Strategic Investment Plan (SIP)
under 'Raising and Accelerating MSME Performance (RAMP) in the state of Rajasthan'

Submitted To:
Udhyam Protsahan Sansthan
Government of Rajasthan

31st October 2023

उद्यम प्रोत्साहन संस्थान

UDHYAM PROTSAHAN SANSTHAN

कार्यालय आयुक्त उद्योग, वाणिज्य एवं कारपोरेट सामाजिक दायित्व, राजस्थान

OFFICE OF THE COMMISSIONER INDUSTRIES, COMMERCE & CORPORATE SOCIAL RESPONSIBILITY, RAJASTHAN

उद्योग भवन, तिलक मार्ग,
जयपुर-302005
फोन: 2227727-29,31,33-34, 2227630(पी.बी.एक्स.)

Udhyog Bhawan, Tilak Marg
JAIPUR-302005
Ph. (PBX): 2227727-29,2227630-34

Ref : F1( )UPS/IND/MSME/RAMP/2022

Date: 31st Oct, 2023.

Shri. Ateesh Kumar Singh,
Joint Secretary
MoMSME, Government of India
New Delhi

Subject: Submission of SIP (Strategic Investment Plan) of Rajasthan under RAMP (Raising and Accelerating MSMEs Performance) Programme.

Dear Sir,

The Government of Rajasthan, participated in the RAMP programme and submitted the Letter of Undertaking (LoU), which was confirmed by GoI through a LoU dated 23/09/2022 for participation in the RAMP. As per GR No. F32() Clus.sec./WBP/20-21/ Dated 31/10/2022, GoR appointed Udhyam Protsahan Sansthan (UPS) as the "State Nodal Agency" for implementation of RAMP. GoR also appointed Executive Director, Udhyam Protsahan Sansthan as a Nodal officer with effect from 10/04/2023 for implementation of RAMP.

EY LLP was appointed as a consulting agency and subsequently agreement was signed with Udhyam Protsahan Sansthan (UPS) on 7th August 2023 for "Preparation of Strategic Investment Plan (SIP) under Raising and Accelerating MSME Performance (RAMP) in the State of Rajasthan"

The draft of State Implementation Plan (SIP) was presented before the State Rajasthan RAMP Programme Committee on Oct 25th, 2023. The committee has unanimously approved the SIP.

Overall, the implementation of the RAMP program in Rajasthan holds great promise for the state's MSMEs, paving the way for a comprehensive and transformative growth strategy that will positively impact the sector for years to come. Looking forward to sanction of our RAMP SIP with its proposed budget of INR 615.82 Crores at the earliest to start its execution.

Enclosed herewith is the SIP Document for Rajasthan

With Regards,

Yours Sincerely

(Sudhir Kumar Sharma)
Commissioner, Industries & Commerce,
Chairman, Udhyam Protsahan Sansthan

Copy for information and necessary action :-
1. Secretary, Ministry of Micro, Small and Medium Enterprises, Room No:169, Udyog Bhawan, New Delhi – 110001
2. Director (GA&TP), Ministry of Micro, Small and Medium Enterprises, Room No. 254, Udyog Bhawan, New Delhi – 110001

31/10/2023
(S.S.Shah)
State Nodal Officer, RAMP

Abbreviations

AI	Artificial Intelligence
AICTE	All India Council for Technical Education
APC	Agro Processing Cluster
APMC	Agricultural Produce Market Committees
ASPIRE	A Scheme for Promotion and Innovation, Rural Industries and Entrepreneurship
ATI	Assistance to Training Institute
B2B	Business to Business
B2C	Business to Consumer
BEE	Bureau of Energy Efficiency
CFC	Common Facilitation Centre
CGTMSE	Credit Gurantee Fund Trust for Micro and Small Enterprises
CHAMPIONS	Creation and Harmonious Application of Modern Processes for Increasing the Output and National Strength
CHCDS	Comprehensive Handicraft Cluster Development Scheme
CHRIS	Commputrised Human Resource Information System
CLCSS	Credit Linked Capital Subsidy Scheme
CLCS-TU	Credit Linked Capital Subsidy for Technology Upgradation
CNC Milling	Computerised Numerical Control Milling
CPSE	Central Public Sector Enterprises
CSR	Corporate Social Responsibility
DAM	Department of Agricultural Marketing
DDU-GKY	Deen Dayal Upadyay Grameen Kaushal Yojana
DEAP	District Export Action Plan
DEH	District Export Hub
DEPC	District Export Promotion Committees
DFC	Dedicated Freight Corridor
DGET	Directorate General of Employment and Training
DIC	District Industries Centre
DLI	Disbursement Linked Indicators
DMIC	Delhi Mumbai Industry Corridor
DPIIT	Department for Promotion of Industry and Internal Trade
ECTS	Eligible Couple Tracking System
e-NAM	e National Agriculture Market
EPI	Export Preparedness Index
ESG Factor	Environmental, Social & Governance
FGD	Focus Group Discussion
GDP	Gross Domestic Product
GDP CAGR	Gross Domestic Product - Compound Annual Grwoth Rate
GeM Portal	Government e-Marketplace Portal
GI Tag	Geographical Indication Tag
GIS	Geographical Information System
GoI	Government of India

GoR	Government of Rajasthan
GSDP	Gross State Domestic Product
GSVA	Gross State Value Added
HMIS	Health Management & Information Syatem
ICD	Inland Container Depots
ICT	Information and Communication Technology
IEC	Import Export Code
IICD	Indian Institute of Craft Design
IIHT	Indian Institute of Handloom Technology
IMPACT	Integrated System for Monitoring PCPNDT Act
IoT	Internet of Things
IPR	Intellectual Property Rights
ISO	International Organization for Standardization
ITC	International Trade Centre
ITES	Information Technology Enabled Services
ITI	Industrial Training Institutes
ITPO	Indian Trade Promotion Organization
KGVY	Khadi and Gramodyog Vikas Yojana
KMS	Knowledge Management System
KPI	Key Performance Indicator
KVIB	Khadi & Village Industries Board
KVIC	Khadi & Village Industries Commission
LBI	Livelihood Business Incubators
LMS	Learning Management System
M&E	Monitoring & Evaluation
MCRRP	MSME Post Covid Resilience & Recovery Program
MLUPY	Mukhyamanatri Laghu Udyog Protasahan Yojana
MNDY	Mukhyamantri Nishulk Dava Yojana
MNJY	Mukhyamantri Nishulk Jaach Yojana
MoFPI	Ministry of Food Processing Industries
MoMSME	Ministry of Micro, Small and Medium Enterprises
MoRD	Ministry of Rural Development
MSDE	Ministry of Skill Development and Entrepreneurship
MSE-CDP	Micro and Small Enterprises- Cluster Development Program
NBFC	Non Banking Financial Companies
NCS Centre	National Career Service Centre
NCVT	National Council for Vocational Training
NHDP	National Handicraft Development Program
NIFT	National Institute of Fashion Technology
NI-MSME	National Institute for MSME
NRLM	National Rural Livelihood Mission
NSDC	National Skill Development Corporation
NSIC	National Small Industries Corporation Limited
NSQF	National Skill Qualification Network
NSTI	National Skill Training Institute
OCEN	Open Credit Enablement Network
ODOP	One District One Product

ODR	Online Dispute Resolution
OEM	Original Eqipment Manufacturer
ONDC	Open Network for Digital Commerce
PIB	Press Information Bureau
PLISFPI	Production Linked Incentive Scheme for Food Processing Industry
PMEGP	Prime Minister Employment Generation Program
PMJDY	Pradhan Mantri Jan-Dhan Yojana
PMKVY	Pradhan Mantri Kaushal Vikas Yojana
RajMES	Rajasthan Medical Education Society
RajSWAN	Rajasthan State Wide Area Network
RDSIE	Rajastha Directorate of Skill Development and Entrepreneurship
REPC	Rajasthan Export Promotion Council
RIPS	Rajasthan Investment Promotion Scheme
RISU	Rajasthan ILD Skill University
RKCL	Rajasthan Knowledge Corporation Limited
RNFS	Rural Non Farm Sector
RRBSS	Rajasthan Rajya Bunkar Sahkari Sangh Limited
RSIC	Rajasthan Small Industries Corporation
RSLDC	Rajasthan Skill and Livelihood Development Corporation
RUDA	Rural Non Farm Development Agency
RUHS	Rajasthan University of Health Sciences
SCVT	State Council for Vocational Training
SEO	Search Engine Optimization
SGSY	Swarnjayanti Gram Swarozgar Yojana
SME	Small and Medium Enterprises
SMILE	Social Media Interface for Learning Engagement
SPIU	State Project Implementation Unit/ Strategic Plan Implementation Unit
STPI	Software Technology Parks of India
TADD	Tribal Area Development Department
TBI	Technology Business Incubators
TC	Technology Centre
TReDS	Trade Receivable Discounting System
USTAAD	Upgrading the Skills and Training in Traditional Arts/Crafts for Development
ZED	Zero Effect Zero Defect

Table of Contents

List of Tables

List of Figures

1 Executive Summary

Rajasthan shares its borders with states and countries, making it strategically located in terms of both domestic and international trade and connectivity. It shares its borders with Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, and Gujarat, as well as the neighbouring country of Pakistan. Rajasthan has witnessed an impressive growth in GSDP approximately 11% from a period of 2015 to 2023. Approx 58 % of Rajasthan's population is in the working age group. Rajasthan has made significant progress in terms of providing supporting infrastructure for industrial growth.

Rajasthan has an interesting mix of industry portfolio ranging from handicrafts to auto components Tourism, Minerals and Mining, Handicrafts, Textiles, Wooden products, Food Processing, and to some extent Chemical, Pharma, Rubber etc.

Rajasthan has a presence of numerous institutions like, IIM, IIT, BITS, AIIMS, NIFT, IICD, IIHT, a network of Engineering Colleges, Skill Universities, and ITI besides it has significant population of Chartered Accountants.

The Government of India (GoI) has also undertaken multitude of initiatives to help transform MSMEs. In a similar direction, the Ministry of MSME (MoMSME) has launched the MSME Competitiveness Programme - Post-COVID Resilience and Recovery Programme (MCRRP), supported by the World Bank's Raising and Accelerating MSME Performance (RAMP) program, to assist MSMEs and solve their problems. RAMP aims to foster institutional support, expand market access, raise financing availability, bolster institutions and governance, and encourage environmentally friendly behaviour. One of the important components of RAMP identifies participating states to develop a comprehensive Strategic Investment Plan (SIP), which will serve as the blueprint for MSME transformation in State.

To create a comprehensive and progressive MSME development strategy, Udyog Protsahan Sansthan, (UPS), Commissioner of Industries, Commerce & CSR is the Nodal Agency for implementing the RAMP Scheme in Rajasthan. It has designed this SIP after stakeholder consultations, Focus Group Discussions, and analysis of the diagnostic study, and obtained insight into MSME challenges and suggestions.

Rajasthan plans to utilize RAMP to accomplish the following goals:

i.   Transformation of **11000, MSME's** through Technology Intervention
ii.   **5000 New Exporters** in next 4 Years
iii. Touch Points for **2.5 lakh MSME's**
iv.   **40 Enterprises** on SME Exchange
v.   Industry Led Skilling & Capacity Building of **12,800 individuals & 6800 Training Man-days for Government Functionaries**
vi.   On Boarding **5000 MSME's on TReDS Platform (SME to SME)**
vii. Over **2 Lakh MSMEs** to access CGTMSE

The SIP aims to develop a holistic and transformative MSME development strategy. SIP seeks to provide an institutional framework for forward-looking MSMEs and foster an ecosystem that is robust, effective, and productive by establishing strong connections between various stakeholders.

1.1 Approach and Methodology

The approach taken by the study team in crafting the Strategic Investment Plan (SIP) is characterized by its comprehensive, multifaceted, and systematic nature. This approach integrates secondary research and initial stakeholder consultations, creating a strong and reliable foundation for the study. It enables the team to gather pertinent information and establish a clear direction for subsequent activities. Here are the steps undertaken as part of the strategy for summarizing the research in the preparation of the SIP, based on empirical evidence, case studies, and use cases:

▶ **Comprehensive Information Gathering:** The process commences with a comprehensive information-gathering phase. The team conducts an extensive review of existing literature, reports, and data sources related to the subject matter. This serves as the backbone of the research, providing a solid grounding in the relevant context and insights.

▶ **Surveys:** The process commenced with a comprehensive information-gathering phase. A third-party survey agency was hired to perform the survey activity all over the state. Total of 14186 surveys were done across the state. Following is the breakup of the same:
   a. **Manufacturing – 82.32% & Services Sector – 17.68%**
   b. **Micro Enterprises – 77.68%, Small Enterprises – 21.86% & Medium Enterprises – 0.46%**
   c. **1800 SC Enterprises and 1100 ST Enterprises**
   d. **71.05% male entrepreneurs and 28.96% female entrepreneurs**
   e. **46.32% rural enterprises and 53.68% urban enterprises**

▶ **Cluster Visits**
   a. 25 Cluster Visits
   b. 11 Sectors
   c. 7 Divisions
   d. 22 District

▶ **Initial Stakeholder Consultations:** In addition to secondary research, the team engages in preliminary consultations with key stakeholders. These consultations allow for the collection of first-hand insights, perspectives, and priorities from individuals and entities directly involved or impacted by the subject of the SIP.

   Stakeholder Discussions
   a) 18 Industry Associations
   b) 3 TReDS Platforms, 4 FIs
   c) Govt Departments

▶ **Empirical Evidence Integration:** The study relies on empirical evidence gathered through systematic data collection and analysis. This empirical foundation ensures that the SIP is grounded in real-world observations and can effectively address practical challenges.

▶ **Use Cases:** Use cases are examined to understand how specific solutions or approaches have been applied in practical scenarios. This approach aids in identifying adaptable models and strategies that can be incorporated into the SIP.

► **Synthesis of Findings:** The study team synthesizes the findings from secondary research, stakeholder consultations, empirical evidence, case studies, and use cases. This synthesis process involves identifying common themes, challenges, opportunities, and potential solutions.

► **Diagnostic Study Analysis**
    a) Survey Analysis
    b) FGDs Analysis
    c) Workshops Analysis
    d) Stakeholder Meeting Analysis

► **Strategic Direction:** Based on the synthesized findings, the team outlines a clear strategic direction for the SIP. This includes defining goals, objectives, and the overall framework for the plan.

► **Recommendations and Action Steps:** The final step involves formulating recommendations and action steps that flow logically from the research and strategic direction. These recommendations serve as a roadmap for implementing the SIP effectively.

1.2 Pillars, Tracks and Enablers of SIP

In the context of rapidly changing business needs of MSMEs of Rajasthan and leveraging active support from RAMP initiatives, we have divided our solution **spanning 5 strategic pillars, 9 tracks and 4 enablers** which are aligned to the core theme of RAMP. The interventions aim to cover over 1 Lakh MSMEs of Rajasthan and involve firming up a Strategic eco-system plan (covering all the stakeholders) with an objective to create an enabling environment that prioritizes investments summarily for making MSMEs competitive and strengthening institutions/enterprises through resource mobilization, advocacy, and capacity building.

The strategic pillars identified cater to the entire value chain process of MSMEs. The Interventions under each of the pillars will help support MSMEs in enhancing their competitiveness.

Table 1: 5 Strategic Pillars of Interventions Proposed

Enabling MSME to Adopt and Integrate Technology	Greening through optimizing of Resources	Improved Market Access through Physical and Digital Media	Improving Access to Finance	Capacity building of MSME's and its enabling Infrastructure
• 22 Industry Mentors • 11,000 SME's • Digital Knowledge Repository • Exposure Trips • Reverse Business Promotion	• Online Portal to promote water wisdom and energy simulation • Feasibility of Various models for water conservation • BEE Audits implementation	• Branding of 15 Haats • AI Enabled Tool for Product featuring • Branding 18 crafts of Rajasthan • Accelerating 20 Products under RAJEEVIKA •	• Physical Campaigns for 25000 MSME's for Various schemes • 40 SME on boarding on SME Exchange • Increase in CGTMSE Guarantees by 20%YOY	• 12800 Workmen • 1000 Supervisors • 10000 Entrepreneurs • ZED, LEAN, IPR Training • DIC's as learning centre

Table 2: 9 Strategic Tracks

Track	Technology
Problem Statements	
• Lack of Awareness and Support Hindering Technology Upgradation in MSMEs • Low Awareness of Technological Advancements • Limited Support Mechanisms • Lack of financing mechanisms for technological upgradation of nano-enterprises	
Interventions Proposed	
• Onboarding of Sector Specific Mentors in State of Rajasthan for MSMEs • 11 Sectors have been identified with analysis from UDYAM data and • Technology Workshops for 55,000 MSMEs in next 4 Years • Exposure Visits and Machinery Fairs • Reverse Buyer - Seller Meets	
Track	**Green MSMEs**
Problem Statements	
• The need for Green MSMEs in Rajasthan goes beyond resource conservation and renewable energy adoption. • Limited awareness (only 13.72% MSMEs) regarding the energy audits and subsidies being provided by BEE.	
Interventions Proposed	
• Workshops for 2500 MSMEs for awareness regarding BEE audits. • 500 MSMEs targeted during RAMP timeline to implement suggestion after energy audits. • Reimbursement up to INR 5,00,000 or 50% of the total costs, whichever is lower for implementation of suggestions from energy audits.	
Track	**Access to Market**

22

Problem Statements
- MSMEs face critical challenges in international exports, primarily stemming from a lack of export market information and persistent issues related to compliances and regulations, hindering their global market competitiveness.
- 56.19% of MSMEs lack export market information.
- Underutilization of Haats and related business events due to lack of awareness of supporting schemes, limited benefits received, inadequate event awareness and a scarcity of such events, necessitating comprehensive improvements in communication, organization, and accessibility to unlock their full potential for fostering trade and business opportunities.
- Limited Digital Adoption and Awareness among Rajasthan MSMEs
- Over 70% of the MSMEs are not even aware of the e-commerce platforms.
- Lack of awareness amongst the public regarding the culture and effort behind the art and crafts of Rajasthan

Interventions Proposed
- Creation of team of Market Intelligence Exports for creating export intelligence.
- Awareness & Training Programmes for MSMEs regarding regulations and compliances of exports, markets for exports etc.
- Creation of an integrated portal for access to market intelligence for MSMEs.
- Tie Ups with IIP for Export Oriented Packaging (Content and MoUs)
- Export Oriented Skill Development Workshops for MSMEs
- Workshops for Bankers and DICs for Exports
- Reverse Buyer Seller Meets
- Export Readiness Accelerator Programme
- ECGC First Time Exporters Reimbursement
- Marketing and Branding of 10 Haats all over the state of Rajasthan.
- AI tool, "EmpowerMSME," designed to help them overcome the challenges of utilizing the ONDC (One Nation One Digital Commerce) network effectively.
- Leveraging the powerful Google Arts and Culture platform to showcase 18 traditional handicrafts, textiles, and other craft forms through immersive short films.
- Accelerating the next phase in RAJEEVIKA by creating solutions for access to market for the women entrepreneurs.

Track	Awareness

Problem Statements
- Limited awareness regarding various central and state schemes for MSMEs in the state of Rajasthan.

Interventions Proposed
- Digital Awareness campaigns – Social Media Campaigns, SEO, Push Messaging
- Creation of an application for MSMEs which will be detailing out the MSME schemes, algorithms to help MSMEs to avail the specific schemes as per the requirement.
- Launch of a YouTube channel with daily shows and on-call support with the experts.
- Physical awareness campaigns for 10000 MSMEs on Govt schemes, GeM portal, E-Commerce, TReDS, ONDC, CHAMPIONS schemes etc

Track	Access to Finance

Problem Statements
- Over-reliance on peer-peer lending with over 35% MSMEs still dependent on informal lending.
- 89.04% of MSMEs have never availed any govt schemes as per the survey

- Rajasthan stands low with only 0.02 number of Guarantees against the UDYAM Registrations compared to highest 0.08 in Andhra Pradesh

Interventions Proposed
- Develop and implement a comprehensive awareness campaign targeting MSMEs across Rajasthan. This campaign will focus on educating SMEs about the benefits and process of obtaining CGTMSE guarantees.
- To incentivize MSMEs to opt for CGTMSE guarantees, it has been proposed to introduce a premium subsidy for the first year of coverage for loans up to INR 50Lakhs.
- Base Premium amount reimbursement upto INR 50,000 or 50% whichever is lower for loans above INR 50 Lakhs under CGTMSE.

Track	Capacity Building and Skill Development

Problem Statements
- Many of Rajasthan's MSMEs are operating without the essential knowledge and skills required to thrive in a competitive business environment. The absence of capacity-building efforts not only limits their growth potential but also poses a threat to their long-term sustainability.

Interventions Proposed
- Collaborative Capacity Building and Skill Development Initiative

Skill Development:
- **Industry specific Skill Development :** To ensure the relevance and effectiveness of skill development programs, close collaboration with industry for understanding the skill gap and skill upgradation training for workmen and supervisors implemented by Training Institutions or providers either on the job or institutionally
- **12800 workmen, 1000 supervisors** have been proposed to be re-skilled /upskilled under RAMP programme in next 4.5 Years.

Capacity Building:
- **Empanelment of Trainers:** The Capacity Building component will leverage trainers empanelled under the RAMP program. These trainers will bring a wealth of knowledge and expertise to the workshops, ensuring high-quality training sessions for MSMEs.

- **Infrastructure Support:** Training providers will play a crucial role in providing the necessary infrastructure for conducting Capacity Building workshops. This includes training halls, equipment, and other logistical requirements. This collaborative effort optimizes resource utilization and promotes cost efficiency.

- Capacity Building **of 10000 Entrepreneurs, 200 ZED Training workshops, 100 LEAN Training workshops, 50 IPR workshops and capacity building of 1500 top and middle level officials** in Department of Industries has been proposed.

Track	Delayed Payments

Problem Statements
- The survey data reveals that a staggering **62.23% of MSMEs** in Rajasthan grapple with delayed payments.
- The data also indicates that a vast majority of MSMEs in Rajasthan are not aware of government initiatives designed to alleviate payment-related challenges. Specifically, **94.31% of respondents were unaware of the TReDS (Trade Receivables Discounting System) portal, while 96.00% were unaware of the SAMADHAN portal.**

Interventions Proposed

24

TReDS
- **Awareness Workshops for MSMEs** - The primary objective of this component is to empower MSMEs with knowledge about the Trade Receivables Discounting System (TReDS) platform, ensuring they are aware of its potential for availing financing.
- **Facilitating SME-SME Transactions on TReDS** – 5000 SMEs to be onboarded on TReDS platforms as buyers has been proposed. Handholding and reimbursement of on-boarding cost for SMEs has been proposed as part of the intervention.

SAMADHAN
- The proposal is to develop an Online Dispute Resolution (ODR) Ecosystem, seamlessly integrated with the SAMADHAN Portal, envisions a transformative platform that empowers private legal service providers and facilitates swift, efficient, and accessible dispute resolution for Micro, Small, and Medium Enterprises (MSMEs).

Track	Monitoring and Evaluation

Problem Statements
- **To ensure the successful implementation and continuous improvement of the RAMP project, a comprehensive monitoring and evaluation (M&E) framework has to be put in place.**

Interventions Proposed
Integrated Dashboard for Data Monitoring:
- **Single Portal for Data Monitoring:** An integrated dashboard will be developed, serving as a single portal that links all relevant state and central-level dashboards and data sources. This portal will provide real-time access to key project metrics, performance indicators, and progress reports.

- **Comprehensive Data Integration:** The integrated dashboard will aggregate data from various sources, including the online portal for CGTMSE guarantees, SME Exchange listings, subsidy disbursements, and compliance records. It will provide a holistic view of the project's status and impact.

- **Real-time Reporting:** The dashboard will enable stakeholders to access up-to-date information on the number of applications received, approvals, subsidy amounts disbursed, feedback from interns, and other relevant data. This real-time reporting will facilitate data-driven decision-making.

Table 3: 4 Enablers

Digitization	Mentor Mentee Matching Platform
	Knowledge Repository
	Energy Conservation Education through Simulation
	Digital Awareness Campaigns
	AI Tool for E Commerce
	Linkages with Digital Market Places
	LMS & KMS for Skilling and Capacity Building
	Monitoring Dashboards
Mentoring Networking and Active Handholding	Mentors for Technology Upgradation and Integration

Capacity Building	Knowledge Sharing by Industry Experts
Capacity Building	Technology Workshop
	Exposure Visits
	Creation of an Export Enabling Ecosystem
	Campaigns on Government Schemes
	Doubling of GI Tags
Monitoring and Evaluation	Feedback Collection
	Quarterly Monitoring
	Stakeholder Meetings

1.3 Total Budget Proposed

Table 4: Total Budget Proposed

S. No	Interventions	Rajasthan State Budget (INR Cr)	Budget Estimates (INR Cr)	Percentage Allocation	FY 2023-24 (INR Cr)	FY 2024-25 (INR Cr)	FY 2025-26 (INR Cr)	FY 2026-27 (INR Cr)	FY 2027-28 (INR Cr)
1	Technology	14.82	79.65	13%	0.71	20.43	27.53	19.87	11.09
2	Green MSMEs	0.00	27.00	4%	0.50	7.05	6.65	6.40	6.40
3	Access to Market	5.55	134.20	22%	6.58	32.16	32.30	32.30	30.85
4	Awareness Programmes	0.03	20.20	3%	1.01	5.05	5.05	5.05	4.05
5	Access to Finance	183.76	160.79	26%	0.30	30.84	36.49	42.66	50.50
6	Capacity Building and Skill Development	76.50	74.28	12%	1.70	19.29	18.19	18.09	17.00
7	Monitoring and Evaluation	0.00	18.72	3%	1.00	7.18	4.18	3.18	3.18
8	SAMADHAN	0.18	5.00	1%	0.50	2.50	0.75	0.75	0.50
9	TReDS	0.00	20.00	3%	1.20	4.70	4.70	4.70	4.70
10	SPIU	0.00	20.00	3%	2.00	4.50	4.50	4.50	4.50
	Total	280.84	559.84	91%	15.50	133.71	140.34	137.51	132.78
	With Admin Cost (10%)		615.82	100%	17.05	147.08	154.38	151.26	146.05

In a strategic move to drive economic development and empowerment in Rajasthan, a comprehensive plan has been formulated by consolidating various interventions into ten distinct heads. These carefully curated initiatives encompass a wide spectrum of sectors, aiming to uplift the state's entrepreneurial ecosystem and foster inclusive growth. The total project estimates for the next 4.5 years amount to a substantial **615.82 Crores**, reflecting the commitment to catalyse progress and prosperity within the region.

2 Introduction

The Micro, Small, and Medium Enterprise (MSME) sector plays a vital role in driving the Indian economy, contributing approximately 28.83% to the country's Gross Domestic Product (GDP). Furthermore, this sector is responsible for around 42.67% of India's total exports, making it an integral part of the national supply chain. With over 63 million operational units, including 32.41 million micro enterprises from rural backgrounds, the MSME sector provides employment to approximately 110.90 million individuals.

The Ministry of Micro, Small, and Medium Enterprises (MoMSME) is dedicated to supporting MSMEs and addressing the challenges they face throughout their journey. It has implemented various interventions in critical areas such as access to finance, access to markets, infrastructure support, and access to technology. To enhance overall competitiveness, a cluster approach has been adopted, with a strong focus on creating tangible assets.

During the Aatmanirbhar Bharat Abhiyan, the government of India took several measures to alleviate the hardships faced by MSMEs due to the COVID-19 pandemic. These measures aimed to improve MSMEs' access to finance and markets and included initiatives such as providing collateral-free loans of Rs 3 trillion, establishing a fund of funds with a corpus of Rs 100 billion, offering Rs 200 billion in subordinate debt, exempting global tenders up to Rs 2 billion to promote MSME participation, expediting payments of dues from the government and CPSEs within 45 days, and facilitating e-market linkages for MSMEs.

2.1 Overview of RAMP

MoMSME, GoI understands that these relief measures should be supported by a comprehensive recovery and resilience package where robust state-central coordination becomes important. As a result, GoI has come up with an initiative called- **"Implementing MSME competitiveness Programme- post Covid Resilience and Recovery Programme (MCRRP)"**, which focuses on supporting the MSMEs in their journey from local to global, while also redesigning the Programme to introduce greater outreach to women owned enterprises as well as to transit the MSMEs towards adopting greener practices. This initiative is further supported by World Bank Scheme called **"Raising and Accelerating MSME Performance (RAMP)"**. RAMP supports the overall Covid Resilience and Recovery Programme of MoMSME and aims at improving market access, access to credit, strengthening institutions and governance at the Centre and State, improving Centre-State linkages and partnerships, addressing issues of delayed payments, and greening of MSMEs.

RAMP benefits to MSMEs includes:
- ► **Institutional support:** supporting MSMEs through improved, state, and central coordination, inclusive policy support and integrated M&E functions
- ► **Market:** Enhancing MSME capabilities and access to markets through adoption of ZED/Lean/and another competitive Programme.
- ► **Finance:** Strengthening the receivables financing market through supporting MSMEs in undertaking transaction through TREDs platform and increase in volume of MSME term loans under the CGTMSE umbrella.
- ► **Technology upgradation & quality certification**: promoting MSMEs in adopting technologies and using green energy sources

Expanding access of MSMEs to Online Dispute Resolution Mechanism (ODR)

2.2 Key Thematic Areas under RAMP

The Ministry of Micro, Small, and Medium Enterprises (MoMSME), in recognition of the importance of comprehensive recovery and resilience measures, has introduced the "Implementing MSME Competitiveness Programme - Post Covid Resilience and Recovery Programme (MCRRP)." This initiative underscores the significance of robust coordination between the central and state authorities. The MCRRP aims to assist MSMEs in their transition from local to global players while also incorporating a stronger focus on outreach to women-owned enterprises and promoting environmentally sustainable practices.

To further bolster this initiative, the Government of India is partnering with the World Bank through the "Raising and Accelerating MSME Performance (RAMP)" scheme. RAMP aligns with the broader Covid Resilience and Recovery Programme of MoMSME and seeks to achieve the following benefits for MSMEs:

► **Institutional Support:** RAMP facilitates improved coordination between state and central authorities, provides inclusive policy support, and integrates monitoring and evaluation functions to bolster MSMEs.

► **Market Access:** The scheme enhances the capabilities of MSMEs and improves their access to markets by encouraging the adoption of programs such as ZED (Zero Defect Zero Effect), Lean, and other competitive initiatives.

► **Finance:** RAMP strengthens the receivables financing market by supporting MSMEs in conducting transactions through the TReDS (Trade Receivables Discounting System) platform and increasing the volume of MSME term loans under the CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises) umbrella.

► **Technology Upgradation & Quality Certification:** The scheme promotes the adoption of advanced technologies and encourages the use of green energy sources among MSMEs.

► **Online Dispute Resolution Mechanism (ODR):** RAMP expands the access of MSMEs to Online Dispute Resolution Mechanisms, facilitating smoother dispute resolution processes.

This comprehensive approach underscores the commitment of the Indian government and the World Bank to support the recovery and growth of MSMEs, making them more competitive, environmentally responsible, and better equipped to thrive in a global marketplace.
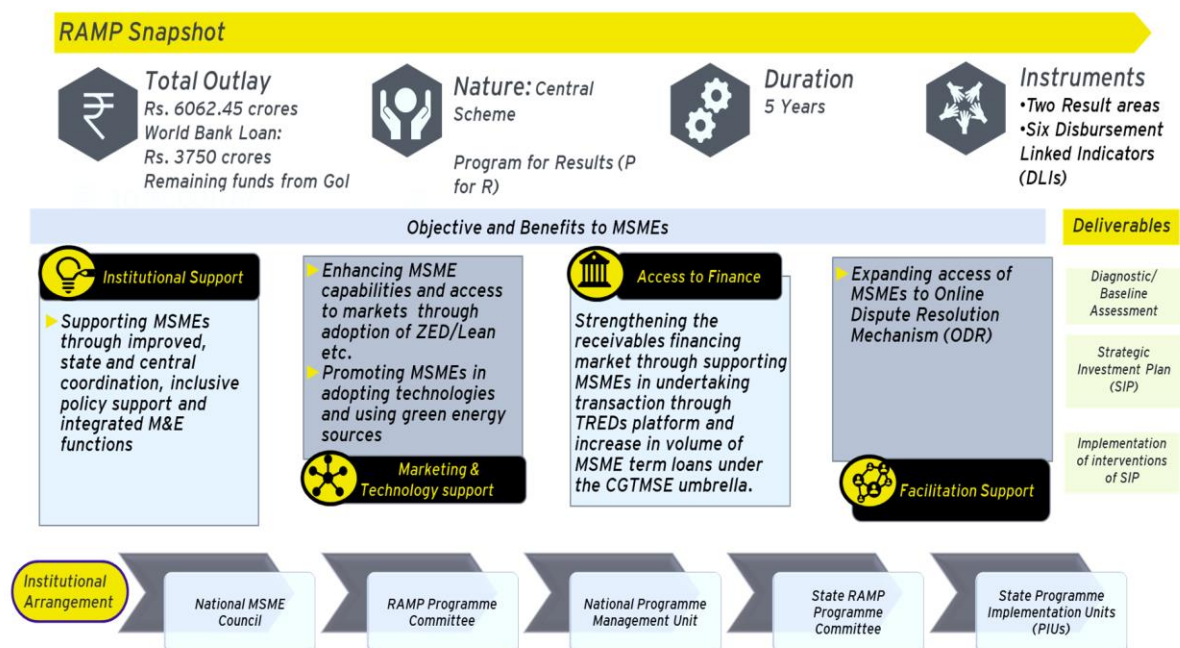
Table 5: RAMP Programme Overview

2.3 Approach and Methodology for Preparation of Strategic Investment Plan

The SIP Preparation is divided into 5 components
1. Identify: Stakeholder Onboarding & Desktop assessment
2. Design Study: Baseline study, Questionnaire designing, sampling, survey, workshops, FGDs
3. Consultations, Need Assessment & Gap Identification:
4. Benchmarking & best practices
5. Analysis and recommendations

RAMP Approach & Methodology

RAMP Survey

| 15th August 2023 | 15th September 2023 | 30th September 2023 | 15th Oct 2023 |

15th August 2023

- INCEPTION
- Execution Report
- Stakeholder Mapping
- Initial level discussions with Govt stakeholders
- Survey questionnaire design
- Third Party for Survey onboarding
- Trainings provided to On-Field Surveyors

15th September 2023

- CLUSTER VISITS by EY Team
- Clusters
- Covering major industry clusters in the state
- Stakeholder Meetings
- Industry Associations
- Financial Institutions
- Export Partners
- Govt Depts
- District Level FGDs
- Diagnostic Study Analysis
- FGDs Analysis
- Workshops Analysis
- Stakeholder Meeting Analysis

30th September 2023

- Implementation Roadmap
- Draft SIP preparation
- Budget Finalization

15th Oct 2023

- SIP Draft Finalization
- Budget and Interventions finalized

Figure 1: RAMP Approach and Methodology

Based on our understanding of the TOR, we curated the following approach and methodology.

2.3.1 Survey Plan

The survey plan for preparation of SIP under RAMP scheme will involve following:

1. **Data Collection** – Survey plan will start with gathering of data from various stakeholders. The data will include the
   a. UDYAM registration data,
   b. Projected population of the state for year 2023
   c. Working population in the state
   d. Ratio of willingness to work against the total working population in the state
   e. District wise SC-ST and marginalized communities' data
   f. Beneficiaries' data for various central and state level schemes
   g. Sector wise MSMEs data

2. **Sampling Plan** – Based on the above parameters and the mandate as per the contract between the client and Ernst and Young LLP, the sampling has been done wherein a total of 14000 MSMEs will be surveyed.

   The following are the guidelines to be followed:

Survey Sampling Strategy

Sampling Plan | Design

Proposed Sample Size for Survey: 14,000 MSMEs

● Sampling across 33 districts based on MSME spread

28 FGDs Across Districts ⟫ **Covering all the Divisions**

● Stratified sub-group sample

District — **No. of MSMEs***
- 0 – 10,000
- 10,000 – 50,000
- 50,000 & above

Distribution of wise sample plan

S. No.	District	Registered MSME Sample	Un-registered MSME Sample	S. No.	District	Registered MSME Sample	Un-registered MSME Sample
1	JAIPUR	2567	428	18	RAJSAMAND	211	35
2	JODHPUR	840	140	19	DAUSA	196	33
3	AJMER	619	103	20	BHARATPUR	192	32
4	ALWAR	561	94	21	TONK	183	30
5	BHILWARA	541	90	22	JALORE	168	28
6	BIKANER	529	88	23	JHALAWAR	153	25
7	UDAIPUR	507	85	24	SIROHI	141	24
8	NAGAUR	468	78	25	BUNDI	139	23
9	SIKAR	464	77	26	BANSWARA	134	22
10	GANGANAGAR	421	70	27	S. MADHOPUR	127	21
11	KOTA	399	66	28	BARAN	119	20
12	PALI	348	58	29	DUNGARPUR	116	19
13	JHUNJHUNU	322	54	30	JAISALMER	91	15
14	HANUMANGARH	312	52	31	KARAULI	87	15
15	BARMER	310	52	32	PRATAPGARH	81	14
16	CHURU	307	51	33	DHOLPUR	62	10
17	CHITTORGARH	285	48		**Total:**	**12000**	**2000**

Parameter	Sample
Size	Micro – 75% Small – 24% Medium – 1%
Sector	Manufacturing – 80% Services – 20%
Socio-economic Affiliation	SC – 10% ST – 10% Unreserved – 80%
Gender	Female – 25% Male – 75%
Rural/ Urban	Rural – 40% Urban and Semi-urban – 60%

Figure 2: Approach and Methodology for Survey

Diagnostics Primary Research

JAIPUR
2567 Surveys

Textiles – 25%
Gems & Jewellers – 21%
Food Processing – 17%
Engineering – 13%
Wood Products – 10%

ALWAR
561 Surveys

Food Processing – 23%
Engineering – 19%
Gems & Jewellers – 17%
Wood Products – 16%
Textile – 10%

UDAIPUR
529 Surveys

Food Processing – 25%
Gems & Jewellers –19%
Engineering – 14%
Textile – 12%
Wood Products – 12%

JODHPUR
840 Surveys

Wood Products – 25%
Gems & Jewellers – 20%
Food Processing – 15%
Engineering – 13%
Textile – 13%

BHILWARA
541 Surveys

Food Processing – 26%
Textile – 22%
Gems & Jewellers – 16%
Wood Products – 11%
Engineering – 10%

NAGAUR
468 Surveys

Food Processing – 25%
Gems & Jewellers –21%
Engineering – 13%
Textile – 12%
Wood Products – 12%

AJMER
619 Surveys

Food Processing – 22%
Gems and Jewellers – 20%
Textile – 15%
Stone Industry – 13%
Engineering – 11%

BIKANER
529 Surveys

Food Processing – 32%
Gems & Jewellers –19%
Textile – 14%
Wood Products – 13%
Engineering – 10%

SIKAR
464 Surveys

Food Processing – 27%
Gems & Jewellers – 20%
Textile – 13%
Wood Products – 13%
Engineering – 12%

Figure 3: Survey Sampling across top 9 districts in Rajasthan

3. **Survey Agency Onboarding** – After finalizing the survey sample and questionnaire for the survey, a workshop will be conducted for the surveyors of the third-party survey agency which has been onboarded. To familiarize them with the survey methods, notifying them the need of the survey and the details of the questionnaire. This workshop will also aid in imparting the necessary communication skills needed for the survey along with notifying them regarding the ethical considerations to be followed during the survey.

   After completion of the workshop, the testing of the questionnaire will be done on field and with the feedback, the questionnaire will be finalized, and survey will start.

4. Along with surveys of the MSMEs the E&Y (Ernst & Young) LLP team will also have FGDs (focus group discussions), meetings, and telephone conversations with stakeholders mentioned in table 1: Key Stakeholders.

Table 6: Division and Sector wise FGD Plan

Sectors / Divisions	Ajmer	Jaipur	Udaipur	Kota	Jodhpur	Bharatpur	Bikaner	Total
Food Processing	1	-	-	1	-	1	1	4
Auto Component	-	1	-	-	-	-	-	1
Handicrafts	-	-	-	-	1	-	-	1
Textile	1	1	-	-	1	-	-	2
Tourism	-	1	2	-	1	1	-	5
Stone and Minerals	1	-	1	-	1	-	1	4
Wood Products	-	-	1	-	1	-	-	2
Engineering	-	-	-	1	1	-	-	2
Hand Tools	-	1	-	-	-	-	-	1
Gems and Jewellery	-	1	-	-	-	-	-	1
Educational Institutes	-	-	-	1	-	-	-	1
Handloom	-	1	-	-	-	-	-	1
Total	3	6	4	3	6	2	2	26

3   Rajasthan MSME Overview

Rajasthan though faced with challenging geographical conditions has been the entrepreneur factory of India, many entrepreneurs from the state have made their mark in setting up trade and industries across parts of India. Despite all the challenges, the region has witnessed the emergence of cottage, rural, handicraft-based industry which contribute to the state's economy in a significant way. Rajasthan over the years has taken significant steps to ease operation of industries across MSME's and promote their growth.

The significance of MSMEs and cottage industries within Rajasthan's context is multifaceted. They play a pivotal role in terms of generating employment opportunities, contributing to the state's income, efficiently utilizing local resources, facilitating industrial decentralization, nurturing local artistic talent, promoting exports, and requiring comparatively less capital and technical expertise.

In essence, the challenges posed by Rajasthan's geographical limitations have led to the flourishing of small and cottage industries, which not only address economic needs but also harness the unique potential of the region, making them a cornerstone of the state's economic landscape.
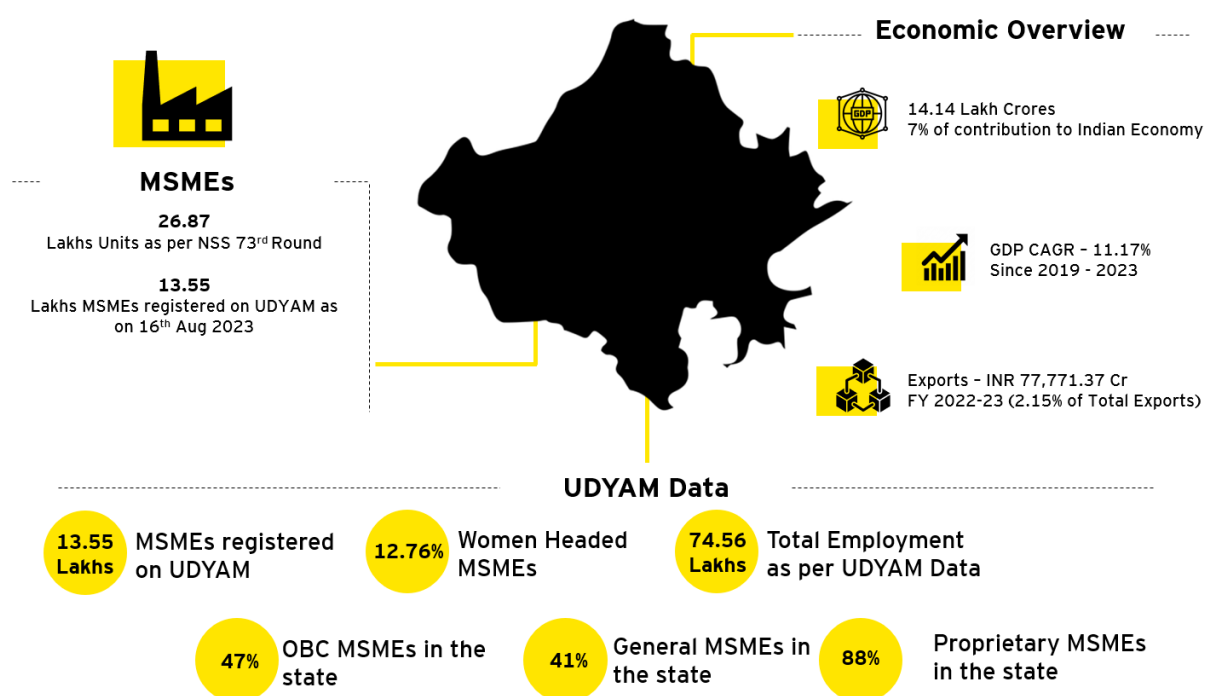
Figure 4: Rajasthan MSME sector – At a Glance 2022[1,2]

Rajasthan, strategically located as a natural trade and business gateway, bridges the prosperous western and affluent northern states of India. This state boasts a diverse industrial landscape, encompassing key sectors like textiles, agro & food products, gem & jewellery, handloom & handicrafts, automotive, and electronics. Remarkably, nearly 98% of all enterprises operating in Rajasthan belong to the MSME category, covering various

---

[1] CGTMSE - https://www.dashboard.msme.gov.in/cgtmse.aspx

[2] UDYAM - Press Information Bureau (pib.gov.in)

domains such as textiles, handicrafts, mining, agro & allied sectors, metal crafts, and footwear, among others.

Rajasthan's geographical advantage grants it access to a significant portion of India's market, approximately **40%, across five adjoining states: Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, Gujarat, and Delhi.** It possesses the nation's third-largest network of national highways, the second-largest rail network, nine Inland Container Depots (ICDs), one Air Cargo Complex, and seven airports with direct international and national connectivity, ensuring excellent market access.

In terms of economic significance, India's GDP at current prices stands at **INR 273.08 lakh crore in 2023. Rajasthan is expected to contribute approximately 5.18% of the nation's GDP, equivalent to INR 14.14 lakh crore in 2023,** firmly establishing it as one of the rapidly growing states.

Several factors underpin this robust GDP growth in Rajasthan. Abundant mineral resources, a skilled labor pool, a strong industrial base, improved infrastructure support, and a thriving IT and communication sector all contribute to the state's economic prosperity.

Rajasthan stands out as a mineral-rich state, boasting 81 different types of mineral resources, with 58 currently under extraction. In the fiscal year 2022–23, the industry generated a revenue of $4,880.00 crore by December 2022. Rajasthan is also a significant producer of crude oil in India, with revenue of ₹3,603.38 crore generated during the financial year 2022-23 (up to November 2022).

In terms of export readiness, Rajasthan performed admirably with an Export Preparedness Score of 47.13, securing the 11th rank in the country, according to the Export Preparedness Index 2021 released by NITI Aayog. Key export items from Rajasthan include engineering goods, textiles, metals, handicrafts, and chemicals, accounting for over 60% of the state's total exports in the financial year 2022-23.

Moreover, Rajasthan has launched numerous initiatives to bolster industries and businesses, particularly MSMEs, within the state. These initiatives encompass tax incentives, subsidies, and infrastructure development projects, which have significantly contributed to the state's expanding role in the domestic market.

4 MSME Competitiveness

4.1 Understanding MSME Competitiveness:

Micro, Small, and Medium Enterprises (MSME) competitiveness refers to the ability of businesses falling under the MSME category to effectively compete in their respective markets and industries. MSMEs play a crucial role in most economies, contributing significantly to job creation, economic growth, and innovation. Competitiveness is vital for their sustainability and growth. When evaluating the MSME sector's competitiveness, it's imperative to understand the critical components that constitute its strength and adaptability within the larger economic structure. The bedrock of this competitiveness hinges on several pivotal aspects:

Firstly, innovation and quality stand at the forefront of any enterprise's capability to thrive. MSMEs must invest in continuous research and development to refine their offerings and

distinguish themselves within saturated markets. This emphasis on innovation is further complemented by the importance of cost efficiency. Optimizing operational processes, judiciously managing resources, and efficient material sourcing are critical for these enterprises to maintain an edge by offering competitive prices without compromising profitability.

Furthermore, market positioning, fortified by adept marketing and branding strategies, plays an instrumental role in helping MSMEs gain visibility, differentiate themselves, and effectively cater to their target demographics. However, all these efforts necessitate financial backing. Hence, unencumbered access to diverse financing options is crucial. This financial empowerment, coupled with a skilled and motivated workforce, can significantly elevate the productivity and overall output quality of MSMEs.

In today's rapidly evolving digital age, technology adoption is no longer a choice but a necessity. By integrating advanced digital tools into their operations, sales, and customer service, MSMEs can significantly boost their efficiency and remain relevant. Concurrently, compliance with the ever-changing regulatory landscape ensures smooth operations and fosters customer trust. Lastly, fostering networks and collaborations can provide MSMEs with invaluable insights, resources, and growth opportunities by tapping into broader ecosystems and synergies.

4.2   Assessing MSME Competitiveness

Assessing competitiveness of MSMEs is crucial for their growth and sustainability as it helps enterprises to identify its strengths and weaknesses and create a sense of areas to focus on for business to excel further. In the context of competitiveness assessment, International Trade Centre's (ITC) competitiveness grid model can help us crystallize our understanding based on three pillars namely Connect, Compete and Change. This grid makes it easier to spot strengths and weaknesses of enterprises. The other axis holds 3 layers: Firm Level Capabilities, Immediate Business Environment and National Environment.

Table 7: MSME Competitiveness Grid

Across	Compete	Connect	Change
Firm Capabilities	International quality certificate Bank account Capacity utilization Managerial experience	E-mail Firm website	Audited financial Statement Investment financed by banks Formal training program Foreign technology licenses
Business Ecosystem	Power reliability Domestic Shipping reliability Dealing with regulations Customs clearance efficiency	State of cluster development Extent of marketing Local supplier quality University- industry collaboration in R&D	Access to finance Access to educated Workforce Business licensing and permits

National Environment	Getting electricity Ease of trading across borders Applied tariff, trade-weighted average Prevalence of technical regulations Faced tariff, trade-weighted average Logistics performance index ISO 9001 quality certificates	ICT access ICT use Government's online service	Ease of getting credit Interest rate spread School life expectancy Ease of starting a business Patent application trademark registrations

MSMEs have the challenge of productivity and efficiency as compared to larger firms. Further productivity gap between small and large firms tends to be much more pronounced in developing countries than in industrialized countries. For e.g., in India, enterprises with more than 200 employees have been found to be ten times more productive than enterprises with 5 to 49 employees. Due to low productivity, MSMEs tend to pay lower wages, and employ workforce which may be less qualified. Closing the productivity gap can lead to higher wages, which will in turn have immediate effects on income, firms can pay higher wages, some of the ways of increasing competitiveness is through new learning, exposure to increased quality standards, superior technology, and superior competition.

Assessing the competitiveness of Micro, Small, and Medium Enterprises (MSMEs) involves evaluating a range of factors that collectively determine their ability to thrive and excel in the market. Here are key factors for the assessment of MSME competitiveness:

1. **Market Understanding and Positioning**: An MSME's comprehension of its target market, customer preferences, and industry trends is foundational. Understanding the competitive landscape, identifying unique selling propositions, and effectively positioning products or services are critical. This involves analyzing market size, growth potential, and identifying niche markets and estimating the potential for expansion.

2. **Product or Service Quality**: The quality and reliability of offerings significantly influence competitiveness. High-quality products or services not only satisfy customers but also build trust and reputation. Factors such as compliance with industry standards, certifications, and feedback from customers are crucial indicators of quality.

3. **Cost Efficiency and Operational Excellence**: Efficient resource management is vital for competitiveness. MSMEs need to optimize production costs, control overheads, and streamline processes. Identifying cost-effective practices, managing supply chains efficiently, and minimizing wastage contribute to operational excellence.

4. **Innovation and Technology Adoption**: Staying in line with technological advancements is imperative for remaining competitive. MSMEs that are aware of innovation, research, and development are more likely to introduce new and improved products or services. Embracing emerging technologies not only enhances operational efficiency but also enables businesses to meet evolving customer demands.

5. **Customer Satisfaction and Loyalty:** Satisfied customers are a powerful asset. Regularly assessing customer satisfaction levels through feedback, surveys, and measures like Net Promoter Score (NPS) is crucial. Additionally, fostering customer loyalty through personalized services, excellent support, and consistent quality can lead to repeat business and positive word-of-mouth referrals.

6. **Financial Viability and Stability:** A strong financial foundation is fundamental to competitiveness. This involves evaluating revenue growth, profit margins, cash flow management, and return on investment. Financial stability enables MSMEs to withstand economic fluctuations and invest in growth opportunities.

7. **Regulatory Compliance and Sustainability:** Adherence to industry regulations and ethical practices not only ensures legal compliance but also builds trust with stakeholders. Sustainable business practices, including environmental consciousness and ethical sourcing, are increasingly valued by customers and contribute to long-term competitiveness.

8. **Employee Skills and Motivation:** A skilled and motivated workforce is a critical asset for competitiveness. Assessing employee skills, providing ongoing training, and creating a positive work environment can lead to higher productivity and better customer service.

9. **Brand Image and Reputation:** A strong brand presence distinguishes an MSME in the market. Branding encompasses not only visual elements but also the perception customers have of the business. A positive reputation, built on consistent quality, reliability, and ethical practices, can enhance competitiveness.

10. **Access to Financing and Capital:** Adequate access to financial resources, whether through loans, grants, or equity, is essential for growth and expansion. This involves evaluating the availability of funding sources and the company's ability to manage capital effectively.

11. **Supply Chain Resilience:** Supply Chain Resilience has become the unsung hero of business continuity. While MSMEs often strive for cost-efficiency and operational effectiveness, the turbulent times marked by global pandemics and geopolitical unrest underscore the dire need for resilient supply chains. An adaptable supply chain, which can swiftly pivot in response to external shocks, is no longer a luxury but a necessity. It aids MSMEs in ensuring uninterrupted service delivery and product availability even when the global scenario is tumultuous.

12. **Adaptability and Flexibility:** Adaptability and Flexibility is of paramount importance. While innovation and technological uptake are commendable, an MSME's ability to recalibrate its strategies swiftly in the face of unforeseen challenges is invaluable. This nimbleness not only aids in mitigating potential losses but also harnessing new, unexpected opportunities that arise from market flux.

13. **Digital Presence and E-commerce:** The digital revolution has made a robust Digital Presence and E-commerce strategy indispensable. As the world increasingly shifts online, MSMEs must enhance their digital footprint. This extends beyond having a functional website to incorporating sophisticated e-commerce platforms, leveraging

social media, and utilizing digital analytics to understand and cater to customer preferences.

14. **Cultural and Diversity Considerations**: As businesses strive to cater to a global clientele, Cultural and Diversity Considerations can be a game-changer. Embracing diversity, both in understanding diverse markets and fostering a multicultural workforce, can spur innovation, broaden market reach, and enhance customer satisfaction.

15. **Partnerships and Collaborations**: Furthermore, the potency of Partnerships and Collaborations cannot be overstressed. Strategic alliances can catapult MSMEs into new markets and provide them with resources and insights previously beyond their grasp. By collaborating with other industry players or academic institutions, MSMEs can amplify their reach and tap into shared expertise.

16. **Risk Management**: Navigating the business world is fraught with uncertainties. Hence, comprehensive Risk Management that transcends mere financial metrics to encompass operational, strategic, and reputational risks is essential. With a holistic risk assessment, MSMEs can pre-emptively address potential pitfalls and ensure smoother operations.

17. **Global Market Expansion**: In the era of globalization, Global Market Expansion is a lucrative avenue for growth. By exploring and penetrating international markets, MSMEs can diversify their revenue streams and reduce dependency on local markets.

18. **Environmental, Social, and Governance (ESG) Factors**: Lastly, the increasing global emphasis on sustainable and ethical business practices makes Environmental, Social, and Governance (ESG) Factors pivotal. MSMEs that incorporate these into their core business strategies not only appeal to a socially conscious consumer base but also position themselves as forward-thinking enterprises in the eyes of potential investors.

By assessing these factors, MSMEs can gain a comprehensive understanding of their competitive strengths and areas that require improvement. This knowledge enables strategic decision-making, fostering long-term sustainability and growth in a competitive business environment. In today's dynamic and evolving business landscape, MSMEs (Micro, Small, and Medium Enterprises) are central pillars in driving economic growth, innovation, and employment. To retain a competitive edge, these enterprises must go beyond traditional business strategies and delve into nuanced facets that are pivotal in this age of disruption and rapid technological advancement.

4.3 MSME Competitiveness: Rajasthan Perspective

Rajasthan, as a significant player in India's socio-economic tapestry, has its unique dynamics when we overlay the principles of MSME competitiveness onto its regional canvas. The state, rich in culture and history, offers a mosaic of opportunities and challenges for MSMEs.

