

## **Minutes of the 18<sup>th</sup> Meeting of the National Board of MSME (NBMSME)**

The 18<sup>th</sup> Meeting of the National Board of MSME (NBMSME) was held on 14<sup>th</sup> September, 2022 at Vigyan Bhawan, New Delhi under the Chairmanship of Hon'ble Union Minister (MSME). The meeting started with wishes to all the participants on **Hindi Diwas** and welcoming the dignitaries and members of NBMSME. The list of participants is annexed.

2. The keynote address was delivered by **Secretary (MSME)**. He mentioned that NBMSME was set up to examine the factors affecting the promotion and development of MSMEs and to review the policies and programmes of the Government. He stated that in the 17<sup>th</sup> meeting of NBMSME, the members had made valuable suggestions regarding the development of the MSME Sector. Further, he informed the Board members that the suggestions they had made during the 17<sup>th</sup> meeting which pertain to the Ministry of MSME had either already been implemented or have been taken up for further stakeholder consultations and the issues which pertain to other Ministries and Departments like Department of Financial Services, Department of Revenue, DPIIT, GST Council and Ministry of Power had all been taken up with the respective Ministries/Departments. Underscoring the importance of Udyam Registration, he informed the house about the launch of the portal for the scheme for the North Eastern Region (NER) and Sikkim and regarding the integration of Udyam Portal with the National Career Service (NCS). He also highlighted that the signing of the Memorandum of Understanding (MoU) between Common Service Centres (CSC) and the Ministry of MSME would help enterprises in remote places to come within the formal sector.

3. The event witnessed the inauguration of the portal for the scheme 'Promotion of MSME in NER & Sikkim' and Launch of Integration of Udyam & NCS by Hon'ble Minister (MSME) and also the signing of an MoU between Ministry of MSME & CSC in connection with Udyam Registration Portal.

4. The members were apprised with a detailed Power Point Presentation in connection with the various activities, performance and achievements of the Ministry of MSME and Office of DC-MSME since the 17<sup>th</sup> meeting of the Board, along with the proposed activities in the next few months way and Vision 2047 of the Ministry of MSME.

5 . **Additional Secretary & Development Commissioner** and Member-Secretary NBMSME requested the members regarding their views on the agenda points. The member-wise main points of the deliberations are detailed below.

6 . **Shri Vishnu Kumar Raju**, highlighted an issue of Builders



Associations of India which had requested for consideration of works contract under the Services category for availing the benefits of the Government. He reiterated the request made during the 17<sup>th</sup> meeting for reconsideration of the Government policy in respect of 30% fly ash free availability on account of raw materials for the benefit of fly ash brick manufacturing units. He also suggested to include Medium enterprise for the delayed payment provision of the MSMED Act, 2006 and also to enhance the turnover limit for Small Enterprises from Rs. 50 crore to Rs.150 crore. He requested for the deduction of raw materials cost from the total turnover in connection with the definition of MSME for availing the benefits of Government schemes, especially for approaching Micro & Small Enterprise Facilitation Councils (MSEFCs).

7 . **Dr. Teena Sharma** thanked the Ministry of MSME for launching the SAMARTH portal for women. She pointed out the lack of data in connection with the Manufacturing and Services separately and also about the schemes and policy getting implemented by the Ministry. She requested for ensuring implementation of the schemes to reach the real beneficiaries.

8 . **Ms. Smita Yashwant Ghaisas** reiterated that the suggestion given by her in the 17<sup>th</sup> meeting regarding NBMSME members being given responsibilities to ensure the reach and implementation of schemes at the village level.

9 . **Shri Sampat Toshniwal**, praised the MoU done between the Ministry of MSME and CSC in connection with formalization of informal enterprises. He suggested for some special incentives be given for enterprises to onboard onto the Udyam portal. Medium enterprises also need to be given more importance by providing more credit facilities. Under Priority Sector Lending (PSL) he mentioned that there is a need of fixing the percentage of quota in respect of the Micro, Small and Medium enterprises and advised to seek the data of PSL under various categories from the financial institutions. MSEFCs need to be monitored properly for speedy disposal of the delayed payment.

