solved by intensive, basic and strategic research jointly by team of organizations/ institutions.

**Objectives:**

* The main objective of the scheme has been to build capacity for basic, strategic and cutting edge application research in agriculture and address issues which can be solved by intensive basic and strategic research jointly by team of organizations/ institutions. Underlying this objective are the following aims:
* Foster research and a research culture that will use and advance the frontiers of scientific knowledge to effectively meet the present, anticipated and unanticipated problems of agriculture through various modes and critical investments in research projects.
* Build the capability of the National Agricultural Research System through development of wide partnerships in science through projects.
* Build a storehouse of advancement of knowledge in science related to agriculture and awareness of the national importance of basic and strategic research in agriculture.
* To provide policy support to the decision makers for use of basic and strategic research in agriculture.
* Organizations of workshop, seminars, conferences etc. to create awareness, prioritization, scientific popularization and related issues.

<https://www.icar.gov.in/nasf/index.html>

**Credit Deposit Ratio – Implementation of the Recommendations of Expert Group on CD Ratio**

An Expert Group was constituted by Government of India under Chairmanship of Shri Y.S.P. Thorat, M.D., NABARD to go into the nature and magnitude of the problem of low credit deposit (CD) ratio across States / Regions and to suggest steps to overcome the problem. The Expert Group examined the problems and causes of low CD ratio and submitted its report to Government of India. The recommendations of the Group have since been examined and accepted by the Government of India with certain modifications.

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=2612&Mode=0>

**CriSidex**

Finance Minister Arun Jaitley launched CriSidEx on 3rd of February 2018, which is India's first sentimental index for Micro and Small Enterprises (MSEs). It was jointly developed by CRISIL and SIDBI, hence the name CriSidEx.

**Need for an MSE sentiment index in India**

Effective policy making is a function of the quality of information at hand.

Because data on micro and small enterprises (MSEs) comes with a significant lag, a comprehensive and concise lead + lag indicator of ground-level sentiment becomes a crucial tool for policy makers, lenders, trade bodies, economists, rating agencies and the MSEs themselves.

Till now, no such barometer was available in India, though indices and sentiment surveys to track large and mid-sized corporates were available. While there have been ad hoc surveys by chambers of business and specific agencies as one-time efforts, a continuous survey leading to an index is a first.

**Reasons why CRISIL and SIDBI decided to launch the CRISIL-SIDBI MSE Sentiment Index, or CriSidEx.**

* Limited representation of MSEs – which account for 90% of enterprises in India, and are the second-largest employers after agriculture – in macro and micro assessments
* Existing business indices focus on predicting the direction of annual change of GDP but not the impact at micro level in each industry/sector
* Policy makers unable to assess the impact of their decisions on MSEs
* Lack of data on employment and production cycles, which can be the basis of estimation of employment and capital formation in the MSE sector
* Significant lag in availability of financial information of MSEs restricts lenders from taking timely credit decisions. Access to formal finance remains the key challenge for MSEs
* MSEs are unable to assess how they are faring versus peers
* There is no sector-specific index that projects changes in sentiment and which will help MSEs take important decisions

<https://sidbi.in/en/crisidex>

<https://www.crisil.com/en/home/our-analysis/reports/2018/01/crisidex-the-mse-sentiment-index.html>

**Human Development Index (HDI)**

The HDI was created to emphasize that people and their capabilities should be the ultimate criteria for assessing the development of a country, not economic growth alone. The HDI can also be used to question national policy choices, asking how two countries with the same level of GNI per capita can end up with different human development outcomes. These contrasts can stimulate debate about government policy priorities. The Human Development Index (HDI) is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living. The HDI is the geometric mean of normalized indices for each of the three dimensions.

