

MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

DEMAND NO. 64

Ministry of Micro, Small and Medium Enterprises*(In ₹ crores)*

	Actual 2017-2018			Budget 2018-2019			Revised 2018-2019			Budget 2019-2020		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Gross	6216.36	5.82	6222.18	6540.04	12.57	6552.61	6539.44	13.17	6552.61	6984.27	27.02	7011.29
Recoveries	-20.06	...	-20.06	...	...	...	...	...	...	...	...	...
Receipts	...	...	...	...	...	...	...	...	...	...	...	...
Net	6196.30	5.82	6202.12	6540.04	12.57	6552.61	6539.44	13.17	6552.61	6984.27	27.02	7011.29
A. The Budget allocations, net of recoveries, are given below:												
CENTRE'S EXPENDITURE												
Establishment Expenditure of the Centre												
1. Secretariat	15.87	...	15.87	20.33	...	20.33	19.33	...	19.33	20.66	...	20.66
2. Development Commissioner (MSME)	24.35	...	24.35	26.04	...	26.04	31.87	...	31.87	32.87	...	32.87
Total-Establishment Expenditure of the Centre	40.22	...	40.22	46.37	...	46.37	51.20	...	51.20	53.53	...	53.53
Central Sector Schemes/Projects												
Development of Khadi, Village and Coir Industries												
3. Khadi Grant (KG)	263.89	...	263.89	415.00	...	415.00	413.12	...	413.12	418.00	...	418.00
4. Village Industries (VI) Grant	83.10	...	83.10	110.00	...	110.00	75.00	...	75.00	101.92	...	101.92
5. Khadi, VI and Coir (S and T)	1.89	...	1.89	5.00	...	5.00	2.50	...	2.50	2.00	...	2.00
6. Khadi Reform Development Package (ADB Assistance)	339.53	...	339.53	80.03	...	80.03	146.03	...	146.03	0.01	...	0.01
7. Market Promotion and Development Assistance	328.31	...	328.31	340.00	...	340.00	269.10	...	269.10	350.00	...	350.00
8. Scheme for Fund for Regeneration of Traditional Industries (SFURTI)	9.76	...	9.76	125.00	...	125.00	86.15	...	86.15	125.00	...	125.00
9. Coir Vikas Yojana	50.00	...	50.00	80.00	...	80.00	75.93	...	75.93	70.50	...	70.50
10. Coir Udyami Yojana	7.00	...	7.00	10.00	...	10.00	10.00	...	10.00	2.00	...	2.00
11. Loans to Khadi Village and Coir Industries	...	0.10	0.10	...	0.57	0.57	...	0.57	0.57	...	0.42	0.42
12. Solar Charkha Mission	...	...	...	50.00	...	50.00	20.00	...	20.00	143.50	...	143.50
Total-Development of Khadi, Village and Coir Industries	1083.48	0.10	1083.58	1215.03	0.57	1215.60	1097.83	0.57	1098.40	1212.93	0.42	1213.35
Technology Upgradation and Quality Certification												
13. ASPIRE (Promotion of Innovation, Rural Industry and Entrepreneurship)	47.63	...	47.63	232.00	...	232.00	224.00	...	224.00	50.00	...	50.00
14. National Manufacturing Competitiveness Programme (NMCP)	294.52	...	294.52	1006.00	...	1006.00	1013.56	...	1013.56	737.44	...	737.44

(In ₹ crores)