10 . **Ms. Anju Singh**, focussed on the Bio Mass Pellet enterprises and requested for enhanced loan guarantee limit, lower bill discounting under TReDS, National Single Window system for application new enterprises under Bio Mass Pellet enterprises. She stated that there is need for clarification of the guidelines of the PMS Scheme.

11 . **Ms. Rashmi Mishra** informed that she is working on the implementation of the skill development programme of the Ministry in the defence area and the AWWA has recognised her efforts for the same by awarding her. Further, she requested for skill development initiatives for the NCC cadet for their job creation through the skill development programme.

12. **Shri Baldevbhai Govindbhai Prajapati**, praised the launch of online NER & Sikkim scheme. He suggested that 20% mandate under



the PLI scheme for MSME Sector are needed to be taken up with the DPIIT for implementation which has been missed by the MSME sector as of now. He also requested for a change in the policy for the use of CNG related requirement as mandated by the Pollution Control Board for the enterprise to act on mandatory requirement of establishment of DG set of certain of parameters, which is expensive for the enterprises. Hence, he requested to take up the matter with the Ministry of Environment. He further requested for ODOP implementation to include establishment of a skill development centre on similar lines for each district. Also, he stated that there is need for publicity for spreading awareness about the schemes of the Ministry of MSME for better implementation in the remote areas.

13. **Dr. Harjinder Kaur**, referred to the notification in connection with global tenders not being allowed up to Rs. 200 crore tender and suggested to ban the consortium dominated by foreign stakeholders so as to favour the domestic consortium and to boost the Make in India concept, which would further strengthen the Indian MSME sector. She highlighted the need to define women entrepreneurs for availing collateral free loans for expansion their enterprise. She stressed on the need to include EMD exemption and other benefits under Public Procurement Policy for Medium Enterprises as well and the need for Government orders for implementation for arbitration award for timely implementation within 180 days in connection with the delayed payment.

14. **Shri Kashi Nath Singh**, pointed out the need to interact with State Governments for the benefit of the local enterprise, especially in connection with the allotment of industrial plots. He mentioned that delayed payment issues are also to be taken into consideration suitably for timely disposal by the MSEFC.

15. **Dr. J. R. Bangera** suggested that the Small Company Act(Rs. 2 crore Investment and 20 Core as Turnover) is to be put in place in conformity with the new definition. He also stressed on the need of specific coding instead of mere colour coding Udyam Registration Certificate. Construction industries are to be considered under the Services sector. He requested to consider for formulation of dedicated to Micro and Small Enterprise. Besides, he also suggested for exemption of CIBIL for CMR Rating for MSEs.

16. **Shri Robin Balackei** expressed happiness on the launch of online portal for the NER & Sikkim of the Government of India, which will surely benefit the region in the light of the vision of Act North East Policy of the Hon'ble Prime Minister for strengthening the MSME sector for the promotion and development of the country as a whole.

17. **Shri Sudhir Datey**, stated that even after the completion of tendering process the buyers do not allow the supplier to supply the products. Such kind of problems are faced by the seller (supplier), especially the big PSUs deny acceptance of the supplied products due



to one or the other reason which creates financial burden on the MSE seller. He also suggested that for the better implementation of award given by the MSEFC, the Public Sector Undertakings should be restricted from making appeal on to the higher judicial authority against the award given by the MSEFC. He also pointed out the payment issue for the women enterprises participated in the SWAYMSIDHHA exhibition lying since long at MSME-DFO Indore for one or the other reason.