The health dimension is assessed by life expectancy at birth, the education dimension is measured by mean of years of schooling for adults aged 25 years and more and expected years of schooling for children of school entering age. The standard of living dimension is measured by gross national income per capita. The HDI uses the logarithm of income, to reflect the diminishing importance of income with increasing GNI. The scores for the three HDI dimension indices are then aggregated into a composite index using geometric mean. The HDI simplifies and captures only part of what human development entails. It does not reflect on inequalities, poverty, human security, empowerment, etc. The HDRO offers the other composite indices as broader proxy on some of the key issues of human development, inequality, gender disparity and poverty.

<http://hdr.undp.org/en/content/human-development-index-hdi>

**PSB Loans in 59 minutes**

PSB Loans in 59 minutes is an online marketplace, which enables the business individuals to apply for Business Loan at an interest rate of 8.50% onwards. This initiative was taken to ease the MSME Business and promote self-employed business model in India by reducing the loan approval process and long queues at the bank. PSB Loans in 59 minutes aims at approving the business loan in 59 minutes thus reducing it significantly from a long 30-day process and expected to be disbursed in 7-8 working days, if approved.

<https://www.psbloansin59minutes.com/home>

**Zero budget natural farming concept**

Finance Minister Nirmala Sitharaman announced in her Budget speech in July 2019, that the government would be promoting and encouraging the use of “zero-budget farming”, which she referred to as “going back to the roots”. According to her, it will help double farmers’ income. She said, “We need to replicate this innovative model through which in a few States, farmers are already being trained in this practice. Steps such as this can help in doubling our farmers’ income in time for our 75th year of Independence.” Zero budget natural farming (ZBNF) is a method of chemical-free agriculture drawing from traditional Indian practices. It was originally promoted by Maharashtrian agriculturist and Padma Shri recipient Subhash Palekar, who developed it in the mid-1990s as an alternative to the Green Revolution’s methods driven by chemical fertilizers and pesticides and intensive irrigation. He argued that the rising cost of these external inputs was a leading cause of indebtedness and suicide among farmers, while the impact of chemicals on the environment and on long-term fertility was devastating. Without the need to spend money on these inputs — or take loans to buy them — the cost of production could be reduced and farming made into a “zero budget” exercise, breaking the debt cycle for many small farmers.

**National Cooperative Union of India, (NCUI)**

The National Cooperative Union of India, (NCUI) is the apex organisation representing the entire cooperative movement in the country. It was established in 1929 as All India Cooperative Institutes Association and was re-organised as Indian Cooperative Union through the merger of Indian Provincial Cooperative Banks' Association with All India Cooperative Institutes Association and later in 1961 as National Cooperative Union of India.

he National Cooperative Union of India has travelled a long way since then to now emerged as the sole representative of the Cooperative movement in the country. Being the apex organisation of the Indian cooperative movement in the country, the NCUI is committed to lend dynamism and vibrancy to the cooperative sector in the twenty first century. NCUI's supreme motto is to make the voice of cooperation as strong as ever.

**For further details see** [**http://ncct.ac.in/en**](http://ncct.ac.in/en) **&** [**http://www.ncui.coop/**](http://www.ncui.coop/)

**Rural Electrification**

**Status of Rural Electrification (RE) under DDUGJY**

Government of India has launched the scheme “Deendayal Upadhyaya Gram Jyoti Yojana” for rural electrification. The erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) scheme for village electrification and providing electricity distribution infrastructure in the rural areas has been subsumed in the DDUGJY scheme. Rural Electrification Corporation is the Nodal Agency for implementation of DDUGJY.

**Coir Udyami Yojana**

Government of India has approved the continuation of the credit linked subsidy scheme called Rejuvenation, Modernization and Technology Upgradation of the Coir Industry (renamed as Coir Udyami Yojana) to facilitate sustainable development of the Coir Industry in the country. This will in turn generate more employment opportunities especially for women and the weaker sections of people in rural areas. Coir Udyami Yojana will be a Central Sector Scheme to be administered by the Ministry of Micro, Small and Medium Enterprises. The Scheme will be implemented by Coir Board a statutory organization under the Ministry of MSME as the Nodal Agency at the national level. At the State level the scheme will be implemented through Board’s Regional Offices, Sub Regional Offices, Coir Mark Scheme Office and District Industries Centres, Coir Project Offices, Banks and such other offices. The Government subsidy under the scheme released to Coir Board will be routed through the identified banks for eventual distribution to the beneficiaries/entrepreneurs in their bank accounts. The Implementing Agencies viz. Coir Board Offices, DIC, Coir Project Offices etc will associate with reputed Non Governmental Organizations (NGOs)/reputed Autonomous Institutions/National Small Industries Corporation/Panchayati Raj Institutions and other relevant bodies in the implementation of the Scheme especially in the area of identification of beneficiaries, area of specific viable projects and providing training in Entrepreneurship Development, verification of units established under the Scheme.

