



SMEsphere

March 2019 – Vol 1

A quarterly newsletter on the MSME sector

Key developments in MSME segment

India Prime Minister, Shri Narendra Modi launched a new online portal, www.psbloanin59minutes.in for sanctioning loans of up to ₹1 crore to small and medium enterprises in 59 minutes to give a boost to the nations' second biggest employing sector.

The Public Procurement Policy of the Ministry of MSME has made it compulsory for Central Public Sector Enterprises (CPSEs) to procure 25% of their total procurement from MSMEs, out of which 4% is earmarked for SC/ST entrepreneurs. Earlier, this limit was 20% for CPSEs.

Encouraging women entrepreneurship, 3% of sourcing by public sector undertakings (PSUs) is now to be done from MSMEs run by women.

Interest subvention on pre and post shipment credit for exports by MSMEs has been increased from 3 % to 5%.

The MSME ministry has established an export promotion cell to create a sustainable ecosystem for micro, small and medium enterprises (MSMEs) for the integration of MSMEs into global value chain, evaluation of readiness of MSMEs to export their products and services, and recognition of areas where improvements are required in order to be able to export effectively and efficiently.

GST-registered MSMEs would get 2% interest subvention or rebate on incremental loan of up to ₹1 crore.

Mr. Rajiv Kumar, DFS secretary, announced Rs 1 lakh crore worth loans will get restructured for 7 lakh eligible MSME units. This will help free up additional resources which will fuel demand and create further opportunities in the industry.

Innovations in MSME segment

- **EXTRACTION OF SODIUM LIGNOSULPHONATE (SLS) FROM COIR PITH** - The Microbiology Department of CCRI concentrates on research leading to development of user-friendly, cost effective and environment safe technologies for the coir industry through bio-technological intervention.
- **DEVELOPMENT OF FLAME RETARDANT RUBBERISED COIR** - The use of coconut fibre (coir) as a filling material for upholstery has been known for a long time. Coir Board has carried out the development of flame retardant rubberised coir for cushioning purpose in Railways Studies to improve the flame retardancy characteristics of the rubberised coir by different treatments and tested at CIPET, Hyderabad (the RDSO recognised laboratory).

In Spotlight



Mr. Abhiraj Gupta

Managing Director

Towels Enterprises Limited

www.towelsenterprises.com

***Towels Enterprises Limited** has been assigned a rating of **MSE 2** by SMERA, which indicates high credit worthiness in relation to other MSEs. Based on the rating, the entity has enjoyed an interest rate benefit of **0.25%** on availing the loan.*

Towels Enterprises Limited is a public limited company operating out of Ludhiana, Punjab which was established on May 07, 2015 by Mr. Ajay Latawa, Mr. Sumit Gupta and Mr. Prabhupal Singh(Directors). Mr. Abhiraj Gupta joined as a director in the year 2018. The company is a distributor and exporter of one of the world's largest manufacturer of 100% Cotton Terry Towels & Home Textiles. It is also a distributor and exporter for chemicals like Acetate Acid, Sodium and Sodium Gluconate among others. It has been profitable since year 1 and has experienced growth multifold and plans to expand its product verticals under Chemical segment in the near future.

Benefits of MSME Ministry Scheme

Prime Minister Employment Generation Programme (PMEGP)

The Prime Minister Employment Generation Programme (PMEGP) Scheme provides financial assistance to set up new enterprises. The scheme is implemented by Khadi and Village Industries Commission (KVIC) functioning as the nodal agency at the national level. At the state level, the scheme is implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs), District Industries Centres (DICs) and banks.

Under the PMEGP Scheme, banks have already disbursed a margin money subsidy of Rs.1303.05 crore up to 31.01.2019 which will help in facilitating of setting up 46,035 micro enterprises creating employment of around 3,68,280 people.

Criteria: The maximum cost of the project/unit admissible in manufacturing sector is ₹ 25 lakhs and ₹ 10 lakhs in the business/service sector.

Only new projects are considered for sanction under PMEGP and not the existing units (under PMRY, REGP or any other scheme of Government of India or State Government). Units that have already availed Government Subsidy under any other scheme of Government of India or State Government will NOT be eligible.