Rajasthan's entrepreneurship culture is deeply rooted in its historical legacy of trade and craftsmanship. The state has a rich tradition of artisans and skilled craftsmen who have honed their craft over generations, creating exquisite products sought after across the

world. The princely states of Rajasthan, with their opulent courts and patronage, provided a nurturing environment for artisans to flourish. Additionally, the ancient trading routes that crisscrossed the region connected Rajasthan to global markets, facilitating a vibrant exchange of goods and ideas. Rajasthan has produced several legendary businessmen who have left an indelible mark on India's business landscape. Some of the legendary Rajasthani businessmen include **Ghanshyam Das Birla, Laxmi Niwas Mittal, Anand Piramal, Kishore Biyani, Jamnalal Bajaj, Jaidayal Damia, H. S. Ranka, Harak Chand Nahata**.

Rajasthan's distinctive heritage crafts, textiles, and traditional industries provide its MSMEs an inherent advantage in terms of unique product offerings. Capitalizing on this, businesses can integrate quality and innovation into indigenous products, making them appealing not just domestically but on global platforms. The state government's recent push towards digital Rajasthan is a signpost for MSMEs to integrate modern technological tools into their traditional practices, ensuring that they remain contemporary and globally competitive.

However, Rajasthan's vast geographical expanse, coupled with areas of challenging topography, can sometimes result in logistical and infrastructural bottlenecks for MSMEs. MSMEs should leverage the state's emerging connectivity projects for efficient distribution and cost management.

Moreover, accessing finance in Rajasthan, especially in its rural and semi-urban areas, might differ from metropolitan hubs. Collaborative initiatives between banks, microfinance institutions, and state-specific financial schemes can play a pivotal role.

In the context of Rajasthan, capacity building for Micro, Small, and Medium Enterprises (MSMEs) holds immense significance for fostering economic growth and job creation. The state government, in collaboration with industry associations and financial institutions, has implemented a comprehensive approach to empower MSMEs. This includes skill development programs, access to modern technology, financial literacy initiatives, and support for market expansion. Rajasthan's unique blend of traditional craftsmanship and modern industries provides a fertile ground for MSMEs to thrive, and capacity-building efforts aim to harness this potential fully. Emphasizing workforce training, particularly in digital literacy and skill development, can help harness Rajasthan's youth potential.

Lastly, given the state's push for sustainable tourism, MSMEs operating within this sector have an additional onus of regulatory compliance, ensuring their operations align with eco-friendly and sustainable mandates. By forging alliances with local artisans, craftspeople, and other stakeholders, businesses can foster an environment of mutual growth, thereby solidifying Rajasthan's stature in the national MSME arena.

In the table below we have tried to identify the aspects whose observation can help us to identify triggers for growth of MSMEs in Rajasthan

Table 8: Observation & Recommendation on various issues

Aspect	Observation/Critique	Trigger/Recommendation
Geographical Context	Rajasthan's vast geographical expanse makes it both an opportunity and a challenge. Bordering six states offers market access but poses infrastructural and logistical challenges.	Infrastructure optimization is essential for maximizing the benefits of this vast expanse.

Economic Diversity	The diverse economic foundation is evident, but the correlation between various sectors and MSME competitiveness is ambiguous.	A deeper delve into how each sector impacts MSME growth can provide clearer insights.
Significant Contribution to Economy	The contribution of MSMEs to Rajasthan's economy is substantial, but sector-wise breakdown and comparative growth rate are not clear.	A comparative analysis with past years or other states can highlight the growth trajectory.
Government Initiatives	Many schemes are mentioned, yet their tangible impact at the grassroots level is unclear.	Evaluative metrics or case studies can better elucidate the effectiveness of these schemes.
Export Focus	The export growth is commendable, but the 13th global rank suggests there's room for improvement.	Investigating sectors that lag in exports can guide targeted interventions.
Sectoral Diversity	There's potential in the diverse sectors, but the challenge lies in harnessing and integrating them for comprehensive MSME growth.	Exploring synergies between traditional and modern sectors can unveil more potential.
Infrastructure Development	There's an emphasis on infrastructure development, but specifics about the projects' kind and scale are missing.	Information on improved connectivity, energy supply, and digital infrastructure can offer a full picture.

4.4 Policies Supporting Competitiveness of MSMEs

Through a variety of policy interventions and support measures, the federal and state governments play a critical role in boosting the competitiveness of MSMEs. Programs like Start-up India, Digital India, One District One Product (ODOP) and others.

The key for MSMEs to enter and compete in global markets is to ensure quality in their products and services, while also steadily increasing their own efficiency and effectiveness. Here are some examples of schemes to promote MSME Competitiveness.

Table 9: Some Central schemes to increase competitiveness of MSMEs

Examples of Schemes to Boost MSME Competitiveness	
Financial Support to MSMEs in ZED Certification Scheme	The scheme envisages promotion of Zero Defect and Zero Effect (ZED) manufacturing amongst MSMEs. MSMEs are provided financial assistance for the activities to be carried out for ZED certification i.e., Assessment / Rating, Additional rating for Defence angle, Gap Analysis, Handholding, Consultancy for improving the rating of MSMEs by Consultants and Re-Assessment / Re-Rating.
Credit Linked Capital Subsidy for Technology Upgradation (CLCSS)	The scheme aims at facilitating technology upgradation by providing up front capital subsidy to MSEs on institutional finance availed by them for induction of well-established and improved technologies in specified sub-sectors / products approved under the scheme. The CLCSS component of CLCS-TU scheme was in force till 31/03/2020.

Lean Manufacturing Competitiveness for MSMEs	The objective of the scheme is to enhance the manufacturing competitiveness of MSMEs through the application of various Lean Manufacturing (LM) techniques. Financial assistance is provided for implementation of lean manufacturing techniques, primarily the cost of lean manufacturing consultant.
ISO 9000/ISO 14001 Certification Reimbursement	The scheme envisages reimbursement of charges incurred for acquisition of ISO-9000/ISO-14001/HACCP certification. To enhance the competitive strength of SMEs, the scheme provides incentives to those SMEs/ancillary undertakings that have acquired these certifications.
A Scheme for promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE)	The Scheme aims to implement the Incubation and Commercialisation of Business Ideas Programme through technical / research institutes. These institutes would be designated as Knowledge Partners and would incubate new /existing technologies for their commercialisation.

4.5 MSME Competitiveness Levers

Rajasthan is the largest state area wise (3,42,239 sq. KM) in the northwest part of the Indian sub-continent, it borders with six major states. Rajasthan has a diverse economy, in which agriculture, mining, tourism, gems & jewellery, handicraft, engineering play major role. The state is one of the largest producers of minerals in the country, **with 57 different minerals** being produced on a commercial scale in the state. It also contributes significantly to the production of dimensional and decorative stones, such as marble, granite, and other stones. The state has an agriculture economy with nine agroclimatic zones and various types of soil that helps in cultivating diverse crops especially millets. The state is one of the most popular tourist destinations in all North India. Particularly those in Jaipur and Udaipur offer opportunities to expand the luxury tourism market, with an increase in the number of visitors to wildlife sanctuaries and heritage sites.

1. **Significant Contribution to Economy**: Rajasthan's MSME sector plays a vital role in the state's economy. It encompasses a wide range of industries including manufacturing, textiles, handicrafts, agribusiness, and services. These enterprises contribute significantly to industrial output, employment generation, and economic development.

   The MSME sector's contribution to the State Gross Domestic Product is at present estimated to be 24.5%, while the total exports by MSME industries during 2021-22 amounted to 72,000 crores. 8,24,158 industrial units/entrepreneurs Udyam registration has been registered upto December 2022 on the Udyam Registration Portal. Investment of 29,481.71 Core rupees has been done in these units & **employment to 48,42,788 persons has been made available in these units.**

2. **Government Initiatives**: The Rajasthan government has introduced various initiatives and policies to support and promote the growth of MSMEs. Notable among them is the Rajasthan Investment Promotion Scheme (RIPS) which offers incentives to attract investments. This scheme provides benefits like subsidies on land costs, stamp duty exemptions, and reimbursement of state GST payments, making it more

43

attractive for MSMEs to establish or expand operations in the state. Many schemes like

Table 10: State Schemes for MSMEs

Scheme	Brief Description	Progress
Mukhyantri Laghu Udyog Protsahan Yojana	This scheme has been launched with the objective of providing subsidized loans through financial institutions to facilitate the establishment of enterprises in the state and to provide new employment opportunities to all sections of society.	Total 21087 loans distributed of 4958.53 crores till Dec. 2022
Dr Bhimrao Ambedkar Rajasthan Dalit, Adiwasi Udyam Protasahan Yojana	The program targets Dalits and tribals and attempts to provide young people with chances for economic growth and self-employment.	
Leather Training Scheme	This scheme is started by state govt to promote the leather industry and improve the production and quality of leather artisans, prepare new design products, and start self-employment.	Total 905 training were given and 43.61 lakh rupees expenditure till Dec. 2022
State Export Award Scheme	It aims at promoting the exports from the micro, small, medium, and large industrial units as well as service sector of the State by felicitating the eminent exporters annually.	33 eminent exporters are awarded every year
Scheme Of Claiming Reimbursement of The Ground Rent Paid for Participation in Approved International Trade	It aims at encouraging the participation of the exporters from the State in the fairs and exhibitions organized internationally and thereby provide an affordable access to international markets.	Started in 2012-13, From year 2018-22 total 24,51,100 INR reimbursed to 26 exporters
Mukhyamantri Laghu Vanijyik Vahan Swarojgar Yojana	In this scheme assistance was given to youth to purchase light commercial vehicle. This was effective till 31.03.2023	Total 2939 applications forwarded to related automobile company

3. **Export Focus:** Many MSMEs in Rajasthan are engaged in export-oriented activities. The state government has implemented schemes and initiatives to boost competitiveness in global markets, including providing export-related incentives and facilitating market linkages. **As per Export Preparedness Index 2022, with score 54.80 Rajasthan stands at 13th rank. Rajasthan's export increased from 8002.03**

crore in 2004-05 to 72,000 crore in 2020-21. Textile, Gems & Jewellery, Engineering, Dimensional Stones, Chemicals and Handicrafts are main products for export.

4. **Skill Development:** Skill development and training programs have been prioritized to enhance the capabilities of the state's workforce. These programs benefit MSMEs by providing them with a skilled workforce that can contribute to productivity and competitiveness. Rajasthan has recognized the importance of skill development to enhance employability and promote economic growth. The state government has introduced several schemes and initiatives to address the skill development needs of its residents. One prominent initiative is the Rajasthan Skill and Livelihoods Development Corporation (RSLDC), which was established to implement skill development programs across various sectors. RSLDC offers a wide range of skill training programs tailored to the needs of different industries, including agriculture, healthcare, tourism, and manufacturing. These programs aim to equip individuals with the skills and knowledge required for gainful employment or entrepreneurship. There are initiatives which provides financial incentives to employers for hiring trained and skilled workers, thereby promoting job creation. Under this scheme, employers are reimbursed a portion of the wages paid to employees, encouraging them retain their workforce.

5. **Sectoral Diversity:** Rajasthan's MSME sector boasts impressive sectoral diversity, encompassing a wide range of industries. Traditional crafts and textiles have a strong presence, reflecting the state's rich cultural heritage. Additionally, the manufacturing sector spans areas such as ceramics, handicrafts, agro-processing, and mineral-based industries. Rajasthan's service oriented MSMEs include IT and software development firms, tourism and hospitality ventures, and healthcare services. The state's vast geographical expanse and varied climate also support agricultural MSMEs, with a focus on dairy, horticulture, and organic farming. This diverse landscape not only contributes to the economic vibrancy of Rajasthan but also positions the state as a well-rounded player in India's MSME sector, capable of weathering economic fluctuations and fostering sustained growth.

6. **Infrastructure Development:** The state government has been actively investing in creating industrial clusters, technology parks, and specialized zones to provide MSMEs with modern infrastructure facilities. Initiatives like the Rajasthan Investment Promotion Scheme offer incentives for infrastructure development, encouraging private investment in industrial areas. Additionally, improved connectivity through road, rail, and air networks has enhanced logistics and accessibility for MSMEs. Rajasthan's focus on renewable energy infrastructure aligns with the sustainability goals of many MSMEs. By continuing to prioritize infrastructure development, Rajasthan aims to provide a conducive environment for MSMEs to thrive, innovate, and contribute significantly to the state's economic progress.

4.6 Impediments to MSME Competitiveness

Competitiveness of Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan, like in any other state or region, is affected by a range of factors. Here are some common impediments to the competitiveness of MSMEs in Rajasthan:

Infrastructure Challenges: Inadequate infrastructure, including roads, transportation, and power supply, can hinder the efficient operation of MSMEs. Poor infrastructure can increase transportation costs and lead to production delays. **Higher power rate, poor condition of district & rural roads (90% of Rajasthan Roads belongs to District Road & Rural Road), poor connectivity to ports, inadequate cold storage facility (11th rank in Country) etc. creates hurdles for MSMEs to increase its efficiency and competitiveness.**

1. **Infrastructure Data and Comparison with Other States:**
   Road Length:
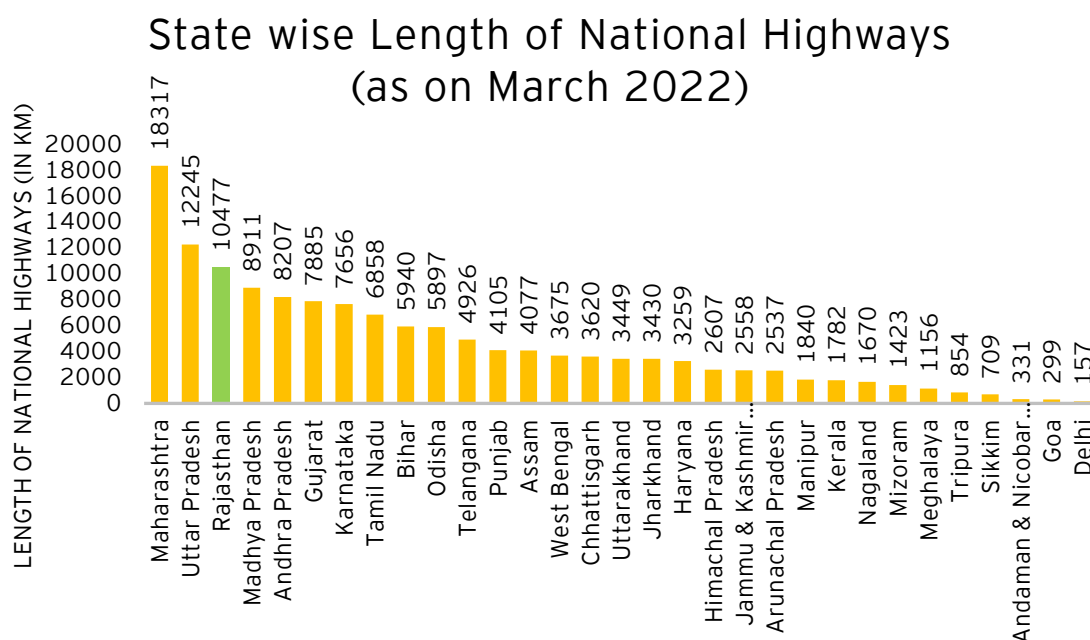
Figure 5: State wise Length of National Highways

Figure 6: Road distribution in Rajasthan

Road Distribution in Rajasthan (in KM)

■ National Highways ■ State Highways ■ Major District Roads ■ Rural Roads
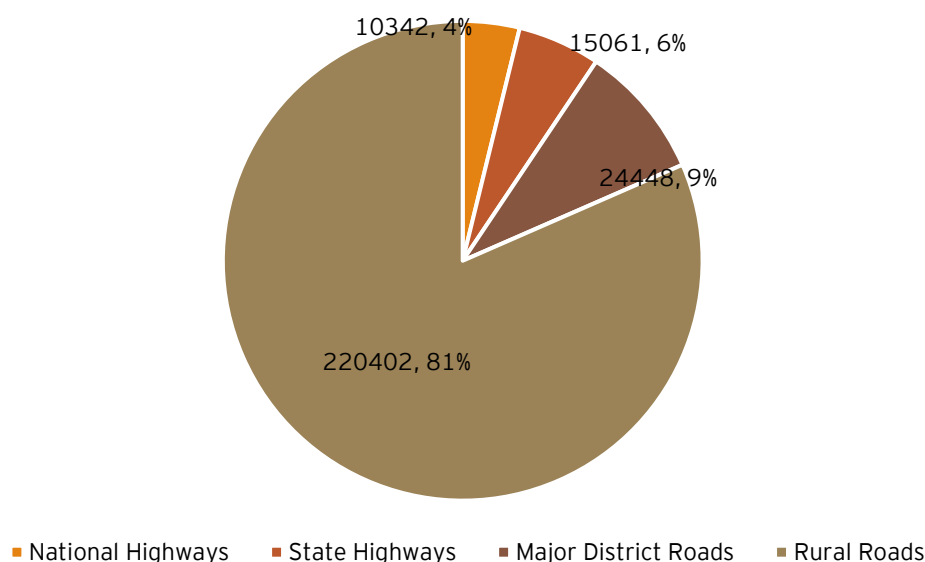
Roads are crucial for industrialization because they facilitate the movement of goods, resources, and labour, promote connectivity, reduce transportation costs, and support economic growth.

In terms of Road infrastructure Rajasthan's position is much better with total national highway length of 10,777 Km, it stands at third rank in the table.[3]

Although Rajasthan stands at 3rd rank in length of National Highways, it constitutes a small percentage of total road length. Small towns and remote villages are mainly dependent on district roads and rural roads for connectivity (more than 90% of road belongs to rural roads & district roads[4]), which are of poorer quality.

Road problems in Rajasthan significantly impact Micro, Small, and Medium Enterprises (MSMEs) by impeding their operations and growth prospects. Inadequate road infrastructure, poor road quality, and limited connectivity in certain regions can lead to delays in the transportation of goods, increasing logistical costs for MSMEs. These challenges also hinder access to markets and raw materials, limiting market expansion and potentially affecting competitiveness. To support MSMEs in Rajasthan, addressing these road problems is imperative. Investments in road infrastructure development, maintenance, and modernization will not only alleviate the logistical burdens on MSMEs but also enhance their overall efficiency, enabling them to contribute more effectively to the state's economic growth.

---

[3]
 https://www.rbi.org.in/Scripts/Publications
[4] https://morth.nic.in/sites/report

Power Supply:

Power supply is a crucial element for Industrial growth, per capita power availability is an important indicator to assess development and industrial growth. **Rajasthan Per Capita Power availability is 1301 KWH** (stands at 17th rank in the table) although it is slightly higher than All India Average 1115 but if we compare States like Maharashtra (1537.8 KWH), Gujarat (2051 KWH), Punjab (2251 KWH), Haryana (2177 KWH) have much better power availability.
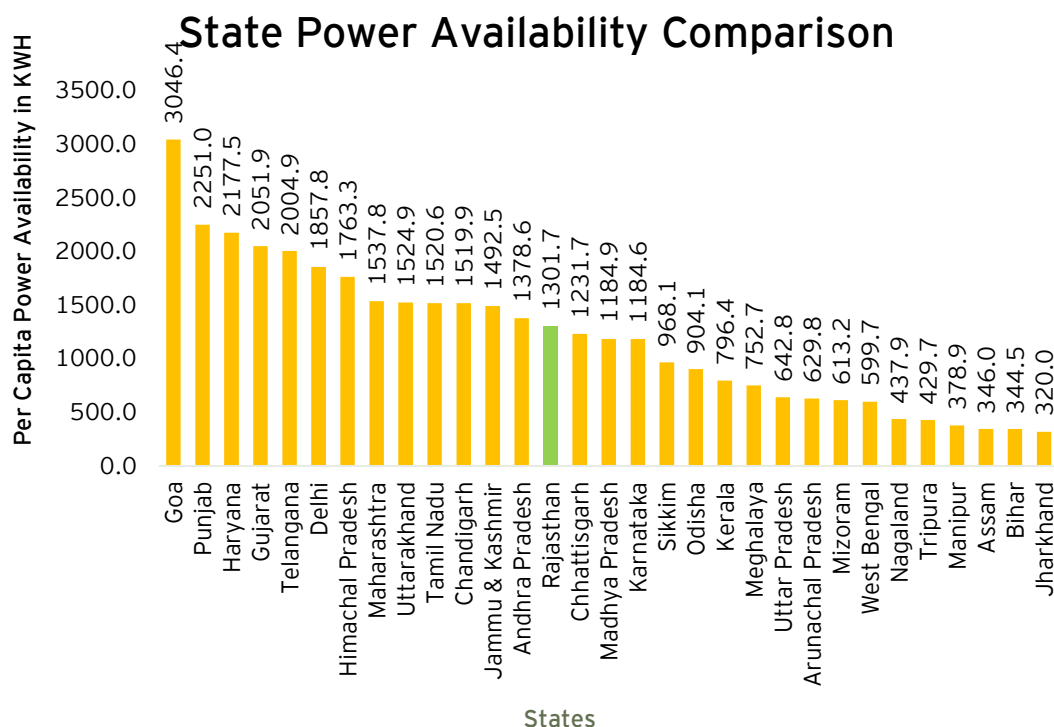
Figure 7: State wise per capita power availability

Power problems significantly affect Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan. The state grapples with issues like frequent power outages, voltage fluctuations, and unreliable supply, which disrupt production schedules and damage sensitive machinery. These challenges lead to increased operational costs due to the need for backup power sources and maintenance. Moreover, limited access to stable electricity hampers the adoption of energy-efficient technologies and sustainable practices, impacting the MSMEs' competitiveness and environmental footprint. To bolster the MSME sector, Rajasthan must prioritize investments in power infrastructure, grid stability, and renewable energy sources, ensuring consistent and affordable electricity supply to support business operations and growth in the state.

Addressing power supply problems in Rajasthan requires a holistic approach that includes investments in power generation, grid infrastructure, and distribution systems, as well as efforts to reduce losses and improve financial sustainability. Additionally, promoting energy efficiency and renewable energy sources can contribute to a more stable and sustainable power supply in the state. (Data reference)[5]

---

[5] https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=21521

Warehousing Facility:

Cold storage capacity is crucial for agri products-based value chain as it prevents food loss, extends shelf life, supports supply chains, ensures product quality, opens export opportunities, facilitates value addition, and promotes diversification in various industries.
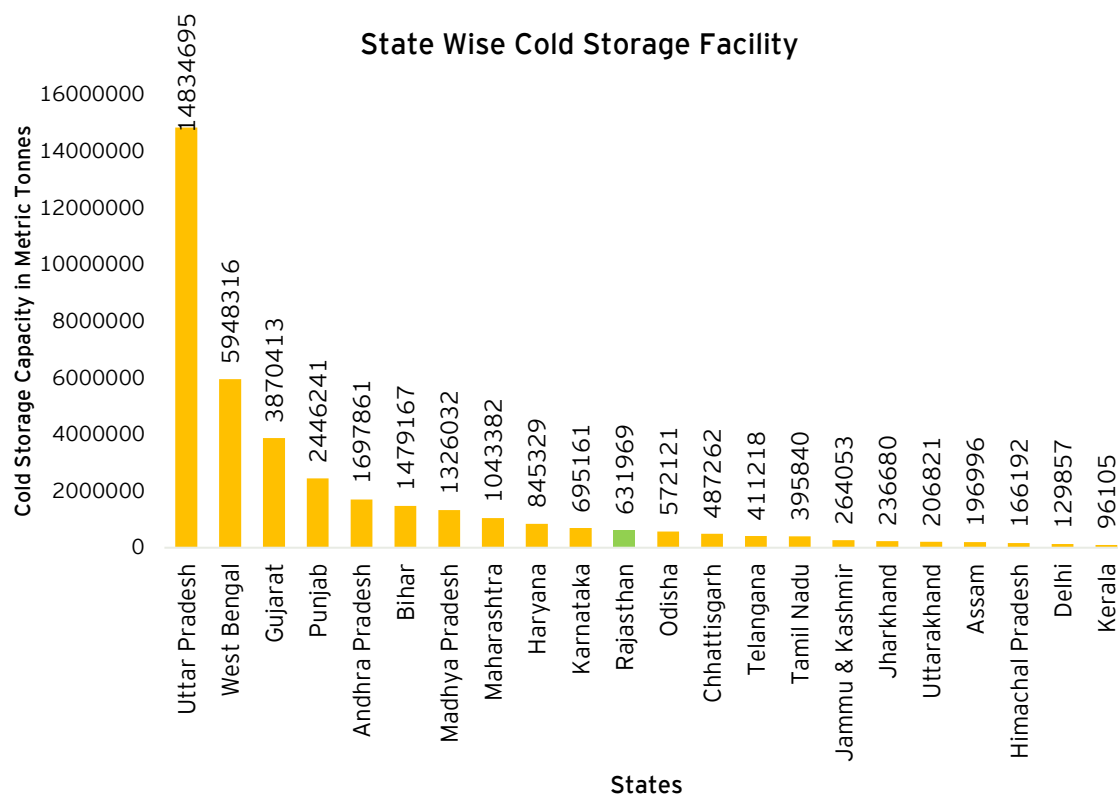
Figure 8: State wise cold storage facility

The limited cold storage capacity in Rajasthan has a significant adverse impact on Micro, Small, and Medium Enterprises (MSMEs) operating in the state, particularly those involved in agriculture and food processing. Insufficient cold storage facilities constrain these businesses, causing post-harvest losses of perishable goods like fruits, vegetables, and dairy products. This not only leads to economic losses but also affects the quality and safety of products.

Additionally, MSMEs in the food processing sector struggle to meet demand during peak seasons due to inadequate cold storage, hindering their ability to expand and meet market requirements. Addressing the cold storage capacity deficit is essential for Rajasthan's MSMEs, as it would reduce food wastage, enhance product quality, and enable these businesses to thrive by efficiently managing their produce and meeting market demands effectively.

Addressing warehouse problems in Rajasthan requires a multi-pronged approach that involves infrastructure development, regulatory reforms, skill enhancement, and technology adoption. These efforts can contribute to reducing post-harvest losses, improving agricultural supply chains, and supporting the overall economic development of the state. (Data reference)[6]

---

[6] https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=21487

Limited Access to Ports:

The limited access to ports is a significant impediment for Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan. The state's landlocked geographical location hinders easy access to ports, which is crucial for businesses involved in international trade. This constraint affects industries like manufacturing, handicrafts, and textiles that rely on exports and imports for their supply chains. MSMEs face higher transportation costs and longer lead times for shipments, which can erode their competitiveness in the global market. To mitigate this challenge, the state can explore solutions like improving connectivity through dedicated freight corridors, promoting inland container depots, and enhancing logistical infrastructure to facilitate smoother access to ports. These measures would help Rajasthan's MSMEs to expand their market reach and compete effectively in the international arena.

2. **Access to Finance:** MSMEs often face difficulties in accessing affordable credit. Limited access to finance can restrict their ability to invest in technology, expand operations, or meet working capital needs. **More than 96% MSME of Rajasthan belongs to micro category, who has limited access to institutional finance.** Collateral is also a big problem for these micro MSMEs, although Gov. Schemes for finance is there but Targets/ Funds allotted to such schemes are lesser than the demand. Lack of coordination between Banks and State machinery also creates problem for entrepreneurs.

3. **Skill Shortages:** A shortage of skilled labour can limit the ability of MSMEs to adopt new technologies and improve productivity. Ensuring a skilled workforce through effective training programs is crucial. **India presently has only 2.3 percent of its workforce with some kind of formal skills training. As per National Skill Development Corporation (NSDC) by 2022 Rajasthan will have a workforce of around 480 lakhs with around 98 percent of that to be either fully or partially un-skilled.** By 2022 Rajasthan will need about 11 percent of the total labor demanded to be fully skilled.[7]

4. **Market Access and Marketing Challenges:** Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan face significant market access and marketing challenges. Limited access to finance, inadequate infrastructure, and poor connectivity hinders their ability to reach markets efficiently. Lack of market information, competition from larger enterprises, and regulatory complexities further exacerbate their difficulties in devising effective marketing strategies. Many MSMEs lack a strong digital presence, and skill gaps in digital marketing hinder their online outreach. Additionally, ensuring consistent product quality and managing the supply chain efficiently remain critical concerns. Bridging these gaps requires targeted support, including improved financial access, infrastructure development, skill enhancement, and streamlined regulations, to enable Rajasthan's MSMEs to compete effectively and thrive in a highly competitive marketplace.

---

[7] Data Reference: https://www.copenhagenconsensus.com/publication

5. **Lack of Innovation:** Innovation is crucial for staying competitive, but many MSMEs lack the resources and expertise to invest in research and development. **According to NITI Aayog India Innovation Index 2022 with a poor score of 12.88 Rajasthan stands at 12th rank in big states list.** The limited patent filings indicate a lack of significant innovation activities among MSMEs, as patents are a clear indicator of novel technological or product developments. Moreover, the underrepresentation of Rajasthan-based MSMEs in national and international innovation rankings and awards further underscores the innovation challenges they encounter. These issues suggest that the state's MSME sector is struggling to harness innovation effectively, potentially limiting its ability to compete and thrive in the modern business landscape.

6. **Inadequate Digital Infrastructure:** In today's digital age, having access to high-speed internet and digital infrastructure is essential. Inadequate digital infrastructure can hinder online marketing, e-commerce, and other digital initiatives. In Rajasthan, the MSME sector encounters significant challenges in embracing digitalization. Firstly, a glaring issue lies in the inadequate digital infrastructure, particularly in rural areas, which hampers access to high-speed internet and modern communication technologies. This limitation restricts MSMEs from fully harnessing digital tools for operations, marketing, and e-commerce. Additionally, a notable lack of digital literacy and skills among MSME owners and employees poses a substantial hurdle. Many are unfamiliar with the effective use of digital platforms, hindering their ability to leverage technologies for business growth. This knowledge gap extends to areas such as cybersecurity, where concerns about data breaches and online threats deter some MSMEs from fully embracing digitalization.

   Moreover, the cost associated with digital adoption poses a significant challenge. Acquiring and implementing digital technologies, software, and hardware can be financially burdensome for small businesses operating with tight budgets. This expense often acts as a deterrent for MSMEs looking to make the necessary investments in digital tools. Consequently, without adequate access to capital or government support, many MSMEs in Rajasthan find it challenging to keep pace with the rapidly evolving digital landscape, putting them at a competitive disadvantage.

7. **Environmental and Regulatory Compliance:** Compliance with environmental regulations can be expensive and challenging for MSMEs, especially if they lack the resources to invest in eco-friendly technologies and processes. Rajasthan is very rich in Mineral resources. **It exported Dimensional Stones worth 4,481.15 Crore in the Financial Year (2021-22) & Metal (Ferrous & Non-Ferrous) of worth 8,238 Crore.** Mining and Mineral Sector faces many hurdles related to environment and regulatory compliances, lack of coordination between Centre and state authorities also poses problem to entrepreneurs. Similarly, wildlife related tourism (e.g., Ranthambore National Park, Sarika) is also get affected by changing environmental norms and lack of clarity about rules.

8. **Supply Chain Disruptions:** Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan are grappling with significant supply chain disruptions. These disruptions stem from various factors, including transportation bottlenecks, raw material shortages, and intermittent lockdowns due to unforeseen events like the COVID-19 pandemic. Limited access to reliable and efficient logistics infrastructure compounds the problem, resulting in delays and increased operational costs. Small enterprises, with their often-

limited resources, find it particularly challenging to adapt swiftly to sudden shifts in the supply chain landscape. These disruptions not only impede production schedules and delivery timelines but also strain relationships with clients and suppliers. To mitigate these challenges, MSMEs in Rajasthan need to adopt agile supply chain strategies, diversify their supplier base, and invest in technologies that enable better visibility and control over their supply chains. Moreover, collaboration with government agencies and industry associations can play a pivotal role in developing contingency plans and ensuring smoother operations during times of crisis.

9. **Broad basing Access to Government Support:** Broadening access to government support for MSMEs in Rajasthan is paramount for inclusive economic development. This can be achieved by leveraging digital technologies to create user-friendly online platforms, simplifying application processes, and enhancing the visibility of available programs. Establishing localized support centers and collaborating with industry associations and financial institutions to offer targeted outreach and assistance can help ensure that MSMEs across the state, including those in remote and underserved areas, can easily access vital resources. Moreover, implementing feedback mechanisms and regularly assessing the effectiveness of support initiatives will facilitate ongoing improvement and tailor-made solutions, making government support more accessible and beneficial for Rajasthan's diverse MSME landscape.

To enhance the competitiveness of MSMEs in Rajasthan, it is essential for the government, industry associations, and other stakeholders to address these impediments through policy reforms, infrastructure development, skill-building initiatives, and access to affordable finance. Additionally, fostering a culture of innovation and entrepreneurship can help MSMEs adapt to changing market dynamics and become more competitive in both domestic and international markets.

4.7 Indicators of MSME Competitiveness

Indicators of MSME (Micro, Small, and Medium Enterprises) competitiveness are metrics or measures used to assess the relative strength and capability of MSMEs in a particular industry or region. Here are some key indicators commonly used to evaluate MSME competitiveness:
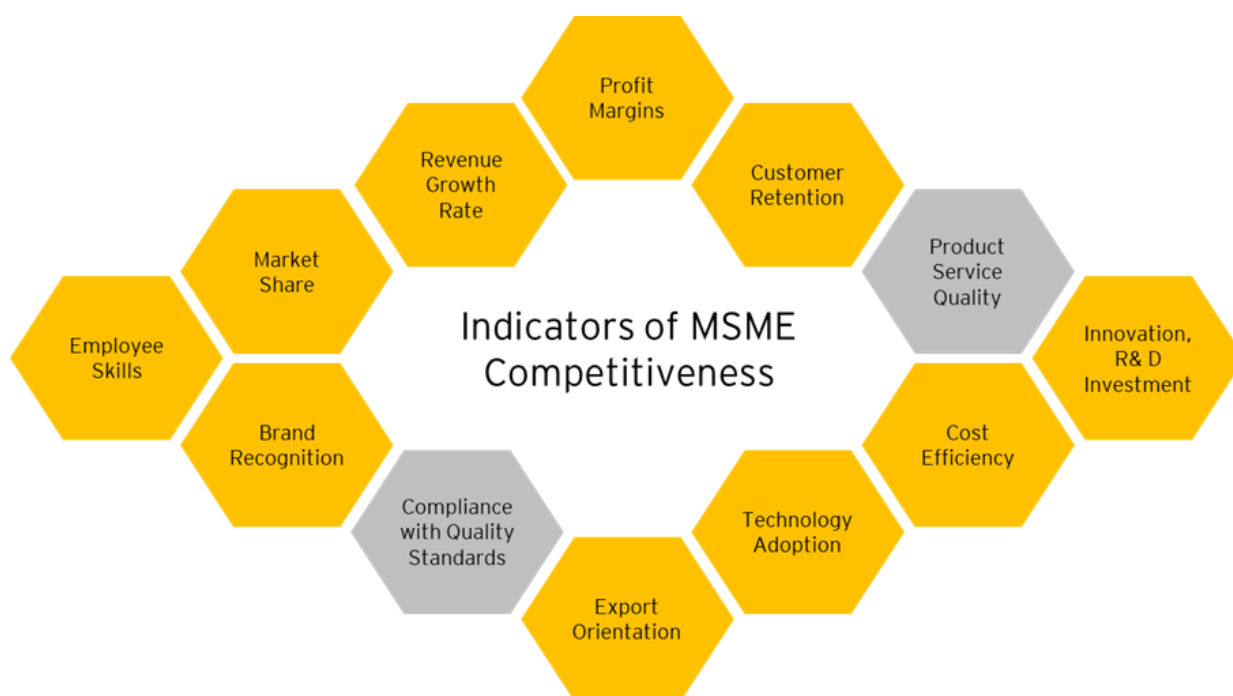
These indicators serve as valuable tools for assessing the competitive position of MSMEs and can guide strategic decisions to enhance their competitiveness in the market. It's important to note that the relevance and significance of these indicators may vary depending on the industry, location, and specific characteristics of the MSME.

4.8 Adoption of ZED & LEAN:

ZED Scheme: The Zero Defect Zero Effect (ZED) scheme for Micro, Small, and Medium Enterprises (MSMEs) in India is a government initiative that underscores the importance of producing high-quality products while minimizing adverse environmental impacts. Under this program, MSMEs voluntarily undergo assessments of their manufacturing processes and product quality. They are evaluated based on their ability to achieve "Zero Defects" in their products, ensuring that they meet stringent quality standards, and "Zero Effect" on the environment, signifying the reduction of their carbon footprint and environmental impact. MSMEs that excel in these assessments receive star ratings, and those with higher ratings are eligible for financial incentives and support, including access to credit and subsidies. This scheme not only incentivizes the adoption of best practices but also promotes sustainability, enhances market access, and contributes to the overall competitiveness of MSMEs by aligning them with global manufacturing standards and environmental responsibility.

The ZED scheme's sector-specific approach recognizes the unique challenges faced by different industries, tailoring its criteria accordingly. By encouraging MSMEs to prioritize both quality and sustainability, the program aims to transform India's MSME sector into a globally competitive force known for producing high-quality, environmentally responsible products. Ultimately, the ZED scheme aligns with India's broader economic development goals and the "Make in India" initiative, positioning MSMEs to thrive in an increasingly competitive global marketplace.

Table 11: ZED Scheme progress in Rajasthan

Sl. No.	Certification Level	No. of MSMEs
1	ZED Bronze	1061
2	ZED Silver	8
3	ZED Gold	5

At present there are only 1061 MSMEs registered under bronze level certification of ZED and only 5 MSMEs under gold level certification. When structured and registered under a ZED certificate, Rajasthan's goods and services have enormous potential to serve large markets. There is huge need for ZED certification in MSMEs to be competitive in actual market.

LEAN: The principles of Lean Manufacturing and Management can be incredibly valuable for MSMEs seeking to enhance their operational efficiency and competitiveness. These principles, rooted in minimizing waste and maximizing value, encompass methodologies like 5S, Kaizen, Visual workplace, Poka Yoka and Just-In-Time inventory management. By adopting these Lean practices, MSMEs can streamline their processes, reduce unnecessary costs, and improve overall productivity.

MSME-Innovative (Incubation, Design, IPR): MSME Innovative Scheme is a combination Incubation, Design, and Intellectual Property Right. These will function as independent verticals. Additionally, these verticals will be included into a single formulation to encourage and support new activities for increased synergy and efficiency. This approach gives MSMEs confidence to work on new concepts as the programme supports incubation, design by protecting intellectual property rights.

4.9 Growth of Export

The state's export landscape is characterized by traditional strengths in sectors such as gem and jewellery, textiles, handicrafts, minerals, and agricultural products like guar gum and spices. Rajasthan's cultural heritage, particularly its handicrafts and textiles, has found international appeal, contributing to export growth. Additionally, the state's rich reserves of minerals and stones, along with its agricultural production, have added to its export revenue. **Rajasthan has steadily increased its export has increased from 8,002.03 crore in 2004-05 to 77,771.37 crore in 2022-23.**

Export Growth of Rajasthan
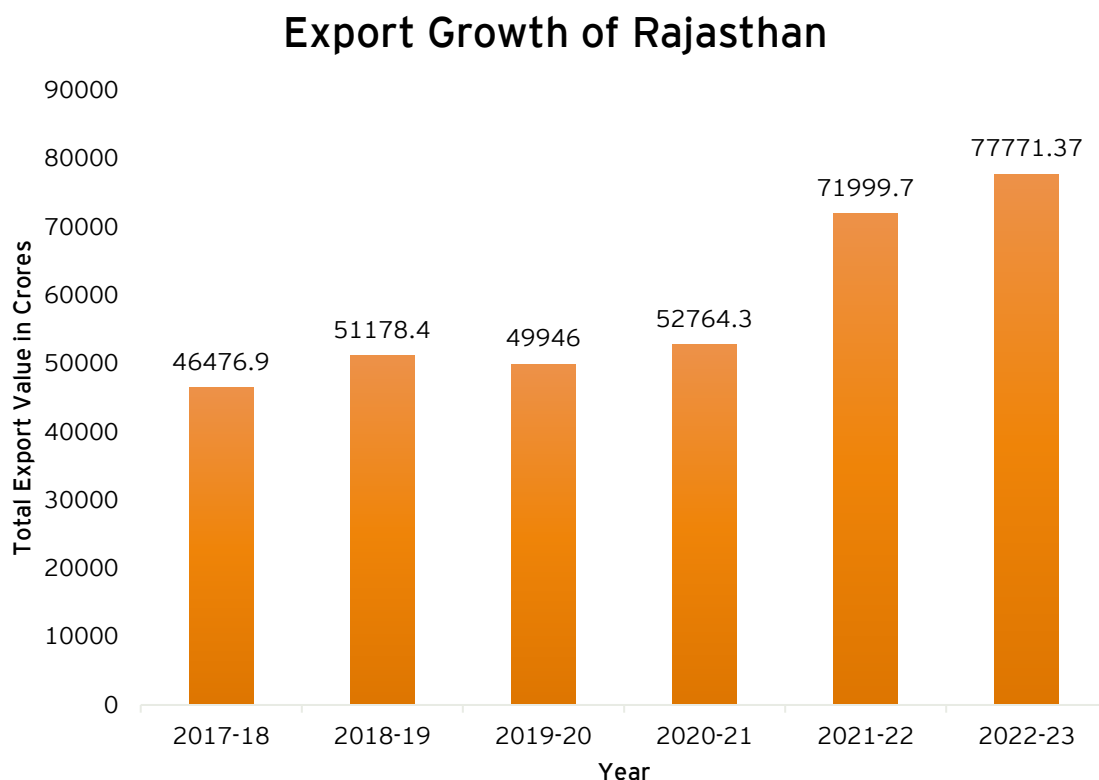
Figure 9: Export growth in Rajasthan

GoR has also set up Rajasthan Export Promotion Council to facilitate export promotion. GoI has initiated 'One District One Product' scheme and GoR has set up District Export Promotion Councils to make every district an emerging export hub. Since these products are already being exported, there is existing ecosystem, which can be utilized for similar products. The state has introduced **Rajasthan Investment Promotion Scheme 2022** with the Intention to attract more investment in the state.

While these steps have been integral in Rajasthan's performance across export, Start-ups, FDI etc., there is a felt need to make the MSMEs more competitive. **If we analyze Rajasthan share in total national export, it was just 2.44% in 2020-21 and 2.29% in 2021-22. As per Export Preparedness Index 2022, with score 54.80 Rajasthan stands at 13th rank.** Challenges related to its landlocked status, infrastructure, and the need for skill development and technological advancements persist.

Table 12: Rajasthan's share in National Export

Year	Export from Rajasthan (in Crores)	Export from India (in Crores)	% Percentage
2020-21	52,764	21,59,043	2.44%
2021-22	71,999.7	31,47,021	2.29%

4.10 Growth Of Service Sector

The service sector encompasses a wide range of industries including tourism, information technology, healthcare, education, finance, and hospitality. Rajasthan's service sector is displaying a positive trajectory, driven by key factors such as a thriving tourism industry, a

burgeoning IT and IT-enabled services sector, and significant developments in education and healthcare. The state's rich cultural heritage and historical attractions continued to draw a steady influx of tourists, bolstering the hospitality and tourism-related services. Additionally, the establishment of IT parks and technology hubs in cities like Jaipur and Kota contributed to the growth of the IT sector. The education and healthcare sectors also witnessed notable expansion with the establishment of new institutions and healthcare facilities.

Gross State Value Added and Growth Rate at Current and Constant (2011-2012) Prices of Service Sector
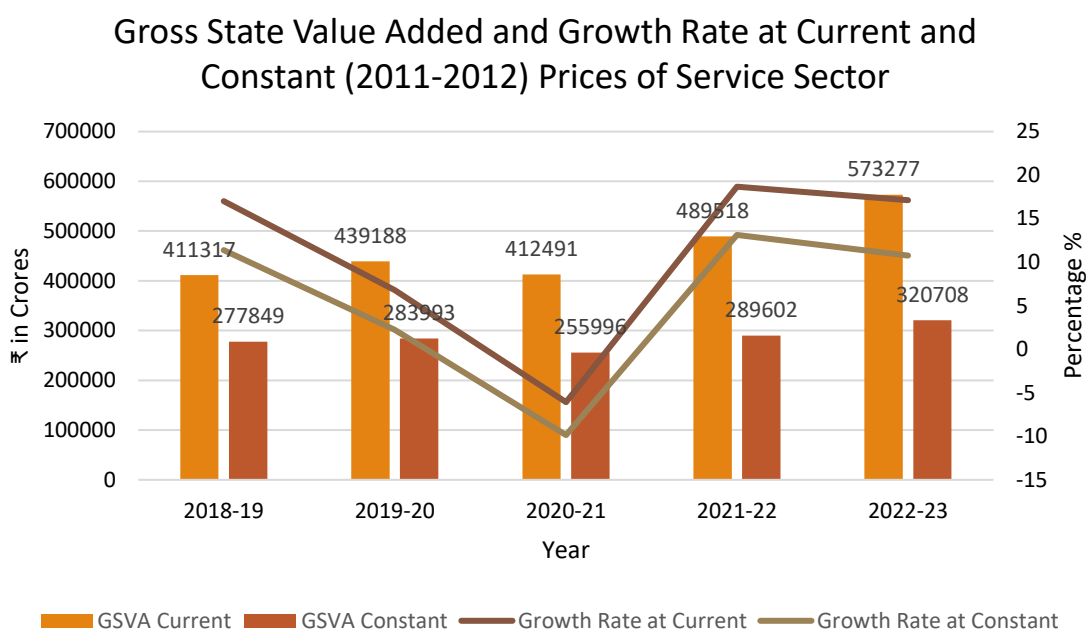
Figure 10: GSVA and Growth Rate of Rajasthan (2018-23)

In year 2022-23, Service Sector with a share of 43.74 per cent in Rajasthan's Gross State Value Added (GSVA) at current prices continued to be the largest sector in Rajasthan's economy. Share of different sub-sectors in service sector at current prices for the year 2022-23 is shown in the figure.

SECTORAL CONTIBUTION OF SERVICE SECTORS AT CURRENT PRICES (IN CRORES) FOR 2022-23
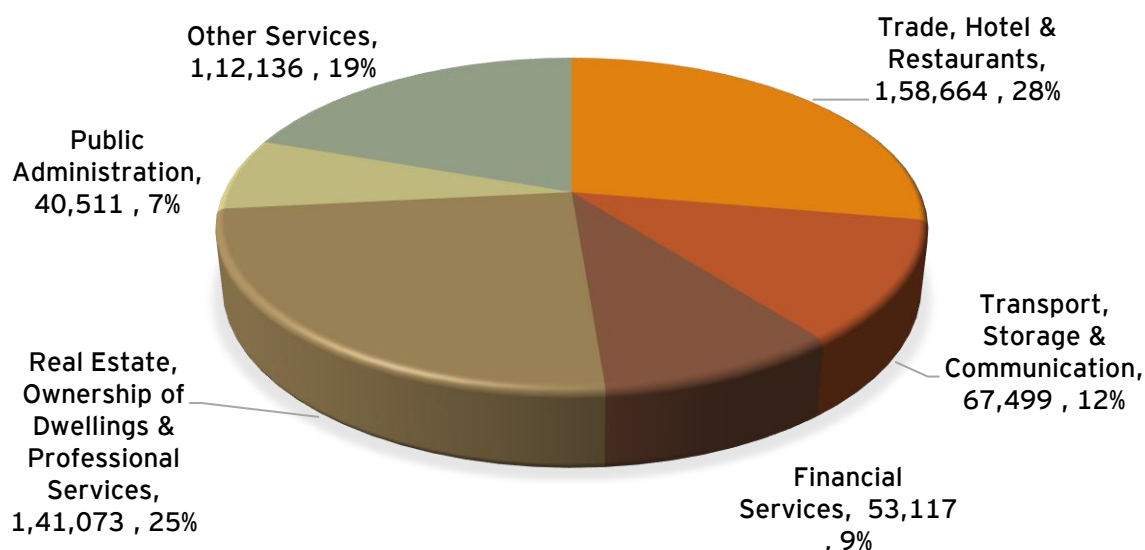
Figure 11: Sectoral contribution of service sectors in Rajasthan (2022-23)

Government policies aimed at attracting investments and fostering business growth further supported the upward trend in the service sector. Here are some key points related to the growth of Rajasthan's service sector:

SUB SECTOR WISE SCENARIO:

1. **Tourism & Hospitality:** Rajasthan is renowned for its rich cultural heritage, historical sites, and vibrant festivals, making tourism a significant contributor to the state's economy. Rajasthan State is a major tourist destination in India and has a prominent position on the world tourist map. It boasts a variety of tourism attractions that appeal to both domestic and foreign visitors. Rajasthan's Unique Selling Propositions (USPs) include the Luxury Train (Palace-on-Wheels), Forts, Palaces and Havelies, Fairs and Festivals, Handicrafts, Heritage Hotels, Adventure Tourism, Rural and Eco-Tourism, Religious Tourism and Temple Architecture, Classical Music, and Folk Dance, and so on, all of which attract tourists and generate revenue for the state. **Up until November 2022, Rajasthan received 986.32 lakh visitors—983.24 lakh domestic and 3.08 lakh foreign—during the year.**

   However, despite having so many Unique Selling Propositions (USPs), if we look at its share of total tourist inflows in 2021, Rajasthan ranks 11th with 3.24% share in domestic tourists and 10th with 3.30% share in foreign tourists, indicating that there is a lot of untapped potential in the tourism sector. (Data reference)[8]

---

[8] https://tourism.gov.in/sites/default/files/2022-09

Rajasthan's rich cultural heritage and tourist attractions had led to growth in the hospitality sector. This includes hotels, resorts, and related services. The government had been actively promoting tourism by developing infrastructure, organizing cultural events, and launching promotional campaigns. Trade, hotels & restaurants has the significant position in service sector in the state of Rajasthan. In year 2022-23, trade, hotels & restaurants contributed around 27.69 per cent of the GSVA in the service sector.

2. **Information Technology and ITES:** The Information Technology (IT) and Information Technology-Enabled Services (ITES) sector in Rajasthan has shown remarkable growth in recent years, positioning the state as an emerging destination for tech-driven businesses. The capital city, Jaipur, and other urban centers like Kota have emerged as significant IT hubs, attracting both established IT companies and start-ups. The state government has played a crucial role in fostering this growth by implementing favorable policies, offering incentives, and improving infrastructure, such as setting up IT parks and technology incubators.

   Rajasthan's IT and ITES sector has benefited from a skilled workforce, cost-effective operations, and an increasing focus on digital transformation. The state has also been proactive in promoting the growth of start-ups and entrepreneurship by providing incubation facilities and organizing events like hackathons and technology summits. Furthermore, the expansion of digital education, e-governance initiatives, and digital healthcare services has created a conducive ecosystem for IT and ITES companies to thrive, making Rajasthan an attractive destination for businesses seeking to leverage technology for growth and innovation. However, to sustain this growth, ongoing investments in digital infrastructure, skill development, and research and development will be essential to solidify Rajasthan's position in the IT and ITES industry.

   However, Rajasthan's IT and ITES sector has struggled to fully tap its potential due to several factors. While the state offers a competitive cost advantage, skilled workforce, and infrastructure, it has faced challenges in terms of promoting innovation, attracting large IT corporations, and establishing a robust start up ecosystem. The lack of a comprehensive IT policy, limited access to venture capital, and infrastructure gaps, particularly in smaller towns, have hindered sector growth. Addressing these issues, fostering a culture of entrepreneurship, and investing in technology education and infrastructure will be crucial in unlocking Rajasthan's untapped potential in the IT and ITES sector, enabling it to compete on a national and global scale.

State wise Software Export made by STPI-registered units
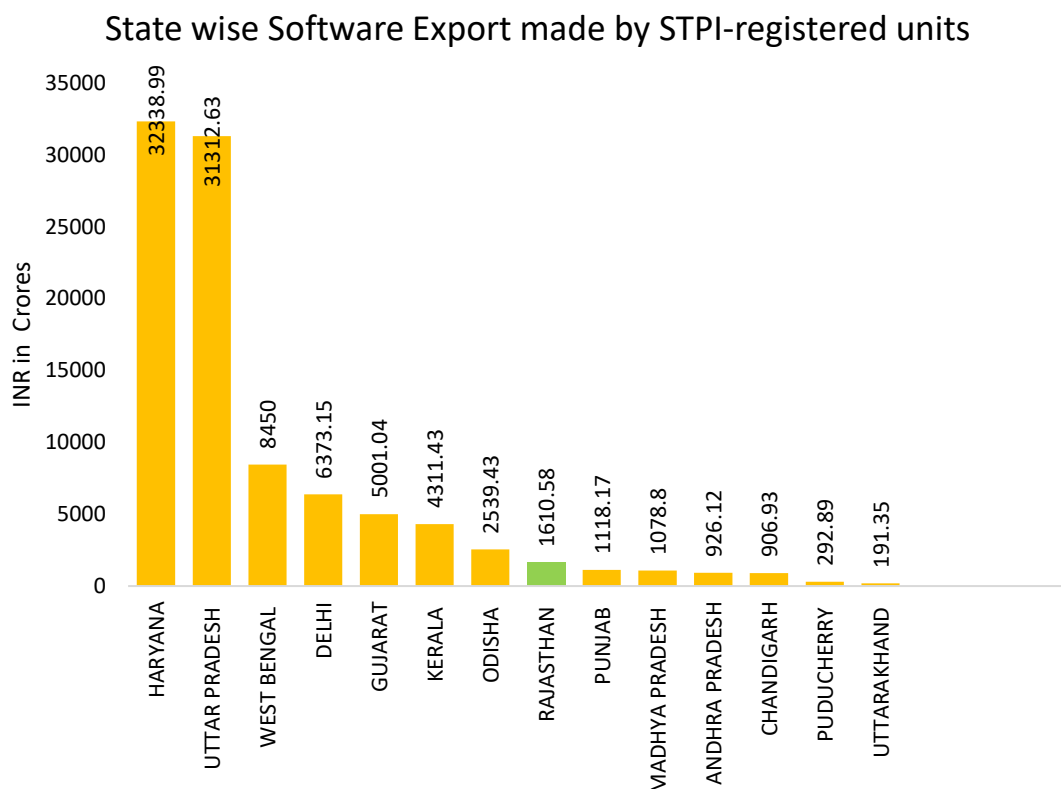
Figure 12: State wise software export from STPI registered units

(Maharashtra, Karnataka, Telangana, Tamil Nādu excluded from graph) Data Reference[9]

3. **Education:** Rajasthan had been working on improving its educational infrastructure. Kota, in particular, is famous for its coaching centers and gained recognition as an educational hub. With an estimated 150,000 residential students in dozens of coaching schools, Kota's coaching sector is a massive enterprise. Coaching centers have recently begun offering preparation for Central Universities Entrance Tests, CLAT, chartered accountancy, and the civil services exam due to increased competition. To grow their business, offline centers are now moving into the online tutoring market. Kota's tutoring industry is estimated to be worth roughly Rs 4,000 crore.

4. In the State, there are 82 engineering institutions operating to provide instruction in engineering at the undergraduate and graduate levels (17 government colleges and 65 private colleges), with a total annual admission capacity of about 29,087 students. Like this, 49 MBA institutions (7 government colleges and 42 private colleges) offer P.G.-level management education, with a capacity for around 3,282 students. On November 30, 2022, there were 30 medical colleges in the state. Of these, 6 were in the government sector, 1 was a constituent college of the Rajasthan University of Health Sciences (RUHS), 12 were part of the Rajasthan Medical Education Society (Raj-MES), 1 was the All-India Meerabai Institute of Medical

---

[9] https://stpi.in/en/stpi-annual-reports

Sciences in Jodhpur, and the remaining 9 were in the private sector. 125 polytechnic colleges with a 25,234-student enrolment capacity are operating in the State to provide technical education. Out of these, 40 are government co-educational polytechnic colleges with a capacity to accept 7,071 students, one is a central co-educational college with a capacity to accept 40 students, eight are government women's polytechnic colleges (in Jaipur, Bikaner, Jodhpur, Udaipur, Ajmer, Kota, Sanganer, and Bharatpur), with a capacity to accept 1,090 students, and there are also 76 private polytechnics colleges are also functioning with intake capacity of 17,033 students.