	Actual 2017-2018			Budget 2018-2019			Revised 2018-2019			Budget 2019-2020		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Total-Technology Upgradation and Quality Certification	342.15	...	342.15	1238.00	...	1238.00	1237.56	...	1237.56	787.44	...	787.44
Prime Minister Employment Generation Programme (PMEGP) and Other Credit Support Schemes												
15. Prime Minister Employment Generation Programme (PMEGP)	1072.90	...	1072.90	1800.64	...	1800.64	2118.80	...	2118.80	2327.10	...	2327.10
16. Interest Subsidy Eligibility Certificate	37.78	...	37.78	50.00	...	50.00	37.20	...	37.20	39.30	...	39.30
17. Credit Support Programme	3002.00	...	3002.00	700.00	...	700.00	715.00	...	715.00	597.00	...	597.00
18. Performance and Credit Rating Scheme	...	...	...	5.00	...	5.00	8.45	...	8.45	0.04	...	0.04
19. Interest Subvention Scheme for Incremental Credit to MSMEs	...	...	...	...	...	...	275.00	...	275.00	350.00	...	350.00
Total-Prime Minister Employment Generation Programme (PMEGP) and Other Credit Support Schemes	4112.68	...	4112.68	2555.64	...	2555.64	3154.45	...	3154.45	3313.44	...	3313.44
Market Promotion Scheme												
20. Marketing Development Assistance (MDA)	11.03	...	11.03	65.00	...	65.00	53.95	...	53.95	129.60	...	129.60
21. Marketing Assistance Scheme (MAS)	10.16	...	10.16	15.00	...	15.00	8.00	...	8.00	10.03	...	10.03
22. International Cooperation Scheme	4.08	...	4.08	5.00	...	5.00	5.02	...	5.02	30.00	...	30.00
Total-Market Promotion Scheme	25.27	...	25.27	85.00	...	85.00	66.97	...	66.97	169.63	...	169.63
Entrepreneurship and Skill Development												
23. Mahatma Gandhi Institute for Rural Industrialisation	7.80	...	7.80	10.00	...	10.00	10.00	...	10.00	12.00	...	12.00
24. Promotional Services Institutions and Programme	139.64	...	139.64	200.00	...	200.00	174.84	...	174.84	305.07	...	305.07
25. Assistance to Training Institutions	4.53	...	4.53	30.00	...	30.00	23.44	...	23.44	30.00	...	30.00
26. Rajiv Gandhi Udyami Mitra Yojana	...	...	...	...	...	...	0.19	...	0.19	...	...	...
27. MSME Fund	...	...	...	100.01	...	100.01	20.00	...	20.00	100.00	...	100.00
Total-Entrepreneurship and Skill Development	151.97	...	151.97	340.01	...	340.01	228.47	...	228.47	447.07	...	447.07
Infrastructure Development Programme												
28. Infrastructure Development and Capacity Building	246.46	...	246.46	400.00	...	400.00	315.75	...	315.75	381.57	...	381.57
29. Establishment of New Technology Centres	...	...	...	...	...	...	...	...	...	125.12	...	125.12
30. Infrastructure Development and Capacity Building-EAP Component	146.22	...	146.22	550.00	...	550.00	299.95	...	299.95	350.00	...	350.00
31. Construction of Office Accomodation- Capital Outlay on Public Works	...	5.72	5.72	...	12.00	12.00	...	12.60	12.60	...	26.60	26.60
Total-Infrastructure Development Programme	392.68	5.72	398.40	950.00	12.00	962.00	615.70	12.60	628.30	856.69	26.60	883.29
Research and Evaluation Studies												
32. Upgradation of Database	7.87	...	7.87	15.03	...	15.03	8.66	...	8.66	20.28	...	20.28
33. Survey, Studies and Policy Research	0.86	...	0.86	1.00	...	1.00	0.30	...	0.30	1.57	...	1.57
34. National Schedule Caste/Schedule Tribe Hub Centre	59.18	...	59.18	93.96	...	93.96	78.30	...	78.30	121.69	...	121.69
Total-Research and Evaluation Studies	67.91	...	67.91	109.99	...	109.99	87.26	...	87.26	143.54	...	143.54
Total-Central Sector Schemes/Projects	6176.14	5.82	6181.96	6493.67	12.57	6506.24	6488.24	13.17	6501.41	6930.74	27.02	6957.76
Other Central Sector Expenditure												

(In ₹ crores)