1 8 . **Shri Ravindra Dattatreya Vaidya** expressed his happiness organising the NBMSME meeting in time. He pointed out the problems faced by the MSME in connection with credit needs from the financial institution. He mentioned that the SIDBI has the presence across the country. However, he pointed out that SIDBI shows inability in financing the project beyond the geographical limitation of 100 km. So, he suggested for the establishment of extension centres of SIDBI to cater to the need of the MSME. He also suggested that legal experts/advisors should be appointed in MSEFCs, so that the cases challenged to the higher court after the award by MSEFC could be properly dealt and could be fought for the benefit of the MSEs. He suggested for creation of a separate Department for MSMEs in each States so that the Ministry of MSME, Government of India is able to implement in coordination with the Ministry of MSME of the State Governments in a synchronized manner.

1 9 . **Shri Rakesh Gupta** raised the issue of CNG and its implementation process. He raised the issue of collection of GST and suggested that there should be a mechanism of direct collection of GST from the bank account linked with the enterprise and generation of invoice. Pointing out the important role being played by the Central Institute of Hand Tools, Ludhiana, he suggested that the additional facility of power tool may be considered in addition to the existing provision of hand tool at the institute for tapping the opportunity of the region. He also pointed out the issues in implementation of PMEGP in rural area of Punjab.

20. **Shri Naresh Chandra Pareekh** requested for an appointment of Nodal Officers in the Ministry before whom issues can be put forth for suitable information and disposal. He also requested the Ministry to issue an advisory to the State/ UT Government for inviting the NBMSME members for participation in the meetings organised at the various levels in the State/ UT by the MSME Department.

21. **Shri M. Mohanasundaram** mentioned the need of technology, credit and marketing support, GST reimbursement for MSMEs, especially for Tiny or Nano enterprises. Further, all loans to Tiny or Nano enterprises, should be through CGTMSE and the rate should not be above 8% for next two year. He also mentioned about the need to revisit the NPA norms. He requested for establishment of a MSME-DFO in Puducherry.



2 2 . **Shri Pravin Kumar Agarwal** mentioned the Small Factories Bill, which is lying pending with Ministry of Labour and Employment and requested for coordination with the MoLE for its implementation. He suggested that SIDBI offices should be established in remote areas as well for the financing the MSME sector. He also suggested that MSEFCs need to be strengthened.

2 3 . **Shri Pradeep Kishan Rao Peshkar** thanked the Ministry of MSME for considering his suggestion in connection with revised MSE-CDP scheme guidelines. He further requested for information regarding PSU available on the three TReDS Portal be available on the invoice so that the seller is able to register themselves on the TReDS platform for availing the discounting benefit. The CIBIL record should be exempted for Micro units to be assessed to avoid issues related to NPA. He advised that under CGTMSE the guarantee fee should be charged from the banks, not from the enterprises.

2 4 . **Ms Nisha Nambhar, CGM, RBI** clarified the provisions with respect to the CIBIL and PSL benefit available to the MSME Sector, especially the Micro enterprise. She advised for submission of complaints on CIBIL or any other complains to the Integrated RBI Ombudsmen for solution. She also informed about the PSL details and said that the same is monitored. Referring to the data on PSL she apprised the house that 40% of the PSL is availed by the Micro, and further to the Small and Medium enterprises but is dominated by Micro enterprise. The data of PSL is also monitored by the individual banks as well.

2 5 . **Mr. Mohan Mehta, Representative, Indian Bank Association** clarified about the data maintenance of the PSL beneficiaries. He expressed happiness on the action taken by the Ministry for the formalization of the enterprises and hoped that the challenges faced with respect to the PSL benefit made to the enterprise earlier will be sorted out shortly. He also requested for extension for validity of UAM till 31.03.2023.

2 6 . **Dr. Beesetti Venkata Satyavathi, Member of Parliament (Lok Sabha)** thanked the Ministry for organising the meeting with a lot of activities having been taken up by the Ministry in time, as per the suggestions of the members. She requested for fixation of 25% procurement quota for the local enterprises of the State/UT under Public Procurement Policy of the Government of India. She requested for establishment of Industrial Parks exclusively for women at Visakhapatnam and Ankapalli districts of Andhra Pradesh. She also requested for formulation of a scheme in connection with reimbursement of fees paid by the trainees getting trained at Techno Park.