For further details see coirboard.gov.in & coirservices.gov.in/

**National Certification System for Tissue Culture Raised Plants (NCS-TCP)**

National Certification System for Tissue Culture Raised Plants (NCS-TCP) is being implemented by Department of Biotechnology (DBT), GOI since 2006 as per the Seeds Act, 1966. NCS-TCP has been instrumental in building capacities of the tissue culture companies for producing quality planting material and also enhancing their market reach through a certification process.

NCS-TCP is unique, dynamic and comprehensive system which is one of its kind in the world. For the successful implementation, NCS-TCP has identified NCS-TCP management cell (NMC), Referral Centres (RCs) and Accredited Test Laboratories(ATLs). Tissue culture production facilities get recognition under this quality management system based on compliance with capabilities, infrastructure, package of practices and documentation/record keeping. Once tissue culture production facility is recognised they became eligible to get tissue culture raised planting material certified from ATL.The certified batches of tissue culture raised plants are provided with certification labels enabled with barcode. This barcode provides end user history of plants from where the tissue culture raised planting material is obtained.

For details see <http://www.dbtncstcp.nic.in>

**Development of Handloom Sector**

The endeavor of the Government to save and develop the handloom sector in the country. Keeping this in view, the Government of India is implementing the following schemes across the country for development of handloom sector and welfare of handloom weavers: -

* National Handloom Development Programme (NHDP)
* Comprehensive Handloom Cluster Development Scheme (CHCDS)
* Handloom Weavers’ Comprehensive Welfare Scheme (HWCWS)
* Yarn Supply Scheme (YSS)

Under the above schemes, financial assistance is provided for raw materials, purchase of looms and accessories, design innovation, product diversification, infrastructure development, skill upgradation, lighting units, marketing of handloom products and loan at concessional rates.

<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1655540>

**Farm Sector Promotion Fund**

Farm Sector Promotion Fund (FSPF) was created in NABARD, by the merger of two erstwhile funds, viz. Farm Innovation and Promotion Fund (FIPF) and Farmers' Technology Transfer Fund (FTTF), on 26 July 2014. The Fund focuses on promoting innovative and feasible concepts/projects and transfer of technology for enhancing production and productivity in agriculture and allied sectors.

<https://www.nabard.org/content.aspx?id=579>

**Producers’ Organization Development and Upliftment Corpus’ Fund (PRODUCE fund)**

PRODUCE fund of Rs. 200 crores was created by Government of India in NABARD in 2014-15 for building of 2000 Farmer Producer Organizations (FPOs) during next two years. The aim of the PRODUCE fund is to address the initial financial requirements of the emerging FPOs, which would subsequently be able to avail of credit from financing institutions for new business activities.

For further details see <https://www.nabard.org/>

**National Project on Management of Soil Health and Fertility (NPMSHF)**

Based on the recommendations of the Task Force on Balanced use of Fertilizer, the Centrally Sponsored Scheme entitled "National Project on Management of Soil Health and Fertility (NPMSF)" has been formulated. The scheme is broad based in terms of its activities, subsidy rates etc. The component relating to Balanced Use of Fertilizers, will henceforth be taken out of the purview of the Revised MMA Scheme and subsumed in the National Project on Management of Soil Health and Fertility.