	Actual 2017-2018			Budget 2018-2019			Revised 2018-2019			Budget 2019-2020		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Others												
35. Actual Recovery	-20.06	...	-20.06	...	...	...	...	...	...	...	...	...
Grand Total	6196.30	5.82	6202.12	6540.04	12.57	6552.61	6539.44	13.17	6552.61	6984.27	27.02	7011.29
B. Developmental Heads												
General Services												
1. Capital Outlay on Public Works	...	5.72	5.72	...	12.00	12.00	...	12.59	12.59	...	...	...
Total-General Services	...	5.72	5.72	...	12.00	12.00	...	12.59	12.59	...	...	...
Economic Services												
2. Village and Small Industries	6180.43	...	6180.43	5849.66	...	5849.66	5840.40	...	5840.40	6235.26	...	6235.26
3. Secretariat-Economic Services	15.87	...	15.87	20.33	...	20.33	19.33	...	19.33	20.66	...	20.66
4. Capital Outlay on Village and Small Industries	...	...	...	...	...	...	...	0.01	0.01	...	26.60	26.60
5. Loans for Village and Small Industries	...	0.10	0.10	...	0.57	0.57	...	0.57	0.57	...	0.42	0.42
Total-Economic Services	6196.30	0.10	6196.40	5869.99	0.57	5870.56	5859.73	0.58	5860.31	6255.92	27.02	6282.94
Others												
6. North Eastern Areas	...	...	...	670.05	...	670.05	679.71	...	679.71	728.35	...	728.35
7. Grants-in-aid to State Governments	...	...	...	...	...	...	...	...	...	...	...	...
8. Grants-in-aid to Union Territory Governments	...	...	...	...	...	...	...	...	...	...	...	...
9. Capital Outlay on North Eastern Areas	...	...	...	...	...	...	...	...	...	...	...	...
Total-Others	...	...	...	670.05	...	670.05	679.71	...	679.71	728.35	...	728.35
Grand Total	6196.30	5.82	6202.12	6540.04	12.57	6552.61	6539.44	13.17	6552.61	6984.27	27.02	7011.29
	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
C. Investment in Public Enterprises												
1. National Small Industries Corporation	...	71.80	71.80	...	370.00	370.00	...	150.00	150.00	...	205.00	205.00
2. Coir Board	...	3.07	3.07	...	2.55	2.55	...	3.00	3.00	...	4.00	4.00
Total	...	74.87	74.87	...	372.55	372.55	...	153.00	153.00	...	209.00	209.00

1. **Secretariat:** Provides for establishment related expenses etc. for the Ministry of Micro, Small and Medium Enterprises.

2. **Development Commissioner (MSME):** The office of Development Commissioner (MSME) is the nodal body for formulating, coordinating and monitoring policies and programmes for promotion and development of Micro, Small and Medium Enterprises in the country. Provision is for establishment related expenses of Headquarter DC (MSME).

3. **Khadi Grant (KG):** Under Khadi Grant budgetary head, an allocation is for (a) promotion and development of Khadi (b) Workshed Scheme for Khadi Artisans (c) Strengthening infrastructure of existing weak Khadi institutions and assistance for marketing infrastructure (d) Grant in Aid General (e) Grant in Aid Salaries (f) Interest Subsidy (g) Swachhta Action Plan.

4. **Village Industries (VI) Grant:** The budgetary provision under this sub-head is meant for promotion and development of village industries through technology upgradation and appropriate IT support, allocation for development of new products, designs and better packaging for VI products, undertaking Human Resource Development through upgradation of existing training centres of KVIC/KVIBs and institutions affiliated to KVIC/KVIBs, providing Common Facilities etc.

5. **Khadi, VI and Coir (S and T):** This sub-head provides budgetary allocation for incurring expenditure on various R&D activities being undertaken by KVIC for Khadi and Village Industries. These projects will demonstrate possibility of reducing drudgery in work, improving the quality of Khadi and VI products and introducing new products/processes.

6. **Khadi Reform Development Package (ADB Assistance):** Khadi Reform and Development Programme (KRDP) was introduced and supported by Govt. of India availing loan amounting US Dollar 105 million from the Asian Development Bank (ADB). The financial support for implementing the Khadi and Village Industries programmes is extended by the Government in the form of grant to Khadi and Village Industries Commission. The assistance is given to the Khadi and V.I. Institution.

The main objective of the scheme is to fully realize the significant growth potential of Khadi & Village Industries Sector in terms of Employment Generation, Enhancement of the earnings of the Artisans, replacement of implements and improving the technology and also to ensure positioning of Khadi in consonance with current Market needs.

