

MINUTES OF THE MEETING

A. The third Video-conferencing with Principal Secretaries / Director (Industry) of States / UTs was held under the Chairmanship of Secretary, Ministry of Micro, Small and Medium Enterprises on 1.12.2015 at 3.00 PM at Udyog Bhawan, New Delhi to review the following:

- i. Implementation of the Udyog Aadhaar Memorandum
- ii. Review of Progress of PMEGP and other Schemes

B. Secretary, in his opening remarks, has elucidated the salient features of the Udyog Aadhaar Memorandum and requested to the States/UTs to share issues/views regarding implementation of the UAM which is effective from the date of their Notification. The States /UTs- wise issues during the VC and the remarks of the Ministry are as follows:

<b>(i) Udyog Aadhaar Memorandum</b>		
<b>State of Madhya Pradesh</b>		
	<b>Query/ Request</b>	<b>Resolution/Remarks</b>
1.	Why the details of capacity utilization by units are not incorporated in UAM	Information on capacity installed (less amenable to variation than capacity utilized) may be useful, but not necessary for our purpose. Our attempt was to make the registration process simpler. Therefore, such details are not being solicited.
2.	Three additional DICs to be added (Bhind, Dhar and one more)	Details of the additional DICs may be sent, preferably, by email. All other States and UTs may please note, <u>in case they require more DICs, should be included.</u>
3.	No options in UAM for filing information in case of multi-production is in place.	The most important or, the leading activity of the entity is to be mentioned while filing UAM.
4.	There should be a provision for editing of information in UAM data.	Good suggestion. Necessary modifications would be undertaken. Editing can only be by authorized officers.
5.	Entrepreneurs wish to have a provision for amending the data to avoid a typographical error in their UAM.	At present, there is no scope for amendment. Will keep note of this request.
6.	In the absence of EM-I, some agencies are still insisting for the same.	EM-I stands abolished and States / UTs must comply with the same and not insist on EM-I or UAM for giving regulatory approvals. This will be highlighted on <u>Home Page.</u>
<b>State of Arunachal Pradesh</b>		
7.	For selecting appropriate NIC code, the UA portal should help the entrepreneur.	There is a drop down menu for NIC Code on UAM portal. GM(DIC) is the last mile institute to facilitate the registration of the MSMEs. The difficulties regarding entering of NIC code-related information and facilitating entrepreneurs in filling up of form may be resolved by GM(DIC).
<b>State of Andhra Pradesh</b>		

8.	Finding the appropriate NIC code is a problem faced by entrepreneurs	The UA portal is offering a simple three-step process to find such code. In case of difficulties, the good offices of GM (DIC) may assist the entrepreneurs.
9.	A negative list should also be there for disallowing UAM filing such as for Wood based industry.	There can not be a common negative list for the whole country. The states / UTs may take a call on this based on the provisions/ restrictions laid down from time to time and depending upon the location.
10.	Problems with bank account number with 11 digits.	10 digit bank account details are required while filing UAM. It is advised to update of cheque-book or consult concerned bank branch.
<b>Jammu &amp; Kashmir</b>		
11.	There should be a provision to choose State/ Non State Subject to take care of the specific requirement of J&K state.	One-page form serves a common requirement. Such specific requirements should best be handled by respective States.
12.	Pollution control	We may not condition ourselves to information sought in EM-I/II. The UA portal makes the data at the district level available to GM(DIC). It should rather be used as connecting with the new enterprises
<b>State of Tripura</b>		
13.	Invest and employment report	Send a specific email addressed to dcmsme@nic.in. Please give brief details.
14.	Passwords for GM(DIC)	Send a specific email addressed to dcmsme@nic.in . Please give brief details
15.	Provision for verify before submit may be added to rule out typographical errors.	As of now, the form stands submitted if the Captcha is correct.
<b>State of Chhattisgarh</b>		
16.	Plant and machinery there is no provision for entering figures in decimal e.g. 0.7 lakh	Good suggestions. Necessary action will be taken by NIC.
17.	Same data with the same name and Aadhaar may result in duplicate UANs generated	This should not ideally be happening. DICs may find it out and report the same to M/o MSME for suitably removing the duplicate UAN(s), if any.
<b>State of Manipur</b>		
18.	What if the unit is filing UAM just for fun?	Obtaining of UAM by itself does not grant any benefit. Therefore, if somebody is filing it for “fun”, should we come in their way?
<b>State of Rajasthan</b>		
19.	There are scope for obtaining Multiple UAM Number for single	We expect DICs to be vigilant and bring such cases to our notice.