For further details see agricoop.nic.in

**Long Term Irrigation Fund (LTIF)**

In the Budget Speech 2016-17, it was announced for creation of a dedicated Long Term Irrigation Fund (LTIF) in NABARD with an initial corpus of Rs.20,000 crore for funding and fast tracking the implementation of incomplete major and medium irrigation projects. A Mission has been established in the Ministry of Water Resources, River Development and Ganga Rejuvenation (MoWR, RD & GR) for overall implementation of the scheme. The Long Term Irrigation Fund (LTIF) aims to bridge the resource gap and facilitate completion of these projects during 2016-2020. 23 projects (priority-I) have been identified to be completed by 2016-17, 31 projects (priority –II) have been identified to be completed by 2017-18 and balance 45 projects (priority – III) have been identified to be completed by 2019-20. In a move that aims to address the perennial irrigation water crisis affecting rural India, Ministry of Water Resources, River Development and Ganga Rejuvenation and NABARD signed an agreement IN Sept. 2016 to operationalise the Long Term Irrigation Fund (LTIF) as part of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY).

<https://www.nabard.org/content1.aspx?id=655&catid=8&mid=488>

**Seed Village Scheme**

The restructured Central Sector Scheme “Development and Strengthening of Infrastructure Facilities for Production and Distribution of Quality Seeds” has the following components: Assistance for Boosting Seed Production in the Private Sector, Seed Village Scheme, Transport subsidy on Movement of seeds, Establishment and Maintenance of Seed Bank, Quality Control Arrangements on Seeds, Assistance for Creation/Strengthening of Infrastructure Facilities for production and distribution of quality seeds, Human Resource Development, Boosting Seed Export, Use of Bio-technology in Agriculture, Promoting Hybrid Rice Seeds.

**Seed Village Scheme**

Despite implementation of the organized seed programme since the mid 60s, the seed replacement rate has only reached the level of 15% 85% of the seeds used are farm saved. It is, therefore, necessary to improve the stock of farm saved seeds for enhancing crop production/productivity. For this, seed production, seed distribution and other connected aspects will have to be improved and strengthened at the farmers’ level. To upgrade the quality of farmer-saved seed which is about 80-85% of the total seed used for crop production programme, it is proposed to provide financial assistance for distribution of foundation/certified seed at 50% cost of the seed of crops for production of certified /quality seeds only and to provide training on seed production and technology to the farmers. The seed produced in these seed villages will have to be preserved/stored till the next sowing season. In order to encourage farmers to develop storage capacity of appropriate quality, assistance will be given to farmers for making/procuring of Pusa Bin/Mud bin/Bin made from paper pulp for storing of seed produced by the farmers on their farms. The implementing agencies will be State Departments of Agriculture, State Agriculture Universities, Krishi Vigyan Kendras, State Seeds Corporation, National Seeds Corporation, State Farms Corporation of India (SFCI), State Seeds Certification Agencies, Department of Seed Certification. One implementing agency will be identified for the area/locality and is to be authorized by the State Government. State Government and the implementing agencies will have to identify the areas of better seeds production and a compact area approach needs to be followed under this programme. Suitable responding/willing minimum 50 farmers for same crop will be identified/selected preferably in compact area/cluster approach in consultation with the concerned State Department of Agriculture by the implementing agencies. The number of farmers may be more than 50 also subject to a maximum of 150. The concerned implementing agencies will distribute the foundation/certified seeds at 50% cost to the already identified farmers. The seeds for half an acre per farmer will be allowed. The required foundation/certified seeds of the crop varieties decided/identified will be sourced/purchased from National Seeds Corporation/State Seeds Corporation/State Farms Corporation of India/Seeds Cooperatives/State Department of Agriculture/State Agriculture Universities by the implementing agencies. For the rate purpose under this scheme, the rates of National Seeds Corporation, which is operating throughout the country, will be taken. An assistance of 50% will be provided on that basis only.