7. **Market Promotion and Development Assistance:** The MDA scheme of KVIC has been modified as Market Promotion and Development Assistance scheme (MPDA). MPDA scheme is formulated as a unified scheme by merging different schemes/sub-schemes/components of different Heads implemented in the 11th Plan, namely, Market Development Assistance, Publicity, Marketing and Market promotion. A new component of Infrastructure namely setting up of Marketing Complexes/ Khadi Plazas has been added to expand the marketing net worth of Khadi & VI products.

8. **Scheme for Fund for Regeneration of Traditional Industries (SFURTI):** This scheme was launched by Govt. of India with an aim to set up Common Facility Centres (CFCs) to facilitate cluster based development to make the Traditional Industries more productive, profitable and capable for generating sustained employment opportunities

9. **Coir Vikas Yojana:** (i) The Coir Board is a statutory body established under the Coir Industry Act, 1953 for promoting overall development of the coir industry and improving the living condition of the workers engaged in this traditional industry. The activities of the Board for development of coir industries, inter-alia, include undertaking scientific, technological and economic research and development activities; developing new products & designs; and marketing of coir and coir products in India and abroad. It also promotes co-operative organisations among producers of husks, coir fibre, coir yarn and manufacturers of coir products; ensuring remunerative returns to producers and manufacturers, etc. Under Coir Vikas Yojana,

various programmes like Entrepreneurship Development Programme, Awareness Programme, Workshop, Seminar, Exposure Tour, etc. are organised under various components of the scheme for attracting more entrepreneurs to coir sector. In order to create skilled man power required for the coir industry the Board is organising various training programmes on manufacture of value added products. The candidates undergoing these training programmes are given a monthly stipend amounting to ₹ 1000/- per month. The Mahila Coir Yojana is a woman oriented self-employment Scheme in the coir industry which provides self-employment opportunities to the rural women artisans in the coconut producing regions which a component of CVY. (ii) Grant in aid General /Grant in aid Salaries: The budgetary allocation under this sub-head is meant to meet the salaries, pensions, TA, DA & Contingency of employees of Coir Board.(iii)Swachhta Action Plan (SAP).

10. **Coir Udyami Yojana:** This is a credit linked subsidy scheme for setting up of Coir units with project cost up to ₹10.00 lakh plus one cycle of working capital, which shall not exceed 25% of the project cost. Working capital will not be considered for subsidy. The scheme has been merged with PMEGP, however, a provision of ₹ 2.00 crore has been proposed in BE 2019-20 to meet out the committed liabilities of previous years.

11. **Loans to Khadi Village and Coir Industries:** For granting loans & advances to KVIC, Coir Board & MGIRI employees, a budget provision has been made under this Sub- head.

12. **Solar Charkha Mission:** A pilot project on Solar Charkha was implemented at Khanwa village, Nawada District of Bihar in 2016. Based on the success of the pilot project, Govt. of India has accorded approval to set up 50 such Clusters during 2018 - 19 and 2019 - 20. The scheme is envisaged to generate direct employment nearly to one Lakh persons. The scheme envisages setting up of Solar Charkha Clusters, which would mean a focal village and other surrounding villages in a radius of 8 to 10 Kilometres. Further, such a Cluster will have 200 to 2042 beneficiaries, viz., Spinners, Weavers, Stitchers and other Skilled Artisans.

13. **ASPIRE (Promotion of Innovation, Rural Industry and Entrepreneurship):** ASPIRE (A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship) was launched on 18.3.2015 to accelerate entrepreneurship and to promote start-ups for innovation and entrepreneurship in agro-industry. The main components of the scheme focus on setting up of: (a) Livelihood Business Incubation Centre (LBI), (b) Technology Business Incubation Centre (TBI) and (c) Fund of Funds (FoF) under SIDBI.

14. **National Manufacturing Competitiveness Programme (NMCP):** The programme covers Credit Linked Capital Subsidy and Technology Upgradation Quality Certification (TEQUP); schemes of National Manufacturing Competitiveness Programme (six Schemes) viz. Lean Manufacturing Scheme, Design Clinic Scheme, Digital MSME, Incubation Centre, Intellectual Property Rights (IPR), Financial support to MSMEs in ZED certification scheme (ZED Scheme).

