



# SUGGESSTIONS FOR STRENGTHENING THE MSME

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# Suggestions about Udyog Aadhaar Registration

- The data of MSMEs registered under the Udyog Aadhaar should be available in public domain, so that the Banks/FIs/ Large Industries can access and verify the credentials. This will help the MSMEs in Marketing of their products and Services also,
- Regular mails about the latest developments, Schemes and Tenders should be sent to Registered MSMEs,

# Suggestions about Udyog Aadhaar Registration

- Like PMJDY, a Industry Associations/ Chambers particularly working in MSME space should be appointed as the Partners of MSME Ministry like “Udyog Bandhu” and Targets should be given to these Associations for the registration of their members/ MSMEs.

# Suggestions about Udyog Aadhaar Registration

- There should be liberty to obtain the Udyog Aadhaar either through Aadhaar Number or PAN number of the Partner/ Proprietor/ Director so that the people from Chennai, Assam, Arunanchal Pradesh, Chhatisgarh, Karnataka, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, West Bengal, Jammu & Kashmir, Kerala could also be benefited.

# Suggestions about Delayed Payments

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- There is also urgent need to strengthen “Credit Facilitation Centre” as the biggest challenge before the MSMEs is delayed payments from Large Corporates/ PSUs, which is going to escalate in future as many Large Corporates have been classified as NPA by most of the banks under AQR of Reserve Bank of India. These large corporates will now find it difficult to make timely payments to their Supplier/ Service Providers, which mostly are MSMEs.

## Suggestions about Rehabilitation & Restructuring

- All Rehabilitation & Restructuring schemes are available to Large Corporates, be it CDR, SDR 5/25 etc. Recently Reserve Bank of India has come out with Scheme for Sustainable Structuring of Stressed Assets (S4A) which again is available for companies having exposure of more than Rs. 500 crores. We propose that these restructuring schemes should be available for the companies having exposure of more that Rs. 50 crores.

## Suggestions about Rehabilitation & Restructuring

- MSMEs can also not get them registered under BIFR also.
- There is urgent need for some Rehabilitation / restructuring scheme for MSME Sector, as even the Re-schedulement of the loan of MSMEs is practically not happening at the ground level.
- The NPA norms of the MSMEs in today's scenario should be relaxed down to atleast 150 - 180 days.

## Formation of Committees

Ministry of MSME through its official gazette notified that “All Banks shall constitute one or more Committees at such locations as may be considered necessary by the board of directors of such bank to provide reasonable access to all eligible Micro, Small and Medium Enterprises which have availed credit facilities from such bank. The committee shall comprise of representatives of Bank, independent expert and representative of the State Government”. As per our information none of the Banks constitute such committees. We recommend that Bank should be strictly advised to constitute the committee and the members of the committee should be from Associations/Chambers, Ex. Directors of Banks, Professional from the related fields.



## MSME MITRA

Like Banks have Business Correspondent for Financial Inclusion, Income Tax department has Tax Return Preparer Scheme (TRPS), Ministry of MSME in association with Associations/ Chambers should start MSME Mitra under PPP model to promote schemes of Government. Under this model CANOPIES should be set up in Industrial areas to publicize the Government Schemes, so that more and more MSMEs can be benefited. MSME Mitra's will be **“ONE STOP SOLUTIONS TO MSMEs”**. MSMEs Mitra's should be responsible for Set up the enterprises, getting necessary registrations like MSME registration, NSIC Registration, Service Tax Registrations, Pan Card, Vat Registration, Shop and Establishment License etc. in consideration of a nominal fee.

## Appointment of Credit Counsellors

Reserve Bank of India in its First Bi-monthly Monetary Policy Statement 2016-17 has stated that RBI will lay down a framework by September 2016 for accreditation of credit counselors who can act as facilitators for entrepreneurs to access the formal financial system with greater ease and flexibility. Credit counselors will also assist MSMEs in preparing project reports in a professional manner which would, in turn, help banks make more informed credit decisions.

We propose that MSME Ministry should also initiate the MSME Counsellors for better awareness of Government Schemes and their implementation.

Together we can...

*Small is beautiful. Knowledge is power.  
But winning requires teamwork.*

**THANK YOU**