

## **Department of Micro, Small & Medium Enterprises**

# Initiatives

for

# Self-Employment

in Madhya Pradesh





# Youth in India: Driving force in country's economy

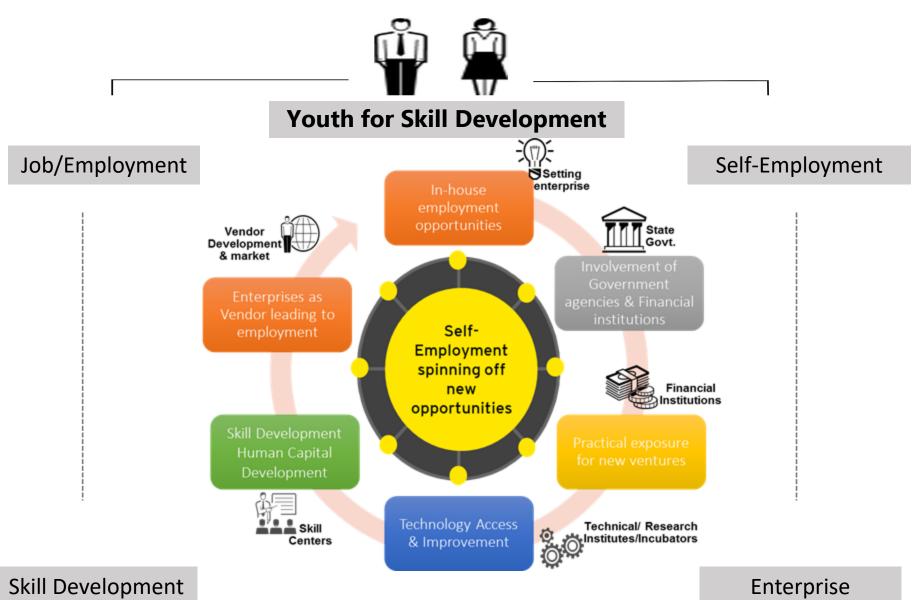
- Youth Employment: Top priority in global SDGs
  - India has largest share of youth (15-29 yrs) population in world (19.7%)
- India's share in youth population : 422 Million (34.8%)
  - More than 700 million Indians to join working age group by 2022



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 Madhya Pradesh: 30% of population is in the age group of 15-30 years ; huge potential for employment growth.

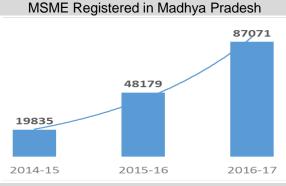
# Various Catalysts in Promotion of Self-Employment



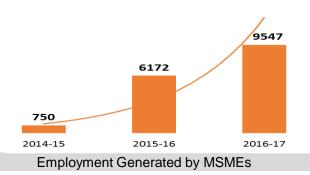
# **MSMEs contributing to MP's Economic** Growth

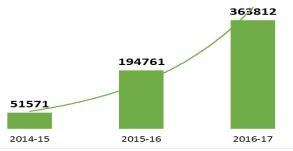


- Engine of economic growth and for promoting equitable development
- MSME registrations almost doubled in the last two years.
- Over 9500 Cr investment by MSMEs in the state in FY 2016-17
- MSMEs in the state employed more than 3.6 lakh individuals in FY 2016-17
- Multi-pronged support covering : Land, Power, financial assistance, market access, business facilitation, cluster formation, incubation facility etc. to MSMEs
- Support and incentives for Self-Employment such as capital subsidy, interest subsidy, training etc.



Investment in MSME Industry (Rs Cr)





# Framework for Self-Employment schemes

## **Own Funds**

- Entrepreneur use their own fund to establish the enterprises
- Risk is completely borne by the entrepreneur knowingly or unknowingly

## 2 Banks only

- Entrepreneur applies for loan which is sanctioned after due diligence by bank
- Certain banks have dedicated departments for handling MSME loans

## **Government only**

MP Financial Corporation provides credit facility to eligible MSMEs

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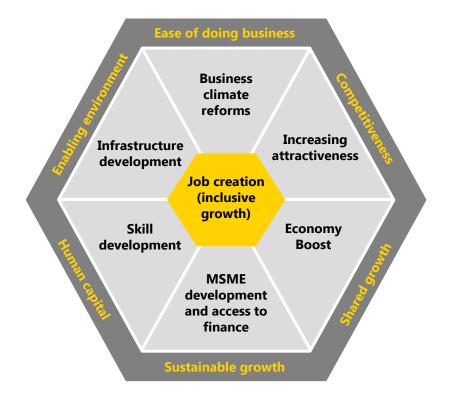
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## **Banks & Government together**

