

Role of MSME in entrepreneurship development

MSME-Potential Employment Generator

Key highlights

- MSMEs account for about 45% of India's manufacturing output.
- MSMEs account for about 40% of India's total exports.
- Employing about 114 mn people in more than 48.8 mn units.
- Manufacture more than 6,000 products ranging from traditional to high tech items.

Classification	Manufacturing Enterprises*. (Investment limit in Plant & Machinery)	Service Enterprises** (Investment limit in equipment)
Micro	Rs. 2.5 million / Rs. 25 lakh	Rs. 1 million / Rs. 10 lakh
Small	Rs.50 million / Rs. 5 crore	Rs. 20 million / Rs 2 crore
Medium	Rs 100 million / Rs 10 crore	Rs. 50 million / Rs 5 crore

The term "*village industries*" has been redefined in amended KVIC, Act, 1956 as "any industry located in a rural area which produces any goods or renders any service with or without the use of power and in which the fixed capital investment per head of artisan or worker does not exceed Rs. one lakh (Rs. one lakh and fifty thousand in case of village industry located in a hilly area) or such other sum as may, by notification in the Official Gazette, be specified from time to time by the Central Government"

PERFORMANCE OF MSME, EMPLOYMENT AND INVESTMENTS

Sl. No.	Year	Total Working Enterprises (in Lakh)	Employment (in Lakh)	Market Value of Fixed Assets (Rs. in Crore)
I	II	III	IV	V
1.	2006-07	361.76	805.23	868,543.79
2.	2007-08 [#]	377.36	842.00	920,459.84
3.	2008-09 [#]	393.70	880.84	977,114.72
4.	2009-10 [#]	410.80	921.79	1,038,546.08
5.	2010-11 [#]	428.73	965.15	1,105,934.09
6.	2011-12 [#]	447.64	1,011.69	1,182,757.64
7.	2012-13 [#]	447.54	1,061.40	1,268,763.67
8.	2013-14 [#]	488.46	1,114.29	1,363,700.54

- Including activities of wholesale/retail trade, legal, education & social services, hotel & restaurants, transports and storage & warehousing (except cold storage) for which data were extracted Economic Census 2005, Central Statistics Office, MOSPI.

- Estimated on the basis of per enterprises value obtained from sample survey of unregistered sector for activities wholesale/retail trade, legal, education & social services, hotel & restaurants, transports and storage & warehousing(except cold storage) which were excluded from Fourth All India Census of MSME, unregistered sector.

- Projected.

Support for entrepreneurial development of MSEs through incubators

Year	No of Incubator selected/approved for implementing the Scheme	No of Innovative Ideas selected/ approved for financial assistance	Total Govt of India funds provided / released. (Rs. in Crore)
2008-09	25	18	-
2009-10	29	164	1.906
2010-11	22	95	5.76
2011-12	-	49	2.06
2012-13	26	29	2.301
2013-14	16	53	2.506
2014-15	20	95	1.3218
Total	138	503	15.8548

Performance of KVI Sector

YEAR	PRODUCTION (Value in ₹ crore)		S A L E S (Value in ₹ crore)		CUMULATIVE EMPLOYMENT (in lakh persons)	
	KHADI	V. I.	KHADI	V. I.	KHADI	V. I.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2011-12	716.98	21135.06	967.87	25829.26	10.45	108.65
2012-13	761.93	23262.31	1021.56	26818.13	10.71	114.05
2013-14	811.08	25298.00	1081.04	30073.16	10.98	119.40
2014-15*	674.52	21001.37	792.00	27961.20	10.69	132.72

*upto 31 December 2014

ASPIRE – A Scheme for Promoting Innovation and Rural Entrepreneurship

- **Objectives**

- Promote entrepreneurship culture in India
- Grass root economic development at District level
- Facilitate innovative business solution for un-met social needs
- Promote innovation to further strengthen the competitiveness of MSME sector

- **The funds of the scheme will be used to**

- Automation of agricultural practices
- Value addition to agriculture and forest produce
- Recycling of pre and post harvest wastages
- Business models for aggregation and value addition relevant for rural areas
- Business models for creation of local employment in rural areas
- Business models for social impact