Rajasthan's increasing urbanization and economic development have led to a rising middle-class population seeking better educational opportunities. With investments in infrastructure, technology, and skill development, the state can further harness this potential, fostering the growth of schools, colleges, vocational training centers, and universities, contributing significantly to both local and regional development while enhancing the overall quality of education. The government had been taking steps to further strengthen the education sector.

5. **Healthcare:** Rajasthan has witnessed significant growth in its healthcare sector in recent years. The state has made substantial investments in upgrading healthcare infrastructure, including the establishment of new hospitals, clinics, and healthcare centres, particularly in rural and underserved areas. Initiatives like the Bhamashah Swasthya Bima Yojana, Mukhyamantri Nishulk Jaanch Yojana and the Mukhyamantri Nishulk Dava Yojana have expanded access to quality healthcare services for a large section of the population. Additionally, Rajasthan has seen a surge in private healthcare facilities and medical colleges, further augmenting the sector's capacity. The state's focus on promoting medical tourism, with world-class hospitals and wellness centres, has also contributed to the growth of the healthcare industry. Overall, these efforts signify a positive trajectory for healthcare in Rajasthan, with increased accessibility, improved quality of care, and a growing contribution to the state's economy.

6. **Finance and Banking:** The finance and banking sector in Rajasthan has witnessed substantial growth in recent years, driven by a combination of factors. The state has seen an expansion of banking infrastructure, with increased branch networks, particularly in rural areas, improving access to financial services. Initiatives like the Pradhan Mantri Jan Dhan Yojana (PMJDY), State Direct Benefit Transfer Scheme, Janadhar Card etc. have boosted financial inclusion, bringing more individuals into the formal banking system. Rajasthan's thriving MSME sector has received crucial financial support from banks, furthering economic development. **Some schemes in this direction are Indira Gandhi Shahri Credit Card Yojna, Mukhya mantri Laghu Udhyog Protashahan, Mukhya mantri Laghu Udhyog Protashahan** . Digital banking and online payment services have gained popularity, enhancing convenience for residents. Additionally, the state government's efforts in promoting investment and developing financial infrastructure have contributed to the sector's expansion, positioning Rajasthan as a growing hub for finance and banking activities in North India.

7. **Transport and Logistics:** The transport and logistics sector in Rajasthan has witnessed robust growth, driven by strategic geographical advantages and

concerted infrastructure development efforts. The state's pivotal location at the crossroads of major trade routes has established it as a critical transit hub for goods moving across northern and western India. Investments in road, rail, and air connectivity, including projects like the Delhi-Mumbai Industrial Corridor (DMIC) and the Dedicated Freight Corridor (DFC), have significantly improved logistics efficiency. Moreover, the development of logistics parks, warehousing facilities, and industrial clusters has further bolstered the sector. Rajasthan's proximity to international borders has also potential of cross-border trade, which could contribute to the sector's expansion. With the rising demands of e-commerce, retail, and agriculture, the transport and logistics industry in Rajasthan continues to play a pivotal role in facilitating trade and economic growth.

4.11 Growth in Digitalization & E-Governance

Digitalization plays a pivotal role in driving industrial growth by revolutionizing traditional operational models and enhancing efficiency. It enables businesses to leverage advanced technologies like Internet of Things (IoT), artificial intelligence, and data analytics to optimize production processes, monitor supply chains in real time, and make data-driven decisions. This not only leads to cost savings but also improves product quality and customization capabilities. Additionally, digitalization facilitates greater connectivity between different facets of an industry, fostering collaboration and innovation. By embracing digital transformation, industries can adapt swiftly to market changes, respond to customer demands more effectively, and ultimately gain a competitive edge in today's rapidly evolving global economy.

Rajasthan has been making substantial strides in the field of digitalization across various sectors. Here are some key areas where digitalization efforts have been notable:

1. **E-Governance:** The Rajasthan government has been actively working on e-governance initiatives to make government services more accessible and efficient for citizens. Rajasthan has launched various schemes, portals, networks, and facilities to increase digitalization. The "e-Mitra" platform, for instance, allows citizens to avail a wide range of government services online. Many other initiatives like Rajasthan Sampark Portal, GWMS, RajVC, RajNet and RajSWAN, RajWIFI, Video wall and IP Phone, Geographical Information System (GIS), e-Mitra Plus, Raj e-Sign, eSanchar and i-Fact, Bhamashah State Data Centre (BSDC), Raj-Kaj, Raj Kisan Saathi, Wildlife Surveillance and Anti- Poaching System (WS&APS), Command & Control Center (ABHAY) etc.

   Because of these efforts Rajasthan has become leading state in terms of e-governance. **According to National e-Governance Service Delivery Assessment 2021 Report, Rajasthan has acquired the number one position in state/UT service portals in the 'Remaining States- Group B' category. According to SKOCH State of Governance Report 2022 Rajasthan's ranking in e-governance is 2nd.**

2. **Digital Education:** Digital education holds paramount importance in Rajasthan as it addresses critical challenges in the state's educational landscape. With its vast and diverse population, digital education enables equitable access to quality learning resources, particularly in remote and underserved areas. It empowers students and teachers alike by providing a wealth of digital content, online courses, and interactive platforms, augmenting traditional classroom learning. Moreover, digital education in Rajasthan facilitates continuity in learning, even during unforeseen

61

disruptions like the COVID-19 pandemic. By fostering digital literacy and utilizing technology, the state is not only enhancing educational outcomes but also preparing its youth for a digitally driven future, thereby contributing to socioeconomic development and global competitiveness. Efforts have been made to provide digital infrastructure, online learning resources, and digital literacy programs to students and teachers.

The Department of School, Government of Rajasthan is implementing the following programs on digital learning to support student and teacher learning during Covid-19 as well as overall digital practices in the state:

- ► SMILE program - social media Interface for Learning Engagement
- ► Shikshadarshan - Educational content via TV
- ► Shikshavani - Radio broadcasts for students who don't have access to smartphones
- ► Hawamahal - Joyful Saturday
- ► Conducting live sessions for students on career guidance via YouTube
- ► Kala Utsav - Summer Camp
- ► DIKSHA content
- ► E-content invited via ShalaDarpan

3. **Healthcare:** Rajasthan has been actively leveraging digital technologies to enhance healthcare services. Through initiatives like telemedicine, the state aims to extend healthcare access to remote and underserved areas. Electronic Health Records (EHRs) are being promoted to ensure seamless and secure sharing of patient information among healthcare providers, leading to more coordinated and efficient care. Additionally, healthcare portals and mobile apps provide citizens with easy access to information about healthcare facilities and services. The implementation of e-Aushadhi, which digitizes the management of medical inventory, has streamlined the procurement and distribution of essential healthcare supplies. These digital healthcare efforts collectively work towards improving healthcare delivery, efficiency, and accessibility across the state of Rajasthan.

   e-Sushrut*(HMIS) Arogya Online Health Management and Information System, PCTS (HMIS) Pregnancy, Child Tracking and Health Services Management System Software, Telemedicine Services Project in Rajasthan, MNJY (e-Aushadhi) Mukhyamantri Nishulk Jaanch Yojana, CHRIS Computerized Human Resource Information System, IMPACT (HMIS) Integrated System for Monitoring of PCPNDT ACT, ASHA-Soft, MNDY*(e-Aushadhi) Mukhyamantri Nishulk Dava Yojana, IASPMS Integrated Ambulance Service Payment Monitoring System, e-Upkaran, ECTS Eligible Couple Tracking System are some of major initiatives in the direction to digitalize Rajasthan's healthcare system.

4. **Agriculture:** Rajasthan has been actively embracing digital agriculture to empower its farming community and enhance agricultural productivity. Through the deployment of digital tools and platforms, the state facilitates timely access to vital agricultural information, including weather forecasts, crop advisories, and market prices. Precision agriculture techniques, such as soil testing and smart irrigation, optimize resource usage and improve crop yields. Digital marketplaces and e-Krishi Mandi initiatives connect farmers directly with buyers, reducing intermediaries and

ensuring fair prices. Additionally, crop insurance, agricultural extension services, and farm management apps contribute to a more resilient and efficient agricultural ecosystem in Rajasthan, benefiting farmers and advancing sustainable agriculture practices.

5. **Economic Development:** Rajasthan has been actively promoting digital entrepreneurship and start-ups. Incubators and accelerators have been set up to support digital businesses, and the state government offers incentives to attract technology investments. Some of initiatives are as follows:

   ► iStart Rajasthan is the flagship program by the Government of Rajasthan to promote innovation, generate employment and facilitate investment in the state. iStart platform is a 100% online public or private start-up recognition, start-up upgrading, start-up skill building, start-up promotion, start-up funding and start-up acceleration platform which is one of the largest state-run managed start-up ecosystems in the country today.
   ► **iStart: Total Jobs Created by Start-ups: more than 21,298**
   ► **Total investments in Start-ups: ₹ 210 Crore**
   ► Start-up Incubation: Techno Hub located at Jaipur is largest start-up hub in the country, with a seating capacity of over 700 start-ups and 1,50,000 sq. ft of incubation space.
   ► iStart Nest (working): Udaipur, Bharatpur, Kota, Bikaner, Churu, Jodhpur and Pali. iStart Nest (developed): Ajmer

6. **Connectivity:** Efforts have been made to expand internet connectivity and improve broadband infrastructure. This is crucial for bridging the digital divide and providing internet access to even the most remote areas.

   RajNet and RajSWAN: Integrated network solution for connectivity up to Gram Panchayats have been provided through Rajasthan Statewide Area Network (RajSWAN). Provides internet connectivity to State Offices, District Offices, Block Offices through Vertical and Horizontal Connection. **IP Phones have been installed at 33 District Headquarters and 9,635 Gram Panchayats. More than 9,400 GPs have been connected under this programme.**

   RajWIFI: Total 10,641 WiFi Hotspot has been provided in 9,432 Gram Panchayats in Rajasthan under RajWiFi Project.

7. **Smart Cities:** Some cities in Rajasthan, like Jaipur and Udaipur, are part of the Smart Cities Mission. This initiative aims to leverage digital technologies for urban planning, governance, and citizen services. Rajasthan secured the second position among 36 states and union territories in the country in implementing smart city projects, with four of its cities making a mark in the mission.[10]

8. **Digital Payments and Financial Inclusion:** The state has been actively promoting digital payments and financial inclusion. Initiatives like the Jan Dhan Yojana and the use of Aadhaar for direct benefit transfers have played a significant role in this regard.

---

[10] https://www.smartcitiescouncil.com/article/rajasthan-ranks-second

The Rajasthan Jan Aadhar Yojana is a government scheme that aims to provide a unique identification number, similar to Aadhar, to every resident of the state. This unique ID helps in efficient delivery of government services, subsidies, and benefits to the eligible beneficiaries, enhancing transparency and reducing duplication in welfare programs. The scheme is designed to improve the overall effectiveness of social welfare programs and promote financial inclusion among Rajasthan's residents.

Physical achievements of the Rajasthan Jan Aadhaar Scheme (as on 31.12.2022)

Table 13: Physical achievements of Jan Aadhar

Sl. No.	Particulars	Status
1	Total Number of Enrolled Families	1.94 Crore
2	Total Number of Enrolled Individuals	7.57 Crore
3	Total Number of Transactions (Cash and Non-Cash)	127.62 Crore
4	Total Cash benefit transacted through DBT	52445 Crore
5	Number of beneficiary Schemes Integrated with the Jan Aadhaar Platform	70
6	Number of services integrated with Jan Aadhaar platform	33

4.12 Success Of Various Financial Assistance Schemes

Central Schemes:

1. **PMEGP:** The Prime Minister's Employment Generation Programme (PMEGP) is a flagship scheme in India aimed at promoting Micro, Small, and Medium Enterprises (MSMEs). It facilitates self-employment opportunities and generates sustainable employment by providing financial assistance to entrepreneurs in setting up new micro-enterprises or expanding existing ones. Under PMEGP, beneficiaries can avail of financial support for their projects in the form of a subsidy on the project cost, which varies depending on the category of the project. The scheme is administered through the Khadi and Village Industries Commission (KVIC) at the national level, along with State Khadi and Village Industries Boards (KVIBs) at the state level, and aims to foster entrepreneurship, reduce unemployment, and boost economic development across various sectors.

Performance in PMEGP
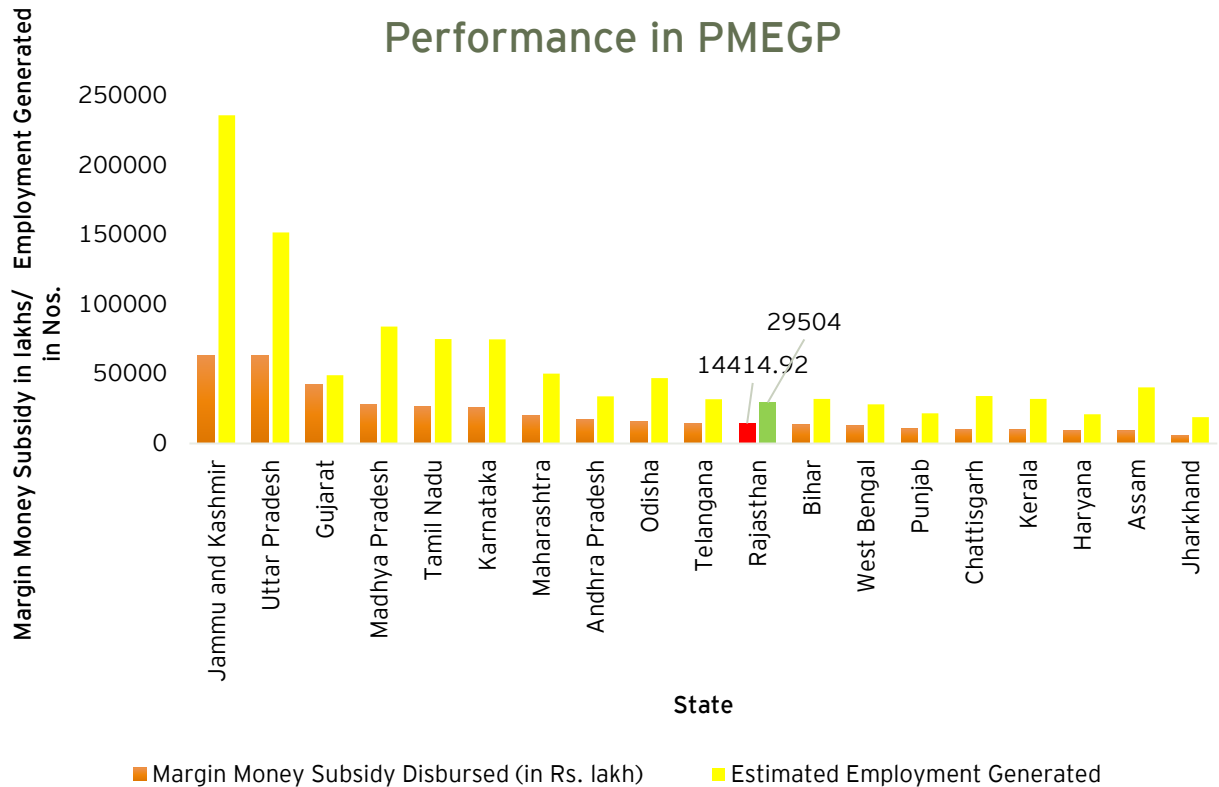
Figure 13:State wise PMEGP progress (employment generated/ margin money disbursed)

Total Margin Money Disbursed (in Rs. Lakh) (Year 2021-22 & 2022-23) in Rajasthan is 14,414.92 Lakh Rupees and Rajasthan generated total 29,502 employment in the scheme in this duration. In the above table it ranks at 11th position in Margin Money Disbursed and at 15th position in employment generated. It is in between position amongst the big states.

Employment Generated per lakh margin money subsidy disbursed
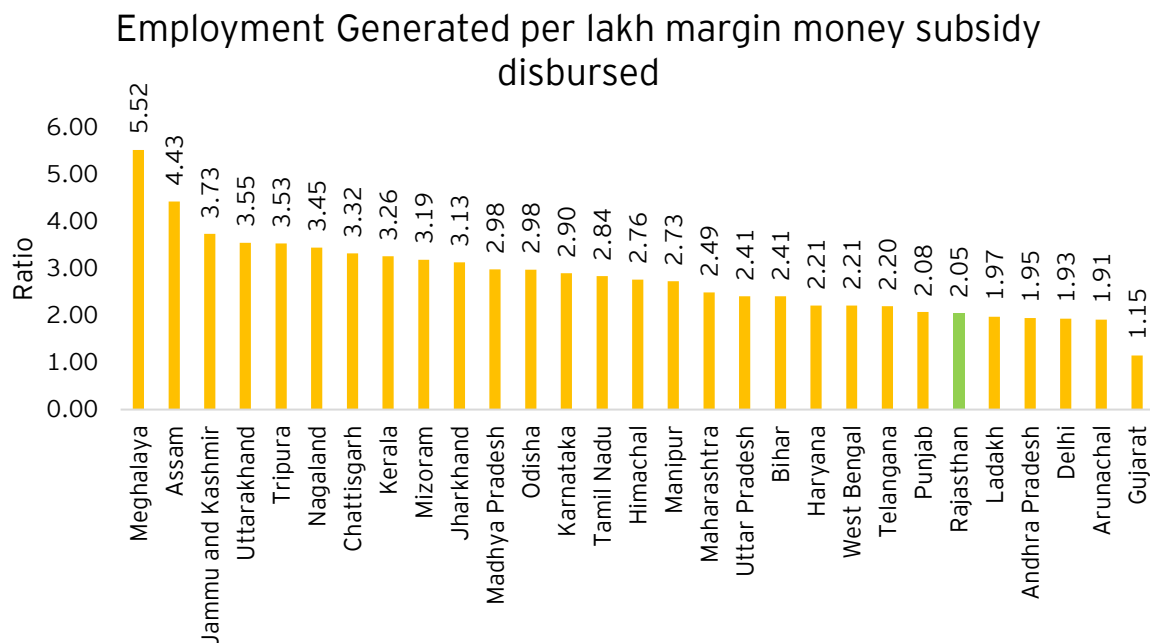
Figure 14: Employment generated per lakh margin money disbursed in PMEGP (state wise)

65

In employment generated per lakh margin money disbursed, with value of 2.05 Rajasthan stands at 26th position in the table which reflects that in terms of employment generation efficiency Rajasthan performance need to improve. In terms of Margin Money Disbursed Per Project with 3.91 Lakh Per Project Rajasthan stands at 6th rank, it means whatever project was funded under PMEGP, it was funded well.

Margin Money Subsidy Disbursed per Project
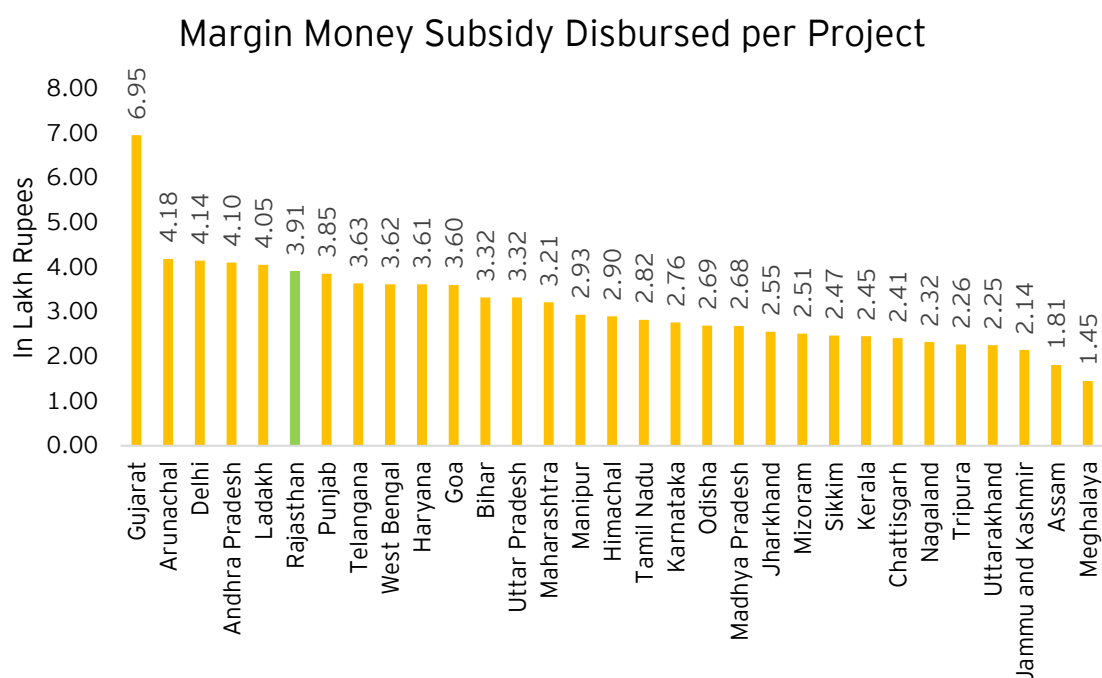
Figure 15: Margin money disbursed per project in PMEGP (state wise)

Credit Guarantee Scheme for Micro & Small Enterprises (CGTMSE): The Credit Guarantee Scheme for Micro & Small Enterprises (CGTMSE) is a government-backed initiative in India designed to facilitate easier access to credit for Micro and Small Enterprises (MSEs). Under this scheme, eligible MSEs can secure loans without the requirement of collateral or third-party guarantees, as the government provides a credit guarantee cover to the lending institutions. This guarantee mitigates the risk for banks and financial institutions, encouraging them to extend credit to MSEs, thereby promoting entrepreneurship and fostering the growth and development of the MSE sector. CGTMSE has played a vital role in empowering MSEs by improving their access to finance and enabling them to undertake business expansion and innovation.

Year wise Loan Approved in Crores
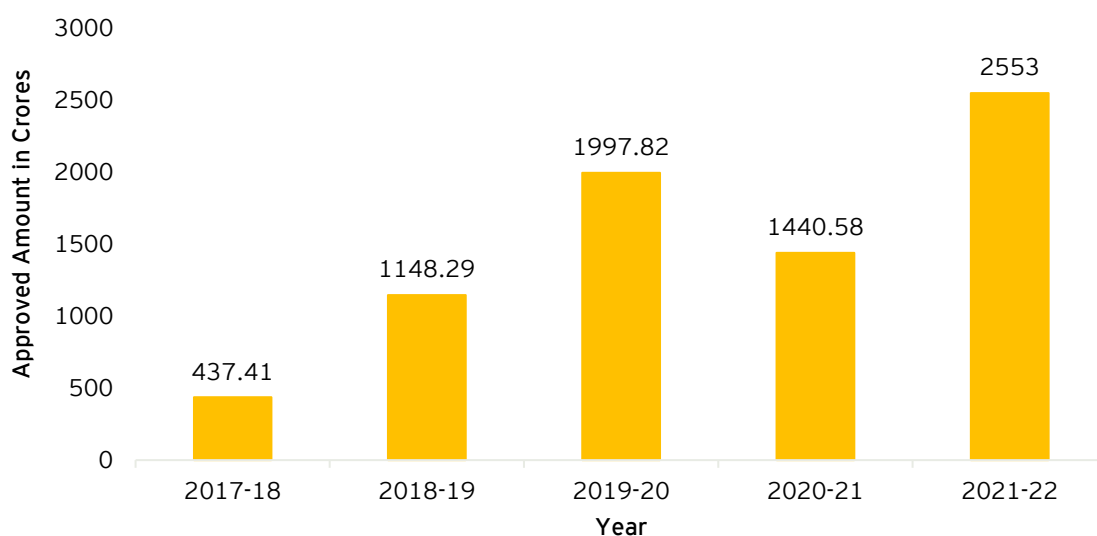
Figure 16: Progress of CGTMSE scheme in Rajasthan (loan approved amount)

Loans approved under CGTMSE has increased from 437.41 Crore in 2017-18 to 2553 Crore in 2021-22, but if we compare it to other states, in year 2021-2022 in terms of amount approved Rajasthan comes at 10th position.

State wise Amount Approved (in Crores) under CGTMSE (year 2021-22)
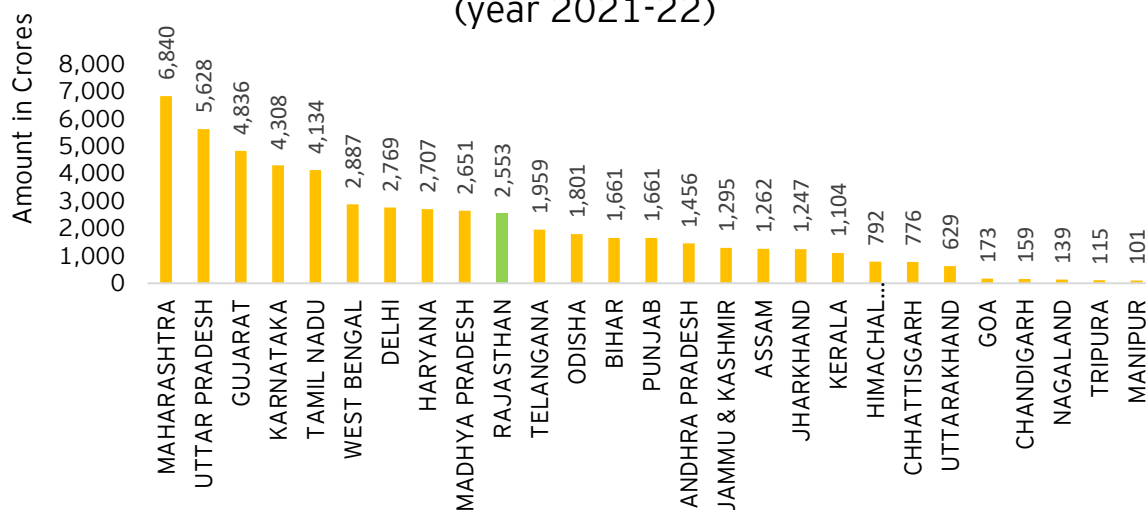
Figure 17: State wise loan approved under CGTMSE (2021-22)

MLUPY (State Scheme): The "Mukhyamantri Laghu Udyog Protsahan Yojana" in Rajasthan is a state government initiative aimed at promoting Micro and Small and Enterprises (MSEs) within the state. This scheme seeks to provide incentives and support mechanisms to encourage entrepreneurship and foster the growth of MSEs. It includes financial assistance, subsidies, and facilitation for the establishment and expansion of businesses, ultimately aiming to drive economic development, create employment opportunities, and enhance the overall business environment for MSEs in Rajasthan.

Loan Distribution by Bank under MLUPY (Amount in Crores)
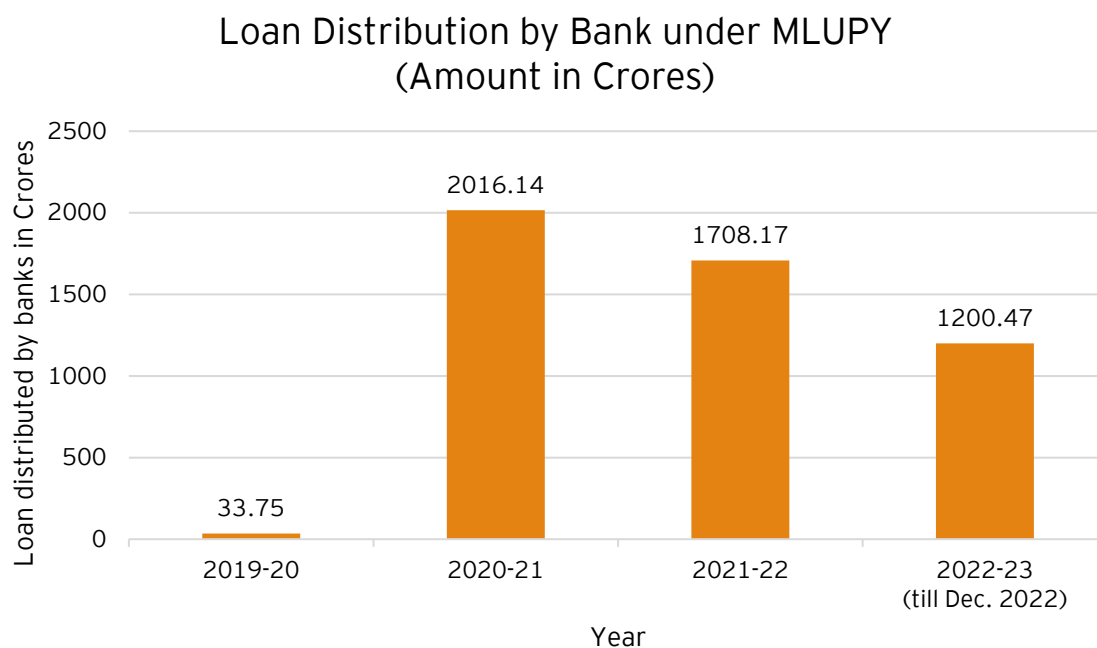
Figure 18: Progress of MLUPY scheme (loan distribution)

After 2020-21 there in steep decline in performance of MLUPY, loans distribution by banks has decreased sharply.

Target vs Achievment of MLUPY
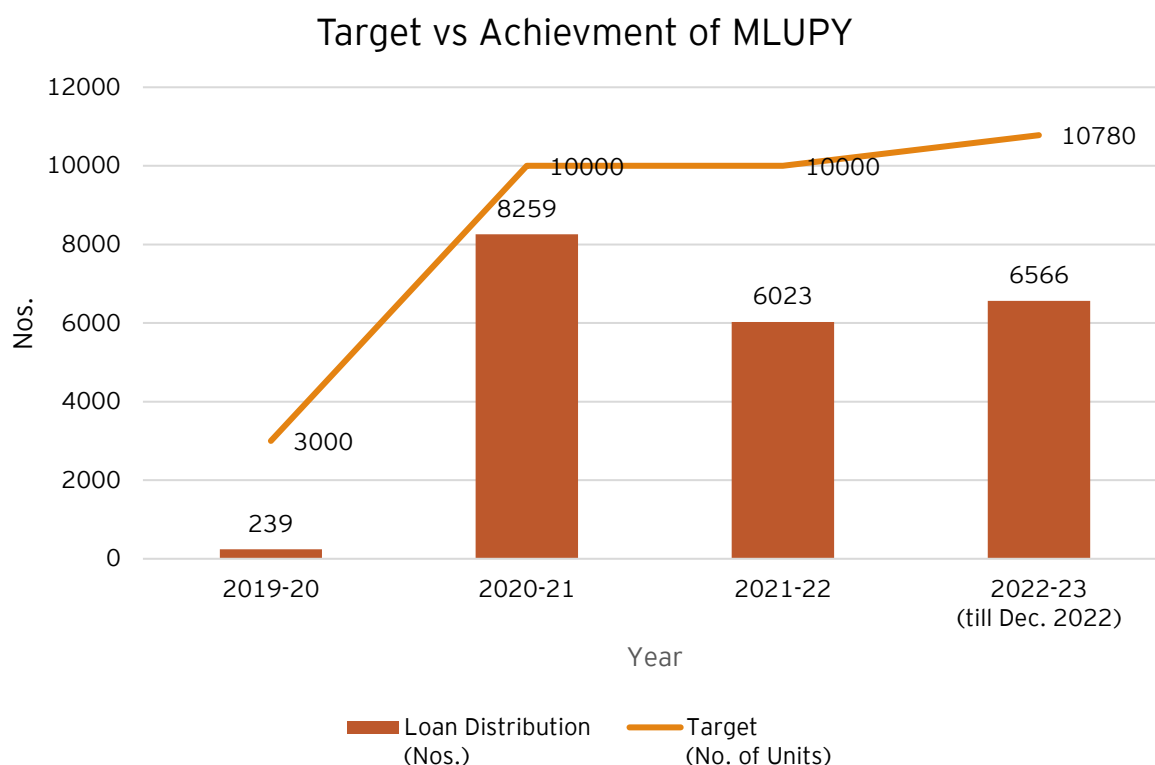
Figure 19: Target vs Achievements of MLUPY scheme

From the beginning in 2019-20 MLUPY could not achieve its target in any year, it was closest in year 2020-21 after that gap between target and achievement has widen up.

4.13 Total No. of GI Tags in Rajasthan, Comparison with other states:

Geographical Indications of Goods are defined as that aspect of industrial property which refer to the geographical indication referring to a country or to a place situated therein as being the country or place of origin of that product. Typically, such a name conveys an assurance of quality and distinctiveness which is attributable to the fact of its origin in that defined geographical locality, region or country. Under Articles 1 (2) and 10 of the Paris Convention for the Protection of Industrial Property, geographical indications are covered as an element of IPRs. They are also covered under Articles 22 to 24 of the Trade Related Aspects of Intellectual Property Rights (TRIPS) Agreement, which was part of the Agreements concluding the Uruguay Round of GATT negotiations.
Following is some of the significance of the GI Tags in India:

► There will be an increase in production, as it provides legal protection to the producers. This in turn will boost the Indian exports.

► It promotes the economic prosperity of the manufacturers/growers of the GI product. Since the GI tag yields a good reputation for a product, optimal prices can be fixed for those products. This improves the income of farmers as well as non-farmers.

► It enhances the growth of the tourism industry in the country.

There are 484 registered GI tags in India. Top 5 states in India which holds maximum number of GI tags includes Uttar Pradesh, Tamil Nadu, Karnataka, Maharashtra, and Kerala. Tamil Nadu and Karnataka hold maximum number of GI tags (58 GI Tag) followed by Kerala with

35 GI tag, Uttar Pradesh with 34 GI tag and Maharashtra with 31 GI tag**. There are only 16 GI tag of Rajasthan. [11]**

There are several reasons for the relatively low number of Geographical Indication (GI) tags in Rajasthan:

1. **Awareness and Application:** There is lower awareness or participation among producers and communities in Rajasthan about the benefits and process of obtaining GI tags. This could be due to a lack of information dissemination or outreach efforts.

2. **Resource Constraints:** Producers in certain areas of Rajasthan face challenges in meeting the requirements for obtaining a GI tag, such as quality standards, documentation, and compliance with specific production methods.

3. **Limited Institutional Support:** There is a need for enhanced institutional support, including government agencies, industry associations, and organizations, to assist producers in the GI application process and meet the necessary criteria.

4. **Complexity of Process:** The process of obtaining a GI tag can be intricate and time-consuming, requiring significant documentation and adherence to specific guidelines. Some producers may find this process daunting or may lack the necessary resources to navigate it.

5. **Prioritization of Other Initiatives:** Rajasthan have focused on other economic development initiatives or sectors, diverting attention and resources away from pursuing GI tags for local products.

There is lot of diversity available in Rajasthan, there are 10 agro climatic zones and lot of cultural diversity is also there in Rajasthan (Mewar, Marwar, Dhundhad, Harauti, Jangal, Mewat, Braj etc.). Rajasthan is highly enriched in unique and creative works of handicraft, artwork, apparels, gems & jewellery, woodwork, pottery etc. and has lot of potential to get more GI tags which could be tapped. It's important to note that the presence or absence of GI tags in a region is influenced by a combination of historical, cultural, economic, and regulatory factors. Efforts to increase the number of GI tags in Rajasthan can involve a combination of awareness-raising, capacity-building, and targeted support to local producers and communities.

4.14 Women Participation:

Women's participation in MSMEs is of paramount importance as it not only promotes gender equality but also significantly enhances economic growth and development. By harnessing the talent and potential of women in the workforce, industries can access a broader pool of skills, creativity, and perspectives, leading to increased innovation and productivity. Moreover, women's involvement in the industrial sector can stimulate economic diversification, reduce labour shortages, and improve the overall well-being of families and communities by providing opportunities for women to generate income, gain financial independence, and contribute to household incomes. Ultimately, fostering women's participation in industrialization is not only a matter of social justice but also a powerful driver of sustainable economic progress.

---

[11] https://ipindia.gov.in/writereaddata/Portal/Images/pdf/STATE_WISE_REGISTRATION_DETAILS

State-wise total Women owned MSME registered & classified under Udyam since inception on 01.07.2020 till 17.03.2023[12]
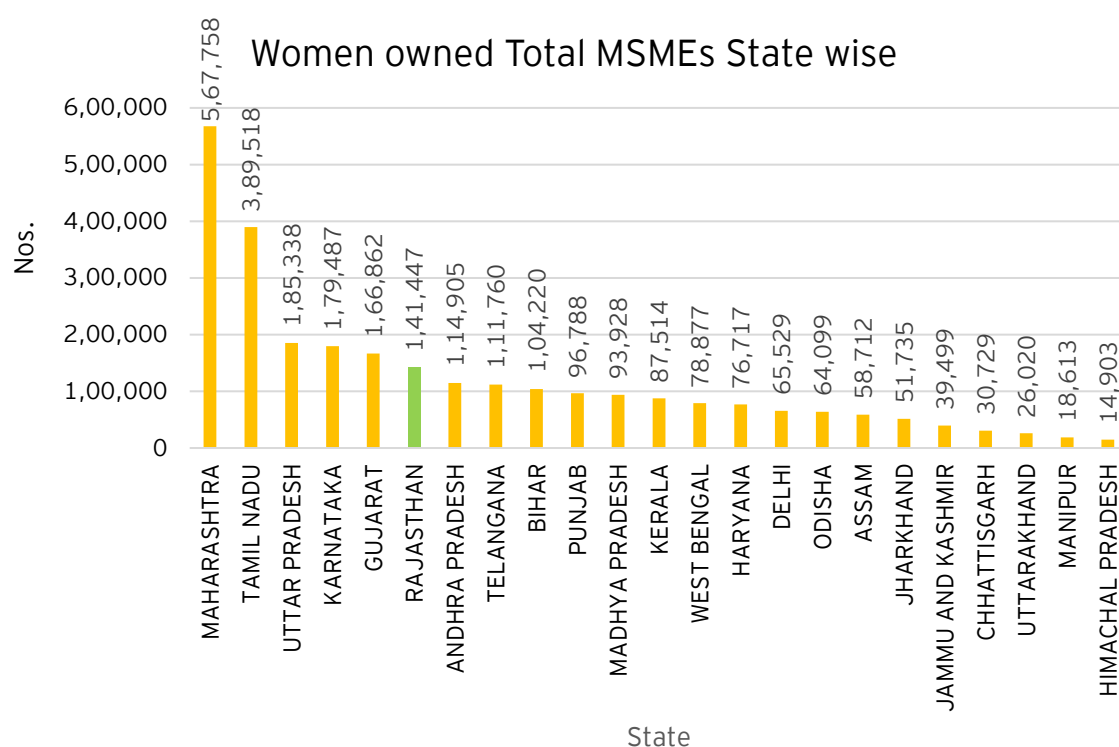
Figure 20: State wise women owned MSMEs

Data: PIB Website (https://pib.gov.in/)

As per Udyam Registration Portal, the total number of MSMEs and women owned MSMEs from 01.07.2020 to 12.03.2023 (as on 13.03.2023) in all India were 1,47,50,018 and 27,75,390 respectively (18.82%). [13]The State wise details are shown in the below graph.

---

[12] https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1909928
[13] https://pib.gov.in/PressReleasePage.aspx?PRID=1907502

Percentage of Women owned MSMEs
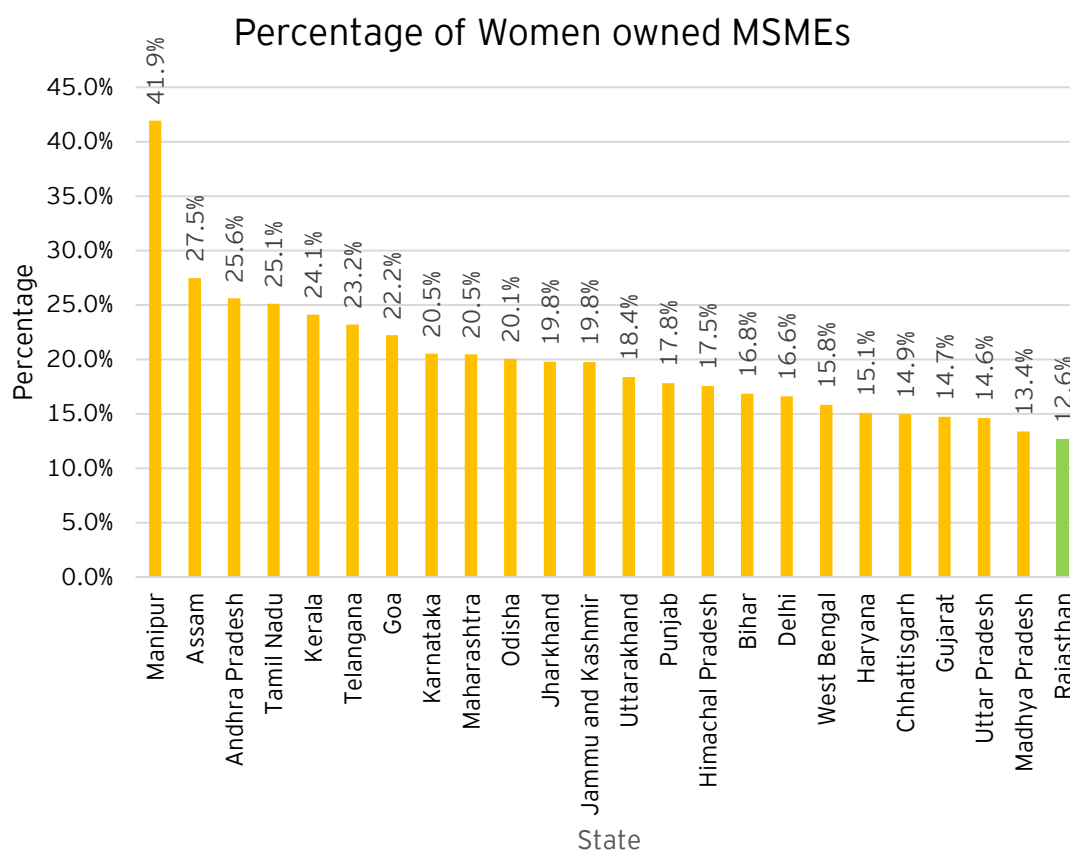
Figure 21: Percentage of women owned MSMEs

Analysis: From the above graph we can clearly observe that Rajasthan's performance in women participation in MSME is very poor (12.6%), it is quite below the national average of 18.8%. As previously discussed, lower women participation leads to narrower pool of workforce and skills, it deprives the industry from many innovations, ideas & perspectives which women participation could bring to industry and thus it effects competitiveness of MSMEs. Rajasthan need to put special emphasis to improve women participation in MSME industry to increase MSMEs competitiveness and it would also benefit the state in social sector.

The lower participation of women in Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan can be attributed to a combination of social, economic, and cultural factors. Here are some key reasons:

Addressing these challenges requires a multi-faceted approach involving government policies, community support, access to education and training, and changes in cultural attitudes towards women's participation in entrepreneurship.

Increasing women's participation in Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan, as in many other regions, requires a multifaceted approach that addresses various barriers and promotes an enabling environment for women entrepreneurs. Here are several suggested interventions to encourage greater women's participation in MSMEs:

Interventions to Increase Women Participation in MSME

Interventions	Mechanisms	Outcomes
► Financial Inclusion and Access to Credit ► Skills Development and Training ► Mentorship and Networking ► Access to Technology and Digital Literacy ► Market Access and Export Opportunities ► Legal and Regulatory Support ► Childcare and Work-Life Balance ► Awareness Campaigns ► Government Support and Incentives ► Monitoring and Evaluation	► Establish Women-Centric Financial Programs ► Comprehensive Business Training ► Foster Mentorship and Networking ► Promote Digital Literacy ► Facilitate Market Access ► Eliminate Gender-Based Obstacles ► Support Work-Life Balance ► Launch Awareness Campaigns ► Drive Gender Equality ► Data-Driven Policy Adjustments	► Increased Women's Participation in Entrepreneurship ► Enhanced Business Skills ► Mentorship and Networking Opportunities ► Reduced Gender-Based Obstacle ► Gender Equality ► Economic Growth

By implementing these interventions and fostering a more inclusive and supportive ecosystem, Rajasthan can create opportunities for women to thrive as entrepreneurs in the MSME sector, contributing to economic growth and gender equality in the state.

4.15 Suggested Interventions to Improve Competitiveness of MSME:

Improving the competitiveness of Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan is essential for driving economic growth and job creation in the state. Here are detailed interventions to enhance the competitiveness of MSMEs in Rajasthan:

1. **Access to Finance:**

   ► Financial Literacy Programs: Launch financial literacy programs to educate MSME owners about various financing options, including traditional bank loans, government schemes, and venture capital.

   ► Credit Guarantee Scheme: Establish a credit guarantee scheme to encourage banks and financial institutions to provide loans to MSMEs with reduced collateral requirements and lower interest rates.

   ► MSME Loan Facilitation centres: Set up centres to assist MSMEs in preparing loan applications, business plans, and financial statements for easier access to credit.

2. **Technology Adoption and Innovation:**

► Technology Upgradation Subsidies: Provide subsidies and grants to MSMEs for upgrading their technology, machinery, and equipment to enhance productivity and quality.

► Innovation Hubs: Establish innovation hubs and technology parks to facilitate research and development, prototyping, and collaboration between MSMEs and research institutions.

► Digital Transformation: Promote digitalization and Industry 4.0 technologies among MSMEs through training programs, workshops, and incentives for adopting digital solutions.

3. **Skill Development and Workforce Enhancement:**

► Skill Development centres: Develop skill development centres and vocational training programs aligned with the specific needs of MSME sectors in Rajasthan.

► Apprenticeship Programs: Encourage MSMEs to offer apprenticeships and internships to students and job seekers, fostering a skilled workforce.

► Industry-Academia Collaboration: Facilitate partnerships between MSMEs and educational institutions for curriculum development and customized training programs.

4. **Market Access and Export Promotion:**

► Market Intelligence and Export Assistance: Provide MSMEs with market intelligence and export promotion services to identify international market opportunities and navigate trade regulations.

► E-commerce and Digital Marketing: Support MSMEs in establishing an online presence and leveraging digital marketing to reach a wider customer base.

► Trade Fairs and Exhibitions: Organize trade fairs, exhibitions, and buyer-seller meets in more numbers to showcase MSME products and facilitate networking with potential buyers.

5. **Quality and Standards Compliance:**

► Quality Certification Support: Offer assistance to MSMEs in obtaining quality certifications such as ISO, BIS, and CE, thereby enhancing their product quality and market competitiveness.

► Quality Control centres: Establish quality control centres to provide testing and certification services to MSMEs at affordable rates.

6. **Cluster Development:**

► Cluster Formation: Encourage the formation of MSME clusters in specific sectors to promote collaboration, shared resources, and knowledge exchange.

► Cluster-Based Infrastructure: Develop industrial infrastructure and common facilities for cluster-based MSMEs to reduce costs and enhance competitiveness.

► Cluster Training Programs: Organize sector-specific training and skill development programs for MSMEs within clusters.

7. **Regulatory Reforms and Ease of Doing Business:**

► Single-Window Clearance: Improvise the single-window clearance system for MSMEs to streamline the registration, licensing, and compliance processes.

► Regulatory Advisory Services: Provide advisory services to MSMEs on regulatory compliance and facilitate interactions with government departments.

8. **Capacity Building and Entrepreneurship Development:**

► Business Incubators and Accelerators: Establish and support business incubators and accelerators to nurture start-ups and early-stage MSMEs.

► Entrepreneurship Development Programs: Offer entrepreneurship development programs, workshops, and mentoring for aspiring MSME owners.

9. **Networking and Collaboration**:

► MSME Associations: Promote the formation and strengthening of MSME associations and networks for knowledge sharing, collective advocacy, and access to resources.

► Government-MSME Collaboration: Encourage collaboration between MSMEs and government agencies for capacity building, technology adoption, and policy advocacy.

10. **Sustainability and Green Practices:**

► Green Financing: Introduce green financing options and incentives for MSMEs adopting sustainable and environmentally friendly practices.

► Sustainability Certification: Support MSMEs in obtaining sustainability certifications, promoting responsible production and resource management.

11. **Access to Government Procurement:**

► Set-Aside Programs: Reserve a portion of government procurement contracts for MSMEs, providing them with access to government markets.

► Government Procurement Workshops: Conduct workshops to educate MSMEs on how to participate in government tenders and fulfil procurement requirements.

12. Monitoring and Evaluation:

► Performance Metrics: Develop key performance indicators (KPIs) and regularly monitor and evaluate the impact of interventions on MSME competitiveness.

► Feedback Mechanisms: Establish feedback mechanisms for MSMEs to provide input on the effectiveness of support programs and suggest improvements.

By implementing these comprehensive interventions, Rajasthan can significantly enhance the competitiveness of its MSME sector, fostering economic growth, innovation, and employment opportunities in the state.

5 Access to Finance

The growth and development of MSME sector is a significant aspect for becoming a global economic force. One of the major requirements in this regard is easy and affordable access to finance especially for micro and small enterprises. Despite of the importance of the MSMEs in economic growth, the sector is facing challenges and does not get the required support from various stakeholders which is proving to be a hurdle in the growth plan of the MSMEs.

Most MSME enterprises are afraid of seeking loans from commercial banks, mainly because of illiteracy, knowledge of technology, collateral requirements, and other factors. There is a perception among entrepreneurs that excessive documentation at the time of loan sanctioning is a major factor for banks delaying loans. The Government (State and Central) and the Reserve Bank of India have established several regulations and policies to improve credit flow to the MSME economy over the years. Despite these measures in place, there is evidence of MSMEs having limited access to bank finance, which hinders their growth and development.

5.1 Sources of demand for credit from MSMEs:

Due to market principles and MSMEs life cycle patterns, there exists a strong demand for supply of credit in the state of Rajasthan. Investment requirements in plant and machinery, longer payment cycles and delayed pay-outs play a big role in creating demand for credit.

Credit demand from MSMEs can be majorly categorized into following two major parts:

Working Capital Requirements

► Working capital demands are usually the funds required by the enterprises to meet their daily business needs. Such requirements are majorly short-term requirements and follow shorter repayment cycles. Working capital demands usually include following areas:

- Manage and enhance business cash flows
- Purchase of raw materials
- Addition in inventory/stock
- Payments of salaries etc.

Capital Investment Requirements

► Capital investment demands are usually the funds required by the enterprises for new investments related to upgradation/ expansion of their businesses. These requirements are generally long-term and follow larger repayment cycles. Such demands may include following areas:

- Upgradation/ expansion of traditional business assets (i.e., Land, Plant & Machinery etc.)

• Creation of innovative facilities like Green Infrastructure

5.2 Key stakeholders in MSME Financing Ecosystem

Key stakeholders participating in MSME financing ecosystem may be classified into following four (4) categories:

Formal Lending Institutions/ Financing Institutions   *Government Programmes*   *Alternate Financing Mechanisms*   *Informal Lending*
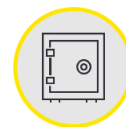
I. Formal Lending/ Financing Institutions:

Public Sector Banks, Private Sector Banks, Rural Banks, Cooperative Banks, Small Finance Bank, Non-Banking Financial Corporations etc.

II. Government Programmes:

Central Government Programmes: Prime Minister's Employment Generation Program (PMEGP), Pradhan Mantri Mudra Yojana (PMMY), CGTMSE, Stand-Up India, Pradhan Mantri Rozgar Protsahan Yojana etc.

State Government Programmes: Mukhyamantri Laghu Udhyog Protsahan Yojana (MLUPY); Bhimrao Ambedkar Rajasthan Dalit, Adivasi Udyam Protsahan Yojna (BRUPY); Mukhyamantri Laghu Vanijyik Vahan Swarojgar Yojana etc.

III. Alternate Financing Mechanisms:

Trade Receivables eDiscounting System (TReDS); SME Equity Platforms (BSE/NSE) etc.

IV. Informal Lending:

Due to their informal nature, MSMEs (especially micro enterprises) lack access to formal credit as banks face challenges in credit risk assessment owing to lack of financial information, historical cash flow data, etc. Hence, such micro and small units are dependent on informal sources of funds like personal savings, friends, families, moneylenders etc.

5.3 Current Status of MSME Financing in Rajasthan

As of March 2023,[14], the state had 8,580 Bank branches. The Credit to Deposit Ratio in March 2023 stood at 88.52% which has observed a growth of 1.58% from FY 22 to FY 23. Total advances in Rajasthan, as of March 2023, stood at INR 5.47 Lakh Crores which observed a growth of 17.26% from March 2022. MSME advances accounted to a value of INR 1.41 Lakh Crores which is 25.75% of the total advances. Contribution of MSME advances in Total Advances underlines the strong commitment of State towards enhancing access to finance for MSMEs.

Table 14: Banking Statistics - Key Business Parameters (Amount in INR Cr.)

---

[14] http://slbcrajasthan.in/assets/docs/pdf/minutes/Minutes157.pdf

Parameters	March-20	March-21	March-22	March-23
Total No. of Bank Branches	8153	8205	8315	8580
Total Deposits	434010	495444	547105	617975
Total Advances	360214	408932	466511	547021
CD Ratio	82.99%	82.54%	85.27%	88.52%
Total Advances to MSME Sector	80421	94954	120943	140864
% of MSME Adv. to Total Adv.	22.33%	23.22%	25.93%	25.75%

MSME Credit Scenario from Formal Sources: The traditional sources of revenues in the state comprise formal finance which encapsulates Banks, NBFCs, and other MFIs. The Annual Credit Plan target for MSMEs in FY 22-23 was INR 72,305 Crore which stood at 31.56% of the total Annual Credit Plan target of INR 2,29,076 Cr. for 2022-23.

The highest allotment under ACP for MSMEs (i.e., INR 40,571 Crore) was done for Micro enterprises, followed by INR 21,480 Crore for Small and INR 8,026 Crore for Medium enterprises[15]. With the supply aspect covered, the demand was also found to be robust in the state's market. The banks in Rajasthan disbursed 157% of their loans. All segments of banking industries aced their target by disbursing more than 100%. The commercial banks disbursed 158.67%, Regional Rural Banks (RRBs) disbursed 195.31% and Small Finance Banks disbursed 137.34% of the targets for MSME ACP. However, performance of Cooperative banks has been marginal in terms of loans to MSMEs.

Financing support to MSMEs from Government Programmes: The government, being the prime mover of the economy, has the onus of complementing the steps of Financing Institutions and pitching in to fill in the gaps wherever it deems necessary. Government has been supporting entrepreneurs throughout the state to take benefits under various Central as well as State Government schemes.

- Under Pradhan Mantri Mudra Yojana (PMMY), loans worth INR 24,492.62 Crore were disbursed to 29,77,440 beneficiaries in FY 22-23.

- Margin money targets for FY 22-23 under PMEGP Scheme were fixed at INR 114.48 Crores in state. However, 91.41% target was achieved resulting in total disbursal of INR 104.65 Cr. across 1,974 projects as per minutes of 157th SLBC meeting. Sanctioned Margin Money value under PMEGP stood at INR 202.96 Cr. across 3202 projects. Rajasthan needs to take measures to bridge this gap of sanctioned amount vs. disbursed amount in the state.

- Under CGTMSE[16], Rajasthan had 32,178 cases covered under the Credit Guarantee with the Credit Guarantee Extended Amount of INR 2,140.58 Cr. During FY 22-23, a total of 562 claims were settled by CGTMSE having claim settlement amount of INR 13.55 Cr.

- Under Stand Up India Scheme till 16.06.23, total loans of INR 2,094.33 Cr. have been sanctioned for 9,327 projects and INR 875.11 Cr. have been disbursed to 4,911

---

[15] http://slbcrajasthan.in/assets/docs/pdf/agenda/Agenda157.pdf
[16] https://dashboard.msme.gov.in/cgtmse_fyld.aspx?id=11

account since the inception of the scheme in FY 2016-17. In FY 22-23, total 2,885 cases have been sanctioned with a value of INR 635.03 Cr. and loan amounting to INR 115.76 Cr. was disbursed in 630 accounts.

- State has launched Mukhyamantri Lahgu Udhyog Protsahan Yojana (MLUPY) with the objective of providing subsidized loans through banks to facilitate the establishment of enterprises in the state and to provide new employment opportunities to all sections of the society. Under MLUPY in FY 22-23, a total of 11,546 cases were sanctioned by banks with sanctioned amount of INR 1743.49 Cr. against the target of 10,780 cases as per minutes of 157th SLBC Meeting. The scheme has seen unprecedented response from the industries in state, however some applicants have been able to take benefits under the scheme due to lack of availability of funds under the scheme.