 For further details see <http://seednet.gov.in>

**Umbrella Programme for Natural Resource Management (UPNRM)**

The programme follows a unique approach through tailored loans with a modest grant component, capacity building measures and partnership facilitation. The objective is to create livelihood opportunities, increase farm incomes and enhance agricultural value chains through investment in rural businesses and sustainable use of natural resources. Programme partners include National Bank for Agriculture and Rural Development (NABARD) and the German Development Bank (KfW).

Further details see <http://www.nabard.org>

**E-Shakti or Digitisation of SHG**

EShakti consists of two words E-Electronic and Shakti-Power. It means empower. A project on Digitisation of Self Help Groups’ (SHGs) financial and non-financial records initiated by NABARD for various stakeholders who are working in the field of microfinance. Keeping in view the Government of India's mission for creating a digital India, NABARD has launched a project for digitisation of all Self Help Group (SHG) in the country. To begin with, 2 districts Ramgarh (Jharkhand) and Dhule (Maharashtra) will be covered. The broader aim of the programme is to support the flagship programme of the Government of India i.e Prime Minister Jan Dhan Yojna (PMJDY) by way of:

* Integrating SHG members with the national Financial Inclusion agenda;
* Improving the quality of interface between SHG members and Banks for efficient and hassle free delivery of banking services;
* Facilitate convergence of delivery system with SHGs using Aadhaar linked identity.

The upliftment in economic level of the SHG members, mostly poor rural women, by these measures will ultimately facilitate in increasing the outreach of PMJDY and financial inclusion in poor household.

For further details see <https://eshakti.nabard.org>

**Participatory Irrigation Management (PIM) Programme**

The Participatory Irrigation Management (PIM) Programme has been launched by the Ministry of Water Resources, GOI to create a sense of ownership of water resources and the irrigation system among the users; so as to promote economy in water use and preservation of the system and to improve water deliveries through better operation and maintenance. In fact, it aims to achieve optimum utilisation of water resources, precisely as per crop needs and also to achieve equity in water distribution and to increase production, productivity and income per unit of land and water and to make best use of natural precipitation and ground water in conjunction with flow irrigation for increasing cropping intensity.

For details see <http://wrmin.nic.in/> & <http://www.cgwb.gov.in/>

**Soil Health Card Scheme of GOI**

Soil Health Management (SHM) Under National Mission for Sustainable Agriculture

“National Mission for Sustainable Agriculture(NMSA) will be implemented during 12th Plan with the objectives to make agriculture more productive, sustainable and climate resilient; to conserve natural resources; to adopt comprehensive soil health management practices; to optimize utilization of water resources; etc. “Soil Health Management (SHM) is one of the most important interventions under NMSA.SHM aims at promoting Integrated Nutrient Management (INM) through judicious use of chemical fertilisers including secondary and micro nutrients in conjunction with organic manures and bio-fertilisers for improving soil health and its productivity; strengthening of soil and fertiliser testing facilities to provide soil test based recommendations to farmers for improving soil fertility; ensuring quality control requirements of fertilisers, bio-fertilisers and organic fertilisers under Fertiliser Control Order, 1985; upgradation of skill and knowledge of soil testing laboratory staff, extension staff and farmers through training and demonstrations; promoting organic farming practices etc”

What is Soil Health Card (SHC) scheme?

It is a Government of India‟s scheme promoted by the Department of Agriculture & Co-operation under the Ministry of Agriculture. It will be implemented through the Department of Agriculture of all the State and Union Territory Governments. A SHC is meant to give each farmer soil nutrient status of his holding and advise him on the dosage of fertilizers and also the needed soil amendments, that he should apply to maintain soil health in the long run.

For further details see [www.soilhealth.dac.gov.in](http://www.soilhealth.dac.gov.in) or [www.agricoop.nic.in](http://www.agricoop.nic.in)

**Pradhan Mantri Fasal Bima Yojana (PMFBY)**

The scheme will help in decreasing the burden of premiums on farmers who take loans for their cultivation and will also safeguard them against the inclement weather. This scheme will be implemented in every state of India, in association with respective State Governments. The scheme will be administered under the Ministry of Agriculture and Farmers Welfare, Government of India.

