

Govt clears Rs. 105 cr ICT package for MSMEs

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The centre has finalized a Rs. 105 crore package for Micro, Small and Medium Enterprises (MSMEs) to help them adopt Information and Communication Technology (ICT) to achieve competitiveness by MSMEs in domestic and global markets. While speaking to [SME Times](#) on phone, Secretary, Ministry of MSME, Dinesh Rai said, "The government has identified 100 existing clusters for the ICT scheme to reach MSMEs across the country. The ICT scheme, which was recently launched by the government, has finalized a total budget of Rs. 105 crore out of which government spending would be Rs. 46 crore." He said, "MSMEs represent a vibrant and increasingly important sector competing in the global marketplace. Keeping this in mind our ministry has designed this scheme for the welfare of the sector. Nearly, 5000 entrepreneurs are likely to be benefitted by this scheme." "This scheme aims at enhancing the competitiveness of MSMEs by improving product quality, better market accessibility and exports," he added. ICT can enhance the competitiveness of MSMEs by improving the marketing of their products and services, and facilitating business management, leading to greater employment and broader participation in local economies. Rai said, "The scheme is one of the components under the National Manufacturing Competitiveness Programme (NMCP) related to 'Promotion of Information and Communication Technology' in Indian MSME sector. The programme envisages 100 existing clusters of SMEs, which have quality production and export potential, for assisting them in adopting ICT applications to achieve competitiveness in the national and international markets." The ministry has initially identified 40 potential product-specific clusters for ICT interventions. Each cluster, right from pharmaceutical one at Indore to machine tools manufacturing at Bangalore, from auto parts cluster at Faridabad to jewellery one at Howrah, shall manufacture specialised products catering to domestic and global demands and quality. The scheme will facilitate in extending ICT infrastructural support to MSMEs and promote its adoption in entire chain of business, standardisation of business processes and creation of knowledge networks amidst clusters across the country to facilitate forward and backward linkages. The secretary said that a National Level Portal, in order to outfit MSMEs in to the global market, will be set up having linkages with all the clusters to provide e-commerce facilities to entrepreneurs across the country. Lack of Government support, finance and awareness are the major factors that inhibit Indian micro, small and medium enterprises (MSMEs) to adopt Information and Communication Technology (ICT) applications, says Recent CII's MSME Outlook survey on ICT revealed that major factor is lack of financial resources that inhibit the ICT adoption of MSMEs in India. Salil Singhal, Chairman, CII National MSME Council said, "Promotion of ICT usage is extremely important for the MSMEs" "By encouraging ICT usage among MSMEs, will enhance their productivity, quality and competitiveness," he added.