- Banks & Central Government MUDRA, Stand Up India
- Banks & State Government MMYUY, MMSY
- Banks & both Central and State Governments PMEGP

# **State support to Self-Employment**

Fast-tracking MSMEs development



Madhya Pradesh Government has been supporting entrepreneurs/ Self-Employment by providing an enabling environment for job creation and entrepreneurship

#### Business climate reforms

Reduce the cost and increase the ease of doing business including improving accountability and transparency

#### **Increasing attractiveness**

Accelerate private sector investments (domestic/foreign) in focus sectors to create jobs & employment

#### **MSME development and access to finance**

Develop innovative funding channels and institutional frameworks to benefit MSMEs/Entrepreneurs

#### **Skill development**

Delivery market based skills up-gradation to boost employment especially for youth and women

#### Infrastructure development

Facilitate implementation of infrastructure projects, ensuring faster and balanced economic growth

# Self-Employment Schemes in Madhya Pradesh

In the year 2014, 13 self employment schemes of Madhya Pradesh Government were merged into following 3 major flagship schemes.

Mukhya Mantri Yuva Udyami

Yojana

Mukhya Mantri Swarozgar Yojana Mukhya Mantri Aarthik Kalyan Yojana

- To promote young entrepreneurs for manufacturing /service industry in the State
- Incentives to the project with cost of INR10 Lakhs to INR 1 Crores.
- Margin money subsidy, Interest subvention and credit guarantee support.
- Handholding and training support is provided from UNDP.

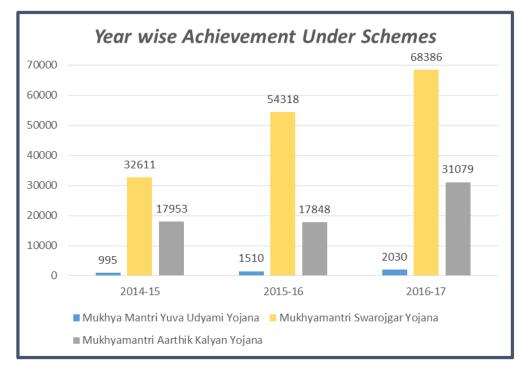
- To promote establishment of new enterprises for manufacturing /service /business in the state
- The scheme provides incentives to the project with cost of INR 0.5 Lakhs to INR 10 Lakhs
- Margin money subsidy, Interest subvention and credit guarantee support

- To cover poorest section of society, where low cost equipment and working capital assistance are provided.
- Incentives to the project with maximum cost of INR 0.5
   Lakhs
- Margin money assistance upto 50% is provided

# **Self Employment Schemes: Achievement** Highlights

## **Department Involved (7)**

- Micro Small & Medium Enterprises
- Panchayat & Rural Development
- Cottage & Rural Industries
- Backward Class & Minorities
   Welfare
- Urban Development and Housing
- Schedule Cast Welfare
- Tribal Welfare







Improved access to finance

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Improved self employment opportunities

## **Targets for various Self Employment** Schemes for year 2017-18

Name of Schemes	S. No	Department Involved	Target
Mukhya Mantri Yuva Udyami Yojana	1	Department of Micro Small & Medium Enterprises	1500
	2	Schedule Cast Welfare Department	200
	3	Tribal Welfare Department	300
		Total	2000
Mukhyamantri Swarojgar Yojana	1	Department of Micro Small & Medium Enterprises	30000
	2	Panchayat & Rural Development Department	10000
	3	Department of Cottage & Rural Industries	8000
	4	Backward Class & Minorities Welfare Department	3000
	5	Department of Urban Development and Housing	15000
	6	Schedule Cast Welfare Department	9000
	7	Tribal Welfare Department	10000
		Total	85000
Mukhyamantri Aarthik Kalyan Yojana	1	Panchayat & Rural Development Department	10000
	2	Department of Cottage & Rural Industries	4000
	3	Backward Class & Minorities Welfare Department	1000
	4	Department of Urban Development and Housing	15000
	5	Schedule Cast Welfare Department	6000
	6	Tribal Welfare Department	7000
		Total	43000
Grand Total			130000