- State has recently launched Dr. Bhimrao Ambedkar Rajasthan Dalit Aadivaasi Udyam Protsahan Yojna (BRUPY) to support entrepreneurs belonging to SC/ ST categories in state. The scheme support borrower applicants through ways of Margin Money Subsidy, CGTMSE coverage and interest subsidy. By 03.03.23, a total of INR 4 Cr. has been disbursed to 17 accounts.

- *Financing support for Women owned MSMEs:* As per 73rd National Sample Survey, participation of women owned MSMEs in total MSME number in state is 14.39% which is one of the lowest in the country. While state has been making consistent efforts to improve women participation in economic activities, there is still a lot to be done to increase women participation. State needs to address impediments like financial access issues, marketing complications, socio-cultural barriers, lack of awareness etc.

  State has launched Indira Mahila Udyam Shakti Protsahan Yojana with the aim of all-round empowerment of women. Scheme supports women regarding setting up of enterprises, assistance for modern research, training for skill development, education for awareness etc. In FY 22-23, a total of INR 43.20 Cr. was disbursed to 629 beneficiaries with a 62.9% success.

Financial support from Alternate Financing Mechanisms: Trade Receivables Discounting System (TReDS) is an innovative online platform designed to facilitate Micro, Small, and Medium Enterprises (MSMEs) in India by providing them with the means to convert their receivables into cash, thereby unlocking working capital. TReDS has been pivotal in addressing the credit constraints faced by small businesses across the country. However, the current state of onboarding on the TReDS portal in the state of Rajasthan paints a concerning picture.

Overview of TReDS Platforms: TReDS is comprised of multiple platforms, each aimed at connecting buyers, sellers, and financiers. The primary TReDS platforms operating in India include M1Exchange, RXiL, and InvoiceMart. These platforms play a crucial role in bridging the gap between MSMEs and access to working capital.

The Current State in Rajasthan: Unfortunately, the state of onboarding on the TReDS portal in Rajasthan presents a sorry figure, as evidenced by the following statistics:

Table 15: TReDS Data in Rajasthan

Description	M1Exchange	RXiL	InvoiceMart	Total

Buyers	38	20	41	99
Sellers	946	746	1135	2827
Financiers	1	1	2	4
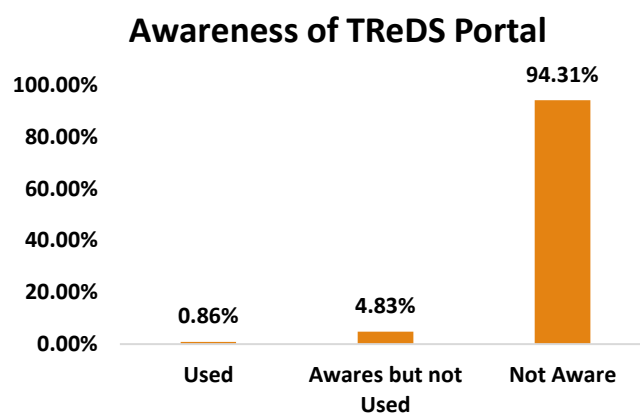
Figure 22: Awareness of TReDS platform

The survey data reveals that over 94% of the MSMEs are not even aware of the existence of the TReDS platform.

5.4 Recommendations

The proposed recommendations act on two fronts, one being increasing awareness of the finance schemes and the other being increasing the offtake of the CGTMSE loans as Rajasthan falls well behind the line with respect to number of guarantees being given against the total number of MSMEs registered on the UDYAM Portal.

1. **Increasing Awareness of Financial Schemes**:

The Knowledge Gap: One of the primary challenges hindering the growth of MSMEs in Rajasthan is the lack of awareness about the various financial schemes available to them. Many entrepreneurs are unaware of the opportunities and benefits that can be unlocked through schemes like CGTMSE.

Recommendations for Increasing Awareness:

- **Educational Campaigns**: Launch comprehensive educational campaigns targeting MSMEs across the state. These campaigns should provide information about the different financial schemes, eligibility criteria, and application processes.

- **Collaboration with Local Authorities**: Collaborate with local government bodies, trade associations, and chambers of commerce to disseminate information about financial schemes to a wider audience.

- **Online Resources**: Develop user-friendly online resources, including websites and mobile applications, that provide easy access to information about financial schemes, including CGTMSE.

2. **Enhancing the Offtake of CGTMSE Loans**:

Current Scenario: The number of guarantees being provided through CGTMSE loans in Rajasthan is disproportionately low compared to the total number of registered MSMEs on the UDYAM Portal. This indicates a significant untapped potential for MSMEs to benefit from the scheme.

Recommendations for Increasing CGTMSE Loan Uptake:

- **Financial Literacy Programs**: Offer financial literacy programs and workshops to MSME owners to help them understand the benefits and responsibilities associated with CGTMSE loans.

- **Mentorship and Guidance**: Provide mentorship and guidance to MSMEs to help them identify suitable financing options, including CGTMSE loans, and guide them through the application process.

- **Collaboration with Financial Institutions**: Foster collaboration between financial institutions and the CGTMSE to make it easier for MSMEs to access these loans.

3. **Credit Risk Database & Credit Rating:**

Credit ratings for the MSMEs in a state can be established through the utilization of a Credit Rating Database (CRD). This CRD will be created by compiling information from multiple sources, including data from the state's commercial tax department, CIBIL scores, and banking transaction records. Subsequently, banks can incorporate these credit ratings as a key factor in determining the interest rates and collateral requirements during the loan application process.

4. **TReDS**

The state of Rajasthan's MSME ecosystem presents a unique set of challenges compared to other states in India. Unlike regions where MSMEs often thrive through collaborations with Original Equipment Manufacturers (OEMs) and anchor units, Rajasthan's MSMEs stand out for their self-sufficiency. Here, it's a common scenario where both buyers and sellers are themselves MSMEs. Consequently, there arises a critical need to promote SME-SME transactions on the Trade Receivables Discounting System (TReDS) platforms.

► **Promoting SME-SME Transactions**:

The Self-Reliant MSME Landscape: Rajasthan's MSMEs are characterized by their ability to operate independently within a self-contained ecosystem. While this independence is commendable, it can also limit opportunities for growth and access to working capital.

Handholding and Financial Assistance: To encourage SME-SME transactions on TReDS platforms, it is imperative to provide comprehensive support to MSMEs. This includes offering handholding services and financial assistance to help them effectively onboard these platforms.

Benefits of SME-SME Transactions:

- **Wider Market Reach**: Collaborations among MSMEs can expand market reach and create new business opportunities within the state.

- **Efficient Working Capital**: TReDS platforms enable MSMEs to convert their receivables into cash, allowing for more efficient working capital management.

► **Enhancing Awareness**:

The Awareness Gap: Another significant challenge is the lack of awareness among Rajasthan's MSMEs about the TReDS platforms and their potential benefits. Many businesses are yet to explore this avenue for unlocking working capital.

Collaborative Awareness Campaigns:

- **Partnerships with TReDS Platforms**: Collaborative efforts between government authorities and the three TReDS platforms—M1Exchange, RXiL, and InvoiceMart—are essential. These partnerships can result in well-structured awareness campaigns and workshops.

- **Information Dissemination**: Conducting workshops and information sessions that detail the advantages of TReDS platforms, eligibility criteria, and the onboarding process can help bridge the awareness gap.

- **Digital Literacy**: In addition to awareness campaigns, there should be a focus on enhancing digital literacy among MSMEs to ensure they can comfortably navigate these online platforms.

► **Government and Industry Cooperation**:

Government Initiatives: The state government can play a pivotal role by incentivizing and supporting initiatives that promote SME-SME transactions on TReDS platforms.

Industry Associations: Industry associations and chambers of commerce can act as catalysts by actively engaging their members in adopting TReDS platforms.

6 Capacity Building and Skill Development

6.1 Overview of Skill Development & Capacity Building

The robust growth of MSME's have always been a major contributor in the country's Industrial growth. Training manpower to be a part of the workforce is an important component to foster and sustain the growth of MSMEs.

Industrial Training Institutes (ITIs) were established in 1950 by the Directorate General for Employment and Training (DGET) to provide a framework of training, skilling, and certifying workforce for the industry, however a large part of the workforce came through the informal route. DGET created and modified its framework from time to time based on the industry's need, with initiatives like the apprenticeship scheme, Modular Employable Skill (MES), CTS and capacity building of trainers through erstwhile Advance Training Institutes (ATI) or present-day NSTI established under the Ministry of Skill Development and Entrepreneurship, in addition individual Ministries also launched their own Skilling and capacity building initiatives like the SGSY, USTAAD, UDAAN, to name a few.

In the year 2014, the entire skill development and capacity building initiative was subsumed under the Ministry of Skill Development & Entrepreneurships; National Skill Development Corporation (NSDC) was established to scale up broad base and create industry relevant workforce and align all skilling initiatives under the NSQF (National Skill Qualifications Framework).

The Skill Training and Capacity Building initiatives have supported the large, medium and a section of small however we cannot say that about the micro industries. The primary objective of the programs under the MSDE is to provide employment preferably in the formal sector.

Even though the MSDE continues to drive the skilling initiatives various divisions under the MSME, realize that the micro industries and the informal sector need interventions to build capacity for skilling, up skilling, and capacity building and in keeping with the same they have taken initiatives to provide skills and build capacity of these section MSME's.

6.2 Skill Training & Capacity Building Eco-system of Ministry of MSME

The Ministry has been organizing several skill development programmes/ courses for the existing & potential entrepreneurs, to build their capacity. These training courses are as per demands of industry, a pathway to fill up the gap of requirement of skilled workforce in the MSME sector in consonance with the changing landscape of the MSME Ecosystem Skill training programmes are conducted by a network of institutions under the Ministry i.e.
   ► Khadi & Village Industry Commission (KVIC),
   ► Coir Board,
   ► National Small Industries Corporation Ltd. (NSIC),
   ► National Institutes for MSME (NI-MSME) and MSME –
   ► Technology Centres (TCs).

Focused Area
   ► The intake eligibility for the training programmes ranges from school drop out to M.Tech. level. Various levels of courses, viz. certificates, diploma, advance diploma, post diploma, post graduate diploma and post graduate courses are offered by these institutions.

► Furthermore, training for skill upgradation in traditional sector of Khadi & Village Industry and Coir sector are also provided to strengthen these sectors

The Ministry has taken initiatives to align several training courses conducted by Technology Centres (76 courses) with National Skill Qualification Framework (NSQF), Ministry of Skill Development & Entrepreneurship (MSDE).
Skill Development Programmes under Ministry of MSME Organizations under the ministry are providing skill training to the youths for wage employment and self-employment.
They also provide skill up-gradation trainings to existing entrepreneurs and work force in MSME

1. Prime Minister's Employment Generation Programme (PMEGP) through KVIC
2. Assistance to Training Institutions (ATI) scheme
3. National SC/ST Hub,
4. Coir Vikas Yojana- Skill Upgradation & Mahila Coir Yojna, etc
5. ASPIRE.
6. Khadi & Gramoudyog Vikas Yojna (KGVY) Scheme

Furthermore, customized demand-driven training courses as per industry requirements are also conducted by organizations under the Ministry specially Technology Centres (Tool Room and Technology Development Centres).

Details of various organization of Ministry conducting Skill Development & Capacity Building training are as follows:

Table 16: Skill Development & Capacity Building training Programs of various institutions

Institution	Salient features of skill development programs
Training under Khadi Village & Industry Commission (KVIC)	**Objective** ▶ To meet out the requirement of skilled personnel in the Khadi Institutions, the thrust was given to Khadi skill development activities in Khadi sector thereby promoting rural industrialization, and generating entrepreneurship & employment
	▶ KVIC has established a network of 18 Departmental Training Centres and 17 Non-Departmental Training Centres established with the assistance of KVIBs and institutions. ▶ There is a follow up mechanism to ascertain that the participants are gainfully employed, or self employed. ▶ One of the important functions of KVIC, is providing support to start ventures via link up with the bank finance assistance under PMEGP to set up Micro, Small & Medium units. ▶ Courses of varied duration and timing are arranged by the training centres keeping in view the local demand and the skill available sectors like textile, bamboo article, food processing or bakery etc.
Coir Board (Coir Vikas Yojana – Skill Upgradation & Mahila Coir Yojna)	**Objective** ▶ The main objective of the program is to provide skilled manpower to the coir industry and to create more employment opportunities by setting up of new units in coir sector.
	▶ To train personnel in the cadres of supervisors/ instructors/ artisans meeting the requirement of skilled manpower for the development of coir industry. ▶ Help in transfer of technology to non-traditional areas through development of skill of coir workers. ▶ Assist trained candidates including women artisans for procuring spinning equipment/coir processing machineries for starting their own entrepreneurship by availing financial assistance through PMEGP. ▶ Provide self-employment to rural women artisans in regions producing coir fibre and enabling them to get better returns through improvement in productivity and quality. ▶ Providing better work environment and elimination of drudgery involved in the traditional methods of spinning and product manufacturing.

	▶ Encourage new entrepreneurs both in traditional and non-traditional areas under Entrepreneurship Development Programmes to venture into coir industry and trade and thereby accelerate the development of the industry in the existing and new areas. ▶ Aim at inculcating quality consciousness among the workers at grass root level and to educate them on proper methods of producing standard quality fiber, yarn, and products. ▶ Create awareness among the coconut growers, entrepreneurs etc. to set up coir-based units and to modernize the existing units for better productivity, quality and enhance earnings. ▶ Providing awareness on various schemes and services of Coir Board/ Ministry of MSME.
Skilling through Tool Rooms and Technology Centres	**Objective** ▶ Ministry of MSME were set to help industries' access to advanced manufacturing technologies, help them source skilled manpower through offering opportunities for technical skill development to the youth at varying levels ranging from school dropouts to graduate engineers and working professionals. Providing technical and business advisory support to MSME entrepreneurs.
	▶ These TCs conduct various training programme including NSQF Compliance Courses, AICTE/NCVT/SCVT approved courses and variety of training courses as per needs of industry to provide them industry ready manpower & create Entrepreneurship. ▶ The TCs include courses viz. Advance Machining, Machine Operations, 3D Animation & Special Effects, CNC Milling & Turning, Fitter, Welder, Turner, Diploma in Footwear Manufacturing & Design, Mechatronics; Production Engineering, Post Diploma in Tool Design & CAD/CAM etc. ▶ Technology Centres support to industries through design & manufacture of tools, precision components, moulds, dies etc. in sectors such as Forging & Foundry, Electronics, Electrical Measuring Instruments, Fragrance & Flavour, Glass, Footwear & Sport Goods, etc.
National Institutes for MSME (NiMSME)	**Objective** ▶ NiMSME is an Organisation of Ministry of MSME, Govt. of India. It is a pioneer institute in the field of MSME and Entrepreneurship Development. The Institute provides a host of services with focus on Capacity Building, Research, Consultancy, Skilling, Education and Extension. The institute commemorated Diamond Jubilee, 60 years of commendable services to MSME sector and the country.
	▶ National Institutes for MSME (NiMSME) conducts various types of skill development programmes through funding from following scheme of the MSME Ministry ▶ Under ASPIRE scheme it aims Skill, up-skill, re-skill unemployed, self-employed/ wage earners in new technologies in the agro-rural sector via setting up a network of Livelihood Business Incubators (LBIs), and Technology Business

	Incubators (TBIs) to promote innovation and accelerate entrepreneurship. Provide skilled human capital to nearby industrial clusters and promote innovations for strengthening the competitiveness in the MSME sector. ▶ Under Assistance to Training Institutions (ATI) scheme: Assistance is also provided to existing State level EDIs i.e., owned and controlled by a State Government/UT for online and offline training programs. ▶ Under National SC-ST Hub scheme: Conduct training programs to support existing SC/ST entrepreneurs and enterprises in technological upgradation and capacity building thereby enabling them to effectively participate in government procurement process.
NSIC Training Programs	**Objective** ▶ NSIC provides technical support to MSMEs through 'NSIC Technical Services Centres' (NTSCs) and several TICs & LBIs spread across the country. The range services provided through these centres include skill development in Hi-Tech as well as conventional trades.
	▶ National Small Industries Corporation (NSIC), a Centre Public Sector Enterprise (CPSE) under the Ministry of MSME conducts multiple trainings and workshops inline to engineering discipline and tool design. ▶ Under National SC-ST Hub scheme: Organizes workshops for SC-ST entrepreneurs to promote uptake latest applicable business practices and leverage the Stand-Up India initiatives. ▶ Under ASPIRE scheme: Offers Incubation Training Programme through its Incubation Training Centres to first generation entrepreneurs to gain exposure in all the areas of business operation such as business skill development, identification of appropriate technology, project/product development and hands on experience on working projects.
Mahatma Gandhi Institute for Rural Industrialization (MGIRI)	▶ MGIRI conducts sectorial entrepreneurship and skill development trainings in the field of Food, Herbal, Agri-input, Chemical and various crafts such as Pottery, Iron craft etc.

6.3 Skill & Capacity Building Focus of Department of Industries, Rajasthan

6.3.1 Departmental focus on sub sectors of MSME

In addition to the above-mentioned National Initiatives the Department of Industries Government of Rajasthan has created departments to help focus on the capacity building of micro and small entrepreneurs, their objectives and activities help build skills and capacity of these sub-sectors.

Table 17: Various State Organizations their objective and activities for capacity building

Organization	Objective	Activities
Rajasthan Small Industries corporation	The Corporation assists the craftsmen by providing them the designs and facilities for marketing of the products. 'Rajasthali', its showroom, is an exclusive sales outlet with branches throughout India. It also does facilitation of exports by providing support for logistics and help support procurement of raw material for SSI's	The Rajasthan Small Industries Corporation (RSIC) plays a significant role in promoting and supporting small-scale industries and enterprises in the state of Rajasthan, India. Its functions encompass a wide range of activities aimed at facilitating the growth and development of small industries. Here are the key functions of the Rajasthan Small Industries Corporation. ► Promotion of Small Industries: RSIC works to promote and encourage the establishment of small-scale industrial units in Rajasthan by providing various incentives, guidance, and support. ► Entrepreneurship Development: It conducts entrepreneurship development programs and training sessions to foster a culture of entrepreneurship and skill development among aspiring entrepreneurs. ► Facilitating Financial Assistance: RSIC assists small enterprises in obtaining financial support by facilitating loans, subsidies, and incentives from various government schemes and financial institutions. ► Infrastructure Development: The corporation is involved in the development and maintenance of industrial estates, parks, and clusters, providing industrial infrastructure and facilities to small businesses.

		► Technology Upgradation: RSIC promotes the adoption of modern technology and machinery by small industries to enhance productivity and competitiveness.
Rajasthan Bunkar Sangh **Rajasthan Rajya Bunkar Sahkari Sangh Ltd. (RRBSS)**	Support the handloom weavers of Rajasthan by grouping them into various societies and strengthen the cooperative movement, it also serves as the Apex marketing body for the handloom cooperative societies of the state.	► The Interventions in skilling and capacity building include providing training to the weavers of member societies for new techniques and modern designs, including sales training, in addition to this provide raw material on regular basis and provide marketing avenues for the products manufactured by the member societies. ► In addition to building capacity, it also helps capacity augmentation of new primary cooperative societies in weaver's clusters and prepare schemes for their development through central/ state govt. schemes
Rajasthan Handloom Development Corporation	Rajasthan State Handloom Development Corporation was constituted in 1984 with the main objective to promote the cotton handloom textile sector of Rajasthan. It plays a pivotal role in skill upgradation, design & development and market facilitation or traditional weavers and artisans of the state in modern techniques.	1. Handloom Fabrics: ► Traditional Rajasthani sarees, including Bandhani, Leheriya, and Kota Doria. ► Dhotis and turbans. ► Cotton, silk, and woolen fabrics in various designs and patterns. ► Block-printed fabrics, including Bagru and Sanganer prints. 2. Traditional Apparel: ► Kurtas and kurtis with intricate embroidery or mirror work. ► Ghagras (skirts) and cholis (blouses) for women. ► Traditional Rajasthani attire like Angrakhas and Jodhpuri suits for men. 3. Home Furnishings: ► Cushion covers, bedspreads, and quilts featuring traditional designs. ► Tablecloths and napkins with block prints or embroidery. ► Traditional floor coverings like durries and carpets.

Rajasthan Khadi Gram Udyog Sangh	▶ The Rajasthan Khadi Gram Udyog Sangh is involved in a range of activities aimed at promoting and supporting the development of Khadi and Gram Udyog (village industries) in the state of Rajasthan	▶ Promotion of Khadi and Village Industries: To actively promote the production and sale of Khadi and products from village industries in Rajasthan, preserving traditional craftsmanship and creating livelihood opportunities in rural areas. ▶ Employment Generation: To generate employment opportunities, particularly in rural and semi-urban areas, by encouraging the establishment and expansion of Khadi and village industry units. ▶ Skill Development: To facilitate skill development and training programs for artisans and workers engaged in Khadi and village industries, thereby enhancing their productivity and income
Rural Non-Farm Development Agency	The objective of Rural Non-Farm Development Agency (RUDA) is to promote the Rural Non-Farm Sector (RNFS) in the state. RUDA follows a sub- sectoral, integrated and cluster-based approach for promoting rural micro enterprises interventions are based on market demands, and aims at bridging the gaps in the value addition chain.	▶ Major activities around skill and capacity building include Organizing the artisans, Skill Augmentation, Technological Development & Dissemination, Design and Product Development. Credit and Market Facilitation

In addition to the above mentioned there are several initiatives state-wide skill development and capacity building Initiatives run by Central and State Governments either directly or their allied organizations

6.3.2 Skill Development activities of the State and Central Government

Table 18: Objective and Salient Features of Schemes & Central Government Initiative

Scheme & Central Government Initiatives	Objective	Salient features/Activities/ Additional Remarks
Mukhya Mantri Kaushal Vikas Yojna	The Objective of the programme is to provide skills to youth going to colleges the courses are run in across Government College districts in Rajasthan along with regular courses with a special focus on soft skill and IT skill, there are 45 courses offered across 16 sectors, at the end of the course there is an assessment and certification through a third-party assessing body.[17]	Launched in Nov, 2019, Mukhyamantri Yuva Kaushal Yojana (MYKY), 39 skill proficiency courses were started in 118 government colleges of the state. In the first phase, 6000 students of the state were benefited by joining this scheme. A budget of Rs 270 lakh has been kept for the first phase of this scheme.
Mukhya Mantri Yuva Sambal Yojna	The scheme endeavours to persuade unemployed youth to take up internship and skill training, during this period the candidate will be supported by a berojgari bhatta, The candidates must be a bonafide resident of the Rajasthan state, and must be unemployed i.e. he / she must not be working in govt. / private job, up to a maximum period of 2 years. Only those applicants whose family income from all sources is less than Rs. 2 lakhs can avail scheme benefits. The age limit under this scheme is 30 years for general category students and 35 years for reserved categories.[18]	In a single year, 1.6 lakh eligible youth would be given benefit for a maximum period of 2 years. In case there are more applicants in a year, preference would be given to the oldest of the lot
Indira Mahila Shakti Kaushal Sanvardhan Evam Prashikshan Yojna - Kaushal Samarthya	In order to empower women economically, a scheme has been started for free skill upgradation training in various trades. Under the scheme, residential and non-residential training is given to interested women and girls for short and long term. The training is imparted through reputed training institutes like RSLDC, NIFT, FDDI, CESBM and self-help group members, women and craft skilled persons.[19]	Under Indira Mahila Shakti Enterprise Promotion Scheme, self-employment/ employment opportunities are created by providing subsidized loans through banks to women/women self-help groups/women self-help group federations for establishment of enterprises or expansion,

---

[17] https://schemes.rajasthan.gov.in/scheme/detail/618
[18] 318_267f61ed-6698-4959-9783-224e762105eeMUSY - 2021.pdf (rajasthan.gov.in)
[19] https://wcd.rajasthan.gov.in/we/#/scheme/detail/698

		diversification or modernization of established enterprises to be done.
Pradhan Mantri Kaushal Vikas Yojna (PMKVY- 1.0, 2.0, 3.0, 4.0)	Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship scheme of the Ministry of Skill Development and Entrepreneurship (MSDE) implemented by National Skill Development Corporation (NSDC). The objective of this Skill Certification scheme is to enable Indian youth to take up industry relevant skill training that will help them in securing a better livelihood. Individuals with prior experience are also assessed and certified under Recognition of Prior Learning (RPL)[20]	Since inception of the PMKVY program across verticals, 10,97,569 candidates enrolled, 10,68,590 candidates got trained and 10,10,168 and 9,31,650 candidates certified. [21]
DDUGKY	The Ministry of Rural Development (MoRD) announced the Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) Antyodaya Diwas, on 25th September 2014. DDU-GKY is a part of the National Rural Livelihood Mission (NRLM), DDU-GKY is uniquely focused on rural youth between the ages of 15 and 35 years from poor families. As a part of the Skill India campaign. [22]	Rajasthan State Rural Livelihood Promotion Mission is the Nodal Department under Department of Department of Rural development.[23] During 2022-23, A total 69393 candidates trained, 60944 candidates got assessed and 35,620 candidates certified.
SAMARTH	Samarth (Scheme for Capacity Building In Textile Sector) is a flagship skill development scheme approved in continuation to the Integrated Skill Development Scheme for 12th FYP, Cabinet Committee of Economic Affairs. [24]	The Scheme would target to train 10 lakh persons over a period of 3 years (2017-20) with an estimated budget of 1300 crore and has invited the participation of Textiles Industry/Associations registered under Central or State

---

[20] https://msde.gov.in/sites/default/files/2021-01/PMKVY%203.0%20Guidelines%202020-21.pdf
[21] https://www.pmkvyofficial.org/dashboard
[22] https://schemes.rajasthan.gov.in/scheme/detail/584
[23] https://dashboard.rural.nic.in/dashboardnew/ddugky.aspx
[24] file:///C:/Users/UB625NY/Downloads/Samarth(SCBTS)-Guidelines2017-2020.pdf

		Government/Chambers of Commerce of Central or State Government.
Skill Acquisition and Knowledge Awareness for Livelihood Enhancement (SANKALP)	To strengthen institutional mechanisms for skill development and increase access to quality and market-relevant training for youth across the country, SANKALP was launched on 19th January 2018. SANKALP has a six-year implementation period till March 2023. SANKALP aims to address the ongoing challenges like bringing about convergence, infusing quality in skill development programs and making them market relevant and accessible while ensuring private participation in the context of short-term training[25] .	SANKALP has four key result areas viz: (i) Institutional Strengthening at Central, State & District level; (ii) Quality Assurance of skill development programmes; (iii) Inclusion of marginalized population in skill development programmes; and (iv) Expanding Skills through PPPs
Indira Mahila Shakti Udyam Protsahan Yojana	Under Indira Mahila Shakti Udyam Protsahan Yojana, self-employment opportunities should be created by providing subsidized loans through banks to women/women self-help groups/women [26]	The Scheme assists Self-help groups for expansion, diversification or modernization of the enterprise established or established.
Indira Mahila Shakti Prashikshan Evam Kaushal Sanvardhan Yojna -RS-CIT	The Scheme aims to provide Free basic computer training for women and girls, MS Word, MS Excel, MS PowerPoint, email etc. is given. The training will be imparted through RKCL. [27]	The Scheme began on the 11th of Dec 2021

6.3.3 Institutional Infrastructure and efforts for Skill and Capacity building

---

[25] Skills Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP) | Ministry of Skill Development and Entrepreneurship | Goverment Of India (msde.gov.in)

[26] https://ssoapps.rajasthan.gov.in/imsupy/Introduction.aspx

[27] https://rscpcr.rajasthan.gov.in/scheme/detail/698

In addition to the above initiatives the state also has an important institution that can help build capacity and help build a skill ready work force for the state.

Table 19: Important institution for capacity building and skill development

Regional Directorate of Skill Development and Entrepreneurship (RDSDE), Rajasthan under the under Directorate General of Training, Ministry of Skill Development and Entrepreneurship, Government of India.[28]	**Objective:** **Regional Directorate of Skill Development and Entrepreneurship (RDSDE), has the objective of ensuring effective implementation, integrated development and monitoring of Apprenticeship Training and Skill Training in the Rajasthan State** **The RDSDE operates two Central Field Institutes viz, National Skill Training Institute (Women), Jaipur and National Skill Training Institute, Jodhpur and acts as the Apprenticeship Advisor**
	The NSTI Jaipur is specially dedicated for women • The NSTI Jaipur Runs, 7 Courses under the CTS (Craftsmen Training Scheme) ranging from duration of 1 to 2 years with an intake capacity of 300 candidates • It also offers Advanced Vocational Diploma in IT, Networking and Cloud • NSTI Jaipur website also provides links to website for online and hybrid learning • Craft Instructors Course across 7trades NSTI Jodhpur offers • 1New Age CTS Course • 5 Courses for Craft Instructors

Skill Universities in Rajasthan

Table 20: Capacity Building and Skill Development Institutions in Rajasthan

Rajasthan ILD Skill University [29]	**Objective** **RISU has been incorporated as Rajasthan Government State University as an institutional intervention to implement National Skills Qualification Framework in the State.**

---

[28] https://rdsderajasthan.dgt.gov.in/
[29] https://www.rajskills.edu.in/

	RISU is the affiliating body for many institutions operating in skill and vocational training with a view to promote excellence in skill Education in an integrated and holistic manner. RISU operates through a network of colleges, schools, centres, divisions, departments, institutes relating to skill education and training it confers degrees, diplomas, certificates, and other academic distinctions. There are 15 faculties which offer skill integrated programmes mapped to National Skill Qualification frameworks, there are 97 affiliated colleges
Bhartiya Skill Development University[30]	**Objective** Bhartiya Skill Development University is the first Indian University to offer skill-based programs and has established itself as a leading education provider with prime focus on holistic skills training based on Swiss Dual System using a training infrastructure that is contemporary with the technological environment of the industry.
	▶ Bhartiya Skill Development University is a multidisciplinary skills university offering B.Voc, M.Voc and Ph.D degrees in 11 different. skills disciplines. ▶ In addition to that, BSDU also offers programs on Skill Certificate, Diploma, Advanced Diploma, PG Diploma and Specialized Trainings in different skill domains. BSDU is a home to thirteen Skill SchoolsThe training is based on Swiss Dual System comprising of a combination of "On the job Training" and "Vocational School" with carrying out due modifications to suit the Indian industry

MSME Technology Centre Bhiwadi.[31]	**Objective** **MSME Technology Centre, Bhiwandi. follows an integrated development of the related segments of the industry by way of providing International Quality Tools, Trained Personnel., Consultancy In Tooling, Related Areas for technical training through its Training Centre located at Bhiwadi. Providing the State of-the-art Tool Room facilities under single roof through a wide spectrum of sophisticated Machines**
	The Institute provides, • 3 Long term Courses under AICTE • 6 Post Graduate Diploma mapped to NSQF level for Engineering graduates, • 2 Certificate courses for a duration of 1 year for std 10th pass outs • 8 Career oriented short-term courses

---

[30] https://rscpcr.rajasthan.gov.in/scheme/detail/698
[31] https://www.msmetcbhiwadi.org/

	• 24 IT based courses across various learner levels • MSME Technology Centre, Bhiwadi in collaboration with Tribal Area Development Department (TAD), Govt. of Rajasthan invites support ITI/HSC/SSC students No fees are charged for Schedule Tribe Candidates."
National Institute of Fashion Technology, (NIFT) Jodhpur	**Objective** NIFT along with the Ministry of Minority Affairs has launched a new scheme 'Upgrading The Skills And Training In Traditional Arts/ Crafts For Development' (USTTAD), which inter-alia, aims to preserve heritage of traditional arts and crafts of minorities and build capacity of traditional crafts persons and artisans. NIFT will upgrade skills of craft persons helping them preserve traditional ancestral arts/crafts. NIFT will identify crafts predominantly being practiced by minority communities and support the Ministry of Minority Affairs through activities like documenting the crafts, setting standards for defining "master-craftsperson" or "USTAAD" for identified crafts, development of course curriculum of product development and Design Workshops for potential crafts persons and trainees, product range development and facilitating linkages with e-marketing portals for providing platforms for selling developed products. The project will encompass 25 Handlooms and Handicrafts, being practiced by minority communities of India. involved to synergize all activities related to the USTTAD project by involving its rich pool of faculty, experts, designers, and alumni during different phases of the project.
Indian Institute of Crafts & Design (IICD)[32]	**Objective:** ▶ To lead our country into the future with the design programmes focusing on the future and techniques of handicrafts. ▶ To keep the uniqueness and skill of crafts alive. ▶ To create visibility of craftsmen in the international sector. ▶ To sensitize budding designers to the issues of sustainability and awareness of eco-system for which solutions are designed. ▶ To cater to high level training in the craft sector. ▶ To develop Design-Techno Managers.
	Aim of the programme

---

[32] https://www.iicd.ac.in/

	The programme focuses on building business capabilities of early stage craft entrepreneurs (2-3 years) through guidance from faculties, experts, industry leaders and mentors. **Programme Information** IICD with funding from Kalhath Foundation and in collaboration with iStart (DoIT&C, Govt. of Rajasthan), IIM Udaipur Incubation Centre, Entrepreneurship Development Institute of India (EDII), Ahmedabad & Pilani Innovation & Entrepreneurship Development Society (BITS Pilani), announces admission for Crafts Business Incubator Programme 2023. The programme has 15 days of training divided into 3 immersive modules, spread over 4 months with curated mentoring sessions between each modules. The programme is intended for early stage businesses.
Indian Institute of Hotel Management (IHM)[33]	The Ministry of Tourism, Government of India launched Hunar Se Rozgar in 2009 offering Short Term Quality Courses of 8 weeks & 6 weeks duration under the Capacity Building for Service Providers Scheme in the following disciplines: 1. Multi Cuisine Cook 2. Room Attendant 3. Craft Baker 4. Food and Beverage Service -Steward 5. Front Office Associate All the above courses are fully funded by the Ministry to benefit people to take up hospitality industry as their profession and to ensure that the hospitality industry gets sufficient supply of trained manpower which is now in short supply
	Skill Development & Certification Programme The entire Skill Certification Programme is a 6 Day Program in which the First 5 days (Monday to Friday) is a classroom sessions: -

---

[33] https://tourism.gov.in/sites/default/files/2020-02/Revised%20Guideline%20of%20the%20Hospitality%20training%20courses%20under%20Hunar%20SE%20Rozgar%20Tak%20amended%20upto%20%2030062019.pdf

	34
	For the Kitchen Staff it is Orientation Programme on Hygiene Standards and Practices
	For Waiters and stewards, it is on basics on Waiters tasks, hygiene.
	On the 6th Day (Saturday), Practical Skills Test on their skills already Possessing plus what has been learnt in the 5 days for 70 marks and 30 marks for Viva on 15 questions that will be asked based on what has been taught in the 5 days.
	Per batch Strength as per the guidelines of the MOT is 25-30 for Cook and 25-30 for waiter.
	Timings would be from 9.30 am to 4.15 pm on all days with morning tea and lunch be provided by the college. With effect from April 2015, the stipend has been increased to Rs.1800 which is paid on the concluding day of the 6 day certification along with a certificate jointly signed by the Principal and Coordinator of the programme from the Institute of Hotel Management Jaipur

Indian Institute of Handloom Technology (IIHT)[35]	1. The purpose of Institute is to provide the technical manpower to the handloom and textile industry. Diploma in Handloom & Technology a three-years course has been devised to provide the technical manpower in the forms of Technocrats to cater the needs of Handloom & Textile Industries in the disciplines like Weaving, Processing, Designing, Quality Control, Marketing, Merchandising, Exports, Planning & Production, Technical Sales, etc. 2. To lay down the highest possible technical standard of training for the Handloom Industry and to devise short term and long-term training programmes for technical personnel to be employed in the handloom sector. 3. To devise channels of service in order to built up the closest possible liaison between the Institutes and handloom production units
	Presence in Rajasthan ▶ IIHT, Jodhpur

---

[34]https://tourism.gov.in/sites/default/files/2020-02/Revised%20Guideline%20of%20the%20Hospitality%20training%20courses%20under%20Hunar%20SE%20Rozgar%20Tak%20amended%20upto%20%20 30062019.pdf
[35] https://iihtjodhpur.com/

6.3.4 CSR Initiatives for Skill Development and Capacity Building

Table 21: CSR Initiatives for Skill Development and Capacity Building

Sl. No	CSR Sponsor [36]	Area of Skill Intervention & Outcome
1	Bosch India Foundation	Bosch launched the Artisan Training Centre in the field of carpentry. It has also opened artisan training centre within ITI's
2	Nuclear Power Corporation of India Ltd Rawatbhata Rajastan Site	Provided skills to about 250 nos. of youth of neighbourhood villages in the trade of Tailoring / Stitching, Beauty Parlour, Agriculture and Computer education.
3	Ultratech Cement Limited	Accelerating Self-employment / Micro Entrepreneurship through skill training
4	Cairn India Limited	► Build capacities of local youth through skill training and link them with employment or microenterprise development within and outside Barmer ► Create or up-skill local entrepreneurs helping them to establish their own small businesses and become employers themselves. ► Create a pool of local talent where contractors of Cairn may source local labor etc. ► Enhance training capacity of in areas of Barmer and Balotra to improve quality of Training and overall personality development of students therein.
5	Hindustan Zinc Mining Academy	► Hindustan Zinc Mining Academy with a 'Vision' to develop and create a pool of highly specialized skilled of local youth and structured their training process in underground mining critical equipment operational areas. ► 6 Months Residential Program on HEMM Jumbo Drill Operator's & Underground Mining Equipment Operation in two districts i.e. Gulabpura and Rajsamand in joint collaboration on a Partnership Model. The number of beneficiaries have been rising year on year

6.4 Skill Acquisition and Skill Gaps

---

[36] https://csr.rajasthan.gov.in/projects/technology-incubators.html

Skill acquisition refers to the process of acquiring new skills, or upgrading existing skill sets knowledge, or competencies through learning and practice. It involves developing the ability to perform a specific task, master a particular discipline, or improve existing abilities

Skill acquisition can take place in various contexts, including education, training, and work.
Performance optimization involves identifying areas for improvement, implementing changes, and monitoring progress to achieve desired outcomes.
Strategic development is the process of formulating and implementing plan to achieve specific goals and organization's future direction
Deep understanding refers to a thorough and comprehensive comprehension of a work area Deep understanding is characterized by the ability to Connect Concepts, Analyse and Synthesize, Apply Knowledge etc.
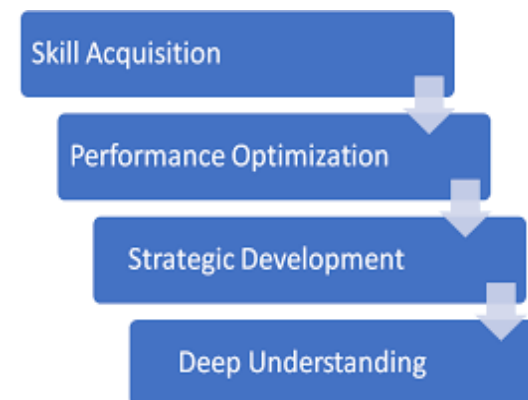
Skill Gaps can be simply defined as the difference between the competency level required to do a job and the competency level possessed by an individual to do that job. There are a numerous reasons for Skill gaps in MSME's due to various reasons ranging from lack of awareness and resources to high attrition of work force and resistance to change in HR and business practises

Enhancing skills offers multifaceted advantages. It aids individuals by enriching their career opportunities, supports organizations by elevating productivity and competitiveness, and benefits regions and economies by fostering growth and curbing unemployment. In today's swiftly evolving business environment, skill development is crucial to maintaining a competitive edge.

6.4.1 Sub Sector wise mapping of Skill Gaps

Table 22: Sub sector wise mapping of skills

S. No	Sector	Details
1	Auto	▶ Upgradation of Skills at Middle Management Level, Behavioural and Domain related. ▶ Understanding digitization of processes ▶ Awareness about modern production and Quality Control Systems ▶ Adopting to new technologies with major changes like Engine Changes & EV Technologies ▶ Repair and service new and upcoming technologies
2	Chemical	▶ Understanding and Complying with Safety Norms Consistently ▶ Formulation and adherence to SOP ▶ Understanding Process Chemistry ▶ Understanding the Digital Interface of Machines
3	Engineering	▶ Ability to handle diversity of products ▶ Lack of awareness and ability to produce consistent quality ▶ Lack of skills to operate modern equipment and machinery ▶ Lack of awareness and benchmarking against good work practises ▶ Lack of ability to create production and safety compliant systems ▶ Lack of awareness and ability to adopt process improvement techniques like Lean, ZED
4	Food Processing	▶ Difficulty in Following safety and hygiene standards ▶ Creating and following Standard operating procedures ▶ Understanding and operating and maintaining machines ▶ Following process and quality parameters ▶ Lack of awareness about the attributes

S. No	Sector	Details
5	Gems & Jewellery	▶ Depletion in artisanal skill ▶ Integration of modernization along with artisanal skill ▶ Overall Improvement of skills in areas like ▶ Gemstone Cutting and Polishing, Gemstone Identification and Grading, Designers, Frontline Sales-people ▶ Domestic & International Market Research and Marketing Skills
6	Leather	▶ Tanning & Hide Processing ▶ Design and Pattern Making ▶ Stitching & Crafting ▶ Marketing and Branding ▶ Dyeing and Colouration ▶ Environmentally Sustainable Practise

7	Pharma	▶ Pharmaceutical Manufacturing:
		  ▶ operating and maintaining advanced manufacturing equipment.
		  ▶ consistent product quality requires expertise in process validation and control.
		▶ Supply Chain Management: including Inventory Management and
		▶ Cold Chain Logistics:
		  ▶ Marketing and Market Access:
		  ▶ Pharmaceutical Marketing: Skill gaps may exist in pharmaceutical marketing techniques.
		  ▶ Biotechnology and Gene Therapy: Skills in biotechnology, gene therapy, and genetic engineering.

8	Rubber	▶ Checking consistency in Input material like elastomers, fillers, accelerators, and curing agents. ▶ Consistency in formulation ▶ Setting up and Tooling Maintenance ▶ Process parameters like storage, material handling ,safety product knowledge

S. No	Sector	Details
9	Stone Industry & Mineral Industry	► Complying with environmental and responsible mining norms ► Formulating Process Control Parameters ► Understanding energy efficient & cost-effective process parameters ► Operation and maintenance of machines ► Process Improvement techniques like Lean, ZED
10	Textile	► Basic literacy and Numeracy ► Underlying knowledge of process ► Consistency in maintaining quality & sustainability norms ► Adopting to technology upgradations ► Supervisors & production management skills ► Design Trends & Market Analysis & Quality Assurance & Testing
11	Wood Products	► Knowledge and application of Traditional Woodworking Techniques: ► Ability to evolve Innovative Furniture Design: ► Ability to operate modern Woodworking Machines ► Finishing and Refinishing Techniques: ► Restoration and Refinishing ► Knowledge of Wood Species & Composite Materials

6.4.2 Skill & Competencies of Manpower at Supervisory and Middle Management Level

Identifying the gaps within skills across sectors and assessing the training needs for the MSME ecosystem, will help better skill development initiatives so that gap of skills workforce is narrowed down, and the sector is able to provide requisite skill sets needed. In this dimension, we can look at this as a **three-tiered approach** to address-the skill gap approach. First is to provide skills to the new entrants, secondly upskilling the existing workforce and lastly to recognize the emerging areas for skill interventions like skill upgradation for coaching industry, skill intervention in event management lifecycle specially in the wake of increasing destination weddings. Skills to promote the rich and cultural culinary traditions.

Apart from the gaps of skilled workforce at the entry level a skill gaps need to be addressed at all levels; all manufacturing & service set ups will have a supervisor to workmen ratio. In the contemporary context skill gaps needs to address at all levels including Mangers / Entrepreneurs.

A wholistic skill gap and Capacity building requires a multifaceted approach that encompasses technical, soft, digital, and entrepreneurial skills, along with a supportive ecosystem that includes government policies, industry collaboration, and a culture of continuous learning

6.4.3 Skill & Capacity building of Supervisory & Management

Training and skill building has evolved over time, responding to the changes in technology, workforce needs, and societal demands, and many initiatives have been launched Capacity building and skill building of MSME supervisors has a ripple effect on the industry, leading to improved productivity, quality, compliance, innovation, and overall competitiveness. It helps the industry adapt to changing conditions, in the global marketplace,

6.4.3.1 At the Supervisory Level

We can the incapsulate requirement skill and capacity building of supervisors into three areas viz. Domain, Behavioural and Technical based on their job role.

Table 23: Skill set and skill requirements at the supervisory level

Skill Set	Skill Requirements
Domain: **These skills are overarching across industries and subsectors and are often learned through education and experience irrespective of the area of activity**	► Planning Resources and work activities including planning for contingencies ► Define Objectives and Executing Strategies ► Providing work related guidance ► Analysing Data or Information communicating it to the relevant levels ► Determine Compliance with standards and client needs ► Performing Administrative Activities ► Deploying Monitoring and Controlling Resources including manpower ► Coordinating the work-related activities with others ► Evaluating processes as per decided standard
Behavioural Skills: These skills apply to various roles and industries and are related to	► Making Decisions and Solving Problems ► Getting Information ► Communicating with other Supervisors, Peers, or Subordinates ► Guiding, Directing, and Motivating Subordinates

how individuals interact with others and approach tasks.	► Coaching and Developing Others ► Updating and Using Relevant Knowledge ► Establishing and Maintaining Interpersonal Relationship ► Training and Teaching Others ► Resolving Conflicts and Negotiating with Others
Technical Skills **Technical Skills: These skills are specific to the use of technology or machinery and require specialized knowledge and training**	► Planning flow and utilization of machinery & equipment ► Inspecting Equipment and output ► Monitoring Processes, out put ► All types of Repairs and Maintenance ► Controlling Machines and Processes ► Judging the Qualities of the product ► Documenting/Recording Information ► Building capacity of oneself and the team to operate new technology ► Material Storage and handling

6.4.3.2 At the Middle Management Level

Skill and capacity building of MSME (Micro, Small, and Medium Enterprises) managers can positively impact the growth and sustainability of these businesses by providing more effective leadership, improved business performance, better employee engagement, and increased competitiveness. These advantages contribute to the overall growth and sustainability of MSMEs and their positive impact on the economy.

We can categorize the Skill requirements into three broad areas

Table 24: Skill set and skill requirements at the middle level management

Skill Set	Skill Requirements

Domain Skills: **These skills are related to specific fields or industries and are often learned through education and experience within a particular domain**	▶ Production / Service offering planning ▶ Repairing and Maintaining Mechanical Equipment / Creating Schedule ▶ Staffing Organizational Units ▶ Developing Objectives and Strategies ▶ Providing Consultation and Advice to Others ▶ Analyzing Data or Information ▶ Interpreting the Meaning of Information for Others ▶ Getting Information /MIS ▶ Evaluating Information to Determine Compliance with Standards and customer expectation ▶ Organizing, Planning, and Prioritizing Work ▶ Providing information to supervisors, co-workers, and subordinates by telephone, in written form, e-mail, or in person.
Behavioural Skills: **These skills are general skills that apply to various roles and industries and are related to how individuals interact with others and approach tasks.**	▶ Making Decisions and Solving Problems ▶ Communicating with Supervisors, Peers, or Subordinates/ Communication ▶ Guiding, Directing, and Motivating Subordinates ▶ Coaching and Developing Others, Training and Teaching Others ▶ Judging the Qualities of Objects, Services, or People ▶ Updating and Using Relevant Knowledge ▶ Establishing and Maintaining Interpersonal Relationships ▶ Thinking Creatively on improvising processes and product ▶ Documenting/Recording Information ▶ Resolving Conflicts and Negotiating with Others
Technical Skills: **These skills are specific to the use of technology or machinery and require specialized knowledge and training**	▶ Working with Computers & Digitization (including hardware and software) ▶ Design and Integrate process and systems on a digital platform ▶ Getting Information from all relevant sources. ▶ Communicating with Supervisors, Peers, or Subordinates for technical meetings ▶ Controlling Machines and Processes ▶ Scheduling Work and Activities ▶ Coordinating the Work and Activities of Others ▶ Performing Administrative Activities ▶ Handling and Moving Objects

6.4.3.3 Skill & Capacity Building for Entrepreneurship:

Entrepreneurship in the Micro, Small, and Medium Enterprises (MSME) sector presents a range of challenges which vary depending on the specific industry, location, and stage of business development, The MSME sector is has witnessed challenges and stood up to those challenges, in the more contemporary context MSME's are susceptible to rapid disruptions and in the physical and digital environment there is a need for continuous transformation. Continuous transformation of entrepreneurship refers to the ongoing process of adapting and evolving entrepreneurial practices, strategies, and mindsets to thrive in an ever-changing business environment. In today's dynamic and competitive landscape, where technology, markets, and consumer behaviour are constantly evolving, entrepreneurs must be agile and open to change.

Some key aspects of the same can be summarized as

- **Adaptation to Rapid Change**: Markets, technologies, and consumer preferences with digitization
- **Enhanced Competitiveness: Growth and Expansion**: enter new markets, and capitalize on growth opportunities.
- **Cost Optimization Access to Financing**
- **Talent Attraction and Retention**
- **Compliance and Regulation**

Table 25: Capacity building area and skill set/ knowledge required

Capacity Building Area	Knowledge and Skill Set Required
Domain specific set of knowledge, skills, and expertise that entrepreneurs possess in the to operate any business operates.	▶ **Market Research and Analysis:** Understanding market dynamics, customer needs, and industry trends to resonate services and products aligned to meet market demand. ▶ **Business Model Design:** Design sustainable and scalable business models. that can help build effective revenue models, better cost management, and better profitability. ▶ **Financial Literacy:** Securing funding, managing budgets, and making financial decisions to address sustainability challenges. ▶ **Risk Management:** Entrepreneurs must evolve the ability to balance risk-taking with adequate analysis or an overly conservative approach will stifle innovation. ▶ **Wholistic & Global Perspective; will help** understand the national and international market evaluating the business in context of the overall business ecosystem
Behavioural competencies focus on the entrepreneur's ability to interact with others, make decisions, and adapt to various situations effectively. Behavioural competencies play a critical role in shaping an entrepreneur's leadership	▶ **Innovation and Creativity:** Complex problems may limit the ability to envision business growth tools and techniques to put innovative ideas into action helps crystallize the process ▶ **Leadership and Team Building:** Building and leading diverse teams is essential for executing transformative ideas. motivate and manage teams effectively. ▶ **Communication and Networking** helps building partnerships, securing investments, and gaining support for transformative ideas.

style, communication skills, and overall business acumen.	▶ **Adaptability and Resilience: In the face of** unpredictability in entrepreneurship and the ability to adapt to changing circumstances and bounce back from setbacks. in entrepreneurs giving up too easily ▶ **Ethical Decision-Making:** Ethical considerations, especially when dealing with social or environmental issues have become crucial inability of dealing with unintended negative consequences.
Technical knowledge, skills, and expertise are required to effectively manage and operate a business within a particular industry	▶ **Impact Measurement:** Impact measurement can make it difficult to assess and communicate the real-world effects of the venture. ▶ **Legal and Regulatory Knowledge:** Entrepreneurs need a basic understanding of legal and regulatory requirements that apply to their businesses. Skill gaps in this area can lead to legal challenges and compliance issues. ▶ **Industry-Specific Knowledge:** Deep understanding of the industry in which you plan to operate is crucial. This includes knowledge of market trends, customer needs, and industry regulations. ▶ **Technical Skills Relevant to the Business:** Depending on your business, you may need specific technical skills such as coding, design, engineering, data analysis, or digital marketing. ▶ **Supply Chain Management:** Understanding supply chain dynamics, logistics, and sourcing strategies is crucial for businesses that involve physical products ▶ **Quality Control and Assurance**: If your business focuses on manufacturing or delivering products, you should have a strong grasp of quality control and assurance processes.

To address this skill challenge of the MSME sector, it is required that all stakeholders- State government, industry associations, clusters and public and private institutions work in conjunction towards ensuring that the gaps are addressed comprehensively by joint initiatives.

Also, the implementation model for training and capacity building should be tailored to the specific needs and goals, incorporating feedback and evaluation to ensure continuous improvement. Need based capacity building, concurrent monitoring and continuous evaluation & feedback should lie at the core the skill building initiatives.

6.5 Capacity building of industry associations

Industry associations have been facing challenges in terms of their relevance, growth, clarity and purpose, leadership and process, dominance of certain members and financial planning.

Capacity Building is essential for these organizations to effectively represent the interests of their members, drive industry growth, and contribute to economic development. Here are key strategies and areas of focus for capacity building within industry associations:

Table 26: Area of capacity building with brief description

Area of Capacity Building	Brief Description
Strategic	**Strategic Planning:** Develop a clear strategic plan that outlines the association's mission, vision, goals, and objectives. Which serves as a roadmap for the organization and helps prioritize activities and resource allocation
Functional	**Governance and Leadership Development**: Strengthen the governance structure of the association through transparency, accountable leadership, and capacity building of key leaders to enhance their governance and management skills. ▶ **Membership Engagement:** Foster active member participation by creating value-added services, networking opportunities, and platforms for collaboration, addressing the needs and concerns of members through alignment of activities of the association ▶ **Advocacy and Policy Influence:** Build the capacity to engage in effective advocacy and policy influence. This includes monitoring policy developments, conducting research and analysis, and developing advocacy strategies to represent the industry's interests to government bodies and regulators ▶ **Professional Staffing:** Hire and retain qualified professionals who can manage day-to-day operations, conduct research, and implement association initiatives. Capacity building may involve providing staff with training and professional development opportunities. ▶ **Financial Sustainability:** Ensure the association's financial sustainability by diversifying revenue sources, managing finances efficiently, and seeking grant opportunities or partnerships that support the organization's mission. ▶ **Communication and Outreach:** Develop effective communication strategies to engage with members, stakeholders, and the public. Utilize digital platforms, social media, and traditional media to disseminate information and promote the association's activities. ▶ **Training and Education:** Offer training programs, workshops, and seminars to members to enhance their skills, knowledge, and competitiveness. These programs can cover topics such as technology adoption, quality standards, and export readiness. ▶ **Quality Assurance and Certification:** Establish quality assurance programs or certification processes that can benefit members by ensuring product or service quality and adherence to industry standards. ▶ **International Engagement:** Promote international engagement and trade opportunities for members by facilitating participation in international trade fairs, exhibitions, and export promotion initiatives.

	► **Monitoring and Evaluation:** Regularly assess the impact and effectiveness of the association's programs and initiatives. Use feedback and data to make informed decisions and improvements.
Developmental	► Data and Research: Invest in data collection, analysis, and research capabilities. Industry associations should be equipped to provide members with market insights, industry trends, and data-driven decision-making support. ► **Capacity for Innovation:** Encourage a culture of innovation within the association. Explore new approaches, technologies, and business models that can benefit both the organization and its members. ► **Collaboration and Networking:** Foster collaboration and partnerships with other industry associations, government bodies, educational institutions, and relevant stakeholders. Building a broader network can enhance the association's influence and resources. ► **Sustainability and CSR:** Encourage industry sustainability practices and corporate social responsibility (CSR) initiatives among members. This can enhance the industry's reputation and competitiveness. ► **Legal and Regulatory Compliance:** Stay up to date with relevant laws and regulations that affect the industry. Provide guidance and support to members to ensure compliance.

6.6 5 'E' Model: A Wholistic Framework for Skill & Capacity Building

The 5E model of skill development, which is derived from the 5E instructional model in education (Engagement, Exploration, Explanation, Elaboration, and Evaluation), can be adapted and applied effectively to address the specific skill development needs of Micro, Small, and Medium Enterprises (MSMEs). The 5E model of skill development is beneficial for MSMEs because it provides a structured and engaging approach to training and upskilling employees. It ensures that the skills being developed are not only relevant but also effectively transferred to the workplace, where they can contribute to the organization's growth and competitiveness. Additionally, the model's focus on engagement, hands-on learning, and practical application aligns well with the resource constraints often faced by MSMEs, making it a practical and effective approach for skill development in this sector.