<https://www.pmfby.gov.in/>

**Krishi Vigyan Kendras (KVK)**

The first KVK was established in 1974 at Puducherry. The number of KVKs has risen to 645 and 106 more KVKs are to be established in the newly created districts and some larger districts. The KVK scheme is 100% financed by Govt. of India and the KVKs are sanctioned to Agricultural Universities, ICAR institutes, related Government Departments and Non-Government Organizations (NGOs) working in Agriculture.

KVK is an integral part of the National Agricultural Research System (NARS) and aims at assessment of location specific technology modules in agriculture and allied enterprises, through technology assessment, refinement and demonstrations. KVKs have been functioning as Knowledge and Resource Centre of agricultural technology supporting initiatives of public, private and voluntary sector for improving the agricultural economy of the district and are linking the NARS with extension system and farmers.

KVK System: Mandate and Activities

The mandate of KVK is Technology Assessment and Demonstration for its Application and Capacity Development.

To implement the mandate effectively, the following activities are envisaged for each KVK

1. On-farm testing to assess the location specificity of agricultural technologies under various farming systems.
2. Frontline demonstrations to establish production potential of technologies on the farmers’ fields.
3. Capacity development of farmers and extension personnel to update their knowledge and skills on modern agricultural technologies.
4. To work as Knowledge and Resource Centre of agricultural technologies for supporting initiatives of public, private and voluntary sector in improving the agricultural economy of the district.
5. Provide farm advisories using ICT and other media means on varied subjects of interest to farmers

In addition, KVKs produce quality technological products (seed, planting material, bio-agents, livestock) and make it available to farmers, organize frontline extension activities, identify and document selected farm innovations and converge with ongoing schemes and programs within the mandate of KVK.

**National Agriculture Market (NAM)**

National Agriculture Market (NAM) is a Pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities. The NAM Portal (www.enam.gov.in) provides a single window service for all APMC related information and services. This includes commodity arrivals & prices, buy & sell trade offers, provision to respond to trade offers, among other services. While material flow (agriculture produce) continues to happen through mandis, an online market reduces transaction costs and information asymmetry.

Objectives of NAM

* A national e-market platform for transparent sale transactions and price discovery initially in regulated markets. Willing States to accordingly enact suitable provisions in their APMC Act for promotion of e-trading by their State Agricultural Marketing Board/APMC.
* Liberal licensing of traders / buyers and commission agents by State authorities without any pre-condition of physical presence or possession of shop /premises in the market yard
* One license for a trader valid across all markets in the State.
* Harmonisation of quality standards of agricultural produce and provision for assaying (quality testing) infrastructure in every market to enable informed bidding by buyers. Common tradable parameters have so far been developed for 25 commodities.
* Single point levy of market fees, i.e on the first wholesale purchase from the farmer.
* Provision of Soil Testing Laboratories in/ or near the selected mandi to facilitate visiting farmers to access this facility in the mandi itself.

For further details see [www.enam.gov.in/](http://www.enam.gov.in/)

**MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES**

**NOTIFICATION**

**New Delhi, the 1st June, 2020**

S.O. 1702(E).—In exercise of the powers conferred by sub-section (1) read with sub-section (9) of section 7 of the ‘Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) and in supersession of the notification of the Government of India, Ministry of Small Scale Industries, dated the 29th September, 2006, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section(ii), vide S.O. 1642(E), dated the 30th September 2006 except as respects things done or omitted to be done before such supersession, the Central Government, hereby notifies the following criteria for classification of micro, small and medium enterprises, namely:—

(i) a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees;

(ii) a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees;

(iii) a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

This notification shall come into effect from 01.07.2020.

