

MSME Development and Facilitation Office (MSME-DFO) ensures support for the growth of MSME's

Engaging in a brief conversation with **Mr. M.K. Meena, Joint Director, MSME-DFO, Ministry of MSME, Government of India**, offered valuable insights into the growing role of the Development and Facilitation Office within the Ministry. This office is committed to empowering industries across India by providing comprehensive support and facilitation.

According to Mr. Meena, there are 32 MSME-DFOs and 27 Branch MSME-DFOs (formerly SISIs) established in state capitals and other industrial cities nationwide. These institutions engage in various activities, including providing assistance and consultancy to potential entrepreneurs, offering guidance to existing units, creating state industrial profiles, conducting district industrial potential surveys, developing project profiles, organizing entrepreneurship development programs, motivational campaigns, production index initiatives, management development programs, skill development programs, and energy conservation efforts. Additionally, they focus on critical areas such as pollution control, quality control and upgradation, export promotion, ancillary development, common facility workshop/lab, preparation of a directory of specific industries, intensive technical assistance, and coordination with District Industries Centers. Regular processes involve linkage with state government functionaries, market surveys, and the implementation of DC (MSME) schemes.

Further, Mr. Meena highlighted the Prime Minister's Employment Generation Programme (PMEGP), which is administered by the Khadi and Village Industries Commission (KVIC) as the nodal agency at the national level. At the state level, the scheme is executed through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs), District Industries Centres (DICs), and banks. The KVIC routes government subsidies through designated banks for eventual disbursement directly into the bank accounts of beneficiaries/entrepreneurs. The maximum project/unit cost allowable in the manufacturing sector is ₹25 lakhs, and in the business/service sector, it is ₹10 lakhs.

Categories of beneficiaries and their corresponding subsidy rates under PMEGP (of project cost) are as follows:

- General category: 15% (Urban), 25% (Rural)
- Special category (including SC/ST/OBC/Minorities/Women, Ex-servicemen, physically handicapped, NER, Hill and Border areas, etc.): 25% (Urban), 35% (Rural)

The remaining amount of the total project cost is provided by banks in the form of term loans and working capital. Any individual above 18 years of age, holding at least an eighth-grade standard pass for projects costing above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakhs in the business/service sector, is eligible. Notably, only new projects are considered for sanction under PMEGP.

The meeting was held on December 30, 2023



Caption: Mr. Navneet Agarwal, Assistant Director, World Trade Center Jaipur (left) with Mr. M.K. Meena, Joint Director, MSME-DFO, Ministry of MSME, Government of India (right)