A strong skill development strategy recognizes and leverages the interconnectedness of empowerment, entrepreneurship, employment, education, and excellence that can transform individuals and MSMEs. By recognizing the importance of these interconnected elements, MSMEs can develop a holistic approach to skill development that empowers employees, fosters entrepreneurship and innovation, creates jobs, educate the new entrants to the sector, and drives economic growth.

empowerment
entrepreneurship
employment
education
excellence

113

Table 27: 5E Model

Empowerment: Empowering the workforce in Micro, Small, and Medium Enterprises (MSMEs) is crucial for promoting economic growth and sustainability. Empowerment involves providing employees with the necessary skills, resources, and opportunities to excel in their roles and contribute effectively to the success of the business. Here are some strategies for empowering the MSME workforce:	Strengthening State Skill Development Mission / Industry led Skill Development	Reprioritizing areas of Skill development with an objective of helping MSME as a primary objective	At the Policy, Macro Business Level
	Occupational Health and Safety	Sensitizing the Employers and Workforce on aspects of Occupational Safety for a better and safe work environment	At the Industry level, especially those susceptible to hazards
	Fair Wages and Social Security	Educating workforce about minimum wage laws, wage revisions, and benefits such as pension, healthcare, and insurance. These measures contributing to the financial security of the workforce.	At the Industry and individual MSME level
	Diversity	Promoting equal opportunity and diversity in the workplace creates an environment conducive to growth. Training programs should inform individuals about fair employment practices	At the Industry and individual MSME level
	Opportunity & Growth	Emphasize on equal career development opportunities and growth as vis a vis conventional career	At Industry level for workmen and Frontline Management Level
	Recognition and Incentives:	Raise awareness about these aspects, fostering a positive outlook and encouraging skill acquisition	At Industry level for workmen and Frontline Management Level
	Leveraging Rajasthan's LMIS	Bridges the skill gap in real time and ensures a seamless information between job seekers and job providers **Outreach and Awareness:** Continuous awareness programs and grassroots-level promotion	Adoption NGOs, SHGs, and Gram panchayats to Increase LMIS adoption. Industry Associations Skill Training providers & Candidates

		Sector-wise Internship Module Creating Sector wise Internship modules for Industry's sub-Sectors	Industry Associations Skill Training providers & Candidates
		Real-time Skill Gap Analysis skills versus job seekers' skills and educational institutions' offerings. This data can inform policy decisions to empower the workforce.	Skill Training providers & Candidates
		Industry Outlook Informed Decisions about careers and occupations with bright outlook in terms of available jobs, wages and emoluments	Skill Training providers & Candidates
		Geographical Proximity to workplace Migration for employment has been a huge issue an vibrant LMIS can help the Job Seeker take informed decisions	Skill Training providers & Candidates
	Recognizing Informal On-the-Job Training	Informal sector workers acquire valuable skills through experience but lack formal certification. To empower them RPL certification needs to be broad based and activated	Testing Centres, Skill Training Providers, Existing workforce , Industries , RSLDC

| Entrepreneurship

Entrepreneurship within the MSME (Micro, Small, and Medium Enterprises) workforce refers to the cultivation of an entrepreneurial mindset and the development of entrepreneurial skills among employees. Encouraging entrepreneurship within this sector can lead to innovation, growth, and sustainability. Here are key aspects of fostering entrepreneurship within the MSME workforce:	Entrepreneur and Intrapreneurship:	encouraging employees to think proactively in identifying opportunities and solving problems	MSME, Industry Associations, Nodal Entrepreneurship Institutes
	Skill Development & Resource Allocation	Building Skills like Analysis, business planning, market analysis, financial management and allocating time to mentor the next level of employees, engaging external mentors and benevolent experts to help build critical entrepreneurial skills	MSME Industry Associations

	Access to Networks & Know how	Industry-Academia / Institutional Linkages: will provide all round exposure beyond just procedural thinking Dual System Training (DST): DST combines classroom learning with practical on-the-job training, Formal and Informal frameworks can be built between educational institutions and Industry Associations, programs. Exposure Visits: Exposure visits provide opportunities for industry workers to observe successful entrepreneurs & practitioners to offer practical insights with entrepreneurs and industry experts.	Academic Institutes, Industry Associations, Chambers of Commerce MSME 's Incubation centres, skill training Institutes

	Innovation Ecosystem	Creating an innovation ecosystem within the organization, which includes tools, processes, and platforms for idea generation and collaboration, can support entrepreneurial endeavors.
		    ► **Encourage Idea Generation:**
		    ► **Create Cross-functional Groups**
		    ► **Provide Mentorship**
		    ► **Devise a Measuring mechanism**
			Academic Institutes, Industry Associations, Entrepreneurs Incubation centres

Employment & Employability	Leveraging Employment Exchange Department of Skill, Employment and Entrepreneurship, NCS Placement Services: Facilitate job matching between job seekers and MSMEs in the state. Women and Youth Employment Initiatives: ▶ Placement Linkages & Web Based Placement Services, Incubation. Focus on both technical and soft skills development to improve employability. ▶ Create a pool on Mentors and on the Job Training ▶ Skill Gap specific Industry Training	Strengthen placement services by integrating them with employment exchanges and online job portals Develop targeted employment initiatives for women and youth in MSMEs. Promote gender diversity and provide training and support for young job seekers.	Employment Exchanges / NCS centres Digital Service providers / Telcom Service providers Job Seekers / Targeted Job Seekers / Mentors
'Education & Lifelong Learning Education tailored to the specific needs of MSMEs empowers them to overcome challenges, seize opportunities, and contribute to economic growth and job creation. By investing in education and training, MSMEs can enhance their competitiveness and adaptability in a dynamic business environment.	▶ Literacy & Numeracy ▶ Business Plan, Market Analysis, Value Proposition, Business Model, Financial Management, Budgeting, Cash Flow Management: Marketing and Branding, Sales and Customer Acquisition ▶ Product or Service Development, Customer Relationship Management (CRM), Supply Chain Management, Human Resource Management, Legal and Regulatory Compliance: Risk Management: Sustainability. ▶ Technology Adoption, Networking and Collaboration: Continuous Learning:	Is the underlying base for Improving understanding of the processes and product Will help develop structured understanding and interdisciplinary thinking and depth of Subject knowledge	Currently Employed Workmen, Supervisors Supervisors and middle managers

	► Digital Skills Training & Access to Online Resources: Industry-Specific Training: ► Workplace Learning: Collaboration with Educational Institutions: ► Online Learning Platforms: MOOC ► Formal Qualification Acquisition		

Excellence Achieving excellence in operations is crucial for the success and sustainability of microenterprises. While microenterprises have limited resources, they can still improve their operations through efficient practices. Here are strategies for excellence in operations for microenterprises:	Simplified Business Processes & formulate operating procedures	Removal of complexity and ambiguity helps enable efficiency, consistency, compliance, error reduction, and data-driven decision-making	MSME, Institutions, Experts
	Capacity Building of to improve aspect ► Lean Inventory Management: ► Cost Control: ► Continuous Learning: ► Cash Flow management ► Compliance and Regulations: ► Customer Feedback Loop: ► Networking and Collaboration: ► Efficient Workspace: ► Improve efficiency. ► Time Management: ► Adopting Digital Tools and Automation:	Will lead to efficiency, reduced costs, improved customer satisfaction, and better financial management, ultimately enhancing overall organizational excellence.	MSME, Institutions, Experts

6.7 Capacity Building of Government Institutions

This section captures the capacity required at the individual level (officer level) within the Office of Commissioner of Industries & CSR for smooth functioning and effective delivery of assigned work responsibilities. From our consultations with Joint Directors, General Managers, and Industry Officers,

A list of competencies required at the positions in the present and those that might be required to be future-ready as per the three constituents of Individual capacity building pillar i.e.

► **Domain Competencies:** Domain competencies are related sets of foundational abilities representing the required elements and outcomes that define knowledge, skills, experience, attitudes, values, behaviours, and established professional standards.

► **Functional Competencies:** Functional Competencies vary between roles in a Job Family and between Job Families themselves. They are specific to each Job Family.

► **Behavioural competencies**: Behavioural competency is any behaviour trait, like knowledge, skill set, teamwork, leadership skills, technical know-how, etc., that helps a person grow in an organization to take on more prominent roles.

Advanced Level: Advanced level training will aim at enhancing their skills, knowledge, and leadership capabilities to address complex public policy challenges, manage government functions, and drive positive change within their organizations and MSME ecosystem. Here are some key considerations for advanced level training programs tailored to government officials

Basic Level: Basic level training for government officials is an essential component of capacity building and professional development. It provides foundational knowledge, skills, and competencies necessary for effective public service.

Table 28:Domain Competency areas for Officials at Department of Industries Level

Domain Competency areas for Officials at Department of Industries Level	
Domain Competencies	**Level of the Officer**
a. Improvement in specific sectoral knowledge both theoretical as well as practical and keeping up to date with advancements and emerging trends in these field/areas is crucial to ensuring that the officers are abreast with the developments in the industry in order to effectively add value to their work responsibilities. Some such areas are: ► Champion scheme ► Samadhan ► TReDS, invoice discounting and reverse factoring ► A broad range of highly sector specific knowledge such as - food processing; packaging; automobile and components industry (systems, processes, quality standards etc.); chemical; electronics; aerospace; heavy	Advanced- ► Additional Directors ► Joint Directors Basic to Intermediate- ► Dy. Directors ► Asst. Directors ► G.M. Directors

industries; textile; handicraft, mining and mineral, hydrocarbons, agro-based industries; energy & green energy; health sector; medical appliances & precision tools; Tourism, Business support services education sector, logistics & sustainable supply chains etc. This is also important to developing in-house resources within the GoM Industry department with core-expertise in various domains who can be consulted.	
b. Policy design and formulation is a key domain area where competency building is required for all officers directly involved in policy formulation process from inception to implementation.	► Additional Directors ► Joint Directors
c. Similarly, International Business Trade facilitation, export promotion and trade agreements (multi-lateral, FTAs) are domain areas that are becoming more relevant with the concurrent national focus on self-reliance and becoming a global manufacturing leader with initiatives such as Atmanirbhar Bharat, Make in India etc.	► Additional Directors ► Joint Directors
d. Knowledge about respective schemes under the supervision of the division and working knowledge of all the schemes of the MoMSME and State department.	► Dy. Directors ► Asst. Directors ► G.M.
e. Enhanced knowledge about credit facilitation (including hybrid and more innovative models of finance) & financial knowledge (impact funds/MSME funds/angel funds; knowledge of credit discounting platforms; NBFCs & MFIs; guidelines of SIDBI & RBI etc.) is key to fostering of MSMEs, given that lack of credit availability is one of the most persistent bottlenecks to the growth of MSMEs and entrepreneurs in the state.	Advanced- ► Additional Directors ► Joint Directors Basic to Intermediate- ► Dy. Directors ► Asst. Directors ► G.M's
f. Understanding of supply chain management and vendor management are key focus areas where competency building is required – such that it can translated into strengthening and upgrading the manufacturing ability/output of MSMEs in the country	► Additional Directors ► Joint Directors ► Directors, State Corporations
g. Other domain areas repeatedly highlighted for competency building are- IPR & trademarking, industry 4.0 topics, emerging technologies (both sector agnostic and sector specific)	Advanced- ► Additional Directors ► Joint Directors Basic to Intermediate- ► Dy. Directors ► Asst. Directors ► G.M's
h. Startup Policy	Advanced-

	Training government officials on startup policies can foster a supportive ecosystem for startups and entrepreneurship. Effective training can help government officials understand the needs of startups, create policies that encourage innovation, and streamline regulatory processes. Here are some key components and	► Additional Directors ► Joint Directors
i.	Public-Private Partnership (PPP) model: The Public-Private Partnership (PPP) model can be highly beneficial for MSMEs in facilitating infrastructure development, technology, innovation, access to market and providing Business Development Support services.	Advanced- ► Additional Directors ► Joint Directors Basic to Intermediate- ► Dy. Directors ► Asst. Directors ► G. M's

Suggestive List of Trainings required based on the above-mentioned areas

Table 29: Suggestive List of Trainings required based on the above-mentioned areas

Sl No	Domain Areas
1.	MSME landscape in India & Rajasthan and challenges of MSMEs
2.	Leading practice study about MSME policies across the country
3.	Understanding of Udyam Registration process, NIC codes, integration
4.	Primer on key online portals for MSMEs
5.	Make in India policy framework, challenges, and approach to import substitution
6.	Traditional channels of financing for MSMEs
7.	Emerging financing models and including equity-based funding and non-credit based modes of financing and key takeaways for MSME policymakers
8.	Understanding of FinTech solutions for MSMEs and key takeaways for MSME policymaker
9.	Training on TReDS platform
10.	Public procurement policy for MSEs and role of GeM
11.	E-commerce landscape – benefits for MSMEs and associated challenges
12.	Training on Open Network for Digital Commerce (ONDC)
13.	Enabling MSMEs for exports, current landscape
14.	Quality certification, testing landscape for MSMEs
15.	Energy Efficiency and Clean Technology Concepts
16.	Cluster development – basics and best practices
17.	Industry 4.0 and emerging concepts in SME manufacturing
18.	Digital MSMEs – Various digital tools used by MSMEs
19.	Designing effective learning and development programmes for MSMEs
20.	Research & Development, Technology transfer to MSMEs
21.	Designing curriculum for aspiring entrepreneurs
22.	Affirmative action for women entrepreneurs
23.	Food Processing Industry
24.	Pharmaceuticals Industry
25.	Leather Industry
26.	Plastics Industry

27.	Textiles Industry
28.	MSMEs in Service Industry
29.	Handloom Sector
30.	Handicraft and its Sub Sectors

Functional Competencies

The functional competencies required for departments under ministerial officials are-

Table 30: Functional Competency requirements of MSSIDC and Directorate of Industries level

Functional Competency requirements of MSSIDC and Directorate of Industries level	
Functional Competencies	**Level of the Officer**
a. General and establishment rules b. Knowledge of multilateral funding frameworks c. Know-how of CVC guidelines, dealing with vigilance matters. d. Overview of procurement procedure through GeM (goods & services) e. Grievance redressal f. Financial management for statutory bodies g. Understanding and preparation of budget (and outcome budget) h. Monitoring & evaluation of schemes i. Outcome-output monitoring mechanisms j. Awareness and working knowledge of different portals, e-platforms of the government that enable coordination & inter-operability between different ministries/ departments and schemes k. Know-how of Information, Education and Communication strategies and 360-degree media planning	► Additional Directors ► Joint Directors
► Understanding and preparation of budget (and outcome budget) ► Financial management for government & autonomous bodies ► Drafting & evaluation of proposals, contracts ► Research analysis and data management ► Awareness and working knowledge of different portals, e-platforms of the government that enable coordination & inter-operability between different ministries/ departments and schemes ► E-governance & Digital India ► Awareness and working knowledge of different portals, e-platforms of the government ► Designing awareness programmes and 360-degree media planning Know-how of contract, project & programme management	► Dy. Directors ► Asst. Directors ► G. M's

► Theory of Constraints Theory of Constraints (TOC) training for government officials can be a valuable initiative to enhance their problem-solving skills and improve the efficiency of public administration. TOC is a management philosophy and methodology which focuses on identifying and eliminating constraints or bottlenecks that hinder an organization's ability to achieve its goals.	► Additional Directors ► Joint Directors

Behavioural Competencies

Table 31: Behavioural Competency requirements of Directorate of Industries

Behavioural Competency requirements of Directorate of Industries	
Behavioural Competencies	Level of the Officer
► Transdisciplinary thinking ► Conflict management ► Innovation & improvement ► Leading others ► Stress management ► Attention to detail ► Problem solving ► Conflict management ► Empathy and sensitivity ► Result/outcome-oriented work approach ► Interpersonal skills & personal effectiveness ► Leading others ► Collaboration, Stakeholder engagement & coordination ► V& NV Analysis	Advanced- ► Additional Directors ► Joint Directors
► Negotiation skills ► Transdisciplinary thinking ► Conflict management ► Team management & development ► Innovation & improvement ► Networking ► Stress management ► Communicating effectively ► Attention to detail ► Problem solving ► Working in a team ► Result/outcome-oriented work approach ► Interpersonal skills & personal effectiveness ► Collaboration, Stakeholder engagement & coordination	► Dy. Directors ► Asst. Directors ► G. M's

6.7.1 Formulation of a Training and Capacity Building Plan

Table 32: Formulation of a Training and Capacity Building Plan

Needs Assessment	Identify the specific training needs of the MSME. through involve surveys, interviews, and discussions with employees and management	understand the current skill gaps and performance issues
Set Clear Objectives:	Define clear and measurable training objectives.	Alignment with the overall business goals
Budget Allocation:	The budget available for training. This will impact the scope and scale of the training plan. Consider both	Evaluate direct training costs (e.g., materials, trainers) and indirect costs (e.g., employee time away from work).
Select Training Methods:	Choose the appropriate training methods based on the identified needs and objectives. Common methods include workshops, seminars, e-learning, on-the-job training, mentorship programs, and coaching.	Optimize training cost and maximize training reach
Curriculum Development:	Develop a training curriculum that covers the required topics and skills.,	Aligned with the training objectives
Instructional Design	developing, and delivering instructional materials and experiences in a way that facilitates effective learning. It focuses on understanding the needs of learners	Ensure retention of learning and adherence to learning objectives
Pilot & Design Validation	Training a batch of Learners based on the content designed before rolling out of the programme	Content Correction before rolling out
Resource Identification:	Identify the necessary resources, including trainers or facilitators, training materials, equipment, and technology	Ensure that the resources are available and accessible.
Schedule and Timelines: / Training Calendar	Create a training schedule that includes dates, times, and duration of training sessions. Consider the availability and convenience of participants.	Establish periodicity and Time for learning and making the learners aware about the Schedules
Delivery of Training	Implement the training plan according to the schedule. Ensure that trainers or facilitators are well-prepared, and participants have the required materials and tools	Ensure all the parties to Training are well prepared
Assessment and Evaluation	Regularly assess and evaluate the effectiveness of the training. Use methods such as quizzes, tests, and surveys to gauge participants' understanding and satisfaction.	Evaluate the Efficacy of Training

	Collect feedback to make improvements.	
. Adjustments and Adaptations:	Based on the assessment and evaluation results, make necessary adjustments to the training plan. This may involve modifying the curriculum, changing training methods, or addressing specific issues that arise.	Continuous improvement to improve efficacy of Training
Monitoring and Support:	Provide ongoing support to participants during and after the training. Monitor their progress and offer guidance or additional training as needed.	Training is a part of the Learning and Development Cycle
Documentation and Record-Keeping:	Maintain detailed records of the training plan, including attendance, evaluations, and any certifications or qualifications obtained by participants. This documentation can be valuable for compliance and future reference.	Keep Record of training and track progress and adherence to objectives
Feedback and Continuous Improvement:	Encourage open communication with participants to gather feedback on the training's impact on their performance. Use this feedback to continuously improve the training plan.	Ensure correction and relevance of the content and training material created
Reward & Recognition	Create a culture of continuous learning and upgrading which, encourage learners by rewards and recognitions like badges and Leader boards and positions	Encourage Continuous learning
Institutionalization	After having completed the entire cycles systems should be set up so that the process becomes a part of the system Building Nodal Centres in collaboration with Industry bodies which are for, by and of the MSME's of Rajasthan	The System will become sustainable

6.7.2 Methodology of Delivery

► Hybrid Model (Onsite & Online Training)

A hybrid training model, often referred to as blended learning, combines both onsite (in-person) and online training methods to create a comprehensive and flexible learning experience. This approach seeks to leverage the advantages of both traditional face-to-face instruction and digital learning technologies. The benefits of a hybrid model are Flexibility, Personalization: differentiated instruction, self-paced and individualized support during onsite sessions.

► Content Curation

Content curation for training involves the process of carefully selecting, organizing, and presenting existing content from various sources to create a valuable and cohesive learning experience for a specific audience. This approach allows trainers and educators to leverage existing resources, such as articles, videos, infographics, and more, to develop effective training materials.

Content Curation offers various advantages and benefits which include Time Efficiency, Resource Optimization, Expertise Demonstration, Audience Engagement, Content Variety, Staying Current, Cost-Effectiveness, Customized Learning, Reduced Information Overload, Market Research, Continuous Learning.

► Online Platform – KMS & LMS

Both LMS and KMS systems contribute to the overall efficiency, productivity, and competitiveness of MSMEs some good features of these platforms are User Management i.e. Role based access, Learning Design & Delivery, Assessment and feedback user engagement Learning progress Multimedia platform, Content Authoring, Mobile Compatibility, Analytics and many more.
KMS can simplify key management tasks, such as key generation, rotation, and deletion. This streamlines operational processes and reduces the risk of human error.

Nodal Knowledge Centres could be built in specific industry clusters that would assist the MSME's in areas like Skill Development and Capacity, Access to information, Exposure to technology, Interstate business networking, Incubation and design service , quality certifications, Mentorship and Business development Technology and many other thematic areas this could be run by using the physical infrastructure of the industry association participation and dovetailing of expertise and programmes by the industry and the Ministry.

► Institutionalization of Skill Development and Capacity Building

Skill Development and Capacity building for the MSME Ecosystem in Rajasthan Skill development and capacity building are vital for strengthening the Micro, Small, and Medium Enterprises (MSME) to economic growth, job creation, and innovation The skill and capacity building elements include assessment of the skill gap and closing the skill gap through customized, and industry led trainings for work force, entrepreneurs, Industry association and the Government Machinery.

The process entails domain areas as well as technical areas viz. Access to Finance, Markets, and enablement of Technology. Understanding and building exports, green technologies, inclusivity,

The institutionalization of skill development and capacity building initiatives for the Micro, Small, and Medium Enterprises (MSME) ecosystem is a pivotal strategy for fostering economic growth and job creation. The state recognizes the importance of nurturing skill and capacity building at all levels of the MSME ecosystem to improve competitiveness and sustainability of MSMEs. Rajasthan

will empower MSMEs with the knowledge and tools needed to thrive in a rapidly changing business landscape. This proactive approach fosters innovation, quality standards adherence, and sustainability, ensuring that the MSME sector in Rajasthan continues to play a vital role in the state's economic development

7   Access to Market

Overview

The State of Rajasthan located in the northwest of India, is bordered by five other states: Gujarat, Punjab, Haryana, Uttar Pradesh, and Madhya Pradesh, which together make up India's most important centres for agriculture, industry, logistics, and education. Districts Jaisalmer, Barmer, Bikaner and Sriganganagar share an international border of 1,070 Km with Pakistan.

The state is a natural trade and business gateway between the prosperous western states and the wealthy northern states. The state is home to several major industries, including textiles, agro & food products, gem & jewellery, handloom & handicrafts, automotive, and electronics, which contribute significantly to the country's domestic market and approximately, 98% of the total existing enterprises[37] operating in the state fall under MSME category that spread across textiles, handicraft, mining, agro & allied sectors, metal craft, footwear etc.

Rajasthan has access to 40% of India's market in adjoining five states Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, Gujrat, and Delhi. Rajasthan has 3rd largest network of national highways, 2nd largest rail network in India, 9 Inland Container Depots (ICDs), and 1 Air Cargo Complex. Also, the state has 7 airports with direct international and national connectivity that creates state's unmatched market access[38].

At current prices, **India's GDP is INR 273.08 lakh crore in 2023, and Rajasthan's domestic market share in the nation's GDP is projected to be around 5.18%, or INR 14.14 lakh crore in year 2023 and is one among the fast mover states**[39].

The reason of state's GDP growth is accredited with abundant mineral resources, good labor pool, good industrial base, improved infrastructure support, enhanced IT, and communication sector.

Rajasthan is the second largest mineral producing state of the country that has 81 different types of mineral resources, out of which 58 are being mined currently. Up till December 2022 in the fiscal year 2022-23, $4,880.00 crore in revenue has been generated by the industry. Rajasthan is the significant producer of crude oil in India and during the financial year 2022-23, ₹3,603.38 crore[40] revenue was generated up to November 2022.

In Rajasthan, **engineering goods, textiles, metal, handicrafts and chemical & allied are top five export items that accounted for more than 60 per cent of exports** from the state and **the total exports for the financial year 2022-23**. Furthermore, launch of several initiatives to support the growth of industries and businesses, including MSMEs, in the state have supported the state's growth. These initiatives include tax incentives, subsidies, and infrastructure development projects, which have helped to boost the state's contribution to the domestic market.

7.1   Sector wise opportunity and current scenario

---

[37] Rajasthan MSME Policy 2022
[38] The Land Of Opportunities
[39] Department of Economic Affairs - Ministry of Finance
[40] Rajasthan Economic Review 2022-23

7.1.1 Domestic Market

In following section, we present sectoral analysis with respect to its infrastructure availability, existing support institutions, and ecosystem:

7.1.1.1 Textiles sector

Rajasthan is the largest producer of Polyester Viscose suiting i.e., Polyester Viscose Yarn, Synthetic suiting material, and Wool[41]. **According to the Udyam Registration data pertaining to Rajasthan, A total 879 micro-enterprises in apparels working in Jaipur, 146 in Bhilwara and 165 in Pali as of March 2023.**

- Production: The production volume of different yarns from 2017-18 to 2019-20 are illustrated in the Figure 25. It can be observed that cotton yarn recorded the highest production volume of 1,77,993 tons followed by 1,30,161 tons of Polyester Viscose Yarn during 2019-2020.

Production volume of Yarn (Tons)
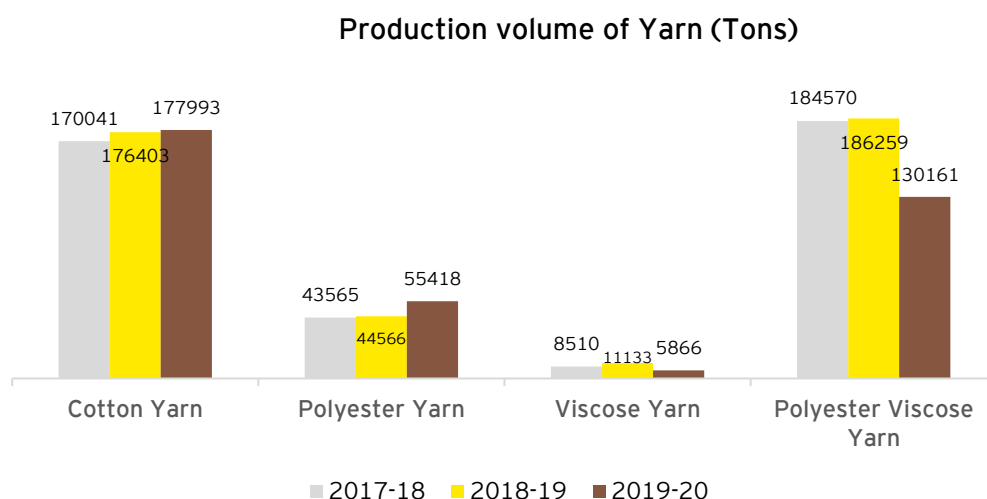
Figure 23: Production volume of polyester viscose yarn, viscose yarn, polyester yarn and cotton yarn

- Traditional Textiles: The state has wide basket of offerings in traditional textiles including Bandhani, Leheriya , Kota Doriya, Block Printed Fabrics, Ajrakh, Gota Patti, Phulkari, Mirror work, Zari Zardosi etc.
- Manufacturing Facilities: Bhilwara is the largest producer of synthetic and blended bottom weight fabrics. In addition to a strong and vibrant weaving sector in Kishangarh, Jaipur, and Sikar, there are important fabric processing sectors in Barmer and Pali.
- Investment: The rise in investment[42] in the textile sector illustrated in the figure 25 depicts the rising market potential as it adds to the capital stock which is crucial determinant of its market growth and potential.

---

[41] Invest Rajasthan
[42] Regional Textile Mills Association

8,566   9,697   10,005

Investments (Rs. Crore)

■ 2017-18   ■ 2018-19   ■ 2019-20
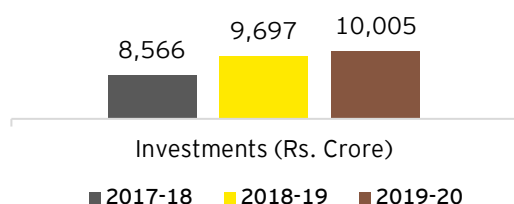
Figure 24: Investment in textile mills in Rajasthan

• Potential Opportunities: The potential opportunities in the textile sector includes **knitting and weaving, textile and apparel export, textile testing facility, knitwear, and technical textiles**.

7.1.1.2 Agro and Food Processing industry

Agriculture and allied sector contributed around 30% to Rajasthan's GSDP in 2022-23. Here are some facts that represents Rajasthan's agricultural strength[43] in terms of rank in India:

► Largest producer of medicinal and aromatic crops.
► Largest producer of moth beans, nutri cereal, garlic, mustard, bajra, guar gum, coriander and Isabgol.
► Second largest producer of oilseeds, cumin, pulses.
► Largest Milk producing state.

Food Parks: Ajmer is home to a Mega Food Park and there are four Agro Food Parks – Jodhpur, Kota, Alwar and Sriganganagar developed by RIICO in Rajasthan. During 2020-21, the state contributed 14.63% of milk and 42.45% of wool to the nation's produce.

Food Processing Industry Structure of Rajasthan:
► 956 food processing industries
► 144 e-Nam Mandis
► 72 Farmer Produce Organisations (FPOs)
► 145 marketing committee
► 182 mandis

The **Department of Agricultural Marketing (DAM)** in Rajasthan aims to create markets for agricultural goods in the state and oversee the buying and selling of processed food products. The department strives to provide fair prices to farmers who struggle to compete in the market. To achieve this goal, the DAM gives high priority to enforcing current laws and regulations and introducing new technologies. Also, the development of agricultural marketing infrastructure is crucial for promoting the economic growth of farmers.

The State has received assistance/incentives from the Ministry of Food Processing Industries (MoFPI) under its flagship schemes, such as, Pradhan Mantri - Kisan Sampada Yojana, Pradhan Mantri Formalisation Micro Food Processing Enterprises Scheme, and the Production Linked Incentive Scheme.

Pradhan Mantri - Kisan Sampada Yojana: The Central Sector Scheme - SAMPADA (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters) was approved by the cabinet in May 2017 for the period of 2016-20. The scheme has now been renamed as the "Pradhan Mantri Kisan Sampada Yojana (PMKSY)" and the continuation of the Central

---

[43] https://worldfoodindia.gov.in/public/pdf/1689252692_1879094203.pdf

Sector Scheme with an allocation of Rs. 4600 Cr., is approved till 31.03.2026. The aim of PMKSY are:

► To create modern infrastructure with efficient supply chain management from farm gate to retail outlet.
► Doubling farmers' income, creating huge employment opportunities, reducing wastage of agricultural produce, increasing the processing level and enhancing the export of the processed foods.

The following schemes will be implemented under PM Kisan SAMPADA Yojana:
► Mega Food Parks
► Integrated Cold Chain and Value Addition Infrastructure
► Creation/ Expansion of Food Processing/ Preservation Capacities
► Infrastructure for Agro-processing Clusters,
► Creation of Backward and Forward Linkages,
► Food Safety and Quality Assurance Infrastructure

Achievements[44] of PMKSY scheme in Rajasthan (as on 31.05.2023):

Table 33: Pradhan Mantri Kisan Sampada Yojana (PMKSY) Scheme

Scheme name	No. of Projects approved	Total project cost (INR Cr.)
Mega food parks	2	243.16
Cold chain	13	290.99
Agro processing clusters	4	145.96
Creation / expansion of food processing & preservation capacities (CEFPPC) units	24	333.24
Creation of backward And forward linkages	6	25.84

Agro Processing Clusters (APC): The APC scheme of Ministry of Food Processing Industries (MoFPI) aims at the development of modern infrastructure and common facilities to encourage group of entrepreneurs to set up food processing units based on cluster approach by linking groups of producers/ farmers to the processors and markets through well-equipped supply chain with modern infrastructure. In year 2022, there are four APC clusters approved in Rajasthan in Churu, Jalore, Jaipur and Bhilwara districts.

Further, here is the list of ongoing APCs and Cold Chain Projects in Rajasthan[45]:

Table 34: Ongoing Agro Processing Clusters

District Name	Company Name	Investment Leverage (Rs. in Cr.)	Farmers Benefited (in Nos.)	Processing Capacity, lakh metric tonnes) (LMT) PA
Jaipur	Gatik Food Library	22.01	4000	0.0640
Jodhpur	Shrirudraksh Agro Processing Private Limited	28.11	4000	0.4320
Tonk	Greenfields Agro Park	11.82	4000	0.2400

---

[44] Food Processing - Rajasthan
[45] State Profile of Rajasthan - MoFPI

Table 35: Ongoing Cold Chain Projects

District Name	Company Name	Investment Leverage (Rs. in Cr.)	Processing Capacity (LMT) PA
Bikaner	Manorama gavya food industries	6.83	0.15
Hanumangarh	Satyam food processing company	7.39	0.38
Jaipur	Mewar foods private limited	10.10	0.37
Udaipur	Gandhinagar district cooperative milk producers' union limited	17.50	0.38

Pradhan Mantri Formalisation Micro Food Processing Enterprises Scheme (PMFMPE) – The scheme was launched in June 2020, is a centrally sponsored scheme by the MoFPI, designed with the aim to enhance the competitiveness of existing individual micro-enterprises in the unorganized segment of the food processing industry. Also, to promote formalization of the sector faced by the micro-enterprises and to support Farmer Producer Organizations (FPOs), Self Help Groups (SHGs), and Producers Cooperatives along their entire value chain. As on 6 June 2023, 323 micro enterprises have been approved under PMFME in Rajasthan.

Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) – This scheme support creation of global food manufacturing champions commensurate with India's natural resource endowment and support Indian brands of food products in the international markets with an outlay of Rs.10900 crore. As on 6 June 2023, 8 projects have been approved under PMFME in Rajasthan with the total project cost of 283.55 Cr.

Investment Opportunities: The diverse agro-climatic conditions in the state facilitate the cultivation of a wide range of fruits, including mangoes, guava, pomegranate, and citrus fruits, as well as vegetables like onions and potatoes. It presents immense potential for the production of processed value-added products, such as, pulp, dehydrated snacks, bread, muffins, and millet snacks.

Here are some potential food processing sectors for investment opportunities:

PROCESSED FOODS	DAIRY PRODUCTS	MILLET PRODUCTS	SPICE PRODUCTS
Moth Beans and Wheat Processing	Value-Added Dairy Products such as, yogurt, cheese, butter, ghee, flavoured milk, milk-based desserts	Millet Flour Products	Garlic
Edible Oil Processing	Milk Powder and Dairy Ingredients like whey protein, casein, and lactose	Millet-based Bakery and Snack Items	Cumin
Guar Gum Processing	Dairy-Based Beverages such as, flavoured milk drinks, probiotic drinks, and milkshakes	Millet-based Beverages	Mustard
	Packaging and Processing Technologies	Millet-based Baby Food	Corainder
		Millet Flakes and Instant Mixes	
		Instant Mixes	
		Fortified Millet Products	

Figure 25: Investment Opportunities of Food Processing Sectors in Rajasthan

Investment Incentives:

Rajasthan Investment Promotion Scheme (RIPS) 2019: An attractive package of general financial incentives (exemption and subsidies) is available under RIPS 2019.

► Agro Processing & Dairy Sector is eligible for additional incentive such as 5% interest subsidy for 5 years up to INR 2.5 million p.a. or 25% of capital subsidy up to INR 5 million.

Rajasthan Agro-processing, Agri-business & Agri-export Promotion Policy, 2019

► Capital Subsidy of up to 1 crore for food processing organisations.

► Interest Subsidy of up to 5 crore for Agro-processing units and up to 10 crore for Agro-processing Infrastructure Projects.

7.1.1.3 Tourism

Rajasthan is famous for its countless entrepreneurial ventures apart from its majestic palaces, vibrant culture that attracts a chunk of tourists. The state offer opportunities to expand the luxury tourism segment, with an increasing number of tourists visiting wildlife sanctuaries and desert locations. The tourism in the state provides economic benefits like foreign exchange earnings, regional development, infrastructural development, and promotion of local handicrafts.

The Trade, hotels & restaurants has the significant position in service sector in Rajasthan. **In year 2022-23, trade, hotels & restaurants contributed around 27.69% of the Gross State Value Added (GSVA) in the service sector,** followed by real estate ownership of dwelling & professional services with a share of 24.62%.

Rajasthan the most compelling destination for investment in this sector.

▶ Six Majestic Forts listed as UNESCO World Heritage Monuments in Chittorgarh, Kumbhalgarh, Sawai-Madhopur, Jhalawar, Jaipur & Jaisalmer

▶ Stands at the 6th place in India in terms of foreign tourist arrivals.

▶ Best Wedding Destination of 2020

▶ Ranthambore - Best Wildlife Destination in India 2020

▶ Jaipur - Best Heritage Destination 2020

▶ Jaipur and Udaipur ranked among 10 best cities in the world (2022)

Tourist Footfall: During the year 2022 (up to November, 2022), total 986.32 lakh (983.24 lakh domestic and 3.08 lakh foreigners) tourists visited in Rajasthan. In 2022, foreign tourists are as following: US tourists holds the highest number of tourists in the state followed by France with 16.36% and 8.82 % respectively[46].

Tourists from top 10 countries (in %), 2022
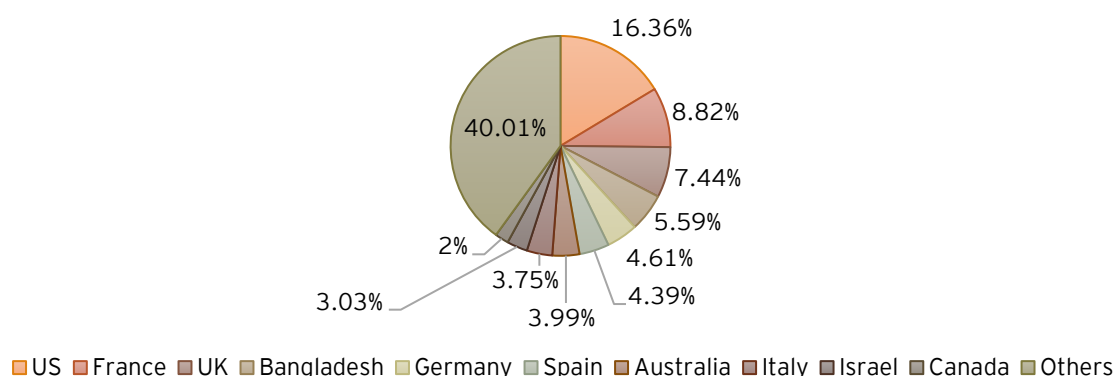
Figure 26: Tourist Footfall in Rajasthan (2022)

Government support: Significant efforts are being made by the State Government to develop and promote tourism in the State as it has vast potential to generate employment and income for the people of the Rajasthan. Following are the steps taken by the government to enhance the growth and potential of tourism sector.

▶ Tourist Development: In the State budget 2022-23, the amount of tourism development fund has been increased from ₹500 crore to ₹1,000 crore, out of which tourism development works of worth ₹600 crore has been identified and an action plan of ₹400 crore has been prepared for marketing and branding.

▶ Employment Generation: 157 tourism units projects worth investment of ₹1,878.53 crore and involving employment of 7,592 persons have been approved in the year 2022-23 (up to December 2022).

▶ Restoration and Conservation: In the State Budget 2022-23, ₹19.43 crore sanctioned for Restoration and Conservation of 23 historical stepwells situated at Kota, Bundi, Tonk, Jaipur, and Dausa districts. The Department of Archaeology and Museums, Rajasthan has been making concerted efforts to discover, preserve, protect, exhibit and interpret the cultural legacy embodied in various forms of art and architecture. Also, works related to conservation, restoration and development are carried out in the following monuments during the year 2022-23 is as follows:[47]

---

[46]Rajasthan Tourism
[47] Rajasthan Economic Review 2022-23

Completed Projects	Under Progress	Sanctioned in Budget 2022-23 (Under Progress)
‣ Ancient Fort Fatehgarh (Ajmer) ‣ Panna Lal Shah Ka Talab, Khetri (Jhunjhunu) ‣ Patwon ki Haveli (Jaisalmer) ‣ Shiv Mandir -Baori (Jodhpur) ‣ Ancient Palace -Kumher (Bharatpur)	‣ Phalodi Fort (Jodhpur) ‣ Talab-e-Shahi Bari (Dholpur) ‣ Deeg Fort (Bharatpur) ‣ Shahbad Fort (Baran) ‣ Shergarh Fort-Atru (Baran) ‣ Palace and Temple -Purani Chhawani (Dholpur) ‣ Bala kila (Alwar) ‣ Siwana Fort (Barmer) ‣ Fort-Khetri (Jhunjhunu) ‣ Fort Sarwar (Ajmer)	‣ Meera Smarak / Rao Dudagarh- Merta (Nagaur ‣ Government Museum (Bharatpur)

Figure 27: Restoration and Conservation Projects in Rajasthan

Investment Opportunities
- ► Hotels & Resorts
- ► Desert Tourism: Camping Sites & Activities
- ► Conversion of Heritage Properties into Hospitality Units
- ► Wildlife & Eco Tourism Experiences
- ► Rural Tourism Experiences
- ► Wellness & Medical Tourism
- ► MICE Tourism
- ► Amusement/Theme Parks
- ► Adventure Tourism Experiences

Economic Significance of preservation of historical places and monuments: The cultural industries are key components of modern economies. **The prevalence of cultural sites, services and art forms tend to boost tourism, sustain livelihoods, and attract investment that amplifies customer base and enhances tourism and related markets**. Further, the non-economic benefits of culture include the preservation of history, the generation of knowledge, and the nurturing of creativity.

7.1.1.4 Handicraft

Handicrafts constitute an important segment of the unorganized sector of state's economy. It is mainly labour-intensive sector and has now transformed into a flourishing economic activity due to significant domestic and global market demand over the years. Handicraft sector has huge growth potential to provide sustenance to existing lakhs of artisans as well as to a large number of new entrants in the crafts activity.

Handicraft sector contributes significantly towards employment generation and export. however, this sector has suffered due to its unorganized nature along with additional constraints like lack of education, capital, and poor exposure to new technology, absence of market intelligence and poor institutional framework. Handicrafts is one among the top exporting items with the share of 11.76% during 2021-22. This sector provides employment to the local people but earns foreign exchange for the State. The State houses about 6 lakh craftsmen and artisans.

These crafts include Hand Block Printing, Bandhej, Tie & Dye, Dabu Print, Ajrak Print, Taarkashi, Kundan, Meenakari, Terracotta, Thewa Art, Sculpture, Kota Doria, Jaipuri Razai, Lac Work, Usta Art, Miniature Painting, Blue Pottery, Clay Art, Handmade Paper, Jaipuri & Jodhpuri Jootis, Paper Mache, Stone Carving etc[48]. Here is the list of various crafts and their GI tags:

Table 36: GI Tags of Rajasthan

Sl. No	Craft	Geographical location
1	Hand Block Printing	Barmer, Jaipur, Sikar, Jodhpur Bikaner, Pali, Chittaurgarh, Udaipur, Nathdwara, Sanganer, Bagru, Kaladera, Bassi and Jairmapura
2	Meenakari	Jaipur, Nathdwara, Bikaner, Udaipur and Pratapgarh
3	Tie & Dye	Jodhpur, Sikar, Jaipur, Udaipur, Jaisalmer, Barmer and Pali
4	Blue Pottery	Jaipur
5	Ajrak Print	Barmer
6	Taarkashi	Nathdwara
7	Terracotta	Rajsamand
8	Kota Doria	Bundi, Kota and Baran
9	Jaipuri Razai	Jaipur
10	Jaipuri & Jodhpuri Jootis	Jaipur
11	Lac Work	Jaipur, Jodhpur, Sawai Madhopur, Indargarh, and Sikar.
12	Stone Carving	Jaipur, Alwar, Jaisalmar, Jodhpur, Udaipur, Sikar, Sawai Madhopur, Sikhandra and Bharatpur.

Marketing Support and Services Scheme offers interventions for domestic marketing events to artisans as financial assistance to participate in trade fairs across the country and abroad. The Research and Development Scheme was initiated to collect feedback on economic, aesthetic, social, and promotional facets of crafts and artisans in the sector to support the implementation of other welfare schemes.

For the development of the handicrafts sector, Government implemented two programs:
► National Handicraft Development Programme (NHDP)
► Comprehensive Handicrafts Cluster Development Scheme (CHCDS)

These programs are providing support on design, technology upgradation, infrastructure development, research and development, market support etc. to handicrafts clusters in the country.

The NHDP and CHCDS scheme have the following components;
National Handicrafts Development Programme is a comprehensive initiative that includes a range of support measures for artisans. These encompass marketing assistance, skill development, welfare, infrastructure and technology support, and research and development, all aimed at promoting and preserving the rich heritage of Indian handicrafts.

---

[48] Rajasthan Handicraft Policy 2022

The Comprehensive Handicrafts Cluster Development Scheme (CHCDS) primarily aims to integrate all handicraft artisans into the mainstream while preserving and continuing the prestigious crafts of the country. This is achieved through several key objectives:

Providing Marketing Platforms, Resilient Infrastructure Support, Skill Training Programs Capacity Building, Social security coverage through programs like Aaam Admi Jeeven Joyti Yojana and Pradhan Mantri Jeevan Joyti Yojana. It also includes provisions for pension benefits for elderly artisans.

In summary, CHCDS aims to uplift the handicraft sector by providing marketing opportunities, improving infrastructure, and skill development for artisans. Additionally, it extends social security coverage and pension benefits to ensure the well-being of artisans while preserving India's traditional crafts.

7.1.1.5 Stone and Minerals

Rajasthan has an abundance of minerals and also known as 'Museum of Minerals and is Home to 81 different minor and major minerals. In the financial year 2022-23, the industry sector which includes Mining & Quarrying, Manufacturing, Electricity, Gas, Water Supply & other Utility Services and Construction contributed to 27.31% in Rajasthan's GSVA at current prices. Mining and Quarrying contributes around 12.6% in 2022-23 in the industrial GSDP 49. The state is the country's most important centre of marble processing with around 95% of the total processing units and is also the largest producer of granite, sandstone and Slate & Phyllite.

> ► Sole producer of Zinc, Lead, Selenite and Wollastonite. Hindustan Zinc, the world's leading zinc, silver, and lead producer, is headquartered in Udaipur
> ► Largest producer of Silver and minor minerals such as Marble, Granite and Sandstone in India
> ► 2nd largest producer of Copper in India

Marble: Rajasthan possesses large reserves of about 1231 million tonnes (M.T) of good quality marble[50] in figure 46.

Marble Industry

Types of Marble	Marble Deposition	Marble Processing Units
‣ Plain White Marble	‣ Makarana	‣ Sirohi
‣ Panther Marble	‣ Jaipur	‣ Dungarpur
‣ White Veined Marble	‣ Alwar	‣ Ajmer
‣ Plain Black Marble	‣ Ajmer	‣ Sikar
‣ Black Zebra Marble	‣ Udaipur	‣ Jodhpur
‣ Pink Adanga Marble	‣ Nathdwara	‣ Bhilwara
‣ Green Marble	‣ Rajsamand	‣ Chittaurgarh
‣ Pink Marble	‣ Morchana	‣ Churu
‣ Grey Marble	‣ Amer	
‣ Brown Marble	‣ Abu Road	
	‣ Kishangarh	
	‣ Banswara	
	‣ Chittaurgarh	
	‣ Sirohi	

Figure 28: Glimpse of Marble Industry in Rajasthan

---

[49] Rajasthan Economic Survey 2022-23
[50] Department of Mines & Geology - Rajasthan

▶ **Granite:** is largely processed in Jalore, Sikar, Abu Road, Alwar, Jhnjhunu, Jaipur, Banswara, Shahpura, Ajmer, Chittaurgarh, Udaipur, Badnor, Devgarh, Raipur, Pali, Jodhpur etc.Commercial mining and processing of granite in India is confined largely to Andhra Pradesh, Karnataka, Rajasthan, Tamilnadu, Orrisa, M.P., Bihar and Gujrat, out of which Rajasthan is among the top-most.

▶ **Slate and Phyllite:** Slate and Phyllite are low-cost decorative stones having wide applications after cutting for use in interior as well as exterior decorations. These stones are found in Ajmer, Alwar, Jaipur, Sawai Madhopur, Bharatpur, Bundi, Pali, Tonk, Udaipur and Chittaurgarh districts.

▶ **Sandstone:** Sandstone may be defined as a stone made up of grains of quartz and other minerals of fairly uniform size and often smooth and rounded. Rajasthan being the largest producer is an important sandstone producing state of India. It is an excellent building stone. Rajasthan sandstone is mainly found in the main Vindhyan and Trans-Aravall Vidhyan sequence exposed in an area of about 34,000 sq. km. covering parts of Dholpur, Bharatpur, Karauli, Sawai Madhopur, Bundi, Jhalawar, Kota, Bhilwara, Chittaurgarh Jaisalmer and Baran districts in eastern Rajasthan and in scattered form in Jodhpur, Nagaur and Bikaner districts of western desert plain

▶ **Mineral:** Rajasthan is the richest State in terms of availability and variety of minerals in the country. The State is blessed with 81 varieties of minerals, of which 57 are being commercially exploited. The State has virtual monopoly in the production of minerals like Lead, Zinc, Silver, Gypsum, Soapstone, Ball Clay, Calcite, Rock Phosphate, Feldspar, Kaolin, Copper, Jasper, Wollastonite, etc. The State is proud to possess huge resources of Lignite, Crude Oil and high-quality Gas. Here is the table 40 that represents minerals and their respective districts:

Table 37: Resources Of Important Minerals In Rajasthan

Sl. No.	Name of Mineral	District[51]	Estimated Resources (in MillionTonnes)
1.	Ball Clay	Bikaner, Nagaur & Pali	31.81
2	Barytes	Alwar, Bharatpur, Bhilwara, Bundi, Chittorgarh, Jalore, Pali, Rajsamand, Sikar & Udaipur	2.99
3	Bentonite	Barmer, Jaisalmer & Jhalawar	423.51
4	Calcite	Ajmer, Alwar, Bhilwara, Jaipur, Jhunjhunu, Pali, Sikar, Sirohi & Udaipur	10.39
5	China Clay	Ajmer, Barmer, Bharatpur, Bhilwara, Bikaner, Bundi, Chittorgarh, Dausa, Jaipur, Jaisalmer, Jhunjhunu, Kota, Nagaur, Pali, Sawai Madhopur & Udaipur	432.51
6	Copper Ore	Jhunjhun, Alwar, Ajmer, Bharatpur, Bhilwara, Bundi, Chittorgarh, Dausa, Dungarpur, Jaipur, Jhunjhunu, Pali, Rajsamand, Sikar, Sirohi and Udaipur	809.09
7	Dolomite	Ajmer, Alwar, Bhilwara, Chittorgarh, Dausa, Jaipur, Jaisalmer, Jhunjhunu, Jodhpur, Sikar & Udaipur	599.40
8	Feldspar	Ajmer, Rajsamand, Pali, Tonk, Sikar	87.94
9	Fire Clay	Bikaner, Pali, Jaisalmer, Nagaur, Barmer, Bhilwara, Chittorgarh, Jaipur, Bundi, Karoli, Sawai Madhopur, Sikar, Ajmer, Jodhpur	66.42
10	Flourite	Dungapur, Jalore, Sikar	5.24

---

[51] https://ibm.gov.in/writereaddata/files/09232015123207Rajasthan.pdf

11	Fuller's Earth	Barmer, Bikaner & Jodhpur	190.05
12	Garnet	Ajmer, Bhilwara, Jhunjhunu, Sikar & Tonk	0.198
13	Gold Ore	Banswara, Bhilwara, Dausa, Sirohi and Udaipur	118.88
14	Granite	Ajmer, Alwar, Banswara, Barmer, Bhilwara, Chittorgarh, Jaipur, Jaisalmer, Jalore, Jhunjhunu, Jodhpur, Pali, Rajsamand, Sawai Madhopur, Sikar, Sirohi, Tonk & Udaipur	9190.665 m.3
15	Gypsum	Barmer, Bikaner, Churu, Sri Ganganagar, Hanumangarh, Jaisalmer, Jalore, Nagaur & Pali	1055.55
16	Iron Ore	Alwar, Dausa, Jaipur, Jhunjhunu, Sikar & Udaipur	666.31
17	Laterite		123.35
18	Lead- Zinc Ore	Udaipur, Rajsamand, Bhilwara, Also in Ajmer, Chittorgarh, Pali and Sirohi	629.92
19	Lignite	Barmer, Bikaner, Jaisalmer and Nagaur	5720.35
20	Limestone (All Grade)	**Chemical grade** - limestone in Jodhpur, Nagaur and Alwar **Cement grade limestone** -Ajmer, Alwar, Banswara, Bhilwara, Bikaner, Bundi, Chittorgarh, Churu, Dungarpur, Jaipur, Jaisalmer, Jodhpur, Jhunjhunu, Kota, Nagaur, Pali, Sawai Madhopur, Sikar, Sirohi and Udaipur	21660
21	Manganese Ore	Banswara, Jaipur, & Pali	5.78
22	Marble	Ajmer, Alwar, Banswara, Bhilwara, Bundi, Chittorgarh, Dungarpur, Jaipur, Nagaur, Sikar, Sirohi & Udaipur	1231.42
23	Ochre	Baran, Bharatpur, Bhilwara, Bikaner, Chittorgarh, Jaipur, Sawai Madhopur & Udaipur	117.31
24	Potash	Jaisalmer & Nagaur	20419
25	Rock phosphate	Alwar, Banswara, Jaipur, Jaisalmer & Udaipur	98.64
26	Silica Sand with Quartz	Ajmer, Alwar, Bharatpur, Bhilwara, Bikaner, Bundi, Chittorgarh, Dausa, Jaipur, Jaisalmer, Jhunjhunu, Jodhpur, Kota, Pali, Rajsamand, Sawai Madhopur, Sikar, Sirohi, Tonk & Udaipur	332.46
27	Silver Ore	Ajmer, Bhilwara, Jhunjhunu, Rajsamand, Sikar & Udaipur	458.50
28	Soapstone	Ajmer, Alwar, Banswara, Bharatpur, Bhilwara, Chittorgarh, Dausa, Dungarpur, Jaipur, Jhunjhunu, Karauli, Pali, Rajsamand, Sawai Madhopur, Sirohi, Tonk & Udaipur	132.16
29	Tungsten Ore	Nagaur & Sirohi	23.92
30	Wollastonite	Ajmer, Dungarpur, Pali, Sirohi & Udaipur	14.57

Table 38: Resources of Important Minerals in Rajasthan

7.1.1.6 Engineering

Rajasthan has a growing engineering industry, encompassing various machinery and equipment sectors, including agriculture, construction, and manufacturing. This sector plays a crucial role in supporting the state's economy and industrial development. Here are some key aspects of the machinery and equipment industry in Rajasthan:

▶ Agricultural Machinery: Rajasthan's agriculture sector relies on a range of machinery and equipment, including tractors, tillers, harvesters, and irrigation systems. Companies like Mahindra & Mahindra and Escort Limited have a presence in the state, manufacturing agricultural machinery.

▶ Construction Equipment: The construction industry in Rajasthan has been expanding, leading to a demand for construction equipment such as excavators, loaders, and concrete mixers. Companies like JCB India Ltd. have manufacturing facilities in Rajasthan.

▶ Automotive Component Manufacturing: Rajasthan has seen growth in the manufacturing of automotive components and parts. This includes machinery for auto component manufacturing, such as presses, CNC machines, and injection moulding equipment.

▶ Textile Machinery: As Rajasthan has a significant textile industry, there is a demand for textile machinery and equipment, including spinning machines, looms, and dyeing equipment.

▶ Mining Equipment: Rajasthan has abundant mineral resources, and the mining industry requires various machinery and equipment for exploration, extraction, and processing.

▶ Manufacturing Machinery: The state's manufacturing sector relies on machinery and equipment for various industries, including ceramics, cement, and electronics manufacturing.