[F. No. 2/1(5)/2019-P&G/Policy (Pt.-IV)]

A. K. SHARMA, Secy

**MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES**

**NOTIFICATION**

**New Delhi, the 26th June, 2020**

S.O. 2119(E).—In exercise of the powers conferred by sub-section (1) read with sub-section (9) of section 7 and sub-section (2) read with sub-section (3) of section 8, of the Micro, Small and Medium Enterprises Development Act, 2006, (27 of 2006), hereinafter referred to as the said Act, and in supersession of the notifications of the Government of India in the Ministry of Micro, Small and Medium Enterprises number S.O.1702 (E ), dated the 1st June, 2020, S.O. 2052 (E), dated the 30th June, 2017, S.O.3322 (E ), dated the 1st November, 2013 and S.O.1722 (E ), dated the 5th October, 2006, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (ii), except as respects things done or omitted to be done before such supersession, the Central Government, after obtaining the recommendations of the Advisory Committee in this behalf, hereby notifies certain criteria for classifying the enterprises as micro, small and medium enterprises and specifies the form and procedure for filing the memorandum (hereafter in this notification to be known as ―Udyam Registration‖), with effect from the 1st day of July, 2020, namely:--

**1. Classification of enterprises**.-An enterprise shall be classified as a micro, small or medium enterprise on the basis of the following criteria, namely:--

1. **a micro enterprise**, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees;
2. **a small enterprise**, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; and
3. **a medium enterprise**, where the investment in plant and machinery or equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

**2. Becoming a micro, small or medium enterprise.--**

1. Any person who intends to establish a micro, small or medium enterprise may file UdyamRegistration online in the Udyam Registration portal, based on self-declaration with no requirement to upload documents, papers, certificates or proof.
2. On registration, an enterprise (referred to as ―Udyam‖ in the Udyam Registration portal) willbe assigned a permanent identity number to be known as ―Udyam Registration Number‖.
3. An e-certificate, namely, ―Udyam Registration Certificate‖ shall be issued on completion of the registration process.

**3. Composite criteria of investment and turnover for classification.--**

1. A composite criterion of investment and turnover shall apply for classification of an enterprise as micro, small or medium.
2. If an enterprise crosses the ceiling limits specified for its present category in either of the two criteria of investment or turnover, it will cease to exist in that category and be placed in the next higher category but no enterprise shall be placed in the lower category unless it goes below the ceiling limits specified for its present category in both the criteria of investment as well as turnover.
3. All units with Goods and Services Tax Identification Number (GSTIN) listed against the same Permanent Account Number (PAN) shall be collectively treated as one enterprise and the turnover and investment figures for all of such entities shall be seen together and only the aggregate values will be considered for deciding the category as micro, small or medium enterprise.

**4. Calculation of investment in plant and machinery or equipment.--**

1. The calculation of investment in plant and machinery or equipment will be linked to the Income Tax Return (ITR) of the previous years filed under the Income Tax Act, 1961.
2. In case of a new enterprise, where no prior ITR is available, the investment will be based on self-declaration of the promoter of the enterprise and such relaxation shall end after the 31st March of the financial year in which it files its first ITR.
3. The expression ―plant and machinery or equipment‖ of the enterprise, shall have the same meaning as assigned to the plant and machinery in the Income Tax Rules, 1962 framed under the Income Tax Act, 1961 and shall include all tangible assets (other than land and building, furniture and fittings).
4. The purchase (invoice) value of a plant and machinery or equipment, whether purchased first hand or second hand, shall be taken into account excluding Goods and Services Tax (GST), on self-disclosure basis, if the enterprise is a new one without any ITR.
5. The cost of certain items specified in the Explanation I to sub-section (1) of section 7 of the Act shall be excluded from the calculation of the amount of investment in plant and machinery.

**5. Calculation of turnover.--**

1. Exports of goods or services or both, shall be excluded while calculating the turnover of any enterprise whether micro, small or medium, for the purposes of classification.
2. Information as regards turnover and exports turnover for an enterprise shall be linked to the Income Tax Act or the Central Goods and Services Act (CGST Act) and the GSTIN.
3. The turnover related figures of such enterprise which do not have PAN will be considered on self-declaration basis for a period up to 31st March, 2021 and thereafter, PAN and GSTIN shall be mandatory.