2 7 . **Shri Lalwani, Member of Parliament (Lok Sabha)** thanked the Ministry for all the efforts made for the betterment of the MSME Sector. He suggested for booking of space/stalls for Indian MSME



products in the International exhibition. Further, he also stressed for the need for technical upgradation and support to MSMEs for becoming competitive at the global level. He also requested for the establishment of CFC for Pharma Sector at Indore.

28. **Shri D Kuppuramu, Chairman, Coir Board** informed the house that there is tremendous opportunity in the field of coir and requested the NBMSME member to motivate the stakeholders, especially the associations, to tap the opportunities in the field of coir related activities which will result in the employment generation.

29. **Shri Bimal Bora, Hon'ble Minister Industries, Government of Assam** expressed happiness for the launch of online scheme for NE & Sikkim and thanked the Ministry on behalf of the entire North East Region. He asserted that due to the initiatives of the Central Government of India in coordination with the State Government, there was advancement of natural development of the region and the region was emerging as a favourite destination for investment in industrial activities. He informed the house that Government of Assam has initiated the drafting of policy for a dedicated Credit Guarantee Scheme to provide 100% credit guarantee to eligible units. He requested for the strengthening of the capacity building of the Industry Department officers and officials. He also requested for more information to be available on the Udyam Registration Portal. He informed the house that Assam Government has made a provision that if an entrepreneur is in process of establishment of any enterprise then they would be no need of any licence, registration, and other documentation for three years.

30. **Hon'ble Minister of State (MSME) and Vice-Chairman of the NBMSME** informed the members about the recent initiatives of the Government to promote the development of the MSME Sector, specifically to deal with the adversities of the pandemic by means of credit, technology, marketing, etc. He emphasized upon the important AatmaNirbhar Bharat announcements like new definition, Udyam registration for ease of doing business and other schemes of PMEGP, CGTMSE, MSE-CDP, ECLGS and SRI Fund and PP Policy and the issue of Delayed Payments.

31. **Shri Narayan Rane, Hon'ble Union Minister and Chairman NBMSME** thanked all the members of the NBMSME and other officials of the Central Government and State Governments. Taking cognisance of the request of Members for holding regular meetings of NBMSME, he announced that the next meeting will be held on 11.01.2023 at 3:00 pm. He stated that the NBMSME members could meet him during office hours by taking prior appointment and invited them to provide their valuable suggestions in writing. He mentioned that the budgetary allocation of 2021-22 had been utilised well for the MSME Sector. He pointed out the achievements of the MSME sector in terms of contribution to GDP, Exports, employment generation and in making the country AatmaNirbhar. He appreciated the efforts of the officers of the Ministry and also instructed them to take into suitable action well

before the next meeting regarding the suggestions that were made by the members. He also instructed for the establishment of a Control Room in the Ministry for attending to entrepreneurs to give proper suggestions and disposal of their grievance within 48 hours.

The meeting ended with the vote of thanks to the chair.