7.1.1.7 Auto & Auto components

Rajasthan is home to more than 100 automotive and auto-component manufacturing units.

a. Primarily located in Bhiwadi-Neemrana region in Alwar district – a major part of which lies in the National Capital Region that gives the advantage of excellent market access and sound logistics infrastructure.

b. The presence of major players Hero Motors, Honda Cars, Honda Two-wheelers and Ashok Leyland, this region has a very vibrant ecosystem for auto and ancillary units.

c. With the Greater Bhiwadi Industrial Township and a greenfield international airport and aerotropolis near Bhiwadi being planned in alignment with Delhi-Mumbai Industrial Corridor, this area is poised become one of the most important auto and industrial hubs of India. Here is the list of opportunities and benefits in Auto and Auto Component sub sectors of the state:

Table 39: Potential Investment areas:

Sector	Investment equal to or above	Benefits

Auto Components	INR 100 mn	Interest Subsidy 5% for 5 years (max INR 2.5 mn/yr) or Capital Subsidy 25% (max INR 5 mn)
EV	INR 250 mn	Interest Subsidy 5% for 5 years (max INR 10 mn/yr) or Capital Subsidy 25% (max INR 5 mn)
E-Charging & Swapping Station	INR 2.5 mn	Interest Subsidy 5% for 5 years (max INR 0.2 mn/yr) or Capital Subsidy 20% (max INR 0.4 mn)

7.1.1.8 Chemicals

The chemical sector comprises enterprises engaged in manufacturing of chemicals such as organic chemicals, inorganic chemicals and salt, fine chemicals, specialty chemicals, fertilizers and pesticides, dyes, pigments, colorants, intermediates, and alcohol-based chemicals (organic). The following table shows the estimated number of chemical companies in major districts:[52]

Table 40: Estimated number of chemical companies in major districts

District	Number of Companies
Jaipur	2237
Jodhpur	917
Alwar	659
Udaipur	541
Pali	449
Ajmer	329
Bikaner	276
Bhilwara	251
Kota	231
Barmer	210
Nagaur	209
Sikar	181
Hanumangarh	146
Sriganganagar	118
Jhunjhunu	106

The state encompasses various sub-sectors, each specializing in the production of specific types of chemicals or chemical-related products. Here are some of the key sub-sectors within the chemical industry in Rajasthan:

The pharmaceutical sub-sector is rapidly growing, with companies engaged in drug manufacturing, active pharmaceutical ingredients, and pharmaceutical intermediates. Fertilizer manufacturing is pivotal, producing chemical and organic fertilizers crucial for regional agriculture.

Agrochemicals, including pesticides and herbicides, contribute to crop protection and enhancement. Fine chemicals, tailored to specific industries like pharmaceuticals and perfumery, are produced in Rajasthan. Specialty chemicals, with unique applications in electronics, coatings, adhesives, and personal care products, are prominent. These sub-sectors collectively bolster the chemical industry's growth and provide essential support to

various sectors, contributing significantly to the state's economy. Collaborative efforts often create integrated chemical value chains, enhancing overall industry efficiency and competitiveness within the region.

7.1.1.9 Gems And Jewellery

The sector comprising enterprises engaged in manufacturing of handmade or machine-made jewellery, precious stones or other articles of gold, silver and other precious metals crafted by local artisans. The sector in Rajasthan is mainly concentrated in the city of Jaipur, which is home to many gems cutting and polishing units, as well as jewellery manufacturers and exporters. The city is also home to the Johari Bazaar, which is one of the largest and most famous jewellery markets in the world. **Jaipur and Jodhpur are the popular hubs for Meenakari, Jadau, Kundan, and Lac jewellery.**

This sector is one of the most profitable businesses in the state which is also indirectly propelled by the tourism industry. It is India's important source for precious and semi-precious stones like; Ruby, Emerald, Garnets, Agate, Amethyst, Topaz, Lapis lazuli, Carnelian, etc.

Government Support: On 30th August 2023, the Rajasthan Govt. has approved the allocation of approximately 44,000 square meters of land at the reserve rate for the establishment and development of the Jaipur Gems and Jewellery Bourse. The collaboration between the Gem & Jewellery Export Promotion Council (GJEPC) and the Jewellers Association Jaipur to form a special purpose vehicle (SPV) that can stimulate the export of gems and is anticipated to generate a host of employment opportunities, bolstering both the local economy and the state's overall progress[53].

7.1.1.10 Wood Products

Rajasthani furniture is known for its beauty, strength, and style. Jodhpur is the furniture hub would because this city is the home of many world-famous furniture manufacturer and exporters. The well-crafted pieces, in solid wood with little metal detailing, are the epitome of traditional techniques and the rich heritage of India.

▶ Rajasthan is the largest state in India and has the majority of manufacturing units for solid wood furniture. The production area for furniture is maximum in the state. Prominent places for furniture manufacturing in the state includes Jodhpur, Jaipur, Churu, Ramgarh Shekhawati and Udaipur. The city of Jodhpur in Rajasthan, India is famous for its traditional and modern furniture, made from a variety of materials including sheesham wood. Sheesham, also known as Indian rosewood, is a popular choice for Jodhpur furniture due to its durability and attractive grain patterns. Modern furniture in Jodhpur combines traditional techniques with contemporary design elements to create stylish and functional pieces.

▶ The state is well known for its skilled carpenters with minute detailing and layering techniques, which embellish the furniture for commercial, corporate and residential interior spaces. Cluster-based development has helped a lot to

---

[53] GJEPC India

synergize the existing resources and provide an opportunity for manufacturers to acquire technology, access capital, upgrade their skills, and cater to the needs of international buyers or Importers. The furniture is beautifully handcrafted with traditional techniques and details.

1. The main features of Rajasthani furniture include jaroka, bakra design, Meenakari, hand painting, use of mirrors, and coloured glass.
2. All the furniture exported from the state of Rajasthan follows international standards and certifications like FSC, Vriksh, Sedex etc.
3. Shekhawati style furniture is influenced by historic culture and a fusion of woods, embossing, and beautiful prints which adds charm to the furniture.
4. Barmer is famous for its variety of carved furniture inspired by Hindu and Jain temples. The key features include intricate carving, excellence in details, innovation, and finesse in solid wood furniture.

7.1.1.11 Rubber & Rubber Products

Rajasthan's rubber industry demonstrates its importance through these sub-sectors and manufacturing units. These manufacturing activities cater to local and regional demands, contribute to economic growth, and play a role in sustainable rubber management in the region.

► **Rubber Processing and Manufacturing:** Small and medium-sized rubber manufacturing units in Rajasthan engage in processing raw rubber materials to create diverse rubber products. This includes rubber sheets, molded rubber products, and various rubber components.
► **Rubber Components for Automotive:** Some companies in Rajasthan specialize in manufacturing rubber components tailored for the automotive industry. These components, such as gaskets, seals, tires, and other rubber parts, find application in vehicles.
► **Rubber Footwear:** Rajasthan houses manufacturers engaged in producing rubber footwear, including sandals, slippers, and boots. These products cater to local and regional markets, meeting the demand for comfortable and durable footwear.
► **Rubber Chemicals and Additives:** Manufacturers in Rajasthan may either produce or utilize rubber chemicals and additives in their rubber processing operations. These chemicals enhance rubber properties and optimize manufacturing processes for improved product quality.

7.1.1.12 Leather and Leather Products

The leather industry in Rajasthan comprises various subsectors, each specializing in different aspects of leather processing, manufacturing, and product development. Here are some of the key subsectors within the leather industry in Rajasthan:

► Tanneries: Tanneries are the foundation of the leather industry. They are responsible for the processing of raw animal hides and skins into leather through various chemical and mechanical treatments. Rajasthan has several small-scale tanneries that produce different types of leather, including vegetable-tanned and chrome-tanned leather.
► Footwear Manufacturing: This subsector focuses on the production of leather footwear, such as shoes, sandals, boots, and slippers. Rajasthan is known for its leather shoe manufacturing industry, with numerous small and medium-sized enterprises (SMEs) engaged in this subsector.

► Leather Garments and Accessories: Many units in Rajasthan specialize in manufacturing leather garments like jackets, coats, pants, and skirts. Additionally, they produce leather accessories such as bags, belts, wallets, and gloves.

► Saddlery and Harness: Rajasthan has a long history of equestrian culture, and as a result, there is a significant subsector dedicated to manufacturing saddles, harnesses, and other equestrian equipment. These products cater to both domestic and international markets.

► Leather Goods and Handicrafts: Rajasthan is renowned for its traditional craftsmanship. The state produces a wide range of leather goods and handicrafts, including decorative items, journals, and home decor made from leather. These products often feature intricate designs and handcrafted details.

► Leather Chemicals and Auxiliary Products: Apart from leather processing, some units in Rajasthan are involved in the production of leather chemicals, dyes, and auxiliary products used in the tanning and finishing processes.

These subsectors collectively contribute to the diversity and growth of the leather industry in Rajasthan. The state's historical and cultural significance, along with its access to raw materials and skilled labor, has played a pivotal role in the development of these subsectors.

7.1.1.13   Pharmaceuticals:

The pharma sector has been categorized as the Sunrise Sector in the RIPS 2022. The state has **easy availability of natural resources as key inputs such as Zinc, Guar Gum, Silica, Isabgol, Aloe Vera, Calcite** make Rajasthan a good choice for locating pharmaceutical manufacturing units. The state government is supporting the industry with all sources to develop the pharma sector.

Infrastructure of Pharma Industry:
MedTech – Medical Devices Park RIICO is developing a MedTech at Jodhpur with over 230 acres. The park shall have a dedicated Common Facilitation Centre (CFC) equipped with high quality laboratory and research and development facility. Plug and play facilities are also being developed for expediting the investments and supporting the industry with ready infrastructure

7.1.2 International Market

Rajasthan is a vital trade and business hub because it is a natural gateway between the opulent western states and the wealthy northern states. Exports has been identified as one of the thrust areas for economic development of the state, by the state and some of the economic sectors it include are – Agro Processing, Auto and Auto Components, Minerals/Ceramics, Textile, Tourism, Medical and Health, IT & ITes among others.

The significance of exports from the state lies not only in earning valuable foreign exchange for the country's treasury but also in indirect benefits to the state such as: better employment prospects, increased market opportunities for its products, enhanced product quality and handling methods, technological advancements in plant, machinery, and manufacturing processes, etc. The significant growth in exports from Rajasthan is depicted in the figure 31:

| 46476.92 | 51178.41 | 49946.09 | 52764.31 | 71999.7 | 77771.38 |

EXPORTS

■ 2017-18   ■ 2018-19   ■ 2019-20   ■ 2020-21   ■ 2021-22   ■ 2022-23
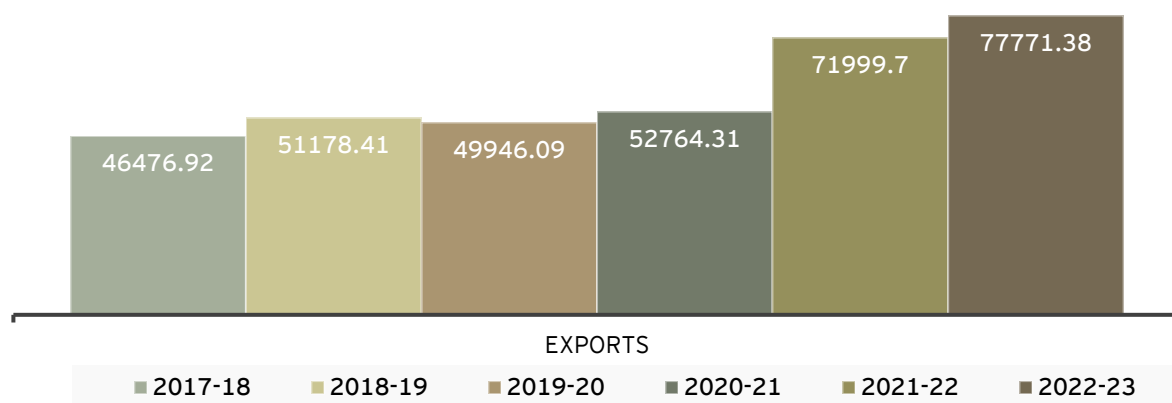
Figure 29: Rajasthan Exports, in Crores, 2018 - 2022
Source: Department of Industries and Commerce (DIC)

In Rajasthan, engineering goods, textiles, metal, handicrafts and chemical & allied are top five export items that account for more than 50 per cent of exports (₹71,999.72 crore) from the state. Whereas in financial year 2022-23, **Textiles, Argo, Gems and Jewellery, Engineering, Metal covers more than 60% of the total exports of Rajasthan.** Other than these sectors, dimensional stones, chemicals, handicrafts, readymade garments are majorly exported from the state.

7.1.3 Export Preparedness

According to the Export Preparedness Index 2022 released by NITI Aayog, Rajasthan recorded an **Export Preparedness Score** of 54.80, securing an overall **13th rank** in the country. As per category-wise rankings, the state secured **6th rank** in Landlocked category[54]. Jaipur has been identified as the highest exporting district (2021-22).

The Export Preparedness Index (EPI) 2022 Report evaluates the performance of the states across four pillars – Policy, Business Ecosystem, Export Ecosystem, and Export Performance. The index uses 56 indicators which holistically capture the export preparedness of States and UTs in terms of exports at both the state and district-level.

The overview of the four pillars in the EPI are:

► **Policy Pillar** evaluates states and UTs' performance based on its adoption of export-related policy ecosystem at a state and district level as well as the institutional framework surrounding the ecosystem.
► **Business Ecosystem** assesses the prevailing business environment in a state/UT, along with the extent of business-supportive infrastructure, and a state/UTs' transport connectivity.
► **Export Ecosystem** focuses on the export-related infrastructure in a state along with the trade support provided to the exporters, and the prevalence of Research and Development in the state to foster innovation. Rajasthan recorded an Export ecosystem Score of 51.52 securing rank 14th in the country.
► **Export Performance** is an output-based indicator which gauges the growth of a state's export over the previous year and analyses its export concentration and

---

[54] Export Preparedness Index 2022 - Niti Ayog

footprint on the global markets. Rajasthan recorded an Export Performance Score of 51.55 securing an overall **4th rank** in the country.

As per the sub-pillar - Growth and Orientation, Rajasthan gained 2,101 new exporters which reflects a positive environment in the states which supports exports, and hence encourages new exporters to join.

Exports from the landlocked state of Rajasthan were dominated by precious gems. Rajasthan exports rubies, sapphires, and emeralds to 76 countries implying a very high market penetration[55]. In terms of diversity products like wooden products and automobile parts were also top exports from the state. Given the cultural heritage of Rajasthan, there can be a plethora of products which can be exported globally and help it diversify its basket.

7.1.4 Top Export Items and Top Exporting Districts

The table below depicts the contribution of top 5 sectors in export from Rajasthan for the year 2021-22 and 2022-23:

Table 41: contribution of top 5 sectors in export from Rajasthan for the year 2021-22 and 2022-23

Sector	2021-22	Share in Exports (in %)	2022-23	Share in Exports (in %)
Textiles	9251.39	13%	7834.36	10.07%
Agro & Food Products	5180.17	7%	6334.21	8.14%
Gems & Jewellery	6811.04	9%	9178.77	11.80%
Engineering	11966.12	17%	13887.01	17.86%
Metal	8238.57	11%	11263.91	14.48%

The high incremental increase in metal exports of 3.48% whereas the highest revenue earned from the exports of engineering products amounted to INR 13, 887.01 in the year of 2022-23.

Export data by top 10 districts of Rajasthan:

Table 42: Export data by top 10 districts of Rajasthan

Sl. No	District	April, 2022 To March, 2023 (Values in Crore)
1.	Jaipur	27217.11
2.	Alwar	16184.79
3.	Jodhpur	8642.74
4.	Chittorgarh	7804.49
5.	Bhilwara	4087.43
6.	Udaipur	3687.56
7.	Ajmer	2075.48
8.	Kota	1634.20
9.	Bikaner	910.07
10.	Banswara	797.25

---

[55] Export Preparedness Index 2022 - Niti Ayog

Jaipur alone contributes around 35% of the state's exports dominated by Gems & jewellery that includes Emeralds, jewellery (gold, diamond and silver), precious stones and wooden furniture.

Here is the list of top 10 exporting districts sector-wise:

Table 43: Top 10 exporting districts of Rajasthan sector-wise

Rank	Textiles	Agro	Food Processing	Gems & Jewellery	Leather and Leather Products	Machinery and Equipment	Rubber and Plastic Products
1	Jaipur	jodhpur	jodhpur	Jaipur	jodhpur	Alwar	Alwar
2	Bhilwara	Bikaner	Jaipur	jodhpur	Udaipur	Jaipur	Udaipur
3	Chittorgarh	Jaipur	Alwar	Ajmer	Jaipur	jodhpur	Jaipur
4	jodhpur	Ajmer	Kota	Udaipur	Alwar	Udaipur	Sikar
5	Ajmer	Alwar	Bharatpur	Bikaner	Jaisalmer	Jaisalmer_	Rajsamand
6	Bikaner	Kota	Churu	Nagaur	Ajmer	Ajmer	Ajmer
7	Banswara	Bundi	Bikaner	Rajsamand	Bhilwara	Barmer	jodhpur
8	Alwar	Churu	Sirohi	Alwar	Churu	Sirohi	Karauli
9	Pali	Dausa	Udaipur	Jaisalmer	Chittorgarh	Sikar	Chittorgarh
10	Barmer	Barmer	Sri Ganganagr	Churu	Sirohi	Hanumangarh	Kota

Table 44: Top 10 exporting districts of Rajasthan sector-wise

Rank	Metal & Products	Paper and Products	Petroleum Products	Chemical and Chemical Products	Pharmaceuticals	Wood and Wood Products	Stone and Non-Metallic Minerals
1	Chittorgarh	Alwar	Jaipur	Bhilwara	Alwar	jodhpur	Jaipur
2	Jaipur	Jaipur	Alwar	Jaipur	Jaipur	Jaipur	Udaipur
3	Alwar	Udaipur	Bikaner	Alwar	Sirohi	Churu	Ajmer
4	Kota	jodhpur	jodhpur	Banswara	Udaipur	Udaipur	Kota
5	jodhpur	Ajmer	Hanumangarh	Kota	jodhpur	Alwar	Bhilwara
6	Rajsamand	Kota	Udaipur	Ajmer	Bhilwara	Sikar	Alwar
7	Sikar	Bhilwara	Bharatpur	Udaipur	Ganganagar	Kota	jodhpur

8	Pali	Barmer	Ajmer	Jhalawar	Pali	Sirohi	Sirohi
9	Udaipur	Pali	Tonk	Pali	Bikaner	Karauli	Jhunjhunu
10	Dholpur	Jalore	Sikar	jodhpur	Hanumangarh	Jaisalmer	Jalore

Further, the number of countries that imported from Rajasthan is given in the table 48:

Table 45: Number of countries that imported from Rajasthan

Commodity Description	Countries importing the product
Zinc	27
Wooden furniture	106
Gems and jewellery	99
Vehicles with spark-ignition internal combustion reciprocating engine	19
Precious Metals Articles	85
Agricultural or forestry vehicles and machinery	79
Rubies, saphires and emeralds	76
Otherwise wrkd othr prcs and semi prcs stone	89
Granite	121

7.1.5 Rajasthan Export: Subsector wise

In Rajasthan, more than 60 per cent of exports items are dominated by engineering goods, textiles, metal, handicrafts and chemical & allied the total exports for the financial year 2022-23 is depicted in the figure below:
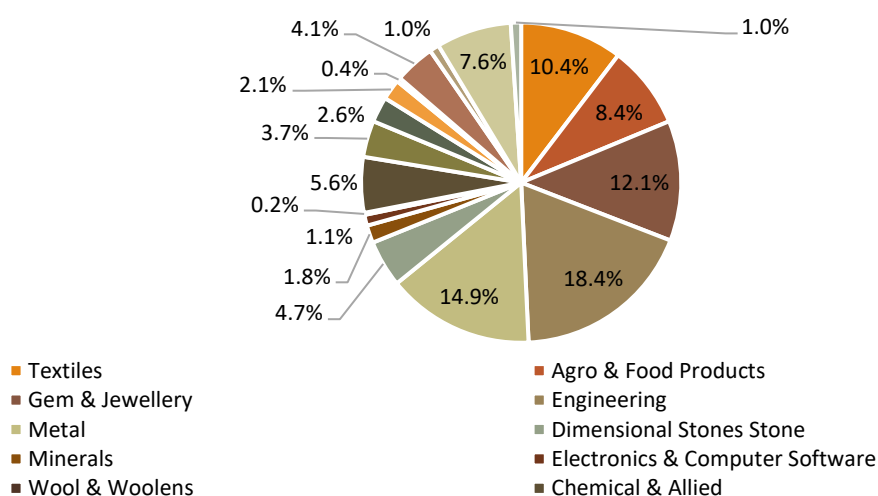
Figure 30: Rajasthan Export: Subsector wise[56]

---

[56] *Rajasthan Export Promotion Council (REPC)*

7.1.6 Sectoral Approach: District-wise:

1. **Textiles:**

   In 2023, the textile sector contributed 10% of the total exports of the state and the ***top 5 districts of the state accounts for the 89% of the state textile exports***. The top 5 districts are Jaipur, Bhilwara, Chittorgarh, Jodhpur, and Ajmer in which Jaipur alone holds for more than 49% of exports from the sector.
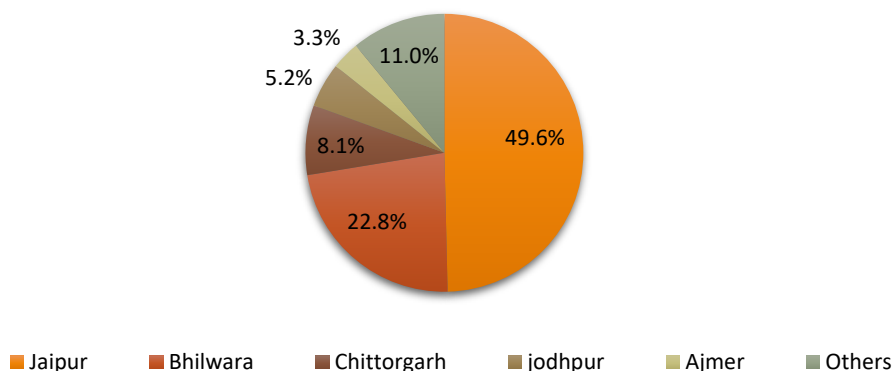
Figure 31: Share of Textile Export, District Wise, (2022-23)

2. **Agri & Food Processing:**

   In 2023, the Agri and Food Products sector contributed around 8% of the total exports of the state. The following pie charts illustrates the district wise share analysis of Agri Products and Food Processing sectors performance in 2023:

   Agri products: The top 5 districts are Jodhpur, Bikaner, Jaipur, Ajmer, and Alwar which contributed approximately 75.9% of the textile exports. Other than these top 5 sectors, the other districts hold 24.1% in 2023.
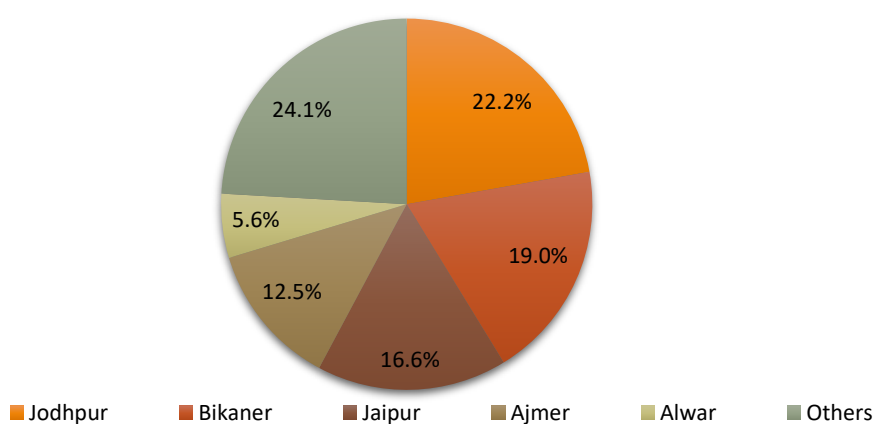
Figure 32: Share of Agri Product Export, District Wise, (2022-23)

   Food Processing: The ***top 5 districts of the state accounts for the around 84% of the state Food processing exports*** - Jodhpur, Jaipur, Alwar, Kota and Bharatpur. Other than top 5 sectors, the other districts held around 15.4% in 2023.
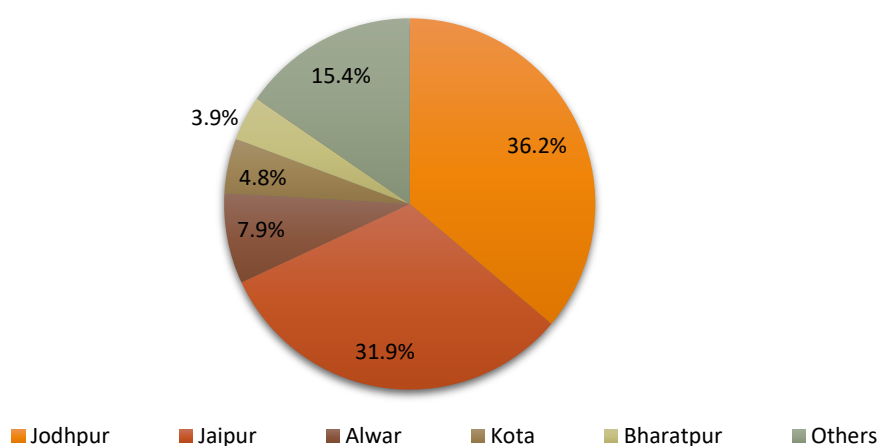
Figure 33: Share of Food Processing Export, District Wise, (2022-23)

3. **Gems & Jewellery:** In 2023, 99.9% the gems & jewellery is solely exported by Jaipur which is home to precious stones, gems and jewellery.

4. **Leather and Leather Products:** The *top 5 districts* -Jodhpur, Udaipur, Jaipur, Alwar, and Jaisalmer *of the state accounts for the around 96% of the state leather and leather products*.
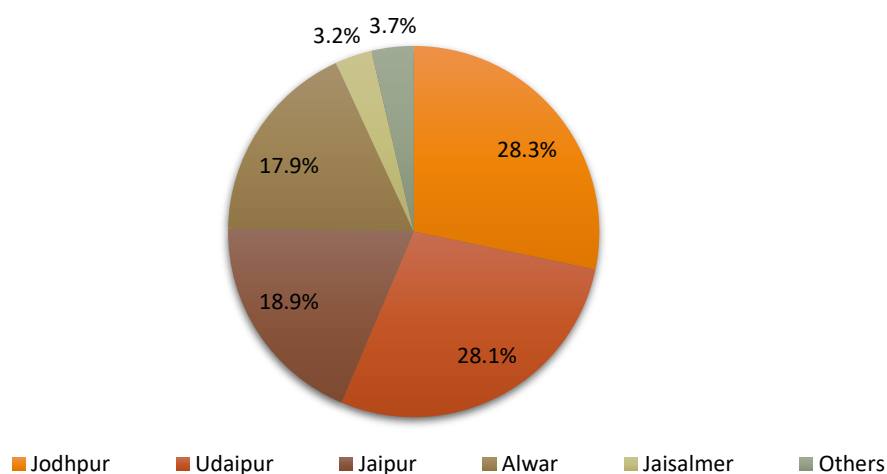
Figure 34: Share of Leather and Leather Export, District Wise, (2022-23)

5. **Machinery and Equipment:** The *top 5 districts of the state namely - Alwar, Jaipur, Jodhpur, Udaipur and Jaisalmer accounts for the around 96% of the state machinery and equipment exports.* The rest of the other districts of the state accounts for around 2.4% in 2023.
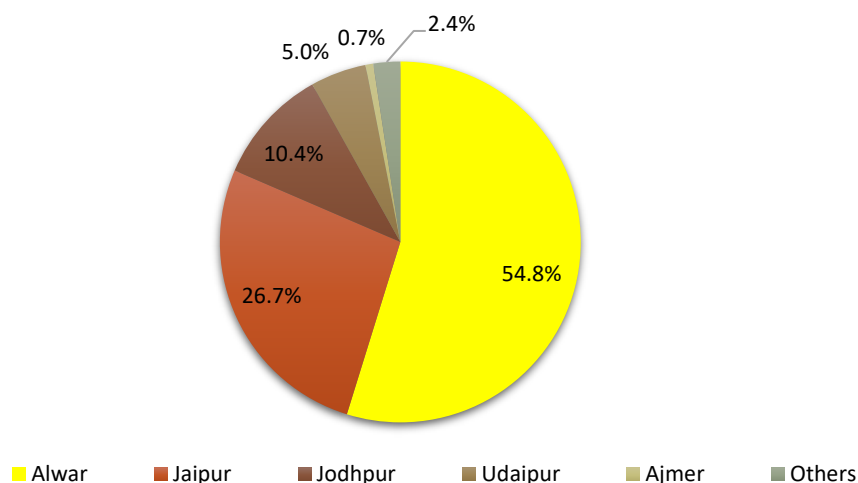
Figure 35: Share of Machinery and Equipment Export, District Wise, (2022-23)

6. **Metal & Metal Products:** The top 5 districts of the state accounts for the around 95% of the state metal and metal products exports. The districts - Chittorgarh, Jaipur, Alwar, Kota, and Jodhpur. The rest of the other districts of the state accounts for around 4.7% in 2023.
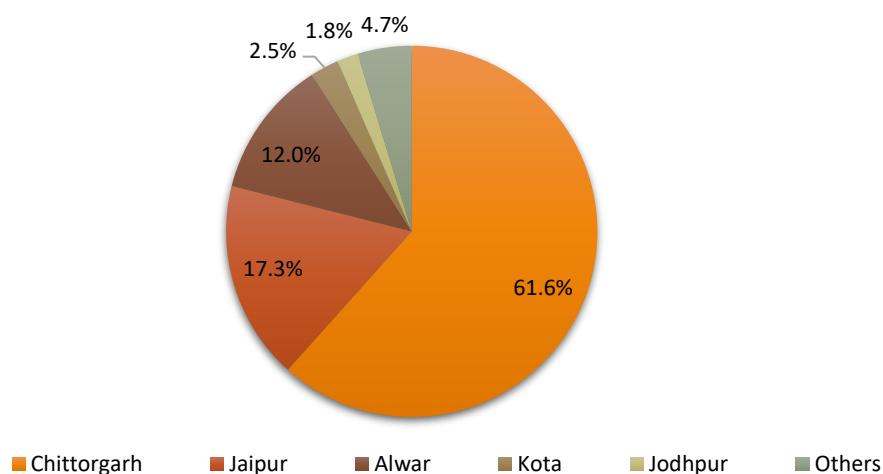
Figure 36: Share of Metal & Metal Products Export, District Wise, (2022-23)

7. **Stone & Non-Metallic Minerals:** The top 5 districts of the state accounts for the around 69% of the state metal and metal products. These districts include- Jaipur, Udaipur, Ajmer, Kota, and Bhilwara. The rest of the other districts of the state accounts for around 30% in 2023.
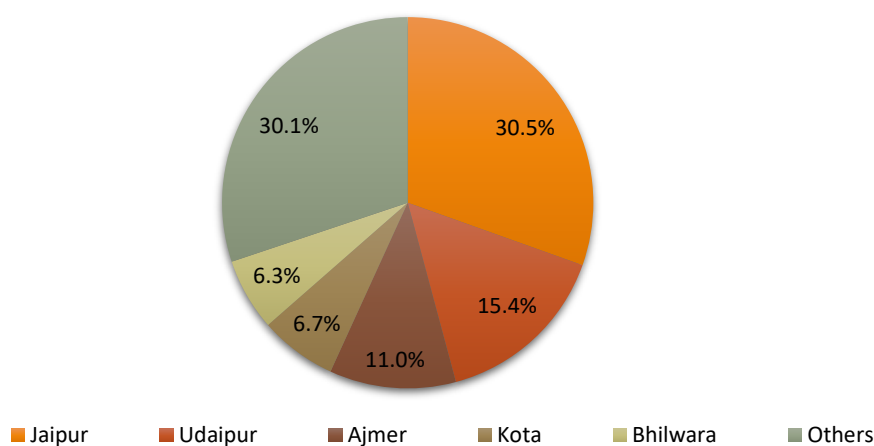
Figure 37: Share of Stone & Non-Metallic Minerals Export, District Wise, (2022-23)

8. **Pharmaceuticals:** The top 5 districts of the state - Alwar, Jaipur, Sirohi, Udaipur, and Jodhpur, accounts for the around 95% of the state pharmaceutical exports. The rest of the other districts of the state accounts for around 4% in 2023.
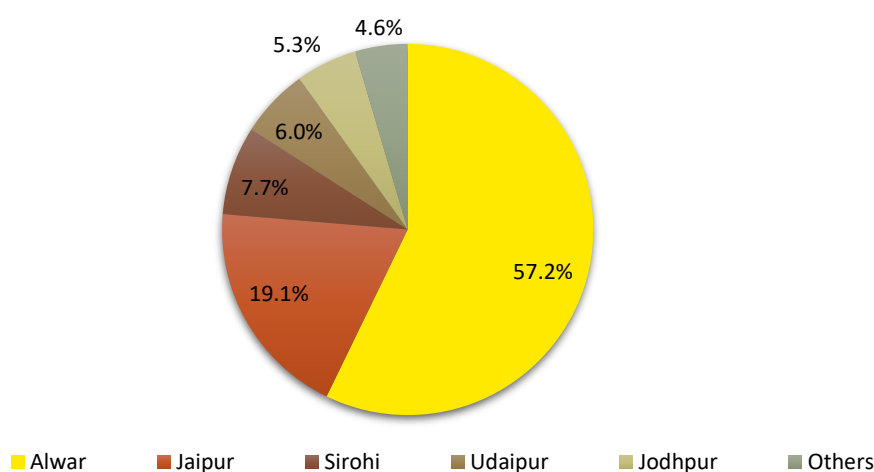
Figure 38: Pharmaceutical Products Export, District Wise, (2022-23)

9. **Rubber & Plastic Products:** The top 5 districts of the state - Alwar, Udaipur, Jaipur, Sikar, and Rajsamand accounts for the around 96% of the state pharmaceutical exports. The rest of the other districts of the state accounts for around 4% in 2023.
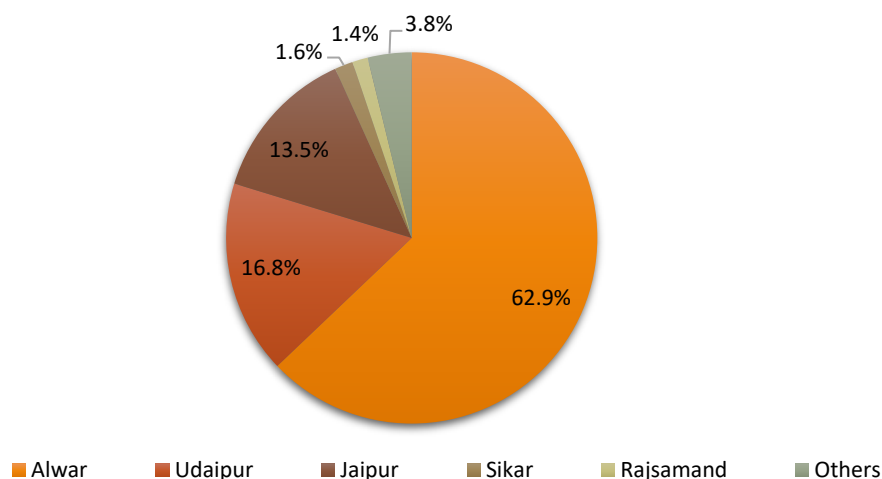
Figure 39: Rubber & Plastic Products Export, District Wise, (2022-23)

10. **Wood & Wood Products:** The top 5 districts of the state - Jodhpur, Jaipur, Churu, Udaipur, and Alwar accounts for the more than 99% of the state pharmaceutical exports.
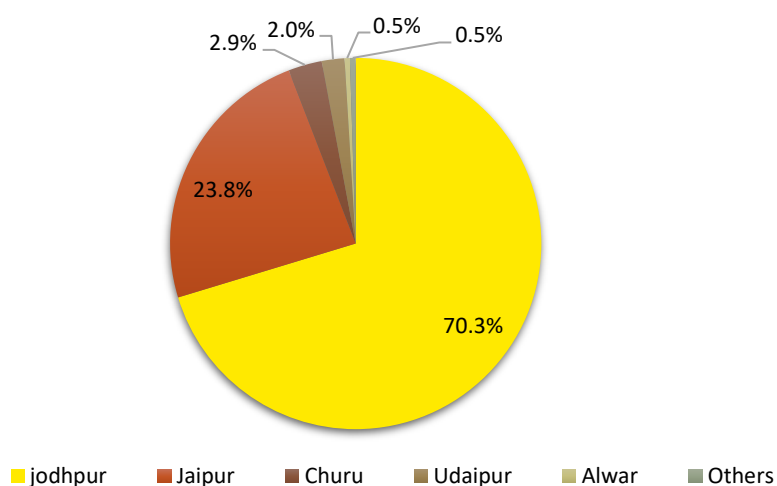
Figure 40: Wood & Wood Products Export, District Wise, (2022-23)

11. **Paper and Paper Products:** The top 5 districts of the state - Alwar, Jaipur, Udaipur, jodhpur, and Ajmer accounts for the more than 98% of the state paper and paper product exports.
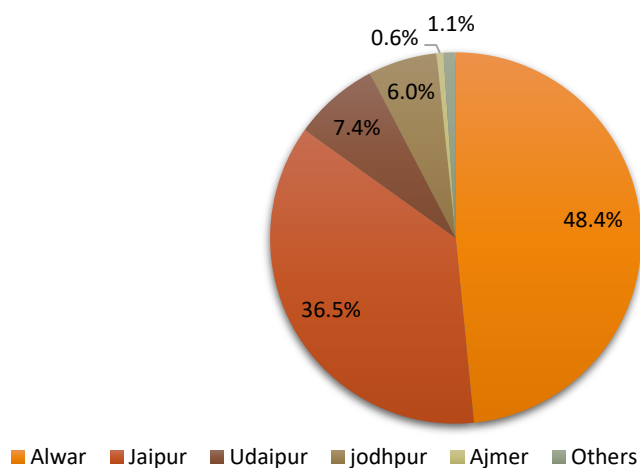
Figure 41: Paper and Paper Products Export, District Wise, (2022-23)

12. **Chemical and Chemical Products:** The top 5 districts of the state - Bhilwara, Jaipur, Alwar, Banswara, and Kota accounts for the around 73 % of the state chemical and chemical product exports.
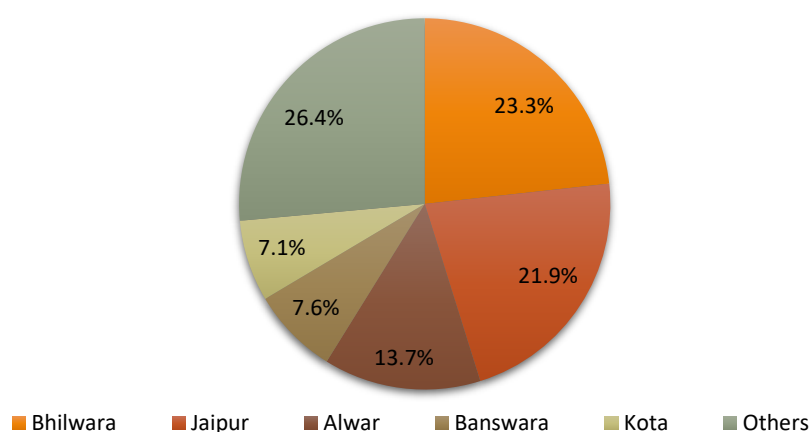
Figure 42: Chemical and Chemical Products Export, District Wise, (2022-23)

13. **Petroleum Products:** The top 5 districts of the state - Jaipur, Alwar, Bikaner, jodhpur, and Hanumangarh accounts for the around 97% of the state petroleum exports.
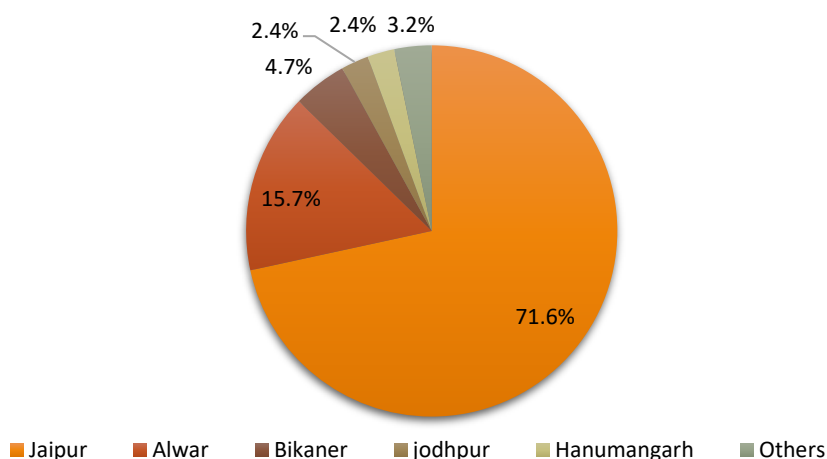
Figure 43: Petroleum Products Export, District Wise, (2022-23)

7.2 Branding and Promotion

7.2.1 Introduction

Promotional and branding efforts are essential to the expansion and survival of micro, small, and medium-sized businesses. Branding's primary objectives are to set a company apart from its rivals, encourage consumer loyalty, and build emotional connections that lead to legitimacy and trust. Promotion's main aims are to boost sales, generate leads, and raise awareness of short-term marketing goals. To get along or compete with the domestic and international products, the promotional activities can leverage the MSMEs to have boost up marketing and sales.

Robust infrastructural developments and industrial set-ups as promoted the state to a new scale where branding efforts need to be revised and more specific with ease of accessibility through various means to the end customers. Every district in the Rajasthan has some products with obvious uniqueness and its own flavors.

The ODOP products has gained a considerable market value due to efforts made by other state governments. In one of instances, under the One District, One Product (ODOP) scheme, promoted by the Government of Uttar Pradesh, have significantly boosted the brand value for district-specific products manufactured by artisans and manufacturers, showcasing their competencies and potential. The Government of India has introduced several schemes to support and promote innovation, technology upgradation, and access to institutional credit, aiming to encourage the export of products to meet urgent needs.

7.2.2 Branding and Promotion requirement by Rajasthan MSMEs

Rajasthan MSMEs rigorously require branding and promotion activities for several reasons such as,
   ► Increased market visibility,
   ► Trust and credibility building,

► Tapping regional, national and international markets.

In addition, brand recognition of the MSMEs creates customer loyalty that attracts new clients and business and may find it easier to secure financing from banks, investors, or government schemes. With these benefits, the MSMEs can further, lead to product innovation and employment opportunities. Therefore, branding, and promotional activities plays substantial role in better accessing the market.

7.2.3 Branding of Rajasthan

Rajasthan, a state in northern India, has several strengths that contribute to its brand image and appeal. These strengths make Rajasthan a popular tourist destination and a region with significant cultural, historical, and economic significance. Here are some key strengths of Rajasthan,

7.2.4 Rajasthan as a Brand of Tourism

Rajasthan is renowned its vibrant and diverse cultural heritage, and temples reflects its rich history and architectural expertise.
► Historic palaces, particularly those in Jaipur and Udaipur, provide potential to grow the luxury tourism industry as more people travel to desert and wildlife sanctuaries.
► The state's well-known tourism attractions, which include historic cities (Jaipur, Udaipur), wildlife, deserts (Jodhpur, Jaisalmer) and numerous other landscapes, provide developers and investors with appealing investment prospects.

7.2.5 Rajasthan as a land of unique culture and heritage

Branding and promoting district indigenous products of Rajasthan as a unique part of the state's culture and heritage can be a powerful strategy to preserve traditions, empower local artisans, and boost the economy. Through various mechanism the indigenous local handicraft products could receive an attention and positioning its brand value of products.

7.2.6 Rajasthan as a Brand of Manufacturing Hub

► Rajasthan is famous for its traditional arts and crafts, including block printing, tie and dye, pottery, and jewellery making. The intricate designs and skilled craftsmanship of Rajasthani artisans are highly regarded both nationally and internationally and 98% of these businesses are MSMEs.

► MSMEs operating in the state are largely supported by a strong supply chain network and infrastructure, including highways, and railways, which enable the smooth movement of goods and services across the country and enhance growth opportunities.

► Further, the state is strategically located between the northern and western growth hubs of India and significant improvements in the infrastructure is expected to boost the MSME growth. It has 38% of the land falling within the ambit of Delhi-Mumbai Industrial Corridor (DMIC) which is a mega infrastructure project by the Government of India, covers an overall length of 1504 km between the political capital- Delhi and the business capital- Mumbai of India.

► Roadways infrastructures: It will be the longest motorway in the nation, spanning through Delhi, Haryana, Madhya Pradesh, Gujarat, Rajasthan, and Maharashtra.

   ► The 8-lane motorway will not only connect a number of economic hubs, including Udaipur, Jaipur, Kishangarh, Chittorgarh, Ajmer, Kota, Ujjain, Indore, Bhopal, Ahmedabad, Vadodara, and Surat, but it will also help to achieve the government's goal of developing international manufacturing hubs.

   ► This will have measurable positive effects on the real estate industry across all market categories, including residential, commercial, retail, leisure, hotel, warehousing, township, etc.

► The upcoming Rajasthan Petroleum Investment Region (Rajasthan – PCPIR), Barmer, Jodhpur- Pali- Marwar Industrial Area (JPIMA) and Khushera- Bhiwadi- Neemrana Investment Region (KBNIR) are some of the **most promising infrastructure projects which have the potential to attract MSMEs as well as mega investments and generate employment opportunities for public at large especially skilled people.**

7.2.7 Rajasthan as the Gateway to IIT, s , Medical and other competitive exams

Rajasthan has become a prominent coaching hub in India, particularly for competitive examinations. Several factors such as established coaching institutes, experienced faculty, competitive atmosphere, safe and peaceful environment, affordable accommodation facilities, courses diversity, success stories contribute to its status as a preferred destination for coaching institutes and students:

In conclusion, Rajasthan's status as a coaching hub is due to its abundance of quality coaching institutes, experienced faculty, competitive environment, affordability, connectivity, safety, accommodations, government support, and a diverse range of courses. These factors continue to attract students from across India who aim to excel in competitive exams and fulfill their academic and career goals.

7.2.8 Brand Sensitive Sectors in Rajasthan

Rajasthan boasts of a wide range of traditional handicrafts, jewellery and textiles due to the beauty, brilliance and sheer variety have made special image among the Indians and tourists. The diagram below illustrates the existing brand sensitive sectors of Rajasthan:
Fig : Brand Sensitive Sectors of Rajasthan

Handicraft	‣ Include blue pottery, hand block printing, meenakari, Jaipuri Razai, Lac Work, Gem stone carving, Marble Carving, Leather crafts ‣ Known for distinctive shapes, vivid shades, scenic paintings and exquisitely forged metals serving as mediums of entertainment
Textiles	‣ Bandhani textiles are famous in Jaipur, Udaipur, Jodhpur, Pali and Nathdwara ‣ Known for different design styles, a plethora of vibrant colours, unique prints and great texture and block printing
Gems & Jewellery	‣ Contemporary and ethnic style of jewellery, ranging from mirrored lac bangles, glass bangles, Kundan jewellery, Jadau necklaces, Meenakari jewellery, Thewa jewellery and more. ‣ Known for precious gems and stones, embellished into gold or silver jewellery.
Food Products	‣ Kachori and mawa and pyaaz kachori, Dal Baati Churma, Panchratna Dal, Papad ro Saag, Ker Sangri, Gatte ro Saag. ‣ The rajasthani cuisine is deply influenced and distinguished by its rich heritage, arid climatic conditions and little availability of fresh fruits and vegetables.
Tourism	‣ Existence of many historical forts, temples, and palaces (havelis). ‣ Presence of wildlife sanctuaries filled with rare species, vast landscapes, beautiful nature.

Figure 44: Brand Sensitive sectors in Rajasthan

7.2.9 Rajasthan Branding Initiatives:

ODOP and GI tags are the major initiatives by Rajasthan that are the reasons behind the booming MSME sector of the state, are discussed as follows:

7.2.9.1 One District One Product (ODOP)

One District One Product (ODOP) programme under Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry collaborated with an e-commerce player, **Groyyo**, to integrate aggregators offering ODOP-identified goods on its site, which includes a variety of categories like home textiles, home furnishings, apparel, footwear, cermanics etc. It is an India based leading B2B Manufacturing Growth Platform that empowers micro-manufacturers across Asia and give them an opportunity to take their business global.

The ODOP Program promotes comprehensive socio-economic development while working to establish long-term employment at the district level. **The goal is to choose, market, and advertise one product from each region of the nation.**

- ► On August 29, 2022, the Government e-Marketplace (GeM) launched the ODOP GeM Bazaar with more than 200 product categories developed on the platform to encourage sales and purchase of ODOP items around the nation.
- ► Under the ODOP program, all products have been chosen by States/UTs while taking into account the local ecosystem, goods identified under CSS Districts As Export Hubs (DEH), and goods with **Geographical Indication (GI tags).**

The list of ODOP products available in Rajasthan is provided below:

Table 46: The list of ODOP products available in Rajasthan

SI. No.	District	Product 1	Product 2
		RAJASTHAN	
1	Ajmer	Granite	Marble
2	Alwar	Automobile Parts	
3	Banswara	Synthetic Yarn	
4	Baran	Soyabean	
5	Barmer	Textile based Handicrafts	Cumin (Jeera)
6	Bharatpur	Honey	Edible Oil
7	Bhilwara	Readymade Garments – Denim	
8	Bikaner	Bikaneri Namkeen Products	Woolen Carpet Yarn / Ceramic Products
9	Bundi	Rice	
10	Chittorgarh	Granite	Marble
11	Churu	Wood Products	
12	Dausa	Carpets	Stone articles
13	Dholpur	Milk Powder – Skimmed	
14	Dungarpur	Granite /Marble – Slabs & Tiles	
15	Hanumangarh	Guar Gum	
16	Jaipur	Pottery – Blue	Jewellery & Gems / Block Printing Items
17	Jaisalmer	Yellow Marble Slabs	
18	Jalore	Spices	Mojari Juttis
19	Jhalawar	Oranges	Sandstone
20	Jhunjhunu	Stone Products	Wood Products
21	Jodhpur	Furniture – Handicraft Products	
22	Karauli	Sandstone articles	Silica and Silica Sand
23	Kota	Embroidery Fabric – Kota Doria	
24	Nagaur	Granite /Marble – Makrana	
25	Pali	Mehendi	
26	Pratapgarh	Garlic	Thewa Art
27	Rajsamand	Terracotta	
28	Sawai Madhopur	Tourism	
29	Sikar	Furniture – Antique	
30	Sirohi	Marble Articles	
31	Sri Ganganagar	Gum Powder	
32	Tonk	Sandstone	
33	Udaipur	Granite /Marble – Ivory Carving	

Rajasthan, all districts in these states are covered under the government's 'One District One Product' scheme. Identification of a unique regional product which can be invested in to push it towards global markets is a welcome step to diversify India's exports, as well as support the economy at a local level.

The identification of these products is supported by the export strategies formulated in the export action plans. Contributing to the promotion of local artisans, manufacturers, and

producers, ODOP aims to unlock the potential of a district. For efficient implementation of the initiative, ODOP was merged with the pre-existing DEH. In a remarkable feat, 744 products have been identified in the country including Blue Pottery from Jaipur and Makrana Marbles from Nagaur in Rajasthan. Efficient implementation of these initiatives, with active engagement and cooperation from all stakeholders has the potential to transform India's exports.

7.2.9.2 GI Tags

GI tags is a form of intellectual property right that specifies the region from which the product is sourced which in turn plays an important role in promoting the product from micro to macro level. The products under GI tags, has unique characteristics or a reputation that is intimately associated with that particular area.

In August 2023, Rajasthan got 5 GI Tags with the help of NABARD. These are as follows:
- ► Nathdwara Pichwai Craft
- ► Bikaner Kashidakari Craft
- ► Bikaner Usta Kala Craft
- ► Jodhpur Bandhej Craft
- ► Udaipur Koftgari Metal Craft

Apart from above mentioned, some other products/crafts that are under Rajasthan GI Tag List.

Table 47: GI Tags of Rajasthan

GI Tag	Region	Description
Bagru Hand Block Printing	Jaipur	Natural colour followed by the chippas
Blue Pottery and Its Logo	Jaipur	Blue pottery came to Jaipur in the early 19th century under the ruler Sawai Ram Singh II (1835 - 1880). It is a mix of Persian decorative art and Chinese glazing technology.
Koftgiri	Udaipur	The action of 'beating' the pattern into iron
Kathputli of Rajasthan and its logo	Rajasthan	Single String attached
Kota Doria and its logo	Kota	The weaver were brought from Mysore to Kota by the great patron of craft MahaRaj Kishore Singh (1684-1695).
Molela Clay Work and its Logo	Rajsamand	Molela is a small village in the Rajsamand.The village is well-known for its terracotta clay pottery which is created using clay from the banks of the river Banas
Phulkari	Punjab, Haryana & Rajasthan	Handicraft
Pokaran Pottery	Jaisalmer	Clay is sturdy, pinkish in colour unlike the deep red clay
Sanganeri Hand Block Printing	Jaipur	Characterized by floral and nature themed patterns.
Thewa Art Work	Pratapgarh	Thewa is a special art of jewelry making which involves fusing of intricately worked-out sheet gold on molten glass

Bikaneri Bhujia	Bikaner	Food Stuff
Makrana Marble	Nagaur	White stone
Jodhpur Bandhej	Jodhpur	Tie and Dye
Embroidery Craft	Bikaner	
Sojat Mehndi	Pali	Natural Goods

Rajasthan MSMEs may benefit from GI tags not only in terms of jobs and higher revenue, but also through strengthening the region. As consumers become more informed, they pay attention to the geographic source of origin and are willing to pay a premium price for products based on 'place of origin' due to the known skill and craftsmanship of the region. This has aided in the growth of specific markets for goods with characteristics linked to their country of origin. Therefore, geographic indications can play a significant role in building brands.

In this approach, GIs could assist in developing a "regional brand" and the GI products frequently result in a premium brand pricing, they support the expansion of MSMEs and the creation of local jobs.

7.2.10   Recommended Branding and Promotion Methods

Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan, like in any other state, can sell their products in the market through various channels and strategies. Here are some common ways MSMEs can sell their products in the market in Rajasthan:

1. **Online Marketplaces:** Selling products on popular online platforms like Amazon, Flipkart, or local marketplaces such as ShopClues and Snapdeal can provide access to a wide customer base.
2. **E-commerce Website:** Creating a dedicated e-commerce website allows MSMEs to sell products directly to consumers. It's important to invest in a user-friendly website and employ digital marketing strategies to attract online shoppers.
3. **Participation in Trade Fairs and Exhibitions:** Rajasthan hosts numerous trade fairs and exhibitions throughout the year. MSMEs can showcase their products at these events to connect with potential customers and distributors.
4. **Government Schemes:** Rajasthan's government often runs schemes to promote MSMEs. MSMEs can benefit from these programs, such as subsidies, incentives, and assistance with market entry.
5. **Export Markets:** Depending on the product, MSMEs can explore export opportunities to reach international markets. They should comply with export regulations and seek support from export promotion agencies.
6. **Social Media and Digital Marketing:** Leveraging social media platforms like Facebook, Instagram, and Twitter can help MSMEs build brand awareness and reach a larger audience. Paid advertising can also be effective.
7. **Supplying to Large Companies and strategic partnerships:** MSMEs can explore opportunities to become suppliers to larger companies and industries in Rajasthan. This often requires meeting specific quality and compliance standards. Collaborating with other businesses, such as cross-promotions or joint ventures, can expand market reach and customer base
8. **Focus on Quality and Innovation:** Ensuring high product quality and innovation can help MSMEs stand out in a competitive market like Rajasthan.
9. **Digital Payment Systems**: Accepting digital payments and mobile wallets can enhance the convenience of purchasing for customers and improve sales.

It's essential for MSMEs to conduct market research, understand their target audience, and develop a robust marketing and distribution strategy tailored to the unique demands of Rajasthan's market. Additionally, staying updated with government policies and industry trends can provide a competitive advantage.