## Way Forward: Youth Empowerment Mission

- YEM focusses on the economic empowerment of youth through skill development, entrepreneurship and employment
- Aim is to coordinate efforts of multiple departments working for youth empowerment through different approaches and provide with an overarching framework
- The Mission aims to achieve economic empowerment of youth through skill development, employment and entrepreneurship opportunities

## Mission Objectives

- Economically empower 16 lakh youths annually, of which,
- Skill Development of 8.50 lakh youths annually
- Provide entrepreneurship support to 7.50 lakh youths

### Yuva Udyami Yojana Beneficiaries



District : Indore Entrepreneur: Priyanka Mokshmar Product: Cooler Telephone: +91 9893266601

Chief Minister's Yuva Udyami Yojana helped Priyanka Mokshmar, an Indore based innovator, to develop a highly energy efficient hybrid air-conditioner. Priyanka, with the help of DTIC, got finance of Rs 1 Crore from Corporation bank and started her own factory. Currently she employs more than 20 people.

As per Priyanka this technology (Patent) provide cooling like AC at a cost of cooler and needs just 10 per cent of the electricity consumed by the conventional ACs to operate. The product has been tested for more than 100 units and the company is getting bulk orders from companies that care about environment and cost-saving. It has reached 6 states — Madhya Pradesh, Chhattisgarh, Maharashtra, Delhi, Haryana and Uttarakhand.



District : Sehore
Entrepreneur: Anurag Sodani
Address: Sekhrakheri, By pass road, Sehore
Product: Readymade Garments
Telephone: +91 9826016355

Today, Anurag Sodani, Sehore based Yuva Udyami, is guide to many budding entrepreneurs. Anurag always wanted to start his own enterprises, after completing schooling and was looking forward for a supportive system. But financial constraints and family economic conditions restricted him to go forward. He comes from a business family dealing in retail garments. Taking his family business further, he ventured into manufacturing of garments.

His vision was transformed into a reality through counselling and support from DTIC Sehore. He applied under the Mukhya Mantri Yuva Udyami Yojna and his project of "setting up a readymade garment manufacturing unit" was sanctioned with Rs 1 Crore loan in 2015.

He started his readymade garment business which at present employ more than 150 people. His business is well established and he is getting regular orders now.

## Yuva Udyami Yojana Beneficiaries



District : Gwalior Entrepreneur: Kushal Parwal Address: Malanpur, Lashkar, Gwalior Product: Sanitary Fittings Telephone: +91 9098651686

Kushal Parwal, from Gwalior is another **beneficiary of Yuva Udyami Yojana**. His firm, Shri Krishna Plastics *make flush tanks and sheet covers*. Kushal started this enterprise, under YUY scheme, with the help of DIC and Dena Bank with capital investment of 49 Lakhs. Kushal at present is manufacturer & Dealer of Sanitary ware items, Sanitary equipment, Kitchen appliance dealer, Bathroom fitting Items, Pipe fitting manufacturer & Supplier. He has also developed the market through online/offline promotional activities.

"I got loan at very low interest rate and a subsidy. This boosted confidence in me and encouraged me to set up this enterprises. All this has been possible due to CM's Yuva Udyami Yojana Scheme"

District : Bhopal Entrepreneur: Shikha Nagar & Sheetal Sharma Address: Padmanabh Nagar, Bhopal Product: IT Services Telephone: +91 9424516222

Shikha Nagar and her partner Sheetal Sharma epitomise women empowerment in the State. Theirs is a software firm engaging about 35 staff presently. They had applied under the Mukhya Mantri Yuva Udyami Yojna in the year 2015, qualified in the interview and got a sanction of Rs 96 Lakh worth of Ioan. Their inspiration was a speech given by the Hon CM on the occasion of inauguration of Bhopal's IT park which was followed by support of the DTIC Bhopal.

These women are budding entrepreneurs backed by educational knowledge, experience and impressive clientele. Their success was rendered more fruitful by the presence of the Hon CM of Madhya Pradesh in the Inauguration of their venture. At present, the revenue from their venture is sufficient to sustain their operational cost and loan repayment.

Kushal Parwal, Gwalior

# Thank you

### V. L. Kantha Rao, IAS

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