15. **Prime Minister Employment Generation Programme (PMEGP):** A credit linked subsidy scheme titled Prime Minister Employment Generation Programme(PMEGP) was launched in 2008-09 through merger of the erstwhile schemes of Prime Minister Rozgar Yojana (PMRY) and Rural Employment Generation Programme (REGP). PMEGP is aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth. General category beneficiaries can avail margin money subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to special categories such as scheduled caste/scheduled tribe /women the margin money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of projects is ₹25 lakh in the manufacturing sector and ₹10 lakh in the service sector.

16. **Interest Subsidy Eligibility Certificate:** ISEC scheme is the major source of funding for Khadi programme introduced in May 1977 to mobilize funds from banking institutions to fill the gap in the actual

fund requirement and its availability from budgetary sources. Under the ISEC Scheme, credit at the concessional rate of interest is made available as per the requirement of the institutions. The institution is required to pay only 4%. Any interest charged by banks over 4% will be paid by Central Government through KVIC. All khadi institutions registered with the KVIC/State Khadi and Village Industries Boards (KVIBs) can avail of financing under the ISEC scheme.

17. **Credit Support Programme:** Under credit support programme, through the Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE) Credit Guarantee Scheme for Micro and Small Enterprises is operational through this scheme, the guarantee cover is provided for collateral free credit facility extended by Member Lending Institutions (MLIs) to the new as well as existing Micro and Small enterprises. The maximum loans limit has been enhanced from ₹ 100 lakh to ₹ 200 lakh. The corpus of this fund has been enhanced from Rs 2500 crore to Rs 7500 crore. In another component of Portfolio Risk Fund (PRF) under this programme, Government of India provides funds for Micro Finance Programme to SIDBI which is used for security deposit requirement of the loan amount from the MFIs/NGOs.

18. **Performance and Credit Rating Scheme:** The scheme is being implemented through National Small Industries Corporation Limited (NSIC), a PSU under this Ministry. Under this scheme, Micro and Small enterprises are subsidized by the Government to the extent of 75% (upto a maximum of ₹ 40000) for getting themselves rated for performance as well as creditworthiness by one of the empanelled accredited credit rating agency.

19. **Interest Subvention Scheme for Incremental Credit to MSMEs:** Interest Subvention Scheme for Incremental Credit to MSMEs 2018 offers 2 % interest subvention on fresh or incremental loans maximum upto ₹ 1 crore to MSMEs, who have valid GSTN Number and Udyog Aadhar Number. SIDBI is the Nodal Agency for the implementation of the Scheme. The Scheme aims at encouraging both manufacturing and service enterprises to increase their productivity. MSMEs already availing interest subvention under any of the Scheme of the State/Central Govt. will not be eligible under the proposed Scheme.

20. **Marketing Development Assistance (MDA):** This Scheme objective is to promote new market access initiatives, create awareness and educate MSMEs about various marketing relevant topics and development of marketability. The Scheme will be implemented through O/o DC(MSME), along with the network of its field offices, NSIC and other organizations of the M/o MSME. The Scheme Components are (a) Participation of individual MSMEs in domestic trade fairs/exhibitions across the country (b) Organising/participation in trade fairs/exhibitions by the Ministry, Capacity Building of MSMEs in modern packing technique, Development of Marketing Haats, International/National Workshops/Seminars, Vendor Development Programmes, Awareness Programmes.

21. **Marketing Assistance Scheme (MAS):** The scheme is being implemented through National Small Industries Corporation Limited (NSIC), a PSU under this Ministry. Under this scheme, MSMEs are provided support to market their products in the domestic as well as international markets by way of organizing/participating in various domestic & international exhibitions/trade fairs, buyer seller meets, intensive-campaigns & other marketing events.

22. **International Cooperation Scheme:** International cooperation also known as Promoting International Cooperation among Micro, Small and Medium Enterprises (MSMEs). It aims to promote International cooperation between Indian MSMEs and enterprises abroad with a view to technology infusion and/or Upgradation of Indian Micro, Small and Medium Enterprises, their modernization and promotion of exports.