Benefit: The beneficiary's rate of subsidy under PMEGP (of project cost) depends on the area (location) of project/unit being set up.

General category: **15%** for Urban Areas and **25%** for Rural Areas

Special category*: **25%** for Urban Areas and **35%** for Rural Areas

**includes SC/ ST/ OBC/ Minorities/Women, Ex-servicemen, Physically handicapped, NER, Hill and Border areas, etc.*

Eligibility: Any individual who is above 18 years of age can apply under this scheme for setting up a new unit. An individual should be at least VIII standard pass for applying for projects costing above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakh in the business / service sector.

Online Application Link:

<https://www.kviconline.gov.in/pmegpeportal/pmegphome/index.jsp>

Scheme Contact Details:

Dy. CEO (PMEGP), KVIC, Mumbai

Ph: 022-26711017

Email: ykbaramatikar.kvic@gov.in

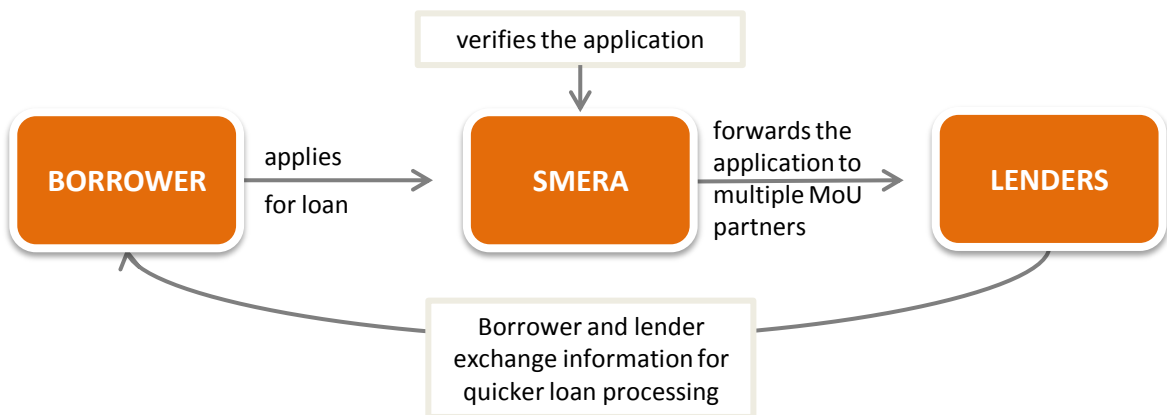
For more Information about the PMEGP scheme, please visit <https://msme.gov.in/node/1763#A2>

Launch of New Products

SMERA Terminal

SMERA Terminal is a fintech platform that brings lenders and borrowers closer and facilitates credit flow to MSMEs by providing enterprise level information on Indian MSMEs. MSME's in need of funds register on SMERA Terminal and put up their loan requirements. These loan applications, post verification, are shared with SMERA's lending partners (banks & NBFC's) for easy and quicker approval / processing of loans. SMERA facilitates informed decision making for the lending institutions by providing independent, unbiased, timely opinion and information regarding credit worthiness of these prospective borrowers. SMERA has received over 2900 loan applications so far through SMERA Terminal.

Registration to SMERA Terminal is free for MSMEs.



SMERA Trust Seal

SMERA Trust Seal is a seal of trust that is awarded to an entity after SMERA verifies basic facts of an entity such as registrations, address, promoters, products etc. This helps the entity position itself as 'trusted' or 'credible trading partners'. SMERA authenticates a commercial entity's credentials and provides SMERA Trust Seal report with or without a Site-Visit as per customer's requirement. SMERA Trust Seal is used as a primary verification report/checkpoint for any business entity trying to establish its authenticity and credibility amongst its various stakeholders like vendors, dealers, suppliers, lenders, customers etc. before engaging into a business transaction.

SMERA Trust Seal Report is delivered within 2 working days (post receipt of full information) at an affordable price of Rs. 6,500/-.

The image shows a sample SMERA Trust Seal report for MJC Corp. The report is structured into several sections: Contact Details, Entity Details, Bank Details, Registration/Memberships/Certificates, and Ownership & Management Details. Each section contains specific information about the company, such as its name, address, contact details, and financials. The report is signed by SMERA and includes a QR code for verification.