**6. Registration process.—**

* 1. The form for registration shall be as provided in the Udyam Registration portal.
	2. There will be no fee for filing Udyam Registration.
	3. Aadhaar number shall be required for Udyam Registration.
	4. The Aadhaar number shall be of the proprietor in the case of a proprietorship firm, of the managing partner in the case of a partnership firm and of a karta in the case of a Hindu Undivided Family (HUF).
	5. In case of a Company or a Limited Liability Partnership or a Cooperative Society or a Society or a Trust, the organisation or its authorised signatory shall provide its GSTIN and PAN along with its Aadhaar number.
	6. In case an enterprise is duly registered as an Udyam with PAN, any deficiency of information for previous years when it did not have PAN shall be filled up on self-declaration basis.
	7. No enterprise shall file more than one Udyam Registration:

Provided that any number of activities including manufacturing or service, or both may be specified or added in one Udyam Registration.

* 1. Whoever intentionally misrepresents or attempts to suppress the self-declared facts and figures appearing in the Udyam Registration or updation process shall be liable to such penalty as specified under section 27 of the Act.

**7. Registration of existing enterprises.---**

1. All existing enterprises registered under EM–Part-II or UAM shall register again on the Udyam Registration portal on or after the 1st day of July, 2020.
2. All enterprises registered till 30th June, 2020, shall be re-classified in accordance with this notification.
3. The existing enterprises registered prior to 30th June, 2020, shall continue to be valid only for a period up to the 31stday of March, 2021.
4. An enterprise registered with any other organisation under the Ministry of Micro, Small and Medium Enterprises shall register itself under Udyam Registration.

**8. Updation of information and transition period in classification.--**

1. An enterprise having Udyam Registration Number shall update its information online in the Udyam Registration portal, including the details of the ITR and the GST Return for the previous financial year and such other additional information as may be required, on self declaration basis.
2. Failure to update the relevant information within the period specified in the online Udyam Registration portal will render the enterprise liable for suspension of its status.
3. Based on the information furnished or gathered from Government’s sources including ITR or GST return, the classification of the enterprise will be updated.
4. In case of graduation (from a lower to a higher category) or reverse-graduation (sliding down to lower category) of an enterprise, a communication will be sent to the enterprise about the change in the status.
5. 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 will maintain its prevailing status till expiry of one year from the close of the year of registration.
6. In case of reverse-graduation of an enterprise, whether as a result of re-classification or due to actual changes in investment in plant and machinery or equipment or turnover or both, and whether the enterprise is registered under the Act or not, the enterprise will continue in its present category till the closure of the financial year and it will be given the benefit of the changed status only with effect from 1st April of the financial year following the year in which such change took place.

**9. Facilitation and grievance redressal of enterprises.--**

1. The Champions Control Rooms functioning in various institutions and offices of the Ministry of Micro, Small and Medium Enterprises including the Development Institutes (MSME-DI) shall act as Single Window Systems for facilitating the registration process and further handholding the micro, small and medium enterprises in all possible manner.
2. The District Industries Centres (DICs) will also act as Single Window facilitation Systems in their Districts.
3. Any person who is not able to file the Udyam Registration for any reason including for lack of Aadhaar number, may approach any of the above Single Window Systems for Udyam Registration purposes with his Aadhaar enrolment identity slip or copy of Aadhaar enrolment request or bank photo pass book or voter identity card or passport or driving licence and the Single Window Systems will facilitate the process including getting an Aadhaar number and thereafter in the further process of Udyam Registration.
4. In case of any discrepancy or complaint, the General Manager of the District Industries Centre of the concerned District shall undertake an enquiry for verification of the details of Udyam Registration submitted by the enterprise and thereafter forward the matter with necessary remarks to the Director or Commissioner or Industry Secretary concerned of the State Government who after issuing a notice to the enterprise and after giving an opportunity to present its case and based on the findings, may amend the details or recommend to the Ministry of Micro, Small or Medium Enterprises, Government of India, for cancellation of the Udyam Registration Certificate.