7.3 Ecommerce

For MSMEs, e-commerce is synonymous with economic stability, growth, and security; and is a vibrant channel that allows even the smallest MSMEs to showcase their products in any part of the world without having to shell out on expansion or changing locations.
The especially of E-commerce platform is that these platforms have empowered small businesses by removing barriers through simple onboarding processes, providing a large customer base and consequently, ensuring increased revenues.

For growth and development of MSMEs, e-commerce marketplaces are the best catalysts for directing their transformation at minimal costs, investment, and innovation. A collaborative effort between the government, the private sector, industry groups, training organizations and SMEs is the most efficient way to support MSMEs.

1. In 2014, Rahul Jain from Jaipur started his own e-commerce website of handicrafts - **eCraftIndia.com** with a capital of Rs 20,000 The ecommerce company now deals in several thousands of SKUs and is clocking a turnover of Rs more than 12 Crore.

2. Mr. Amit Jain, CEO and Co-founder, from Jaipur, launched CarDekho.com in 2008, which is India's leading car search venture that helps users buy cars that are right for them. Its website and app carry rich automotive content such as expert reviews, detailed specs and prices, comparisons as well as videos and pictures of all car brands and models available .

3. Shilpa Jain and Vinay Bhulyan, who live in Mumbai, started helping her run the Rajashthan based NGO by selling these Rajasthani handicrafts on Amazon, under the seller name "Bombay Haat" to give the local ladies more visibility.

Figure 45: E-commerce initiatives in some sectors in Rajasthan

From the above-mentioned success stories, Rajasthan MSMEs if leverages its craftsmanship and resources, through e-commerce channels can be benefitted significantly from embracing e-commerce for several reasons such as increase revenues and profit margins from third party trading platforms as it increases website traffic, attract new clients, and thus increase in sales.

Rajasthan had been working on the development of online mandis (marketplaces) as part of its efforts to modernize agricultural marketing and enhance farmers' access to buyers and markets. These online mandis aim to bring transparency, efficiency, and fair pricing to agricultural trade. However, please note that the specific platforms and their status may have evolved since then.

Here are some of the notable online mandis or initiatives in Rajasthan:
- ► **Rajasthan State Agriculture Marketing Board (RSAMB):** RSAMB has been working on creating an online platform called "Rajasthan e-Mandi" to facilitate the trading of

agricultural commodities online. This platform aims to connect farmers with buyers, both within and outside the state.

► **Rajasthan Agricultural Produce Marketing (Development and Regulation) Act, 1961:** The state government has amended the act to promote online trading and e-commerce in agricultural produce. This regulatory framework supports the development of online mandis.

► **e-NAM (National Agriculture Market):** While not exclusive to Rajasthan, e-NAM is a national initiative that facilitates online trading of agricultural commodities across various states. Rajasthan has been actively participating in e-NAM to connect its mandis to a wider market.

► **AgriMarket Mobile App:** The Rajasthan government has launched the "AgriMarket" mobile app to provide farmers with real-time information on commodity prices, market arrivals, and agricultural news. This app serves as a valuable tool for farmers to make informed decisions about selling their produce.

► **Private Agri-Tech Platforms:** Several private agri-tech startups and platforms have emerged in Rajasthan to facilitate online trading and connect farmers with buyers. These platforms often offer services like price discovery, logistics support, and market access.

7.3.1 Ecommerce development in Agricultural Marketing:

E- National Agricultural Marketing (eNAM) - Electronic-National agriculture market, a central sector scheme implemented by ministry of Agriculture and farmer welfare Government of India.

► e-NAM is an electronic trading portal launched on 14.04.2016 with an objective to establish Integrated National Agriculture Produce Market through development of linkage between Agriculture Markets (APMCs) of the country.

► e-NAM facilitate the farmers by better market information symmetry, better Daily Price Discovery, Transparency in bidding.

► The 145 APMCs of state of Rajasthan integrated to e-NAM Portal. From this portal KUMS perform many activities like includes Gate Entry of arrivals, quality assaying in scientific ways, e-bidding, weighing, multiple e-payment options directly into farmer's account, among other services.

Activities Under e-NAM Project in Rajasthan:

► Under the e-NAM project, the Government of India has sanctioned grant per market for the development of IT infrastructure, assaying lab, cleaning grading sorting and packaging and compost unit facilities.
► The IT equipment (Desktop Computers with UPS, All in One Computer with UPS, Laptop, Black & White Laser all in One Printer, POSS Machine, Tablet, Projector, Projector Screen, LED Display have been established in 144 market committees of Rajasthan.

► Oil Testing Machine in 113 APMCs, Physical Grain Analyzer (Morphology) in 136 APMCs, Weighing Scale Machine in 144 APMCs has been installed. Mobile Cleaning

& Sorting Machine in 112 APMCs and Static Cleaning Grading Plants in 24 APMC's have been established in market committees of Rajasthan.

7.3.2 Key initiatives by e-commerce companies to boost MSMEs sales

► **'SAMARTH' by Flipkart:** In July 2019, Flipkart, a local platform, developed/introduced Samarth programme to promote Indian artisans, weavers and state handloom industries. Through this initiative, the company aims to provide MSMEs an easy access to the online business marketplace and support in terms of business management, storage and account management. With Samarth, Flipkart intends to empower millions of small businessmen, leading to rural India's development.

► **'MSME Accelerate' by Amazon:** The company launched this initiative in June 2020 to help MSMEs recover from the aftermath of the pandemic. Through this programme, businesses can avail offers and bulk discounts to continue/run their businesses smoothly.

► **Collateral-free loans by Paytm:** The company launched an initiative to offer unsecured loans of up to 5 lakh (US$ 6,729), at low interest rates, to MSMEs. Under this initiative, Paytm, in partnership with banks and NBFCs, digitized the entire loan process, from application to disbursement, without additional document requirements.

► **'Atmanirbhar Section' by Shopclues:** As part of this initiative, Shopclues launched an online 'Vocal for Local' market platform, which includes locally produced products in various categories such as fashion, footwear, jewellery, groceries and others. The company works with thousands of local merchants and promotes local products on the marketplace.

7.3.3 Sectoral E-commerce Platforms - B2B and B2C

B2B (Business-to-Business) and B2C (Business-to-Consumer) are two fundamental models that describe the relationships between businesses and their customers. B2B models drives economic growth, innovation, supply chain efficiency, specialization and improves trade. B2C model brand building, consumer spending, customization and personalization and e-commerce growth.

7.3.4 Agriculture and food processing

Agriculture and food processing B2B (business-to-business) initiatives play a vital role in connecting different stakeholders within the agri-food industry, facilitating trade, and promoting collaboration. These initiatives often aim to address specific challenges, enhance efficiency, and promote sustainability in the sector.

B2C (business-to-consumer) initiatives in agriculture and food processing focus on connecting agricultural producers, processors, and food businesses directly with end consumers. These initiatives often aim to improve access to fresh and sustainable food products, promote transparency, and support local agriculture. Here are some notable B2C initiatives in agriculture and food processing.

Here are some notable B2B and B2C initiatives in agriculture and food processing:

Table 48: some notable B2B and B2C initiatives in agriculture and food processing

Digital Service	Nature of Service	Brief Introduction	Beneficiaries
Online B2B Marketplaces	B2B	Platform for buying and selling agricultural products, machinery, equipment, and processed foods.	Farmers, Food Processors, Distributors, and Retailers
Farm-to-Fork Platforms	B2B	Platforms that enable restaurants, grocery stores, and foodservice providers to source fresh produce directly from local farmers and producers.	Local Farmers Restaurants, Grocery Stores, and Foodservice Providers
Agri-Tech Incubators & Accelerators	B2B	These programs provide mentorship, funding, and resources to develop and scale innovative solutions that address industry challenges	Startups, Innovators, agriculture, and food processing
Cold Chain and Logistics Solutions	B2B	Cold Chain and Logistics platforms and solutions offer storage and logistic services for transportation of perishable foods.	Manufacturers, Logistics Providers, Distributors, And Retailers
Market Access and Export Promotion	B2B	These initiatives provide market research, trade promotion, and export facilitation services	Manufacturers, Farmers, Logistics Providers, Distributors, And Retailers
Commodity Trading Platforms	B2B	It is the marketplace of trading of agricultural commodities, including grains, oilseeds, and livestock. It acts as a platform for buyers and sellers to negotiate prices and quantities.	Brokers, traders, buyers/sellers, speculators, arbitrageurs, producers, agribusinesses, banks, insurance companies, warehouse operators, Regulators
Educational and Training Programs	B2B	These initiatives offer training and educational services to help professionals in the agri-food industry stay updated with the latest practices, technologies, and regulatory changes.	Agricultural College, Farmers
Meal Kit Services	B2C	Some B2C initiatives emphasize transparency in the food supply chain. They use blockchain and other technologies to provide consumers with detailed information about the origin and journey of their food products	Consumers, Local farms, investors, manufacturers, retailers

Food Delivery Apps	B2C	Food delivery apps connect consumers with restaurants and food vendors, enabling them to order meals, groceries, and specialty food products for home delivery. Some apps focus on featuring local and artisanal food businesses	consumers, the restaurants, and the delivery people
Online Specialty Food Stores	B2C	E-commerce platforms specializing in artisanal, organic, or gourmet food products provide consumers with a wide range of unique and high-quality options	Suppliers, Wholesalers Customers Retailers Employees Governments.
Direct-to-Consumer Brands	B2C	Food producers and processors establish their direct-to-consumer brands, selling their products through e-commerce websites. This approach allows consumers to purchase directly from the source	Food processors, Customers, Logistic companies,
Farm-Focused Subscription Boxes	B2C	Subscription box services curate and deliver seasonal, locally sourced, or specialty food products to consumers on a regular basis. These boxes often feature products from small-scale producers	Farmers, Consumers,
Traceability and Transparency Platforms	B2C	Some B2C initiatives emphasize transparency in the food supply chain. They use blockchain and other technologies to provide consumers with detailed information about the origin and journey of their food products.	Food processors, consumers, logistics, investors,
Food Waste Reduction Apps	B2C	B2C apps and platforms focus on reducing food waste by connecting consumers with surplus food from restaurants, grocery stores, and producers at discounted prices	Government, Farmers, Consumers,
Meal Planning and Recipe Apps	B2C	These apps assist consumers in planning meals, creating shopping lists, and finding recipes that align with their dietary preferences and values, such as veganism or organic eating	dietician, Consumers,
Food Education and Cooking Classes	B2C	B2C initiatives may offer cooking classes, workshops, and educational content to help consumers better understand food, nutrition, and sustainable eating practices	Food processors, restaurants, farmers

These B2B initiatives are essential for fostering innovation, sustainability, and growth within the agriculture and food processing sectors. Businesses and entrepreneurs in these industries should explore and leverage such initiatives to enhance their operations and competitiveness.

B2C initiatives in agriculture and food processing empower consumers to make informed choices about the food they purchase, promote sustainability, and contribute to the growth of local and artisanal food businesses. These initiatives are part of the broader movement towards a more transparent, sustainable, and consumer-driven food system.

7.3.5 Handicraft

A B2B marketplace for handicrafts in Rajasthan can be a valuable platform to connect artisans, craftspersons, and handicraft businesses with bulk buyers, exporters, and retailers. Rajasthan is renowned for its rich and diverse handicraft traditions, and a dedicated B2B marketplace can help promote and trade these unique products. Here's an overview of how such a marketplace can operate:

Table 49: Handicraft Platforms

Handicrafts			
Sl. No	Type	Platform	Beneficiaries
1	Embroidered crafts	B2B, B2C	artisans, crafts persons, and handicraft businesses with bulk buyers, exporters, and retailers
2	Gems & Jewelery	B2B, B2C	artisans, crafts persons, and handicraft businesses with bulk buyers, exporters, retailers, and customers
3	Blue Pottery	B2B, B2C	Artisans, crafts persons, and handicraft businesses with bulk buyers, exporters, and retailers
4	Wooden Handicrafts	B2B, B2C	artisans, crafts persons, and handicraft businesses with bulk buyers, exporters, and retailers

Table 50: Textile Ecommerce Platforms

Textile			
Sl. No	Type	Platform	Beneficiaries
1	Yarn	B2B (India Mart)	Artisans, Craft businesses, Wholesalers, Craft businesses, Traders,
2	Fabric	B2B (India Mart)	Artisans, Craft businesses, Wholesalers,
3	Block Printing	B2B(India Mart)	Artisans, Craft businesses
		B2C (Amazon, FlipKart and others)	Artisans, Craft businesses, Customers
4	Traditional Textiles	B2B(India Mart)	Artisans, Wholesalers, Craft businesses, Traders,

5	Apparel	B2C (Amazon, Flipcart and others)	Artisans, Craft businesses, customers
		B2B (India Mart)	Artisans, Craft businesses, whole salers, retailers
		B2C(Amazon, Flipcart and others)	Artisans, Craft businesses, whole salers, customers

7.3.6 Wood and Wood Products

Table 51: Wood and Wood Products Ecommerce services

Wood and Wood Products			
Sl. No	Type	Platform	Beneficiaries
1	Wooden Furniture	B2B, B2C	Craftsmen, wholesaler, retailers
2	Wooden Handicrafts	B2C	Craftsmen, wholesaler, retailers, customers

7.3.7 Stone and Mineral

Table 52: Stone and Mineral Ecommerce services

Stone and Mineral			
Sl. No	Type	Platform	Beneficiaries
1	Stone Handicrafts	B2C	Wholesalers, retailers, consumers
2	Marble, Granite, Slate, Sandstone	B2C, B2B	Wholesalers, Architects, Retailers
3.	Minerals	B2B	Wholesalers, businesses
4.	Powder	B2B	Wholesalers, businesses

Benefits of a B2B/B2C Marketplace in Rajasthan:
- ► Market Expansion by Artisans and craft businesses.
- ► Transparency about the source of products, artisans' backgrounds, and production methods, appealing to socially conscious buyers.
- ► Buyers, including retailers, interior designers, and wholesalers, can easily source a wide range of handicraft products from Rajasthan in one centralized platform.

Challenges to Address:
- ► Quality Assurance.
- ► Logistics and Shipping.
- ► Digital Literacy
- ► Pricing and Fair Trade
- ► Marketing and Promotion.
- ► Payment Solutions.
- ► Legal and Regulatory Compliance.

Creating a successful B2B marketplace for MSMEs in Rajasthan requires collaboration between government agencies, industry associations, e-commerce platforms, and artisans themselves. Such a marketplace has the potential to boost the handicraft sector, create employment opportunities, and contribute to the cultural and economic vibrancy of the region.

7.3.8 Recommendations

Boosting e-commerce in Rajasthan involves implementing strategies and initiatives that facilitate the growth of online businesses, enhance digital infrastructure, and promote a conducive environment for e-commerce activities. Here are several steps that can help boost e-commerce in Rajasthan:

Table 53:steps that can help boost e-commerce in Rajasthan

Sl. No	Recommendation for MSMEs	Areas
1	Digital Infrastructure Development	• High-speed internet access and mobile networks. • Encourage e-commerce adoption
2	E-commerce Training and Skill Development	• Offer training programs and workshops to educate small businesses and entrepreneurs about e-commerce platforms, online marketing, and digital payment systems. • Develop partnerships with e-commerce giants and industry experts to provide specialized training.
3	Government Support and Policies	• Create a supportive regulatory environment for e-commerce, including simplified licensing and tax regulations for online businesses. • Provide incentives and subsidies for e-commerce startups
4	Marketplace Platforms	• Development of Rajasthan based e-commerce marketplace platforms that connect local artisans, producers, and businesses with a broader customer base
5	Logistics and Supply Chain Enhancement	• Investment in logistics infrastructure • Partner with logistics companies to provide cost-effective and timely delivery options for e-commerce shipments
6	Incubation and Startup Support	• Establishment of e-commerce incubation centers and provide mentorship and funding opportunities for e-commerce startups
7	Collaboration with Industry Associations	• Partner with industry associations, chambers of commerce, and trade bodies to organize e-commerce events, exhibitions, and conferences
More Recommendations for All types of Craft Based MSMEs		
1.	High-Quality Product Imagery	• High-resolution images from multiple angles and close-ups of details help customers make informed decisions.
2.	Detailed Product Descriptions	• Provide comprehensive product descriptions, including information about gemstones, metals used, sizing, and care instructions creates transparency and trust
3.	Content Marketing	• Create valuable content such as blogs, articles, and videos about gems, jewelry care, and fashion trends.
4.	Social Media Marketing	• Leverage social media platforms to showcase hand-made crafts to engage with the audience

5.	Social Proof	• Display social proof such as the number of satisfied customers, successful orders, or endorsements from influencers and celebrities
6.	Online Advertising	• Invest in paid online advertising, such as Google Ads and social media ads, to target specific customer segments and drive traffic to your e-commerce site

7.4 Export Promotion

7.4.1 Overview

Agriculture, Tourism, Mining and industrial activities providing major employment opportunities for local people and contribute towards the revenue generation in state. However, Rajasthan has diverse products and services with great potential of exports which is the one of the key areas for economic development of the state.

The importance of exports from the State lies in the **expansion of market opportunities for its produce, improvement in product quality and subsequent handling techniques, technological advancement in terms of plant, machinery, and manufacturing process, increased employment opportunities**, etc. The importance of exports from the State also lies in the indirect benefits to the State.

There are over 6 lakh MSME industries in Rajasthan and over 1.35 lakh exporters. This sector provides for maximum employment opportunities.

Rajasthan MSME 2022 Policy

The Rajasthan MSME 2022 policy aims at increasing the contribution of MSMEs in the State GDP and exports. Financial and technical assistance is being provided to MSME industries, which will been made in the MSME policy for assistance in the following aspects:
1. Research And Development
2. Facility of e-Market
3. Cluster Development
4. Ease of Doing Business
5. Export Linkages
6. Risk Coverage Schemes

Mechanisms to achieve the aforementioned aspects:
► The State Government envisages to develop export infrastructure through private players/Public-private Partnerships (PPP).
► Export guidance portal to facilitate the MSMEs with information on various acts, rules & regulations, scheme, program, international best practices etc.
► Through Department of Industries & Commerce, the State Government envisages to organize specialized export training workshops for district level government offices as well as aspiring MSME exporters.

► 'ODOP' and 'District Export Hub' Programs will help the local industry in the particular district to build capacity for exports to various state and central government interventions.
► The state government aims at achieving incremental export at 10% p.a. with special focus on MSME exports. Also, it envisages to achieve export of INR 1,00,000 crore during the tenure of MSME policy (2022-2027).

7.4.2 Export Related Schemes

1. **Reimbursement of Ground Rent / Participation Fee on participation in Approved International Trade/ Exhibitions:**
   Beneficiaries: Entrepreneurs/ Exporters searching new opportunities and markets in foreign land.
   Implementing Agency: Rajasthan Export Promotion Council (REPC)

   Key Points:
   ► Application should be submitted within 90 days of completion of fair/exhibition in the prescribed format
   ► Reimbursement @ 50% on maximum space of 9sq.meter ground rent /fee payable for approved international trade fairs/exhibition subject to maximum Rs.1,00,000/-per event.
   ► A particular unit can claim for 2 events per annum subject to a maximum of Rs.2,00,000/- in a financial year.
   ► This policy valid till 31st March 2025.

Table 54: Reimbursement of Ground Rent / Participation Fee on participation in Approved International Trade/ Exhibitions (Progress)

Year	No. of Exporters benefitted	Amount Reimbursed (in INR)
2018-2019	11	9,67,700
2019-2020	7	6,83,400
2020-2021	3	3,00,000
2021-2022	5	5,00,000

2. **State Export Award Scheme:** The scheme aims at promoting the exports from the micro, small, medium and large industrial units as well as service sector of the State by felicitating the eminent exporters annually. Under this scheme presently 32 exporters in 15 categories and one in a new category (Lifetime Achievement Export Ratna Award), thus total 33 exporters are awarded. This scheme would continue till March, 2024

   Beneficiary: Eminent Exporters of the state.
   Implementing Agency: Department of Industries and Commerce

   Progress:

Table 55:2.   State Export Award Scheme

Year	Event
2019	31 exporters awarded on 19.12.2019
2020	Could not organize due to covid
2021-2022	Exporters awarded on 17.09.2022

3. **Mission Niryatak Bano:** This is an initiative taken by state government to make exporters aware of export procedures, documentation etc. Various training programmes, capacity building programmes are included in it.

Beneficiary: Exporters/ Entrepreneurs.
Implementing Agency : REPC

Key Points:

► **Export Workshops and Seminars**: The REPC organizes workshops and seminars on various export-related topics. These events could cover subjects such as export procedures, documentation, international trade regulations, market intelligence, export finance, logistics, and strategies for entering new markets.

► **Mission Niryatak Bano (Export Training Programs):** The REPC conducts comprehensive training programs designed to enhance the export capabilities of businesses. These programs cover areas such as export marketing, product development, export pricing, negotiation skills, understanding international trade agreements, and cultural considerations in international business.

► **Export Documentation and Procedures:** The REPC offers training sessions specifically focused on export documentation and procedures. This training could help exporters understand the required documents, regulatory compliance, and best practices for smooth and efficient export transactions.

► **E-commerce and Digital Export:** With the growing importance of e-commerce in international trade, the REPC offers training programs to educate exporters on leveraging digital platforms for export. This includes training on e-commerce strategies, online marketplaces, digital marketing, and utilizing technology for export operations. REPC has joined hands with Amazon Global Selling for these types of trainings.

► **Export Promotion and Branding:** The REPC may provide guidance on export promotion strategies, including training on branding, product positioning, and marketing techniques for international markets. This training could help exporters effectively promote their products and services abroad.

Progress:
Export Import Code (IEC) has been issued to more than 8500 exporters, and their training programms are being organized. Second Phase of "Mission Niryatak Bano" has been started in whole state from 05.12.2022

7.4.3 International Trade Fairs/Exhibitions

Trade fair/ Exhibitions are important promotional tools in international marketing that has tremendous potential to boost the MSME growth in the state. Some of the approved trade fairs and exhibitions approved by Indian Trade Promotion Organization (ITPO) and REPC are given in the table 64:

Table 56:List of approved international trade fairs/exhibitions by Indian Trade Promotion Organization (ITPO) for 2023-24

List of approved international trade fairs/exhibitions by Indian Trade Promotion Organization (ITPO) for 2023-24				
Sl. NO	Date	Place	Name of the Event	Product
1.	July 2023	Osaka, Japan	India Home Furnishing,	Home-furnishing and made ups

2.	July, 2023	Osaka, Japan	India Garment Fair,	Garments and Accessories
3.	Sept 2023	Mexico	Expo National Feretera	Building Materials
4.	To Be Announced	Greece	Thessolonki Fair,	Textiles, Handicrafts and Jewelry
5.	Nov 2023	USA	AAPEX,	Auto & Auto Parts
6.	2023	Italy	AFL Milan,	Handicraft, Jewelry
7.	Jan 2024	DUBAI	INTTERSEC,	Safety, Security and Fire Protector
8.	Jan 31- Feb 2, 2024	USA	National Hardware Show,	Building Material
9.	March 7-10, 2024	Japan,	Foodex,	Food and Processed Food
10.	March 12-15, 2024	Vietnam	India Show,	Multi-products
11.	March 21-25, 2023	Chile	India Show,	Gems & Jewelry
12.	March 29-April 25, 2024	Mexico	India Show	Gifts

List of approved international trade fairs/exhibitions by REPC for 2023-24

Sl. NO	Date	Place	Name of the Event	Product
1.	September 2023	Jaipur	Rajasthan International Expo	Multiproduct
2.	March 2024	Jodhpur	Rajasthan International Expo	Multiproduct
3.	2023	Mauritius	Mauritius Shopping Festival	Multiproduct
4.	5th – 7th July, 2023	Nairobi, Kenya	Indo East Africa Trade Expo	Multiproduct

7.4.4 Districts As Export Hubs

To implement the vision of the Hon'ble Prime Minister of India to convert each district into an export hub, the Government of India is working with the State / UT Governments towards the achievement of these objectives through an institutional mechanism being created at the district level.

Objectives

Objectives of the District as Export Hub initiative is as under:
- ▶ To enable MSMEs, farmers and small industries to get benefit of export opportunities in the overseas markets.
- ▶ To shift focus on District led Export Growth for self-sufficiency and selfreliance
- ▶ Attract investment in the district to boost manufacturing and exports
- ▶ Provide ecosystem for Innovation/ use of Technology at District level to make them export competitive
- ▶ Reduce transaction cost for the exporter at various stages of export cycle

- ► Handholding and assistance to exporters by doorstep delivery of timely and relevant information
- ► To generate employment in the district.
- ► Providing platforms for wide and global reach of products and services from the district through E-commerce and Digital marketing. Promoting Artisans, Farmers, Handicraft, Handloom, tourism and other cottage industries.

Initiatives Envisaged - District as Export Hub
The envisaged initiatives in the District as Export Hub include the following:
Institutional/Policy Interventions
- ► Preparation of State Export Strategy/Policy by all State/UT Governments
- ► Product/Service identification in each District
- ► Constitution of District Export Promotion Committees (DEPC)
- ► Preparation of District Export Action Plans (DEAPs)
- ► Monitoring implementation of DEAPs
- ► Identifying Agricultural Clusters in the Districts
- ► Mapping GI product in each District
- ► Export Development Centres (E-Commerce in Districts)

Strategic measures
- ► Infrastructure and logistics support
- ► E-Commerce/Marketing/Branding
- ► Skill Development/Training/Testing facilities
- ► Research and Development/Technology Upgradation
- ► Export promotion outreach activities

With such government policies, initiatives, strategies, technological interventions to encourage the export from most of the districts of the state are expected to propel the market growth of MSMEs.

7.5 Global Value Chain:

Global Value Chains (GVCs) refer to international production sharing, a phenomenon where production is broken into activities and tasks carried out in different countries. They can be thought of a large-scale extension of division of labour.

- ► GVCs is the manufacturing of a product, in which the many phases of the production process are dispersed across various nations, where international production, commerce, and investments are increasingly organized. Companies are motivated by globalization to rearrange their operations abroad through activity offshore and outsourcing[57].

- ► By dispersing the various steps over numerous sites, the businesses use GVCs to try and optimize their production processes. Design, production, marketing, distribution, and other value chain activities have shown a strong tendency toward globalization during the past few decades.

---

[57] OECD

7.5.1 Trade in Value added:

The goods and services that are acquired are made up of components from different international locations. However, traditional metrics of international commerce don't always account for the flows of products and services inside these global production networks.

► This problem is addressed by the joint OECD-WTO Trade in Value-Added (TiVA) effort by taking into account the value added by each nation in the creation of products and services that are consumed globally. TiVA indicators aim to better inform decision-makers by offering fresh perspectives on international trade relations.
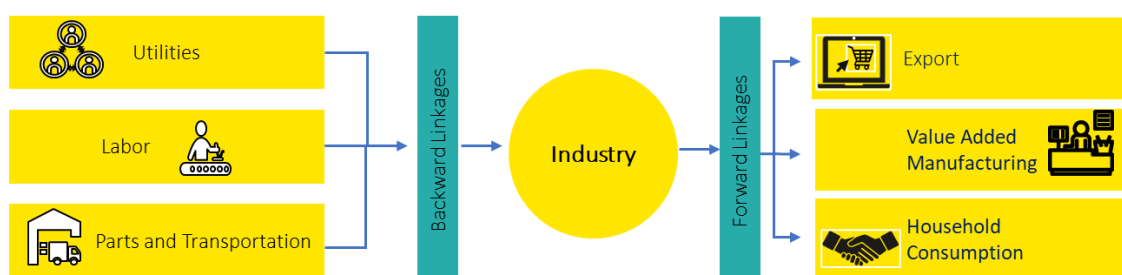
Figure 46: Global Value Chain and Linkages

Global value chains, which include developing, emerging, and industrialized economies, have emerged as a defining aspect of international trade. More and more, the entire process of making items, from raw materials to finished goods, is done wherever the relevant knowledge and resources are offered at a reasonable cost and quality. Similarly, trade in services is crucial for the effective operation of GVCs because it not only connects activities across nations but also because it enables businesses to raise the value of their products.

7.5.2 Trade and Opportunities

On 17th June 2022, the European Union relaunched negotiations with India for a Free Trade Agreement (FTA) and launched separate negotiations for an Investment Protection Agreement and an Agreement on Geographical Indications (GIs).[58]

The EU is India's third largest trading partner, accounting for Euro €88 billion worth of trade in goods in 2021 or 10.8% of total Indian trade. India is the EU's 10th largest trading partner, accounting for 2.1% of EU total trade in goods. Trade in services between the EU and India reached €30.4 billion in 2020.
► The trade negotiations aim to:
  ► Remove barriers and helping EU firms – especially smaller ones – to export more.
  ► Open up services and public procurement markets.
  ► Ensure protection of geographical indications.
  ► Pursue ambitious commitments on trade and sustainable development, and.
  ► Make sure the agreed rules are enforceable.

---

[58]European Commission

The investment protection negotiations aim to provide investors from both sides with a predictable and secure investment environment, through commitments on: Non-discrimination.
  ► Protection against expropriation without compensation and unfair treatment of investors and their investments, while preserving the right to regulate, and;
  ► Transfer of returns.

The investment protection negotiations also seek to put in place an effective and state-of-the-art dispute settlement mechanism to enforce such rules.

Here is the list of most exported products from India to Europe in the figure below:

Figure 47: Exported Goods from India to Europe
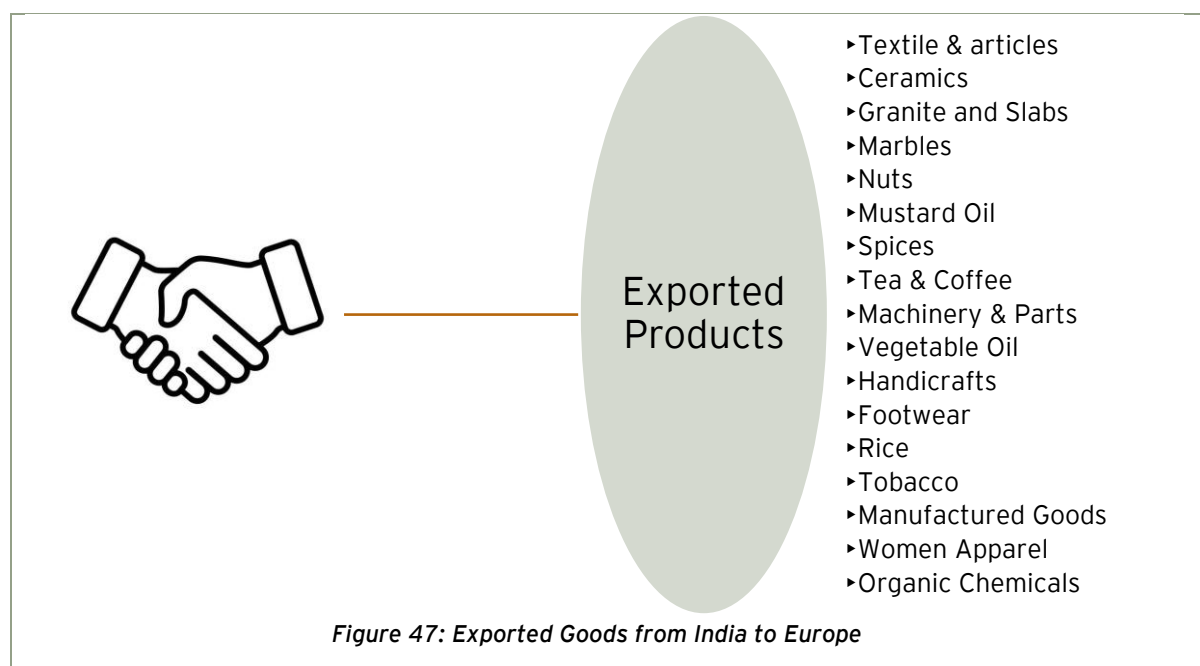
7.5.3 Value chain management for the MSME industry in Rajasthan

Improving value chain management for the MSME industry in Rajasthan requires a strategic approach that addresses various aspects of the production process, logistics, and market access.
  ► Here are some suggestions to enhance value chain management in this sector:
      ► Cluster Development
      ► Skill Development
      ► Technology Adoption
      ► Market Linkages
      ► Quality Assurance
      ► Access to Finance
      ► Supply Chain Optimization
      ► Sustainability Initiatives
      ► Research and Development
      ► Government Support

Implementing these suggestions can significantly enhance the value chain management MSMEs in Rajasthan, ultimately leading to increased productivity, improved product quality,

and greater competitiveness in both domestic and international markets. Collaboration between government agencies, industry associations, financial institutions, and MSMEs themselves is essential to drive these improvements effectively.

7.5.4 Forward Linkage Problems & Solutions:

Forward linkage problems in the context of MSMEs (Micro, Small, and Medium Enterprises) in Rajasthan refer to the challenges these businesses face in terms of marketing, distribution, and reaching their customers effectively. Here are some common forward linkage problems for MSMEs in Rajasthan and potential solutions:

1. **Limited Market Access:**
   ► **Problem:** Many MSMEs in Rajasthan have limited access to larger markets, both domestic and international, due to their small scale and resource constraints.
   ► **Solution:** To address this, MSMEs can collaborate with e-commerce platforms and online marketplaces to expand their customer base. Government initiatives can support MSMEs in establishing an online presence and participating in e-commerce.
2. **Marketing and Branding:**
   ► **Problem:** MSMEs often struggle with marketing their products effectively and building a strong brand presence.
   ► **Solution:** MSMEs can invest in digital marketing strategies, including social media marketing and search engine optimization (SEO). Government programs can offer training and subsidies to help MSMEs improve their marketing efforts.
3. **Access to Finance:**
   ► **Problem:** Limited access to affordable financing options hampers the ability of MSMEs to invest in marketing, product development, and expansion.
   ► **Solution:** The government and financial institutions can provide MSMEs with easier access to working capital loans and credit facilities. Specialized financial products tailored to the needs of MSMEs can be introduced.
4. **Logistics and Distribution:**
   ► **Problem:** Inefficient logistics and distribution networks can lead to delays and increased costs for MSMEs.
   ► **Solution:** Collaboration among MSMEs to establish shared logistics hubs or warehouses can reduce transportation costs. Technology adoption for inventory management and route optimization can improve distribution efficiency.
5. **Product Diversification:**
   ► **Problem:** MSMEs often rely on a limited range of products, which can limit their market reach.
   ► **Solution:** MSMEs can conduct market research to identify new product opportunities and customer preferences. Government incentives for product diversification and innovation can encourage MSMEs to explore new markets.
6. **Regulatory Challenges:**
   ► **Problem:** Regulatory hurdles and complex permit requirements can hinder the smooth operation of MSMEs in Rajasthan.
   ► **Solution:** The government can simplify and streamline regulations related to forward linkages, such as permits for transportation and distribution. A single-window clearance system can reduce bureaucratic challenges.
7. **Export Promotion:**
   ► **Problem:** MSMEs looking to expand internationally may lack the knowledge and resources to navigate export regulations and markets.

> ► **Solution:** The government can provide export-oriented training programs, financial incentives, and support with compliance to international trade regulations.

8. Collaboration and Networking:
> ► **Problem:** MSMEs may operate in isolation, missing opportunities for collaboration and networking.
> ► **Solution:** MSMEs can benefit from joining industry associations and networks that can provide market insights, connections, and collective marketing efforts. Government initiatives can encourage and facilitate such collaborations.

Solving these forward linkage problems requires a concerted effort involving MSMEs, government agencies, industry associations, financial institutions, and technology providers. By addressing these challenges, MSMEs in Rajasthan can improve their market reach and competitiveness, contributing to economic growth in the state.

7.5.5 Backward Linkage Problems & Solutions:

Backward linkage problems in the context of MSMEs (Micro, Small, and Medium Enterprises) in Rajasthan refer to challenges related to accessing and procuring raw materials, inputs, and services required for their production processes. Here are some common backward linkage problems for MSMEs in Rajasthan and potential solutions:

1. Raw Material Procurement:
> ► **Problem:** Many MSMEs in Rajasthan face difficulties in procuring high-quality raw materials at competitive prices, especially when they rely on agricultural or natural resources.
> ► **Solution:** Encourage MSMEs to establish partnerships with local farmers and suppliers for a consistent supply of raw materials. Promote the development of raw material procurement clusters or cooperatives to leverage collective bargaining power.

2. Supply Chain Fragmentation:
> ► **Problem:** MSMEs often deal with multiple suppliers, resulting in supply chain fragmentation and coordination challenges.
> ► **Solution:** Facilitate supply chain integration by connecting MSMEs with trusted suppliers and service providers through online platforms or industry-specific networks. Encourage collaboration among suppliers to streamline procurement processes.

3. Quality Assurance:
> ► **Problem:** Maintaining consistent quality in inputs is crucial for MSMEs to produce high-quality products. Ensuring the quality of inputs can be challenging.
> ► **Solution:** Implement quality control measures at the supplier level. Offer training and support to suppliers to meet specific quality standards. Encourage certification and adherence to quality management systems.

4. Access to Technology and Innovation:
> ► **Problem:** MSMEs may lack access to modern technology and innovation, limiting their ability to improve production processes and product quality.
> ► **Solution:** Establish technology transfer programs and innovation hubs to provide MSMEs with access to advanced technologies and R&D support. Offer financial incentives for technology adoption and innovation projects.

5. Regulatory Compliance:
> ► **Problem:** Compliance with regulatory standards, such as environmental regulations or safety standards, can be complex and resource-intensive.

▶ **Solution:** Simplify and streamline regulatory processes for MSMEs. Provide guidance and support to help them understand and comply with relevant regulations. Offer incentives for environmentally friendly and sustainable practices.

6. Access to Finance for Procurement:
▶ **Problem:** MSMEs may struggle to secure financing for raw material procurement, especially when they have limited collateral.
▶ **Solution:** Collaborate with financial institutions to develop special financing schemes tailored to MSMEs' procurement needs. Explore options like supply chain financing to help MSMEs access working capital.

7. Supplier Development:
▶ **Problem:** Many suppliers to MSMEs may be small and face similar challenges. Strengthening supplier capabilities can improve the reliability of inputs.
▶ **Solution:** Support supplier development programs that offer training, technology upgrades, and access to financing to improve the quality and reliability of input supply.

8. Market Linkages:
▶ **Problem:** MSMEs may face difficulties in establishing efficient linkages with suppliers, especially when they are located in different regions.
▶ **Solution:** Create regional supplier databases or networks that connect MSMEs with local suppliers. Develop digital platforms or apps that facilitate supplier discovery and procurement.

Addressing these backward linkage problems requires collaboration between MSMEs, government agencies, industry associations, financial institutions, and technology providers. By improving access to quality inputs and streamlining procurement processes, MSMEs in Rajasthan can enhance their production efficiency and product quality, contributing to their overall competitiveness and growth.

Effective value chain management is vital for harnessing the economic potential of Rajasthan's diverse industries and supporting the livelihoods of its residents. Collaboration between government agencies, industry stakeholders, financial institutions, and technology providers is key to addressing challenges and unlocking opportunities in value chains across the state.

7.6 Business Development Service Provider:

Business development service providers (BDS) provide a wide range of specialized services to support the operational and strategic needs of other firms, they play a vital role in the success of MSMEs. These services may include a range of topics, including those related to technology, finance, human resources, law, marketing, and other topics. By supplying professional solutions that are specifically targeted to the needs of the sector, business service providers assist organizations in improving their operations, cutting costs, and increasing efficiency.

They are essential in allowing businesses to concentrate on their core skills while contracting out non-core duties to specialists, which ultimately promotes overall growth and success. MSMEs frequently lack the funding necessary to engage specialists for jobs like accounting, legal, IT, and marketing. BSDs offer expertise in these areas, ensuring that MSMEs receive professional guidance and services to meet their specific needs.

Further, these service providers provide market intelligence, flexibility that can help the MSMEs to expand nationally and internationally and these service providers with global networks can provide valuable support in terms of market entry, compliance, and logistics. In summary, business service providers act as valuable partners for MSMEs by offering expertise, cost-efficiency, scalability, and support across various business functions. This allows MSMEs to thrive, compete effectively, and navigate challenges in an ever-evolving business landscape.

7.6.1 Textiles BDSs
There are several business service providers that cater to the textile industry in Rajasthan. Some of the services they may offer include:
- ► Textile Machinery Suppliers
- ► Fabric Manufacturers
- ► Dyeing and Printing Services
- ► Logistics and Transportation
- ► Consulting Services
- ► Export-Import Services
- ► Textile Chemical Suppliers
- ► Trade Finance Providers
- ► Microfinance Institutions
- ► Finance Advisors and Consultants

7.6.2 Handicraft BDSs
Some of the BSDs that cater to the handicraft industry in Rajasthan may include:
- ► Artisans and Craftsmen
- ► Export Facilitators
- ► Marketing and Promotion Agencies
- ► Logistics and Shipping Services
- ► Government Agencies
- ► Handicraft Cooperatives
- ► Financial advisors

7.6.3 Gems & Jewellery BDSs
BSDs that cater to the handicraft industry in Rajasthan may include:
- ► Gemstone Suppliers
- ► Jewelry Manufacturers
- ► Export-Import Consultants
- ► Gem and Jewelry Associations
- ► Marketing and Branding Agencies
- ► Artisans and Craftsmen
- ► Logistics and Shipping Companies

7.6.4 Food Processing BDSs
BSDs that cater to the food processing industry in Rajasthan may include:
- ► Food Processing Machinery Supplier
- ► Food Safety and Quality Consultants
- ► Cold Storage and Warehousing Companies
- ► Packaging Material Suppliers
- ► Market Research Firms

► Logistics and Distribution Services
► Government Agencies

7.6.5 Marble Industry BDSs

BSDs that cater to the marble industry in Rajasthan may include:
► Marble Quarry Owners
► Marble Manufacturers and Processors
► Marble Exporters
► Marble Design and Architecture Firms
► Marble Testing and Quality Control Lab
► Logistics and Transportation Services
► Marble Marketing and Promotion Agencies
► Government Agencies

7.6.6 Mineral Industry BDSs

BSDs that cater to the mineral industry in Rajasthan may include:
► Mining Companies
► Geological Surveyors
► Mineral Processing and Refining Units
► Export-Import Consultants
► Mineral Testing Laboratories
► Stone and Mineral Traders
► Environmental Consultants
► Logistics and Transportation Services

7.7 Technology Service Provider:

A host of IT related services i.e., IT consulting, software development, cloud computing, cybersecurity, network infrastructure, data analytics, and other services may be offered by a technology service provider (TSD).

► To increase operational effectiveness, boost competitiveness, and tackle particular technological difficulties, technology service providers are essential in assisting their clients in adopting, implementing, and managing technology solutions. They frequently act as dependable partners, providing knowledge and assistance in navigating the constantly changing terrain of technology and digital transformation.

► The performance of MSMEs is greatly influenced by technology service providers in several ways, including digital transformation, increased productivity and efficiency, accessing a larger audience through e-commerce platforms, and improving customer interaction. Further, it offers tools and expertise data analytics allowing MSMEs to derive valuable insights from their business data. Further, these TSDs often offer training programs to upskill MSME employees in the use of new technologies.

In summary, TSDs are instrumental in equipping MSMEs with the tools and knowledge they need to thrive in a competitive business landscape. By leveraging technology effectively, MSMEs can enhance their efficiency, reach, and competitiveness, ultimately contributing to their long-term success and growth.

8 Gender Gaps: Mapping additional barriers faced by women

A gender gap, a relative disparity between people of different genders, is reflected in a variety of sectors. The gender gap is also referred as the difference between women and men as reflected in social, political, intellectual, cultural, or economic attainments or attitudes.[59] These gaps can be seen in many areas of life including education, employment, entrepreneurial opportunities, healthcare, and political participation, etc.

- ▶ Gender gaps can be caused by a variety of factors, including
- ▶ Social norms and expectations
- ▶ Discrimination
- ▶ Lack of access to resources

However, this gender gaps have a significant impact on women's lives and society. It is well known that there is no tool for development greater than the empowerment of women and it is also a critical part of Sustainable Development Goals. These goals are adopted by the UN's member states as a blueprint to achieve a better and more sustainable future for all by 2030.

As the nation India aims to excel and expedite its progress and economically grow thus, it becomes important collectively for the states to empower women. When women are empowered, they are more likely to be able to access health facilities, education and employment opportunities and enhance participation towards entrepreneurship ventures.
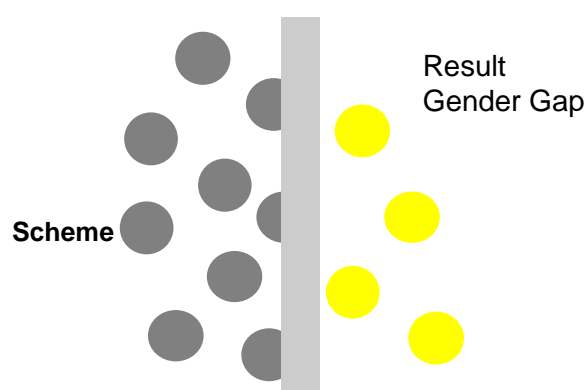
Figure 48: Gender Gap & Schemes

8.1 Glimpses of Women Power in enterprise set-up in Rajasthan

Currently 1,22,732 female entrepreneurs are registered at the URC portal for Rajasthan State between the registrations period 2020 to 2023. In the districts, Jaipur shows major share of 27.6% followed by subsequent districts at 5.39% and 5.12 % ranked at 2nd and 3rd by Ajmer and Udaipur respectively.

8.1.1 Mapping gender gaps

The gender data gap is important scenario because it results in an incomplete picture of women's and men's lives, and the gaps that persist between them[60]. The social indicators would lead to have deeper understanding of issues to be sorted out. Organizations and institutions must act based on new data to achieve greater equality for women, and thus greater equality for all those who do not enjoy intersectional privilege [61]

8.1.2 Overview of gender gaps in Rajasthan

Rajasthan- ranks 8th in population and one of the largest states (342,239 Sq. km with 10.40% geographical area of India) of the nation which stands out for its beautiful and mesmerizing landscape, culture, and traditions. However, there is a grey area present where there is a persistent high- contrast in the disparities between men and women in the state which reflects the deep-rooted societal imbalance being pestered for generations.

---

[59] https://www.weforum.org/agenda/2017/11/the-gender-gap-actually-got-worse-in-2017/
[60] More and Better Gender Data: A Powerful Tool for Improving Lives (worldbank.org)
[61] Wirtschaftsuniversität Wien: Gender Data Gap: Why women still find themselves disadvantaged (wu.ac.at)

Despite continuous noteworthy progress being made concerning various aspects of development, the state is still struggling with gender issues.

8.1.3 Gender disparity- Rajasthan

Gender gaps in Rajasthan have multiple facets which encompass disproportion in fields of education, health, employment, entrepreneurship, political representation, and more. These gaps collectively hinder the growth of the state but also create a barrier for the potential half of the state population shackling overall growth and development.

This section talks about the delving factors that contribute to the disparities in the MSME sector in the state and the efforts being made by the central government and the state government to bridge the gap in ways.

Additional barriers

▶ **Limited Access to Finance:** Women entrepreneurs often encounter challenges in accessing capital, loans, and credit for starting or expanding their businesses. Financial institutions may be hesitant to lend to women owned MSMEs, leading to restricted growth opportunities.

▶ **Lack of Networking Opportunities:** Limited access to professional networks and mentorship can hinder women's business growth. Many established business networks may be male dominated, making it harder for women to connect with experienced mentors and potential partners.

▶ **Legal and Regulatory Barriers:** Gender bias in laws and regulations can create additional hurdles for women in MSMEs. Property rights, inheritance laws, and business registration processes may disadvantage women entrepreneurs.

▶ **Lack of Insurance provision:** Inducting insurance for MSMEs during registration on the URC portal for their new ventures would make MSMEs more attractive. In the event of any mishaps that could potentially impact the unit's investment, insurance coverage could provide crucial support, helping to address the gender gap and empower women led MSMEs in their entrepreneurial pursuits.

8.1.4 Women- Status in MSMEs in Rajasthan

▶ Till March 2023, Rajasthan has women owned entrepreneurship /Units 1,22,732. Past 4 years passed through pandemic COVID-19 period, an upheaval in the MSMEs has observed. Rajasthan had 17006 women owned units during 2019-20 and 44,204 women owned MSME Units in 2020-21, which decreased to 31060 in 2021-22 and further declined to 30462 during 2022-23.

Registrations of 'Women owned MSMEs' : 2019-2023

Year	Registrations
2019-20	17006
2020-21	44204
2021-22	31060
2022-23	30462

■ Registrations of Women Owned MSMEs
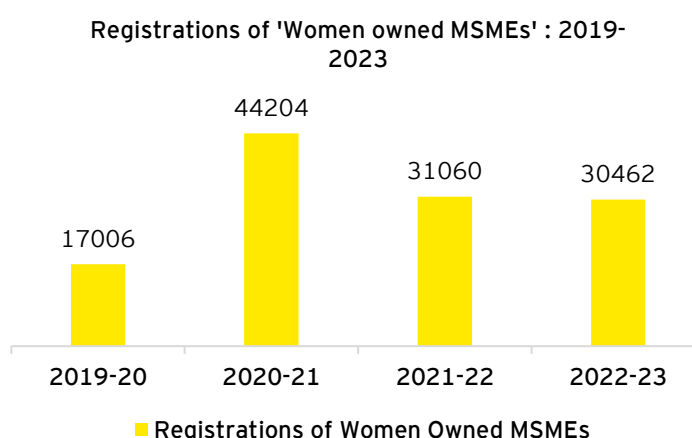
Figure 49: Women status in MSMEs in Rajasthan

► In a sample survey conducted by NSSO- The NSSO led 73rd round reported that in a state wise distribution of proprietary MSMEs by gender of owners, West Bengal leads with 23.42% whereas Rajasthan takes seat 3.07 % with ranked 10th.[62]

MSME Proprietary Distribution (Women) - W. Bengal V/s Rajasthan

23.42%

3.07%

West Bengal   Rajasthan

■ West Bengal   ■ Rajasthan
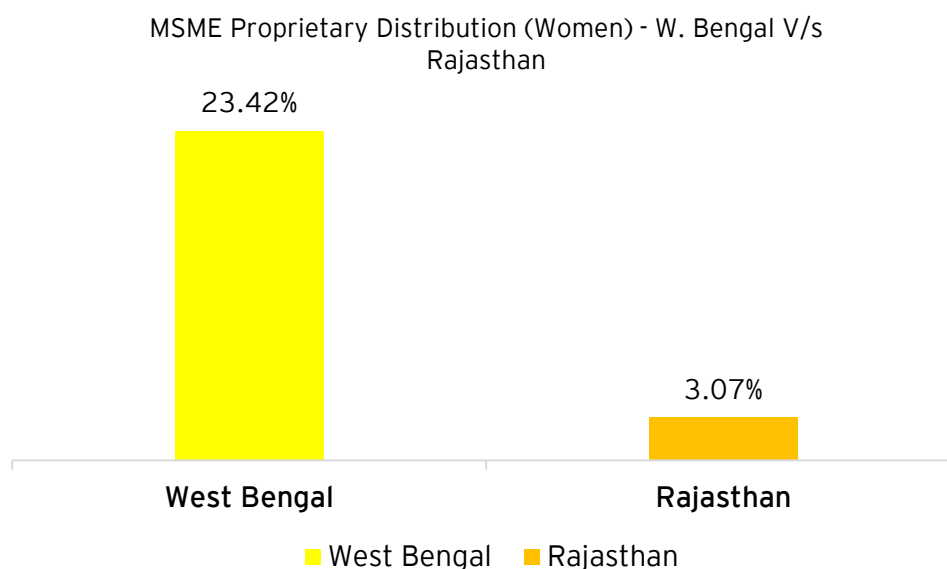
Figure 50: MSME Proprietary Distribution (women)- W. Bengal vs Rajasthan

---

[62] Annual MSME Report, GoI 2022-2023

Gender Gap: Rajasthan

Table 57:State-Wise Worker Population Ratio for Persons Aged 15 Years & Above

क्रम संख्या	राज्य/ केंद्र शासित प्रदेश	ग्रामीण Rural			शहरी Urban			कुल Total			State / Union Territory
		Male	Female	Person	Male	Female	Person	Male	Female	Person	
	1	2	3	4	5	6	7	8	9	10	11
1	अंडमान और निकोबार द्वीप समूह	67.3	26.7	48.2	76.7	24.8	52.2	71.2	25.9	49.8	Andaman & Nicobar Islands
2	आंध्र प्रदेश	75.9	43	59.1	70.3	26.3	47.6	74.1	37.6	55.5	Andhra Pradesh
3	अरुणाचल प्रदेश	65.1	21.9	45.2	62.8	15.6	40.3	64.7	20.8	44.3	Arunachal Pradesh
4	असम	72.1	14.1	43.3	70	15.1	42.3	71.8	14.2	43.2	Assam
5	बिहार	69.7	9.6	40.1	63.5	7.4	36.2	69	9.4	39.7	Bihar
6	चंडीगढ़	84.9	20.9	59.6	72	18.8	44.8	72.7	18.8	45.5	Chandigarh
7	छत्तीसगढ़	80.5	58.9	69.7	72	23.9	47.3	78.9	52.1	65.4	Chhattisgarh
8	दादरा और नागर हवेली	86.9	82.2	84.7	85.1	23.6	62.6	85.8	52.3	72.2	Dadra & Nagar Haveli
9	दमन और दीव	66	27.3	47.7	90.1	37.4	69.3	85.3	34.8	64.5	Daman & Diu
10	दिल्ली	66.7	21	45.3	67.4	14.3	43.2	67.4	14.5	43.3	Delhi
11	गोवा	71.7	22.3	45.1	70.2	26.6	48.7	70.7	24.9	47.3	Goa
12	गुजरात	78	39.4	59.2	76.8	19.7	49	77.5	30.7	54.7	Gujarat
13	हरियाणा	69.1	12.7	41.4	68.9	18.5	45.5	69	14.7	42.9	Haryana
14	हिमाचल प्रदेश	78.7	66.7	72.4	76.2	36.7	57.2	78.4	63.1	70.5	Himachal Pradesh
15	जम्मू और कश्मीर	71.7	36.8	54.7	68.9	18.9	44.2	71.2	33.1	52.5	Jammu & Kashmir
16	झारखंड	75	41.1	57.5	64.6	14	40.1	72.5	35.2	53.6	Jharkhand
17	कर्नाटक	77.8	39	58.2	70.7	21.1	45.9	74.8	31.7	53.1	Karnataka

18	केरल	68.2	30.3	47.7	64.7	23.8	42.7	66.5	27.1	45.3	Kerala
19	लद्दाख	72.2	52.4	63.1	75.8	43.2	60.6	72.6	51.1	62.7	Ladakh
20	लक्षद्वीप	78.8	26	56.2	70.5	22.4	45.7	72.6	23.1	48	Lakshadweep
21	मध्य प्रदेश	79.8	42.9	61.8	70.1	22	46.9	77.1	37.2	57.7	Madhya Pradesh
22	महाराष्ट्र	74.4	47.8	61.5	70.9	24.3	47.8	72.9	37.7	55.7	Maharashtra
23	मणिपुर	65.5	24.7	45.1	61.8	31.9	46.5	64.5	26.8	45.5	Manipur
24	मेघालय	75.9	49.2	62.2	64.8	23.6	43.3	73.8	44.1	58.6	Meghalaya
25	मिजोरम	71.1	37.7	55.2	59.7	32	45.9	65.7	34.9	50.7	Mizoram
26	नागालैंड	59.3	35.4	48.1	52.1	21.7	37.1	57.2	31.1	44.8	Nagaland
27	ओडिशा	73.4	33.6	53	68.9	21.6	45.4	72.7	31.8	51.9	Odisha
28	पुदुचेरी	72.7	35.2	53.8	64.3	25.1	44.8	67	28.4	47.7	Puducherry
29	पंजाब	70.9	23.3	48.2	73	19.4	47.2	71.7	21.8	47.8	Punjab
30	राजस्थान	73.8	44.6	59.2	67.4	17.4	43.4	72.1	37.6	55	Rajasthan
31	सिक्किम	77.7	64.9	71.7	78.2	40	60.2	77.8	58.5	68.8	Sikkim
32	तमिलनाडु	74.6	46	59.8	72.2	29.8	50.4	73.5	38.3	55.3	Tamil Nadu
33	तेलंगाना	71.7	51.6	61.3	67.4	25.7	47.3	69.9	41.8	55.7	Telangana
34	सिपुरा	75.8	24.7	50.6	74.3	19.2	46	75.5	23.5	49.6	Tripura
35	उत्तर प्रदेश	74.2	18.7	46.4	67	12	40.9	72.4	17.2	45.1	Uttar Pradesh
36	उत्तराखंड	68.7	35.8	52.4	68.8	14.8	41.9	68.8	30.1	49.5	Uttarakhand
37	पश्चिम बंगाल	77.7	21.9	50.5	72.4	25.6	48.1	76.1	23.1	49.7	West Bengal
	भारत	74.4	32.2	53.3	69.9	21.3	45.8	73	28.7	50.9	India
स्रोत / Source: Periodic Labour Force Survey (PLFS, July 2019 June 2020), National Statistical Office, Ministry of Statistics and Program Implementation											
Note: The rate is according to Usual Principal & Subsidiary Status Approach(ps+ss)											
2. The figures represent size of workforce as percentage of population.											

