MINUTES OF THE MEETING

A. The Meeting with Principal Secretaries of 26 State/UTs who participated through Video conference was held under the Chairmanship of Secretary, Ministry of Micro, Small & Medium Enterprises on 5th October at 11.00 am at Udyog Bhavan, New Delhi. .The agenda of the Video Conference was as follows:

    i.   Implementation of the Udyog Aadhaar Memorandum
    ii.   Status of the implementation of PMEGP, SFRUTI and ASPIRE
    iii.   Review of progress on cluster development

B.   Secretary, in his opening remarks, informed that based on the Hon'ble Prime Minister's suggestion in his 'Mann Ki Baat', on 3.10.2014, to simplify forms to enable ease of registration of MSME's, Ministry has notified a simple one-page registration Form 'Udyog Aadhaar Memorandum(UAM)' on 18th September, 2015 in the Gazette of India Vide Notification Number S.O 2576 (E). He elucidated the salient features of the Udyog Aadhaar Memorandum and said that it is simple, easy and web-enabled. The UAM provides hassle- free instant registration of MSMEs after filing a one-page online form. He requested State/UTs to issue instructions for effective implementation of the UAM. State-wise issues raised during the VC and the remarks of the Ministry are as follows:

(i) Udyog Aadhaar Memorandum

Shri Kantha Rao , Secretary (MSME) , Madhya Pradesh

	Query /Request	Resolution/Remarks
1.	Has EM-I/II been replaced by UAM	Yes. After the notification dated 18-09-2015,filing of EM-I/II by States/UTs should be discouraged and instead all efforts be made to popularize the filing of UAM on the portal created by Ministry of MSME i.e. http://udyogaadhaar.gov.in
2.	A future date may be fixed for adopting UAM and stopping EM-I and EM-II.	It was clarified that once the UAM has been notified dated 18-09-15, there cannot be a different cut-off date announced for adopting UAM. However, in order to maintain continuity, the cases of EM-I/II filing under process till 18-09-2015 may be accepted.
3.	Whether the multiple system of registration may exist after introduction of UAM.	All other online/ offline systems of registration of MSMEs created and maintained by Central/State/UT Governments should cease to register new MSMEs forthwith. Such online platforms may be allowed to exist for the time being to enable access to useful legacy data for decision making. Henceforth, there should be only one system i.e. UAM for the registration of new MSME units.
Shri Surendra Bagre , Secrtetary (MSME) , Maharashtra		
4.	There should be only one portal for filing of UAM and States/UTs should have access to the same for reports/ query and such other functions as may be required by GM(DIC)/ Directorate of Industries	The Udyog Aadhaar portal has been envisaged to take care of this requirement.
5.	Problems in NIC code selection on UAM portal	The NIC code can be selected once the aadhaar number is validated and major activity

		(manufacturing or service) is selected.
6.	A discussion forum should be provided on UAM portal.	This may be incorporated shortly.
7.	There should be provision to verify the UAM credentials by the procurement agencies including government departments and PSUs	NIC may be advised to suitably provide this provision in a way that several e-procurement portals in the country, created by the government or private but being used by the government could benefit from the UAM portal in so far as online verification of a MSME unit is concerned.
State of Uttarakhand		
8.	There is difference in the information sought under EM-I/II and the new UAM.	In order to promote ease of doing business for MSMEs, it has been decided to seek lesser information than EM-I/II in the UAM. Further, the information sought is on self-certification basis and no supporting documents are required at the time of online filing of UAM.
9.	What would be the role of "Udyog Bandhu" in the UAM?	The role of facilitating the creation and growth of enterprises in the States/UTs is not proposed to change in any manner whatsoever through UAM. The concept of "Udyog Bandhu" may therefore not be affected by UAM.
10.	A cut-off date may be decided for stopping EM-I/II filing and adopting UAM	It was clarified that once the UAM has been notified dated 18-09-15, there cannot be a different cut-off date announced for adopting UAM. However, in order to maintain continuity, the cases of EM-I/II filing under process till 18-09-2015 may be accepted.
11.	Whether the new system of UAM encapsulates the change in the line of production.	Yes, since the new system constitutes self declaration format, the change in the line of productions accordingly may be incorporated.
Shri Jagmohan, Secretary (MSME) Tamilnadu		
12.	Integration of legacy data of the States/UTs pertaining to EM-I/II filing may be provided with UAM system.	Since the UAM is only asking for a simplified set of information, its integration with legacy data having greater information may cause discrepancies. It is advisable to maintain the legacy data separately if the respective States/UTs so desire.
13.	What would happen to those enterprises which do not have Aadhaar.	At present Aadhaar Number is mandatory for registration under UAM. However, the GoI will find a way out for covering those cases where Aadhaar Number is not available.
Shri Subodh Kumar, Secretary (MSME) Chhattisgarh		
14.	EM-I filed by a prospective enterprise entitles it for certain exemptions from paying stamp-duties.	Legally, the EM-I/II ceases to exist after 18-09-15. States/UTs may encourage providing all benefits/concessions to MSMEs based on UAM only.
15.	There should be a provision for editing of information in UAM data of an enterprise by GM (DIC).	NIC is in the process of creating provision in the UAM Portal whereby GM DICs shall be able to enter their remarks on the respective information provided by the entrepreneurs while filing the UAM online.
16.	What is the future of EM Portal	New registrations in EM Portal may be stopped forthwith.
17.	Simplification of NIC code selection	NIC may be suitably advised to look into the matter and improve the same in due course.