	units like “Vishal Food” 19 UAM, “Jagdamba” has 18 UAM. Possibility of duplication.	
20.	Guidelines with DIC should be circulated. Draft can be worked on by Rajasthan and MSME jointly.	Very good suggestion.
<b>State of Karnataka</b>		
21.	Some entrepreneurs may not have emails	In today’s business scenario, not having an email is not desirable. Please request the DIC to help such email unfriendly entrepreneurs to obtain a free email.
<b>State of Kerala</b>		
22.	Gender figure is not available	We have to get the requirement to the minimum. Therefore, certain fields have not been included.
23.	Benefits linked to EM-I should be looked in to.	All the EM-Is and EM-IIIs issued prior to 18.9.2015 continue to be valid.
<b>State of Uttar Pradesh</b>		
24.	Issue of ID password to GM(DIC)	Send a specific email addressed to dcmsme@nic.in. Please give brief details
25.	Draft guidelines and SOPs should be there.	Good suggestion.
<b>State of Telangana</b>		
26.	Banks insisting on EM-I	Matter has been taken up with CEOs of all Public Sector Banks when Finance Minister had convened a meeting with them on 23.11.2015. Secretary (MSME) has addressed Bank CEOs in the matter. Kindly bring to our notice any branch insisting on EM and not respecting UAM.
<b>State of Nagaland</b>		
27.	Closing of the business unit should be informed to States by the entrepreneur.	DICs should be vigilant in the matter. We will keep the suggestion in mind.
<b>State of Odisha</b>		
28.	How to resolve pre-connection benefits before starting production like conversion of lands, incentives etc.	Kindly approach the concerned Department of the State Governments inviting their attention to UAM having come into force w.e.f. 18.9.2015.
<b>State of Haryana</b>		
29.	Some more details may be added in the UAM like women category, capacity utilization etc	We have to get the requirement to the minimum. Therefore, certain fields have not been included.

ii. **Status of the implementation of PMEGP**

- a) Official from **Rajasthan** raised the following points:

- Release of second installment of funds under PMEGP
- Problem in online entry of applications particularly under extended period beyond 31st March.
- Banks not entering the data.
- Increasing the project cost under PMEGP from Rs.25 lakh to Rs.50 lakh.

JS(ARI) informed that, second installment of margin money funds under PMEGP for Rajasthan has been sanctioned on 30.11.2015. Funds are being released and will reach Jaipur shortly.

The matter of online submission of application and timely data-entry by banks will be taken up with KVIC and sorted out so that the correct picture is reflected.

Due to the low average of Rs. 8-10 lakh of project cost under PMEGP at national level, it may not be appropriate to increase the Project cost from Rs.25 lakh to Rs.50 lakh. Further, PMEGP is applicable for micro projects for which the project cost limit is Rs.25 lakhs only.

**b) Official from Telangana requested for release of funds under PMEGP in respect of State of Telangana.**

State has been replied that BE-2015-16 Targets of Margin Money subsidy under PMEGP for Telangana is Rs.1594.00 lakh for setting up up 797 units.

As per the status available on 30.11.2015, State of Telangana had the opening balance of Rs. 661.16 lakh on 1.4.2015. Rs.988.37 lakh has been released to Telangana during 2015-16, the total amounts to Rs.1649.53 lakh. Out of which, Rs.1478.37 lakhs have been disbursed and Rs.171.16 lakh are available as unspent. Further funds will be released to Telangana shortly.

**c) Official from J&K raised the following points:**

- Physical verification done by private agency is not satisfactory, findings of the agency and the banks are not matching and therefore MM adjustment is delayed.
- E-tracking - Data is not updated due to lack of adequate staff only one data entry operator is provided by KVIC.
- EDP trainings are not conducted regularly resulting in backlog.

JS(ARI) has informed that 100% physical verification of the actual establishment and working status of each of the units, set up under PMEGP, will be done by KVIC, through the agencies of State Government and/or, if necessary by outsourcing the work to professional institutes having expertise in this area. If there is discrepancy in the findings of the agency assigned the job of

PV, KVIC may in coordination with Banks, DIC or KVIB jointly verify the status of the PMEGP unit and settle the issue as per the joint findings.

**E-tracking:** KVIC has been providing adequate staff to the State agencies for data up-loading under e-tracking. The matter will be taken up with KVIC to address the shortage of staff in J&K.

**EDP trainings:** KVIC is providing EDP trainings through KVIC, KVIB training centers and other accredited Training Centers run by Central & State Governments. An Mou has also been signed In Feb.2015 with National Association of RSETI (Rural Self Employment Training Institutes) to impart EDP training through 578 training centres of RSETI/RUDSETI.

If J&K State Govt. has suitable training centers, the same may be intimated to KVIC to conduct EDP training so that the backlog, if any, may be cleared.

C. The meeting ended with the thanks to the chair.

D. List of participants in annexed.

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**Annexure-I****List of Participants from Ministry of MSME in VC dated 01-12-2015**

Dr. Anup K. Pujari, Secretary (MSME) – in the chair.

Sh. S. N. Tripathi, AS(SME) and DC (MSME)

Sh. Manoj Joshi, Joint Secretary (SME)

Sh. B.H. Anil Kumar, Joint Secretary (ARI)

Dr. P.G.S. Rao, Joint Director (SME)

Sh. Shubhendu Kumar, Tech. Director, NIC (MSME).

Sh. Sanjeev Kumar, Dy. Director(SME)

Sh. Umesh Dixit, Chief Manager (RGUMY Cell)

Sh. Anil Kumar , Under Secretary (PMEGP)