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## **Annex**

### **List of Participants**

#### **Members of NBMSME or their representatives**

1. Shri Narayan Rane, Hon'ble Union Minister(MSME) and Chairman (NBMSME)
2. Shri Bhanu Pratap Singh Verma, Hon'ble Minister of State(MSME) and Vice-Chairman(NBMSME)
3. Shri Bimal Bora, Minister of Industries, Government of Assam
4. Dr. Beesetti Venkata Satyavathi, Member of Parliament (Lok Sabha)and Member (NBMSME)
5. Shri Shankar Lawani, Hon'ble Member of Parliament(Lok Sabha) and Member (NBMSME)
6. Shri B.B.Swain, Secretary(MSME) and Member(NBMSME)
7. Shri S. Ramann, Chairman Managing Director, SIDBI, Member(NBMSME)
8. Shri Dev Krishan Tiwari, Additional Secretary(Representative of Ministry of Industry, Government of Uttarakhand)
9. Ms. Kiran Bhadana, Special Secretary(Representative of Ministry of Industry, Government of Himachal Pradesh)
10. Shri Saroj Kumar Jha, Joint Secretary (Representative Ministry of Food Processing Industries), Member(NBMSME)
11. Shri Aquib Javed, Joint Director, (Representative Ministry of Labour& Employment), Member (NBMSME)
12. Ms. Kanika Wadhawan, Deputy Director (Representative Ministry of Finance), Member(NBMSME)
13. Ms. Nisha Nambhar, CGM, Reserve Bank of India, Member (NBMSME)
14. Shri Sunil Mehta, Chief Executive Officer, Indian Bank Association, Member (NBMSME)
15. Shri R.B Ramakrishnan, (Representative NABARD), Member(NBMSME)
16. Shri P.Vishnu Kumar Raju, Member(NBMSME)
17. Dr. Teena Sharma, Member(NBMSME)
18. Shri Baldevbhai Govindbhai Prajapati, Member(NBMSME)



19. Shri Kashi Nath Singh, Member(NBMSME)
20. Shri Robin Blackei, Member(NBMSME)
21. Ms.Smita Yashwant Ghaisas, Member(NBMSME)
22. Ms. Anju Singh, Member(NBMSME)
23. Dr.Harijinder Kaur, Member(NBMSME)
24. Ms. Rashmi Mishra, Member(NBMSME)
25. Shri SampatToshniwal, Member(NBMSME)
26. Shri M.Mohanasudaram, Member(NBMSME)
27. Dr. J.RBanger, Member(NBMSME)
28. Shri Ravindra Dattatreya Vaidya, Member(NBMSME)
29. Shri Rakesh Gupta, Member(NBMSME)
30. Shri Pravin Kumar Agarwal, Member(NBMSME)
31. Shri Naresh Chand Pareek, Member(NBMSME)
32. Shri Pradeep Kishan Rao Peshkar, Member(NBMSME)
33. Shri Kundan Kumar, Member(NBMSME)
34. Shri Shailesh Kumar Singh, AS&DC(MSME) and Member-Secretary (NBMSME)

**Special Invitee:**

1. Shri Sanjay Dalmia(Representative of Shri G.P.Dalmia of Jharkhand Small & Tiny Industries Association)

**Other Participants Present:**

1. Shri D.Kuppuramu, Chairman , Coir Board
2. Smt. Mattoo J.P.Singh, ADG(PIB), MoMSME
3. Shri Vipul Goel, Joint Secretary, MoMSME
4. Shri Ateesh Kumar Singh, Joint Secretary, MoMSME
5. Smt. Sudha Keshari, Additional Development Commissioner, O/o DC(MSME)
6. Ms. Mercy Epao, Joint Secretary, MoMSME
7. Shri Sanjay Kumar Rakesh, CMD & MD, CSC
8. Shri Gaurang Dixit, CMD NSIC
9. Shri D.P.Srivastava, Dy. Director General, O/o DC(MSME)
10. Dr. Ishita Ganguli Tripathy, Additional Development Commissioner, O/o DC(MSME)
11. Shri P.Palanivel, Dy. Director General, MoMSME
12. Shri Shubhendu Kumar, Sr. Technical Director, NIC, Office of DC-MSME, M/o MSME
13. Shri Vinamra Mishra, Director, MoMSME
14. Shri Supriyo Ghosh, Director, MoMSME
15. Shri Bharat Prakash, Joint Development Commissioner(MSME)



16. Smt Swati Shahi, Joint Development Commissioner(MSME)

17. Shri U.C. Shukla, Director, O/o DC(MSME)

18. Shri M.K. Saraswat, Director(MSME), O/o DC(MSME)

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