18.	Data sharing with States	The UAM Portal shall have suitable provisions to allow officials of the State Governments including GM DICs to have password protected access to data of their jurisdiction.
Shri Abhay Kumar, Secretary (MSME) Rajasthan		
19.	Whether the new system of registration provides NIC Code in Hindi and English	Presently the NIC Codes are only available in English. However, the same may be made available in Hindi in due course.
20.	Whether the EM-I and EM-II replaced by UAM	This was also addressed at point number 1.
21.	There should be facility of data sharing in the new UAM	This was addressed at point number 18.
State of Uttar Pradesh		
22.	Possibility of monitoring	Since the UAM is being filing on self certification basis and the UAN is generated instantly, there cannot be any monitoring of the registration process. However, the enterprises filing the UAM online are liable to provide documentary proof of information provided in the UAM, wherever necessary, to the Central Government, State Government or such person as may be authorized.
23.	Availability of data on UAM to States	This was addressed at point number18.
Sh. Surendra Babu, Commissioner Industries, Andhra Pradesh and Telangana		
24.	Date of commencement	This was addressed at point number 1.
25.	Disclaimer should be added in UAN	Notification clearly states that the UAM filed is on self declaration basis. Therefore, no separate disclaimer is required.
26.	Power load details should also be asked for in the UAM	Power load indicates the requirement of energy to the MSME unit. This has no relevance as the subject matter is dealt by the State/UT Governments.
27.	Annual updation of data should be there in UAN by the entrepreneurs.	The legacy of SSI registration and EM-I/II does not mandate for annual updation and the same used to be filed as a one-time exercise on the part of MSMEs unit. The same is proposed to continue.
State of Nagaland		
28.	Closing of the business unit should be informed to States by the entrepreneur.	It may not be made obligatory for the closing unit to inform about it to the State/UT concerned.

(ii) Status of the implementation of PMEGP, SFRUTI and ASPIRE

Joint Secretary (ARI) briefed about the schemes of PMEGP, SFURTI and ASPIRE. Several States raised the concern about reduction of targets under PMEGP Scheme in the current year. It was informed that such reduction had to be made in conformity to the reduction of the overall budget allocation of the Ministry in 2015-16. However, the same will be consulted with Ministry of Finance, GOI. It was advised to the States/UTs to continue accepting the proposals under PMEGP. Tamilnadu suggested for a mid-year review of PMEGP Scheme.

The SFURTI Scheme has been revamped wherein the project fund has been enhanced from Rs. 1crore to Rs. 8 crore per cluster depending upon the number of artisans. 26 Propposals from 1 States worth Rs. 41 crore under the Scheme received through KVIC and Coir Board have been approved.

All the States/UTs were advised to utilize the Scheme of ASPIRE for setting up livelihood Business Incubators (LBI) and Technology Business Incubators (TBI). Under LBI, 19 proposals from 9 States have been approved on 10-09-2015. A Fund of Funds of Rs 60.00 crore has been created by SIDBI under the ASPIRE Scheme to provide easier access to start-ups with innovative products, processes.

(iii) Review of Progress of Cluster Development Programme

Several States raised the pendency of proposals in the o/o DC(MSME) for approval and also release of funds even though SIDBI has cleared the appraisal reports with regard to the Cluster Development Programme (CDP). It was assured that the proposals may be considered and cleared expeditiously. It was also informed that some States were released the grants under the CDP and the pending releases will be looked into.

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

D. List of participants in annexed.

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List of Participants from Ministry of MSME in VC dated 05-10-15

Dr. Anup K. Pujari, Secretary (MSME) – in the chair.
Sh. S. N. Tripathi, AS(SME) and DC (MSME)
Sh. B.H. Anil Kumar, Joint Secretary (ARI)
Sh. Anil K. Sinha, DDG, NIC
Dr. P.G.S. Rao, Joint Director (SME)
Sh. Shubhendu Kumar, Tech. Director, NIC (MSME).
Sh. S. R. Samuel, JDC, o/o DC(MSME)
Sh. Sanjeev Kumar, Dy. Director(SME)
Sh. Umesh Dixit, Chief Manager (RGUMY Cell)
Sh. Sunil Kumar Newar, Dy. Director, o/o DC (MSME)