23. **Mahatma Gandhi Institute for Rural Industrialisation:** Mahatma Gandhi Institute for Rural Industrialization has been established in 2001 by revamping the Jamnalal Bajaj Central Research Institute, Wardha. The objective of MGIRI is to accelerate the process of Rural Industrialization in the Country along the lines of Gandhian vision of sustainable and self-reliant village economy and to provide S&T support to upgrade products of rural industry so that they gain wide acceptability in local and global markets. The activities of MGIRI are being carried out by its six Divisions each headed by a Senior Scientists/ Technologist.

24. **Promotional Services Institutions and Programme:** Office of DC (MSME) provides training to its officers under DC (MSME) Officers Training Programme. Entrepreneurship Skill Development Programme (ESDP), Provision for Workshop/training and MSME-DIs are also covered under this programme. The programme also covers working of SENET Division and Office Library.

25. **Assistance to Training Institutions:** The revised guidelines (effective from 15.10.2018) provide for financial assistance in the form of grant for :- (i) Infrastructure support and capacity building of training institution of Ministry of MSME and the existing State Level EDIs. (ii) Training (Skill Development programmes/Training of Trainers) by training institution of Ministry of MSME.

No financial assistance will be provided under the revised scheme for setting up of a new EDI. The private training institutions/NGOs are not covered under the scheme for financial assistance.

27. **MSME Fund:** This includes for provision for MSME Fund.

28. **Infrastructure Development and Capacity Building:** MSME Cluster Development Programme is one of the important schemes of the Office of DC (MSME). Special emphasis has been accorded to comprehensive development of clusters. Infrastructural support has also been added under this programme with externally aided project funding. Association of women entrepreneurs will be assisted under the Cluster Development Programme in establishing exhibition at ventral places for display and sale of products made by women owned MSEs. The other component of this programme is Technology Centre Systems Programme, Infrastructure Support to MSME-TCs/TSs and Promotion of MSME in NER and Sikkim.

29. **Establishment of New Technology Centres:** This is the newly approved scheme - Establishment of New Technology Centres/Extension Centres, 20 New Technology Centres and 100 New Extension Centres are to be established at an estimated cost of Rs, 6000 Cr.

30. **Infrastructure Development and Capacity Building- EAP Component:** Under Infrastructure Development and Capacity Building- EAP Component, 15 new Technology Centres are to be established and existing Technology Centres are to be upgraded/Modernized at an estimated project cost of ₹ 2200 Crore including World Bank Loan assistance of US Dollar 200 Million.

31. **Construction of Office Accommodation- Capital Outlay on Public Works:** To purchase of land for construction of New building for field offices and works related to alterations/additions in the existing buildings and construction of new residential quarters.

32. **Upgradation of Database:** Collection of statistics and information through annual surveys and quinquennial census, in respect of number of units, employment rate of growth, share of GDP/value of production, extent of Sickness/closure and exports of micro, small and medium enterprises are collected under this Programme. Under the Scheme, data on women owned and/or managed enterprises will also be collected. National Award (Entrepreneur & Quality), Advertising & Publicity are the other components of the Programme.

33. **Survey, Studies and Policy Research:** The main objectives of the Scheme are to regularly/periodically collect relevant and reliable data on various aspects and features of MSMEs, to study and analyze, on the basis of empirical data or otherwise, the constraints and challenges faced by MSMEs as well as the opportunities available to them in the context of liberalization and globalization of the economy, and to use the results of these surveys and analytical studies for policy research and designing appropriate strategies and measures of intervention by the Government.

34. **National Schedule Caste/Schedule Tribe Hub Centre:** Ministry of MSME has issued a guidelines for creation of National Schedule Caste and Schedule Tribe Hub in the Ministry of Micro, Small and Medium Enterprises on 25.07.2016. The Hub will provide professional support to SC/ST entrepreneurs to fulfill the obligations under the Central Government Public Procurement Policy for Micro and Small Enterprises Order 2012, adopt applicable business practices and leverage the Stand up India initiatives. The Scheme would be implemented through National Small Industries Corporation Ltd. (NSIC). The functions of Hub include collection, collation and dissemination of information regarding SC/ST enterprises and entrepreneurs, capacity building among existing and prospective SC/ST entrepreneurs through skill training and EDPs, vendor development.