SMERA Trust Seal				
Company Name :		Report Date: 13 February 2019		
		D-U-N-SB Number: 65-041-1775		
Contact Details				
Name of the Entity				
Registered Address				
Factory Address				
Contact No.	(91)9820136798			
Email ID	info@mjccorp.com			
Website	www.mjcorgan.com			
Entity Details				
Constitution	Proprietary			
Year of Commencement of Operations	May 15, 1995			
Number of Employees	10			
Activity	Trading & Services			
Industry	Other miscellaneous services			
Products/ Services	Supplying of Marine Items and Repairing & Maintenance of Cargo Vessels			
Bank Details				
Bank Name	ICICI Bank Ltd			
Bank Branch / IFSC	Aarey Road, Goregaon east/ ICIC0001206			
Account Number	104401000540			
Registration/Memberships/Certificates				
Registration No / CIN	Not Applicable			
GSTIN	27ACWPK6784F32U			
PAN	ACWPK6784F			
Aadhaar No. / UAM	6113 0942 0249			
Any Certifications / License No.	Not Available			
Ownership & Management Details				
Name of the Proprietor/ Partner/ Director	Designation	Highest Qualification	No. of years of relevant experience	Employed with the unit since
Mr. K J John	Proprietor	Bachelors of Commerce	40	2008

Events & Seminars for MSMEs

7th MiNE India 2019, New Delhi

"The rising cost of funds and liquidity tightening caused short-term asset-liability mismatches, however, the sector managed to address this issue with securitization and sell of loan pool." says Mohit Jain, Vice President – Business Development Capital Market, Acuité Ratings & Research



22-Feb-19

Leaders of Tomorrow on ET Now, Raipur

"Raipur needs a transformational shift from manufacturing to a comprehensive economy with a focus on the service sector." says Mohit Jain, Vice President – Business Development Capital Market, Acuité Ratings & Research



15-Feb-19

Leaders of Tomorrow on ET Now, Lucknow

"At 8% real growth, the economy of UP is growing faster than the overall Indian economy." says our Lead Economist, Mr. Karan Mehrishi



31-Jan-19

Leaders of Tomorrow on ET Now, Pune

"In an ever-changing business environment, when companies can't foresee and plan beyond a couple of quarters, it's not fair to expect a college to produce work-ready people through a 2 or 4 year course." says our CEO, Sankar Chakraborti



18-Jan-19

SMERA Celebrating Leadership

SMERA Celebrating Leadership is a new initiative launched by SMERA. It is a gathering where senior management of SMERA personally felicitate & honour the leaders of high performing SME Enterprises, rated by SMERA, in relation to other SMEs. It's a special initiative to recognize their efforts and hear more about their journeys, challenges & success stories.



Ahmedabad, December 2018

Mr. Sankar Chakraborti, CEO - SMERA felicitating representatives from high performing SME Enterprises in Ahmedabad.

Chennai, November 2018

Mr. Sankar Chakraborti, CEO - SMERA personally handed over rating certificates to representatives from MSE 1 rated enterprises (Highest credit worthiness in relation to other MSEs).



Mumbai, January 2019

Ms. Vinaya Dongre, Senior Vice President - SMERA (right) handing over the certificate to Mr. Thomas Samuel (left), Finance Manager, Eco Fuels Systems India Private Limited.

Upcoming Events by MSME Ministry

Training Programs at National Institute of Micro, Small & Medium Enterprises (NIMSME), Hyderabad in March 2019

Training of Trainers (ToT) on Promotion of Agro and Food Entrepreneurship	1 Week	04-08 Mar 2019
Internet & Social media Marketing Strategies	1 Week	11-15 Mar 2019

SMERA – A Division of Acuité Ratings & Research Limited

SMERA was incorporated in 2005 as an initiative of Ministry of Finance, Govt. of India and the Reserve Bank of India to help Indian MSMEs grow and get access to credit through independent and unbiased credit opinion that banks can rely on. Thus SMERA became the world's first MSME focused rating agency and introduced the concept of SME Ratings in India. SMERA is now a division of Acuité Ratings & Research Limited (a SEBI Registered and RBI Accredited Credit Rating Agency).

Disclaimer:

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