Table 58:Number of Establishments under women entrepreneur by Major Source of Finance

		2014							
क्रम संख्या	राज्य/ केंद्र शासित प्रदेश	Self-finance	Financial Assistance from Govt	Borrowing from financial institutions	Borrowing from Non-institutions/ Money Lenders	Loan from Self Help Group	Donations/ Transfers from other agencies	Total	State/ Union Territory
	1	2	3	4	5	6	7	8	9
1	अंडमान और निकोबार द्वीप समूह	2110	60	199	5	4	135	2513	Andaman & Nicobar Islands
2	आंध्र प्रदेश	663439	20470	8562	8573	36434	112434	849912	Andhra Pradesh
3	अरुणाचल प्रदेश	5229	262	45	28	24	825	6413	Arunachal Pradesh
4	असम	139193	3438	1887	1250	1146	7244	154158	Assam
5	बिहार	77584	7307	1946	1736	520	64517	153610	Bihar
6	चंडीगढ़	5621	117	26	3	1	15	5783	Chandigarh
7	छत्तीसगढ़	58761	4365	680	267	135	13768	77976	Chhattisgarh
8	दादरा और नगर हवेली	490	10	38	2	2	762	1304	Dadra & Nagar Haveli
9	दमन और दीव	673	14	15	0	1	102	805	Daman & Diu
10	दिल्ली	59542	1148	322	239	111	9072	70434	Delhi
11	गोवा	14939	503	670	25	118	401	16656	Goa
12	गुजरात	339799	62511	6464	782	676	118391	528623	Gujarat
13	हरियाणा	116069	1495	577	433	117	5833	124524	Haryana
14	हिमाचल प्रदेश	44084	1242	1351	38	131	2327	49173	Himachal Pradesh
15	जम्मू और कश्मीर	23527	1676	638	933	45	4473	31292	Jammu & Kashmir
16	झारखंड	24408	4577	549	165	264	24769	54732	Jharkhand
17	कर्नाटक	464768	17513	7363	2956	8994	44212	545806	Karnataka
18	केरल	864223	9939	13471	2780	6897	16607	913917	Kerala

19	लक्षद्वीप	360	15	4	1	4	76	460	Lakshadweep
20	मध्य प्रदेश	145051	14855	2311	1003	848	59337	223405	Madhya Pradesh
21	महाराष्ट्र	551300	19440	10940	2997	3752	75871	664300	Maharashtra
22	मणिपुर	83621	345	802	673	90	2755	88286	Manipur
23	मेघालय	27279	661	223	114	47	1206	29530	Meghalaya
24	मिजोरम	14075	562	132	12	15	1032	15828	Mizoram
25	नागालैंड	12837	107	53	65	25	570	13657	Nagaland
26	ओडिशा	188460	12810	3560	2058	2890	39822	249600	Odisha
27	पुडुचेरी	8200	192	182	598	100	897	10169	Puducherry
28	पंजाब	94246	1808	577	299	94	13897	110921	Punjab
29	राजस्थान	182371	7912	2599	1325	387	53398	247992	Rajasthan
30	सिक्किम	4720	236	123	7	3	215	5304	Sikkim
31	तमिलनाडु	881274	26046	4868	4766	4558	166097	1087609	Tamil Nadu
32	तेलंगाना	286081	7879	4239	2418	6544	49325	356486	Telangana
33	त्रिपुरा	12853	458	226	122	46	801	14506	Tripura
34	उत्तर प्रदेश	365439	14561	2565	2327	983	96504	482379	Uttar Pradesh
35	उत्तराखंड	27193	1046	582	71	122	2405	31419	Uttarakhand
36	पश्चिम बंगाल	575628	25398	8000	28454	4532	189325	831337	West Bengal
	भारत	6365447	270978	86789	67525	80660	1179420	8050819	India
	स्रोत / *Source: Sixth Economic Census (2014), National Statistical Office, Ministry of Statistics & Programme Implementation*								

8.1.5 Impact of gender-gap on MSMEs

The gender gap can have significant effects on the perspectives and outcomes of Micro, Small, and Medium Enterprises (MSMEs). MSMEs are crucial drivers of economic growth and development in many countries, and their success or failure can have far-reaching implications for individuals, communities, and economies.

Here's how the gender gap affects MSME perspectives:

▶ **Access to Finance**: Gender disparities often result in limited access to financial resources for women entrepreneurs. MSMEs, particularly those led by women, may face challenges in securing loans, credit, and investment capital. This limits their ability to start, grow, or sustain their businesses, impacting their competitiveness and growth potential.

▶ **Market Opportunities**: Gender bias can influence market opportunities and customer preferences. Some industries and markets may favour businesses owned or led by men, making it harder for women owned MSMEs to penetrate these sectors and access larger customer bases.

▶ **Networks and Support Systems**: Men and women may have different social networks and support systems. In many cases, men have more extensive networks and access to mentorship opportunities, which can provide valuable insights, resources, and business connections. Women-led MSMEs may struggle to build similar support networks, affecting their growth and innovation prospects.

▶ **Skills and Training**: Gender disparities in education and training can impact the skill sets and capabilities of MSME owners and employees. When women have limited access to education and training programs, their ability to compete in knowledge-intensive industries or adopt innovative practices may be hindered.

▶ **Market Access and Distribution**: Women-owned MSMEs may face challenges in accessing distribution channels and supply chains. Gender stereotypes can impact negotiations and partnerships, limiting their ability to secure favourable distribution deals or collaborate with larger companies.

▶ **Regulatory Environment**: Gender-neutral regulations and policies are essential for creating a level playing field for MSMEs. Gender bias in laws or regulations can limit the growth and sustainability of women-led businesses by creating additional barriers or legal hurdles.

▶ **Work-Life Balance**: Gender roles and expectations can affect work-life balance for MSME owners. Women often face greater societal pressure to balance family responsibilities with business ownership, which can impact their ability to dedicate time and effort to their enterprises.

▶ **Innovation and Creativity**: Diverse perspectives and experiences are known to drive innovation. Gender diversity within MSMEs can lead to more creative problem-solving and product development. A lack of gender diversity may limit innovation potential and adaptability to changing market conditions.

▶ **Financial Performance**: Research has shown that gender diversity in leadership and ownership can positively impact the financial performance of MSMEs. Companies with women in leadership positions tend to be more profitable and resilient.

▶ **Societal and Economic Impact**: Reducing the gender gap in MSMEs can have broader societal and economic benefits. Women's economic empowerment through MSMEs can lead to job creation, poverty reduction, and overall economic growth.

Efforts to address the gender gap in MSMEs should focus on promoting gender equality through policies and initiatives that support women's entrepreneurship, provide access to finance, encourage skills development, and challenge gender stereotypes. By doing so, countries and communities can unlock the full potential of their MSME sectors and promote inclusive economic growth.

1. State Specific Schemes for Government of Rajasthan

Table 59:State Specific Schemes for Government of Rajasthan

Sl No	Scheme	Salient features
1	Indira Mahila Shakti Yojana (IMSY) - 2019	▶ In the Indira Mahila Shakti Udyam Protsahan Yojana, the aspiring women entrepreneurs can take loans for their businesses. 　▶ For loans up to Rs. 10 lakh, deputy director/ assistance director/ women officials will scrutinize the applications at their own level and can then sanction loan amounts to banks or lending institutions. 　▶ For loans of more than Rs. 10 lakhs, a district-level task force would be constituted. 　▶ Under Indira Mahila Shakti Yojana, women will be supported for setting up enterprises, assistance for modern research to be provided. Moreover, women will get training for skill development and education to create awareness.
2	Rajasthan Mahila Nidhi Yojana (RMNY)	▶ Rajasthan Mahila Nidhi Yojana is a scheme that will aid women in starting their own trade or business. Through this scheme, Government of Rajasthan will help women to get a loan of Rs 40000 within just 48 hours. Not only this, if any woman wants to get a loan of more than Rs 40,000, then this amount will be provided to her not in 48 hours but in 15 days.
3	Indira Mahila Shakti Skill Enhancement and Training Scheme - Skill Strength	▶ With the aim of economic empowerment of women, a scheme has been started for free skill upgradation training in various trades. ▶ Under the scheme, residential and non-residential training is given to interested women and girls for short and long term. Training is given through reputed training institutes like RSLDC, NIFT, FDDI, CESBM and self-help group member women and craft skilled persons.

2. Schemes of Central government, GoI

Table 60: Schemes of Central government, GoI

Sl No	Scheme	Salient features
1	**Nari shakti Scheme 2018**	The objective of this scheme is integrated work related to social empowerment, cultural empowerment and economic empowerment related to the development of women.

2	Trade related entrepreneurship assistance and development scheme for women (TReaD)	With a view to encourage women in setting up their own ventures, government implements a Scheme, namely, "Trade Related Entrepreneurship Assistance and Development (TREAD) during the 11th Plan. ▶ The scheme envisages economic empowerment of women through the development of their entrepreneurial skills in nonfarm activities.
3	Credit guarantee fund scheme for micro and small enterprises (CTGMSE)	▶ Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) is jointly set up by Ministry of Micro, Small & Medium Enterprises (MSME), GoI and Small Industries Development Bank of India (SIDBI) to catalyse flow of institutional credit to Micro & Small Enterprises (MSEs).
4	Pradhan Mantri MUDRA Yojana	The Pradhan Mantri Mudra Yojana or PMMY is a flagship scheme of the Government of India to extend affordable credit to micro and small enterprises. ▶ Mudra schemes are designed to bring enterprises into the formal financial system, or to "fund the unfunded". Loans under PM mudra loan scheme are available to non-farm micro or small enterprises engaged in income generation through manufacturing, trading and services
5	Stand-Up India Scheme	▶ The objective of the Stand-Up India scheme is to facilitate bank loans between 10 lakh and 1 Crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one-woman borrower per bank branch for setting up a Greenfield Project.
6	Mahila Udyam Nidhi Yojana (Bank's financing Scheme- PNB, Dena, SBI, CBI)	▶ Mahila Udyam Nidhi Scheme was launched to empower women entrepreneurs in India. The scheme was launched to provide financial assistance to women who want to start or expand their small-scale businesses. ▶ The scheme is available through Punjab National Bank (PNB), which is responsible for implementing it. ▶ The Dena Shakti Scheme is aimed at providing affordable financing to women entrepreneurs involved in a wide range of activities. These activities include both Agriculture based and MSME enterprises. ▶ Stree Shakti Scheme is an initiative by the State Bank of India (SBI). This scheme is uniquely tailored for the women who wish to become entrepreneurs or are wanting to expand their existing business. Women who are entrepreneurs or have a shared Capital of not less than 51% as partners /shareholders /directors of a private limited company or members of co-operative society can apply for this business loan. ▶ Cent Kalyani Scheme is a unique loan scheme from the Central Bank of India. It aims at financing women's business dreams and helps them expand their business too. This means, women can apply for this scheme to fund their working Capital, purchasing machinery or equipment or other relevant business needs. Women from micro and small enterprises can avail this loan scheme.

7	Women Entrepreneurship Empowerment Scheme (WES)	▶ The Women Entrepreneurship Platform (WEP) is a scheme launched by the Niti Aayog in partnership with the Small Industries Development Bank of India (SIDBI). It will provide an ecosystem to promote entrepreneurship among women all over India.
8	Women Entrepreneurship Development Scheme (WEDS)	▶ The scheme provides financial assistance to woman entrepreneurs for taking up business ventures. Existing businesses will also be eligible for expansion, modernisation and diversification
9	Mahila-e-haat: E-Marketing Platform	▶ "Mahila E-haat", is an online marketing platform for women entrepreneurs. ▶ Government has promoted platforms such as Government e-Market Place (GeM) and e-market place managed by National Small Industries Corporation (NSIC) to support the entrepreneurs. ▶ The list of vendors registered at Mahila E-haat has been allocated to Ministry of Food Processing Industries, Ministry of Micro, Small and Medium Enterprises and Ministry of Commerce and Industry to facilitate their market linkage. The State-wise list of women entrepreneurs with ranking of State Rajasthan registered at "Mahila E-haat" is **Annexed**.

Table 61: Women entrepreneurs registered under Mahila e-haat (state wise)

Sl No	Name of State/UT	No. of women entrepreneurs registered under Mahila E-haat	Percentage (%)
1	Maharashtra	54	16.82%
2	Madhya Pradesh	37	11.53%
3	Delhi	36	11.21%
4	Kerala	35	10.90%
5	Uttar Pradesh	33	10.28%
6	West Bengal	17	5.30%
7	Chhattisgarh	15	4.67%
8	Gujarat	12	3.74%
9	Karnataka	12	3.74%
10	Haryana	9	2.80%
11	Rajasthan	9	2.80% (Jointly- at 10th Position)
12	Telangana	9	2.80%
13	Tamil Nadu	8	2.49%
14	Jharkhand	7	2.18%
15	Meghalaya	7	2.18%
16	Punjab	7	2.18%
17	Andhra Pradesh	5	1.56%
18	Bihar	3	0.93%
19	Odisha	3	0.93%
20	Assam	2	0.62%
21	Goa	1	0.31%
	TOTAL	321	100.00%

8.2 Impending Factors

8.2.1 Why existing interventions are not working

   a. Insufficient data and statistics:
      Gaps in gender data and the lack of trend data make it difficult to monitor progress for women and girls. Unless gender is mainstreamed into national statistical strategies and prioritized in data collection, gender data scarcity and gaps will persist.
   b. Social structure
   c. Disconnect from the interventions

8.2.2 Possible Interventions under the purview of RAMP

Enhancing the participation of women in Micro, Small, and Medium Enterprises (MSMEs) is essential for promoting economic growth, gender equality, and social development. To achieve this goal, several strategies and initiatives can be implemented:

Business Development Support:
   ► Offer training, mentoring, and capacity-building programs specifically designed for women-owned MSMEs to enhance their entrepreneurial skills and business acumen.

► Create business incubators and accelerators that focus on supporting women-led startups.

Networking and Mentorship:
► Facilitate networking events and platforms where women entrepreneurs can connect with mentors, industry experts, and potential collaborators.
► Encourage successful women entrepreneurs to serve as mentors to aspiring ones.

Education and Training:
► Promote STEM (Science, Technology, Engineering, and Mathematics) education for girls and women to encourage their participation in technology-driven MSME sectors.
► Develop specialized training programs in emerging industries for women entrepreneurs.

Family and Community Support:
► Encourage families and communities to support women's entrepreneurship by challenging traditional gender roles and stereotypes.
► Promote work-life balance and provide support services such as affordable childcare.

Induction of Insurance
► Inducting insurance for MSMEs during registration on the URC portal for their new ventures would make MSMEs more attractive. This would be particularly beneficial for micro-industries in the event of any mishaps that could potentially impact the unit's investment

Below are the key indicators needs attention for ensuring safeguard and risks.

Business Continuity:
► Insurance can help ensure the continuity of an MSME after the death or disability of a woman entrepreneur. Life and disability insurance policies can provide financial support to the business and family members, enabling them to carry on the enterprise.

Access to Credit:
► Having insurance coverage can make women-led MSMEs more attractive to lenders. It provides assurance that business operations can continue in the face of disruptions, making it easier for women entrepreneurs to access credit and invest in business growth.

Risk Mitigation:
► Insurance coverage can mitigate financial risks associated with running an MSME. Women entrepreneurs often face limited access to capital, making them more vulnerable to financial setbacks. Insurance can provide a safety net in case of unexpected events like accidents, illnesses, or natural disasters, allowing women to recover and continue their businesses.

By implementing these strategies and fostering an inclusive and enabling environment, governments, organizations, and communities can work together to enhance the participation of women in MSMEs, unlocking their entrepreneurial potential and contributing to economic growth and gender equality.

Table 62: Female Own Udhyam Registrations at URC Portal (District wise)

SI No	District	Micro	Small	Medium	Grand Total	Percentage (%)
	Status- Female Own Udhyam Registrations at URC Portal 2020-2023					
1	Ajmer	6416	189	7	6612	5.39%
2	Alwar	4513	180	5	4698	3.83%
3	Banswara	1494	25	0	1519	1.24%
4	Baran	1162	47	5	1214	0.99%
5	Barmer	1944	184	6	2134	1.74%
6	Bharatpur	2056	47	6	2109	1.72%
7	Bhilwara	4811	155	8	4974	4.05%
8	Bikaner	4639	191	6	4836	3.94%
9	Bundi	950	27	1	978	0.80%
10	Chittorgarh	2318	69	2	2389	1.95%
11	Churu	2263	39	3	2305	1.88%
12	Dausa	1561	32	3	1596	1.30%
13	Dholpur	385	13	0	398	0.32%
14	Dungarpur	1243	14	0	1257	1.02%
15	Ganganagar	4662	112	9	4783	3.90%
16	Hanumangarh	2572	48	5	2625	2.14%
17	Jaipur	33002	1118	74	34194	27.86%
18	Jaisalmer	886	15	0	901	0.73%
19	Jalor	1118	23	0	1141	0.93%
20	Jhalawar	986	34	1	1021	0.83%
21	Jhunjhunu	2889	61	1	2951	2.40%
22	Jodhpur	8888	365	18	9271	7.55%
23	Karoli	728	19	0	747	0.61%
24	Kota	5028	136	6	5170	4.21%
25	Nagor	2762	111	2	2875	2.34%
26	Pali	3571	146	7	3724	3.03%
27	Pratapgarh	593	11	0	604	0.49%
28	Rajsamand	1756	41	0	1797	1.46%
29	Sawai Madhopur	1186	28	0	1214	0.99%
30	Sikar	3636	81	1	3718	3.03%
31	Sirohi	1164	22	0	1186	0.97%
32	Tonk	1426	47	3	1476	1.20%
33	Udaipur	6154	151	10	6315	5.15%
					122732	

9 Interventions

The framework for the proposed interventions represents the culmination of an extensive and comprehensive research effort. This effort was characterized by a multifaceted approach that included primary surveys conducted in more than 20 different districts and across 11 specific sectors of the economy. Additionally, a series of stakeholder meetings were convened to gather insights and perspectives from various key players in the field. Furthermore, an astonishing 14,000+ on-ground surveys targeting Micro, Small, and Medium-sized Enterprises (MSMEs) were conducted.

Table 63: Methodology for preparation of Interventions

Methodological Accuracy	Our research approach adhered to the highest standards of methodological rigor. A balanced combination of qualitative and quantitative instruments was employed to ensure both depth and breadth of analysis. This encompassed an array **of surveys, interviews, and focus group discussions,** systematically designed to yield rich and nuanced data.
District-level Insights	The geographical scope of our primary surveys extended across **20 diverse districts,** each chosen for its strategic significance in the economic landscape. This approach ensured a representative **cross-section of regional dynamics, allowing for nuanced interventions** that are tailored to specific local exigencies.
Sectoral Delineation	The **11 sectors** under scrutiny were meticulously selected to cover a comprehensive spectrum of economic activities. This inclusive approach guarantees that the proposed interventions are poised to resonate with the unique challenges and opportunities inherent to each sector, ensuring a holistic and far-reaching impact.
Stakeholder Engagement	The **stakeholder meetings** constituted a cornerstone of our research endeavour. These sessions served as an invaluable platform for direct engagement with key actors, affording us first-hand insights into the intricacies and nuances of the landscape. The diverse array of perspectives thus garnered were instrumental in shaping the interventions proposed herein.
MSME Focused Surveys	The monumental effort to conduct over **14,000 on-ground surveys targeting MSMEs** underscores our commitment to evidence-based policymaking. This extensive data corpus is invaluable in providing granular insights into the challenges and aspirations of this critical economic segment and forms the bedrock upon which the proposed interventions are predicated.
Conclusive Framework	The strategic framework outlined herein is the culmination of a rigorous and comprehensive research undertaking. The methodology employed, spanning **primary surveys, stakeholder engagements, and MSME-focused investigations,** ensures that our proposed interventions are firmly grounded in empirical evidence. This approach positions us to offer nuanced and impactful solutions, poised to address the multifaceted challenges facing the economic landscape.

These surveys were meticulously designed to delve into a wide array of critical aspects that impact the MSME sector. The questions posed covered a broad spectrum of topics, including but not limited to:

► **Access to Finance:** Understanding the challenges and opportunities MSMEs face in obtaining financial support and capital for their operations and growth.

► **Access to Market:** Examining the barriers that hinder MSMEs from accessing larger markets, both domestic and international, and identifying potential solutions.

► **Technology Upgradation:** Assessing the level of technological adoption within MSMEs and exploring strategies for facilitating technology upgrades to enhance productivity and competitiveness.

► **Sustainability of MSMEs:** Investigating the factors that contribute to the sustainability and longevity of MSMEs in a rapidly evolving business landscape.

► **Awareness of Existing Schemes:** Gauging the knowledge and awareness levels of MSMEs regarding the various government schemes and initiatives aimed at supporting their growth and development.

These surveys aimed not only to identify the challenges and pain points experienced by MSMEs but also to gather valuable insights into their needs, aspirations, and potential areas of collaboration and improvement. The sheer scale of these surveys, involving thousands of on-ground interactions, reflects a dedication to capturing a comprehensive understanding of the MSME sector's dynamics.

The data collected from these surveys and stakeholder meetings serves as the foundation for the proposed interventions. By drawing on the first-hand experiences and perspectives of MSMEs and stakeholders, the framework is uniquely positioned to address the real-world challenges faced by this vital sector of the economy. It represents a commitment to evidence-based policymaking and a drive to create meaningful, effective solutions that will foster the growth and resilience of MSMEs in the years to come.

Figure 51: Mind Map for Interventions Proposed

9.1 Technology Upgradation

In today's rapidly evolving global economy, the adoption and integration of cutting-edge technologies have become imperative for Micro, Small, and Medium-sized Enterprises (MSMEs) seeking to compete on a global scale. This holds true not only for businesses in India but also specifically for those operating in the state of Rajasthan. Here's why technology upgradation is of paramount importance for MSMEs aiming to become global players, with a focus on Rajasthan's unique context:

> ► **Enhanced Productivity and Efficiency:** Technology upgradation equips MSMEs with tools and systems that streamline their operations. In Rajasthan, where many MSMEs are engaged in traditional industries such as textiles, handicrafts, and agriculture, the infusion of modern technology can significantly improve production processes, reduce wastage, and enhance overall efficiency.

> ► **Global Market Access:** To compete globally, MSMEs must access international markets. Technology enables them to reach a global customer base through e-commerce, digital marketing, and online platforms. Rajasthan's unique handicrafts and artisanal products, for instance, can find a global audience with the right digital marketing strategies and e-commerce platforms.

> ► **Quality Control and Standardization:** International markets demand high-quality products and services. Technology can help MSMEs in Rajasthan meet these standards consistently. Implementing quality control measures and adopting digital tools for monitoring and ensuring product quality can boost the reputation of Rajasthan's MSMEs in global markets.

> ► **Innovation and Adaptability:** Technology upgradation fosters innovation and adaptability. This is crucial, especially in industries where consumer preferences and market trends evolve rapidly. For instance, in the tourism sector, which is a significant part of Rajasthan's economy, MSMEs can use technology to create unique experiences, manage bookings efficiently, and adapt to changing travel preferences.

> ► **Cost Reduction:** Investing in technology may require initial capital, but in the long run, it often leads to cost savings. In Rajasthan, where many MSMEs face challenges related to resource constraints, adopting technology can lead to reduced operational costs, energy savings, and better resource management.

> ► **Access to Global Supply Chains:** For Rajasthan's MSMEs, particularly those involved in manufacturing and handicrafts, integrating into global supply chains is a viable strategy for expansion. Technology-enabled supply chain management systems can help them connect with international partners and establish seamless logistics operations.

> ► **Data-Driven Decision-Making:** Technology provides the tools for data collection and analysis. In Rajasthan, where MSMEs often operate in diverse sectors like agriculture, textiles, and tourism, data-driven decision-making can optimize resource allocation, market targeting, and business strategies, ultimately enhancing competitiveness in global markets.

In current scenario with focus on Make in India and enhancing exports, technology upgradation is not just an option but a necessity for MSMEs in Rajasthan aspiring to become

global players. It empowers these businesses to compete effectively, reach new markets, innovate, and meet international standards. Moreover, it aligns with the broader vision of Rajasthan's economic growth, creating a pathway for the state's MSMEs to contribute significantly to India's global trade and reputation. Embracing technology is not just a choice but a strategic imperative for Rajasthan's MSMEs on their journey to becoming global leaders in their respective industries.

9.1.1 Alignment of Project of the State with respect to RAMP programme Objectives

The proposed intervention, as outlined in **DLI 3.1, addresses a critical need for Micro, Small, and Medium-sized Enterprises (MSMEs) in the state. In order to effectively scale up the implementation of the CLCS-TU (Credit Linked Capital Subsidy and Technology Upgradation) scheme and facilitate technology upgradation**, it is essential for MSMEs to have a deep understanding of the latest technologies available in the market and their feasibility within their specific business contexts.

To bridge this knowledge gap and empower MSMEs with the requisite expertise, a targeted intervention has been put forth. This intervention revolves around providing professional guidance and disseminating knowledge among MSMEs.

By providing MSMEs in the state with professional assistance and knowledge dissemination initiatives, this intervention aims to empower them to make informed decisions regarding technology upgradation. This not only aligns with the objectives of the CLCS-TU scheme but also positions MSMEs to leverage the full potential of technology to enhance their operations, competitiveness, and sustainability. Ultimately, this proactive approach will contribute to the growth and prosperity of MSMEs in the state, fostering economic development and ensuring their readiness to participate in a rapidly evolving global market.

9.1.2 Problem Statement

The findings from extensive on-ground surveys and stakeholder meetings conducted across various levels with Micro, Small, and Medium-sized Enterprises (MSMEs) have unveiled a critical and pressing issue hindering technology upgradation within this crucial sector. The problem statement can be elaborated as follows:

Lack of Awareness and Support Hindering Technology Upgradation in MSMEs

A significant challenge plaguing the MSME landscape is the glaring knowledge gap and limited support concerning the adoption of new and advanced technologies tailored to their specific domains. According to survey data and feedback obtained during stakeholder engagements, an alarming 59% of MSMEs have indicated that they either possess inadequate knowledge and awareness about the latest technologies available in the market relevant to their industries or face considerable hurdles in accessing the necessary support and guidance from relevant agencies to facilitate the adoption of these technologies.

Challenges In Adoption And Use Of Better Technology
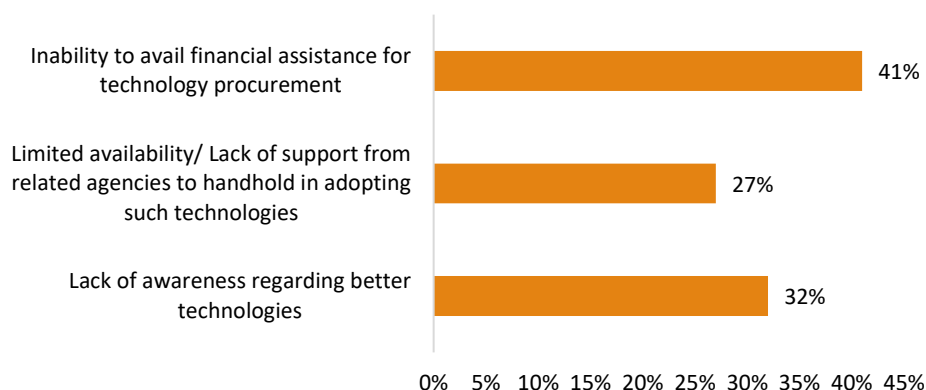
Figure 52: Challenges in Technology Upgradation for MSMEs

► **This issue manifests as a twofold problem:**
  o **Low Awareness of Technological Advancements:** A substantial portion of MSMEs, despite their vital role in the economy, find themselves in the dark when it comes to the latest technological innovations and breakthroughs in their respective domains. This lack of awareness is particularly concerning in an era where technological progress is exponential and can significantly enhance productivity, efficiency, and competitiveness. MSMEs, without knowledge of these advancements, risk falling behind their peers and losing ground in the market.

  o **Limited Support Mechanisms:** Even when MSMEs are aware of the potential benefits of technology upgradation, they often encounter significant challenges in navigating the complex landscape of technological adoption. This includes identifying the most suitable technologies for their unique operations, procuring them, integrating them into existing workflows, and ensuring their effective use. Many MSMEs report a dearth of support from relevant agencies or organizations that could provide guidance, handholding, and resources to facilitate this process. As a result, they are left grappling with the daunting task of technological transformation without adequate assistance.

Addressing this issue is paramount, as it directly impacts the ability of MSMEs to innovate, remain competitive, and contribute to economic growth. Bridging the knowledge gap and enhancing support mechanisms for technology upgradation within the MSME sector is not only a strategic imperative but also an opportunity to unlock the full potential of these enterprises, bolstering their resilience and capacity to thrive in an increasingly technology-driven global economy. The proposed interventions aim to tackle this problem head-on by providing MSMEs with the knowledge, resources, and support needed to embrace technology and elevate their positions in the market.

9.1.3 Onboarding of Sector Specific Mentors in State of Rajasthan for MSMEs

9.1.3.1 Design Concept of the Proposal

The proposed intervention focuses on onboarding sector-specific mentors to assist Micro, Small, and Medium-sized Enterprises (MSMEs) in technology upgradation and knowledge dissemination. This concept revolves around a structured approach to providing personalized guidance and support to MSMEs in various industry sectors.

► **Sector-Tailored Mentorship:** Engage mentors with expertise in specific industry sectors, ensuring that their knowledge aligns with the unique needs and challenges faced by MSMEs within those sectors.

► **Personalized Guidance:** Provide one-on-one mentoring and advisory sessions tailored to the individual requirements of each MSME, considering their current technological capabilities and future aspirations.

► **Technology Assessment:** Conduct comprehensive technology assessments for each MSME to identify areas where technology upgradation is needed and develop customized technology adoption plans.

► **Knowledge Dissemination:** Organize workshops, webinars, and knowledge-sharing sessions that facilitate the dissemination of information on the latest technologies and best practices relevant to the respective sectors.

9.1.3.2 Approach & Methodology

Here's the approach and methodology for the future implementation of the intervention of sector-specific mentoring for technology upgradation in MSMEs:

► **Approach for Implementation:**
  ► **Sector Selection:** The identification of priority sectors within the MSME landscape in the target region will be carried out. Factors such as the sector's contribution to the local economy, potential for growth, and existing technology gaps will be considered.

  ► **Mentor Recruitment and Training:** Mentors with specialized knowledge in the selected sectors will be recruited. These mentors will undergo mentor training programs to equip them with mentoring skills and tools.

  ► **MSME Enrolment:** A system for MSMEs to enrol in the mentorship program will be developed. This may involve outreach campaigns, registration forms, and applications.

  ► **Matching MSMEs with Mentors:** A careful matching process will be used to pair each enrolled MSME with a suitable mentor based on industry alignment and technology requirements. Factors such as the MSME's size, current technology infrastructure, and growth aspirations will be considered.

  ► **Technology Assessment:** Technology assessments will be conducted for each enrolled MSME to determine their specific technology upgradation needs. This assessment will consider their existing technological capabilities and future business goals.

  ► **Individualized Technology Roadmaps:** Collaborative efforts with mentors will result in individualized technology roadmaps for each MSME. These roadmaps will outline the steps needed to upgrade their technology infrastructure and align with their business objectives.

  ► **Mentorship Sessions:** Regular mentorship sessions, either in person or virtually, will be organized where mentors will work closely with MSMEs. These sessions will include technology strategy development, guidance on technology procurement, and assistance with implementation.

► **Methodology for Implementation:**
- ► **Program Launch:** The mentoring program will be officially launched, inviting mentors and MSMEs to participate. All stakeholders will be informed about the program's goals and objectives.
- ► **Mentor-Mentee Meetings:** Regular meetings between mentors and MSMEs will be facilitated. These can include face-to-face meetings, virtual sessions, or a combination of both, depending on the circumstances.
- ► **Technology Workshops:** Sector-specific technology workshops and training sessions will be organized. These workshops will cover the latest technological advancements, industry-specific best practices, and practical implementation strategies.
- ► **Progress Monitoring:** A system for tracking the progress of MSMEs in implementing technology upgrades will be established. This may involve regular reporting, milestone tracking, and mentor feedback.
- ► **Feedback Mechanism:** A feedback mechanism where MSMEs can provide input on the mentorship program will be created. This will include suggestions for improvements and areas where additional support is needed.
- ► **Knowledge Repository:** A centralized knowledge repository will be developed and maintained where MSMEs can access resources, case studies, and technology guides relevant to their sector.
- ► **Impact Evaluation:** Periodic impact assessments will be conducted to measure the effectiveness of the mentorship program. The extent to which MSMEs have successfully upgraded their technology infrastructure and their improved competitiveness and growth prospects will be evaluated.

By following this approach and methodology, the future implementation of sector-specific mentoring for technology upgradation in MSMEs will be executed systematically, ensuring that each participating MSME receives tailored guidance and support for technology adoption and growth.

9.1.3.3 Innovative Technology towards Project Implementation

The Rajasthan Industry portal Sectoral Portal (rajasthan.gov.in) will be fortified with a new feature designed to streamline mentor-mentee registration, matching, and project monitoring for Micro, Small, and Medium-sized Enterprises (MSMEs) in the state. This development will encompass the following key aspects:

New Feature: Mentor-Mentee Registration and Management:
- ► **Registration and Profiling:** The new feature will empower MSMEs and potential mentors to register and create detailed profiles on the portal. MSMEs will be able to furnish comprehensive information about their business, their current technological status, and their specific mentorship requirements. Meanwhile, mentors will be able to showcase their expertise and areas of specialization.

- ► **Matching System**: The portal will introduce an intelligent matching system that will pair MSMEs with suitable mentors. This matching system will consider various criteria, such as industry alignment, technology needs, and geographic proximity, ensuring that mentor-mentee matches are optimized for effectiveness.

> ► **Monitoring and Progress Tracking**: The portal will provide robust tools for monitoring the status of mentorship projects. MSMEs and mentors will be able to use the platform to track progress, milestones achieved, and areas requiring further attention.
> ► **Communication and Collaboration**: A dedicated communication hub within the portal will facilitate seamless interaction between MSMEs and their mentors. This feature will enable them to exchange messages, schedule meetings, and collaborate effectively on technology upgradation initiatives.
> ► **Resource Repository**: The portal will curate and maintain a repository of mentorship resources, including best practices, guides, templates, and case studies. These resources will serve to support both mentors and MSMEs in their respective roles.

Table 64: Sector wise MSMEs targeted and Mentors

S.No	Sector	No. of MSMEs	No. of Mentors
1	Textile	1500	3
2	Apparel	1000	2
3	Handlooms & Handicrafts	1400	2
4	Minerals & Stone	1600	3
5	Wood Products	400	1
6	Engineering	900	2
7	Food Processing	1500	3
8	Chemicals	400	1
9	Tourism	500	1
10	Auto	800	2
11	Other Services	1000	2
	Total	11000	22

Through these planned enhancements, the Rajasthan Industry portal is poised to become an even more valuable resource for MSMEs in the state. This digital platform will foster collaboration, knowledge sharing, and technology upgradation, thereby contributing significantly to the growth and competitiveness of MSMEs in Rajasthan.

9.1.3.4 Timelines

The total project duration is for next 4.5 years. The number of MSMEs expected to be impacted is presented in the table below.

Table 65: Timelines for Technology Upgradation Mentor Onboarding Intervention

Activity	Nos	Units	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Per MSME Technology Upgradation Charge	11000	MSMEs		2750	2750	2750	2750
Technology Workshops	1100	Training Workshops	2750	16500	22000	13750	0

9.1.3.5 Expected Impact

The proposed intervention of mentors to Micro, Small, and Medium-sized Enterprises (MSMEs) represents a strategic intervention with the potential to yield a multitude of positive impacts, both for the individual businesses involved and for the broader economic landscape. Here is a write-up detailing the expected impacts of this mentorship intervention:

► **Unlocking Technological Potential:** By connecting MSMEs with experienced mentors, this intervention is expected to unlock the technological potential that lies dormant within these enterprises. Mentors, with their specialized knowledge, will guide MSMEs in identifying and implementing cutting-edge technologies tailored to their specific needs. This will result in increased productivity, improved product quality, and enhanced efficiency.

► **Enhanced Competitiveness:** MSMEs, under the mentorship of industry experts, are poised to become more competitive in local, national, and global markets. They will gain a competitive edge by adopting innovative technologies, staying abreast of industry trends, and fine-tuning their business strategies. This heightened competitiveness will not only help them retain existing customers but also attract new ones, ultimately driving business growth.

► **Knowledge Transfer and Skill Development:** The mentorship intervention is not just about technology but also about knowledge transfer and skill development. MSMEs will acquire new skills, gain a deeper understanding of their industries, and cultivate a culture of continuous learning. This will empower them to remain adaptable in an ever-evolving business landscape.

This specific intervention is poised to make a profound impact as it sets its sights on assisting a substantial cohort of **11,000 Micro, Small, and Medium-sized Enterprises (MSMEs)** throughout the implementation phase of the RAMP program. The primary objective is crystal clear: to empower these MSMEs with the tools and knowledge required to upgrade their technology infrastructure. By doing so, they will not only enhance their operational efficiency but also bolster their competitive standing in the market. This intervention signifies a commitment to fostering innovation, productivity, and growth within the MSME sector, ultimately contributing to a more vibrant and dynamic economic landscape.

9.1.3.6 Project Costing

Table 66: Project Costing for Technology Upgradation

Activity	Nos	Units	Per Unit Cost	Total Cost (INR)	Total Cost (Cr)
Mentor Recruitment Process	1	Lumpsum	5,00,000	5,00,000.00	0.05
Mentor Salary (2 per Sector)	22	Mentors	80,000.00	8,44,80,000.00	8.45
Developing digital process for MSME-Mentor Matching and marketing cost	1	Lumpsum	20,00,000.00	20,00,000.00	0.20
Per MSME Technology Upgradation Charge	11000	MSMEs	10,000.00	11,00,00,000.00	11.00
Technology Workshops	1100	Training Workshops	1,00,000.00	11,00,00,000.00	11.00
Creation of Knowledge Repository	1	Lumpsum	20,00,000.00	20,00,000.00	0.20
Total					30.89

9.1.4 Exposure Visits and Machinery Fairs

9.1.4.1 Problem Statement

surveys indicate that a substantial percentage (32%) of MSMEs in the region lack awareness regarding newer technologies available in their respective sectors. This poses a significant challenge and underscores the need for the integration of innovative technologies to maintain a competitive edge in the rapidly evolving business environment.
Challenges Faced by MSMEs in Rajasthan:

1. **Limited Technological Awareness:** The lack of awareness regarding newer technologies among a substantial portion of MSMEs in Rajasthan is a significant concern. This knowledge gap can hinder their ability to adopt and leverage technology for operational efficiency, product quality improvement, and market expansion.

2. **Competitive Edge:** To stay competitive in today's business world, it is imperative for MSMEs to integrate innovative technologies. These technologies can enhance productivity, reduce operational costs, and facilitate market access. The absence of such integration can lead to diminished competitiveness.

3. **Limited Exposure to International Machinery Fairs:** MSMEs in Rajasthan face limited exposure to international machinery fairs, trade exhibitions, and industry events. These events offer opportunities for networking, collaboration, and access to pioneering solutions and global best practices. The absence of participation in such events can result in a lack of exposure to the latest industry trends and technologies.

4. **Constrained Avenues for Networking and Collaboration:** Participation in machinery exhibitions and trade fairs facilitates networking and collaborative endeavours. Lack of exposure to these events limits MSMEs' ability to forge partnerships, explore innovative solutions, and engage in knowledge-sharing with peers and industry experts.

Impact on the MSME Sector:
The anticipated dearth in technological immersion and participation in relevant machinery exhibitions imposes a formidable constraint on the sector's potential for substantive expansion and attainment of global competitive stature. This limitation could lead to several consequences:

1. **Slower Growth:** Without access to the latest technologies and limited exposure to international machinery fairs, MSMEs in Rajasthan may experience slower growth. They may struggle to keep up with evolving market demands and global competition.

2. **Innovation Lag:** Innovation is a key driver of competitiveness and sustainability. The absence of awareness about newer technologies and the limited exposure to global industry trends may lead to an innovation lag within the MSME sector in Rajasthan.

3. **Missed Collaborative Opportunities:** Collaborative efforts with industry peers and larger enterprises are essential for knowledge-sharing and joint initiatives. The lack

of participation in international events can result in missed opportunities for collaboration, research, and development.

9.1.4.2 Design Concept of the proposal

In the vibrant and evolving landscape of Rajasthan's Micro, Small, and Medium-sized Enterprises (MSMEs), a crucial challenge has surfaced – the imperative integration of innovative technologies. It is imperative for these businesses to maintain a competitive edge in the fast-paced and ever-evolving business environment. Moreover, limited exposure to international machinery fairs has restricted avenues for networking, collaborative endeavors, and access to pioneering solutions. To address this exigency, the "TechConnect Rajasthan" initiative is poised to make a significant impact.

Objectives: *The primary objective of the "TechConnect Rajasthan" initiative is to enhance awareness and adoption of new and upcoming technologies among Rajasthan's MSMEs. It aims to achieve this by organizing exposure visits to both national and international technology clusters and facilitating their participation in machinery fairs, both at the national and international levels. The initiative is multifaceted and seeks to achieve the following:*

1. **Exposure Visits:** Under the aegis of "TechConnect Rajasthan," concerted efforts will be made to organize exposure visits to pivotal national and international technology clusters. These visits are carefully curated to provide MSMEs with a first-hand look at state-of-the-art technologies, fostering awareness and knowledge.

2. **Machinery Fair Visits:** The initiative also intends to facilitate active engagement in machinery fairs, both at the national and international levels. Participation in such fairs can open doors to networking, collaboration, and access to innovative solutions, enriching the MSMEs' toolset and knowledge base.

9.1.4.3 Approach & Methodology

Following is a detailed approach and methodology for the intervention aimed at enhancing the awareness of new technologies and facilitating machinery fair participation for Rajasthan's MSMEs:

Approach & Methodology
- ► **Exposure Visits:**
  - ► National and International Destinations:
    - ► Identify technology hubs and clusters in India and abroad that align with the needs and interests of Rajasthan's MSMEs.
    - ► Develop partnerships with these destinations to facilitate visits.
  - ► Financial Support:
    - ► Establish a transparent application process for MSMEs to request support for exposure visits.
    - ► Allocate funds as follows:
      - Domestic visits: Up to INR 20,000 or 50% of total expenditures (whichever is lower).
      - International visits: Up to INR 1,25,000 or 50% of total expenditures (whichever is lower).
  - ► Provide guidance on visa applications, travel arrangements, and accommodation bookings.

- ► **Machinery Fair Participation:**
  - ► Fair Selection:
    - ► Create a curated list of machinery fairs globally that align with the industries represented by Rajasthan's MSMEs.
    - ► Evaluate the relevance and potential benefits of each fair.
  - ► Registration and Logistics:
    - ► Assist MSMEs in the registration process for selected machinery fairs.
    - ► Support in securing booth space and organizing logistics.
  - ► Financial Support:
    - ► Allocate funds for machinery fair participation as follows:
      - ▪ International machinery fairs: Up to INR 1,50,000 or 30% of total expenditures (whichever is lower).

- ► **Monitoring and Evaluation:**
  - ► Establish Key Performance Indicators (KPIs) to measure the impact of the intervention.
  - ► Regularly collect data and feedback from participating MSMEs.
  - ► Conduct post-visit assessments to gauge the effectiveness of exposure visits and machinery fair participation.
  - ► Use this data to refine and improve the intervention over time.

Methodology:
- ► **Exposure Visits and Machinery Fair Participation:**
  - ► Develop an online portal for MSMEs to submit applications for financial support.
  - ► Assemble a selection committee to review applications and select participants based on predefined criteria.
  - ► Establish partnerships with travel agencies and event organizers to streamline logistics.

By following this comprehensive approach and methodology, the intervention can effectively bridge the technology awareness gap for Rajasthan's MSMEs and empower them to participate in machinery fairs, fostering their growth and competitiveness in the global market.

9.1.4.4 Innovative Technology towards Project Implementation

A dedicated online portal will be developed and integrated into the Rajasthan Industry Department's website to facilitate the submission of applications for financial support by MSMEs. This online portal will offer a range of features and functionalities to streamline the application process and enhance user experience.

Here's a glimpse of what the portal will offer:

1. **User Registration and Login:** MSMEs will be able to create secure accounts and log in to access the portal's services.

2. **Dashboard:** Upon logging in, users will be greeted by a personalized dashboard where they can track the progress of their applications and access relevant resources.

3. **Application Submission:** MSMEs will have the ability to initiate the application process for financial support, providing essential details such as the type of support required (Exposure Visit - Domestic/International or Machinery Fair Participation), purpose, expected outcomes, and proposed budget.

4. **Upload Documents:** The portal will allow users to upload supporting documents, including business plans, project proposals, and event details, ensuring a transparent and well-documented application process.

5. **Financial Support Calculator:** To provide transparency, a financial support calculator will be integrated to help MSMEs estimate their eligible funding amount based on predefined criteria.

6. **Review and Submission:** MSMEs will be able to review their application details and attached documents before final submission, receiving a confirmation with a unique application reference number upon completion.

7. **Application Tracking:** Users will have the ability to monitor the progress of their applications through the portal, with status updates indicating whether the application is pending, approved, or rejected.

8. **Communication Hub:** The portal will feature a built-in messaging system, facilitating communication between MSMEs and the relevant department or officials. Automated email notifications will keep users informed about changes in their application status.

9. **Resources and Guidance:** A dedicated section will provide informative resources, including guidelines for preparation, access to training materials, industry reports, and technology adoption guides.

10. **FAQs and Support:** A comprehensive FAQ section will address common queries, and contact information for dedicated support, including phone numbers and email addresses, will be readily available.

11. **Reporting and Analytics:** Reports and analytics on application trends, approval rates, and areas for improvement will be generated, supporting data-driven decision-making for program enhancements.

12. **Accessibility:** The portal will be designed for accessibility, adhering to web accessibility standards to accommodate users with disabilities.

13. **Mobile Responsiveness:** Optimization for mobile devices will enable MSMEs to apply and track applications conveniently while on the move.

14. **Integration with Existing Systems:** Integration with existing systems within the Rajasthan Industry Department will ensure efficient data management and reporting.

15. **Training and User Guides:** User guides and training sessions will be available to help MSMEs become familiar with the portal's features and functionalities.

The online portal will significantly simplify and enhance the application process for financial support, empowering MSMEs to engage more effectively in exposure visits and machinery fairs.

In the relentless pursuit of optimizing user experience and functionality, the designed portal for Micro, Small, and Medium-sized Enterprises (MSMEs) will also undergo a transformative integration with EY's proprietary AI-driven algorithm. This synergy promises to offer a multitude of benefits, revolutionizing the way MSMEs interact with the platform and addressing various issues more efficiently.

Innovative AI Features for the Enhanced Portal:
1. **Chatbot Assistance:** The introduction of an AI-powered chatbot signifies a major leap in real-time user support. This virtual assistant is poised to guide MSMEs through the application process, answer frequently asked questions, and provide immediate support. This not only enhances user satisfaction but also streamlines the application process.

2. **Document Verification:** Leveraging AI algorithms for document verification is a game-changer in terms of accuracy and efficiency. The system will automatically validate uploaded documents for accuracy and completeness, reducing manual verification time and streamlining the application process.

3. **Predictive Analytics for Funding Estimation:** The inclusion of an AI-driven predictive model is set to revolutionize funding estimates. Using historical data, application details, and predefined criteria, this feature will provide MSMEs with more accurate funding estimates during the application process, improving transparency and trust.

4. **Smart Notifications:** AI-powered notification systems will offer users personalized updates and reminders. These notifications will be tailored based on the user's application status, deadlines, and relevant events, ensuring that users stay informed and on track.

5. **Natural Language Processing (NLP) for Support Tickets:** The integration of NLP technology will automate and optimize support ticket management. User-generated support tickets or queries will be analyzed and categorized, facilitating faster responses and efficient support routing.

6. **Data Analytics for Program Enhancement:** Utilizing AI-driven data analytics, the portal will extract invaluable insights from application trends, approval rates, and user behaviour. These insights will inform decision-making, leading to program enhancements and policy adjustments that align more closely with MSME needs.

7. **Personalized Recommendations:** AI algorithms will provide personalized recommendations to MSMEs based on their application history, industry sector, and specific needs. These recommendations will guide users toward relevant resources, training materials, and industry reports, enhancing their overall experience.

8. **Voice Recognition for Accessibility:** The integration of voice recognition technology prioritizes inclusivity, enabling users with disabilities to interact with the portal through voice commands. This feature ensures that the platform is accessible to all.

9. **AI-Powered Data Security:** To guarantee the safety and confidentiality of sensitive user information, AI-driven security measures will detect and respond to potential security threats in real-time. This proactive approach safeguards user data and trust.

10. **Sentiment Analysis for Feedback:** Sentiment analysis, powered by AI, will gauge user feedback and sentiments regarding their portal experience. This invaluable data will drive continuous improvements, ensuring that the platform evolves to meet user expectations.

The amalgamation of EY's AI-driven algorithm with the MSME portal showcases an unwavering commitment to harnessing the power of technology for the benefit of MSMEs. It promises to provide a seamless, efficient, and user-centric experience, empowering these enterprises to thrive in the digital age. The future of MSME interaction with the portal is poised to be more sophisticated, insightful, and user-friendly than ever before.

9.1.4.5 Timelines

Figure 53: Timelines for Exposure Visits & Machinery Fairs Participation

Activity	Nos	Units	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Domestic Exposure Visits	1000	MSMEs	0	250	250	250	250
International Exposure Visits	200	MSMEs	0	50	50	50	50
Domestic Machinery Fairs	500	MSMEs	0	125	125	125	125
International Machinery Fairs	200	MSMEs	0	50	50	50	50

9.1.4.6 Expected Impact

The expected impact of the intervention, which involves the development of an online portal to facilitate MSMEs' applications for financial support within the Rajasthan Industry Department's website, is multifaceted and holds the potential to catalyse positive change within the MSME sector and the broader regional economy. Here's a detailed excerpt outlining the anticipated impact:

► **Increased Technology Adoption:**
   o With streamlined access to financial support for exposure visits and machinery fair participation, MSMEs are expected to embrace new and advanced technologies more readily. This will empower them to modernize their operations, improve product quality, and enhance competitiveness.

► **Enhanced Global Exposure:**
   o The online portal's support for international exposure visits and machinery fair participation will enable MSMEs to gain first-hand experience of global markets and technologies. This exposure is anticipated to foster international collaborations, trade partnerships, and access to new customer bases.

9.1.4.7 Project Costing

Table 67: Empowering MSMEs through Technology Exposure and Machinery Fair Participation

DLI 3.1 Empowering MSMEs through Technology Exposure and Machinery Fair Participation									
Activity	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Domestic Exposure Visits	1000	MSMEs	20,000.00	2.00	-	0.50	0.50	0.50	0.50
International Exposure Visits	200	MSMEs	1,25,000.00	2.50	-	0.63	0.63	0.63	0.63
Domestic Machinery Fairs	500	MSMEs	25,000.00	1.25	-	0.31	0.31	0.31	0.31
International Machinery Fairs	200	MSMEs	1,50,000.00	3.00	-	0.75	0.75	0.75	0.75
Portal Development	1	Lumpsum	50,00,000.00	0.50	0.30	0.05	0.05	0.05	0.05
Total				9.25	-	2.31	2.31	2.31	2.31

9.1.5 Total Technology Upgradation Budget

Table 68: Total Technology Upgradation Intervention Budget

Intervention	Major Budget Heads	Nos	Units	Per Unit Cost	Total Cost (INR)	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
	Mentor Recruitment Process	1	Lumpsum	5,00,000.00	5,00,000.00	0.05	0.05	0.00	0.00	0.00	0.00

Onboarding of Sector Specific Mentors in State of Rajasthan for MSMEs	Mentor Salary (2 per Sector)	22	Mentors	80,000.00	8,44,80,000.00	8.45	0.00	2.11	2.11	2.11	2.11
	Developing digital process for MSME-Mentor Matching and marketing cost	1	Lumpsum	20,00,000.00	20,00,000.00	0.20	0.10	0.03	0.03	0.03	0.03
	Per MSME Technology Upgradation Charge	11000	MSMEs	10,000.00	11,00,00,000.00	11.00	0.00	2.75	2.75	2.75	2.75
	Technology Workshops	1100	Training Workshops	1,00,000.00	11,00,00,000.00	11.00	0.55	3.30	4.40	2.75	0.00
	Creation of Knowledge Repository	1	Lumpsum	20,00,000.00	20,00,000.00	0.20	0.01	0.06	0.06	0.05	0.02
Empowering MSMEs through Technology Exposure and Machinery Fair Participation	Domestic Exposure Visits	1000	MSMEs	20,000.00	2,00,00,000.00	2.00	0.00	0.50	0.50	0.50	0.50
	International Exposure Visits	200	MSMEs	1,25,000.00	2,50,00,000.00	2.50	0.00	0.63	0.63	0.63	0.63
	Domestic Machinery Fairs	500	MSMEs	25,000.00	1,25,00,000.00	1.25	0.00	0.31	0.31	0.31	0.31
	International Machinery Fairs	200	MSMEs	1,50,000.00	3,00,00,000.00	3.00	0.00	0.75	0.75	0.75	0.75
	Portal Development	1	Lumpsum	50,00,000.00	50,00,000.00	0.50	0.30	0.05	0.05	0.05	0.05
	Total					40.15	1.01	10.48	11.58	9.92	7.14

9.2 Green MSMEs

In today's context, the promotion of Green Micro, Small, and Medium Enterprises (MSMEs) is of paramount importance, especially in a region like Rajasthan. This need is driven by several factors, with a primary focus on water conservation and solar energy uptake due to the unique challenges and opportunities presented by the state's environment and resources.

► **Water Conservation in Rajasthan:** Rajasthan faces acute water scarcity as it is predominantly a water deficient state with limited freshwater resources. The demand for water is ever-increasing, driven by agriculture, industrialization, and the growing population. Green MSMEs play a pivotal role in addressing this challenge through sustainable water management practices. By adopting eco-friendly technologies and water-efficient processes, these enterprises can significantly reduce water consumption and minimize wastage. Furthermore, they can act as pioneers in rainwater harvesting and groundwater recharge initiatives, which are critical for the long-term sustainability of the region.

► **Solar Energy Uptake in MSMEs in Rajasthan:** Rajasthan boasts abundant solar energy potential with its vast expanses of desert receiving ample sunlight throughout the year. Harnessing this solar energy is not only an eco-friendly choice but also a financially sound decision for MSMEs. The adoption of solar power systems can substantially reduce energy costs, making businesses more competitive and resilient. Additionally, it contributes to a cleaner environment by reducing greenhouse gas emissions, which is crucial in combating climate change.

Incorporating solar energy systems into MSME operations can also lead to energy independence, ensuring a stable and uninterrupted power supply, especially in rural areas with irregular electricity grids.

► **Overall Need for Green MSMEs in Rajasthan:** The need for Green MSMEs in Rajasthan goes beyond resource conservation and renewable energy adoption. It extends to promoting sustainable economic growth, creating job opportunities, and fostering innovation. By encouraging these enterprises, Rajasthan can diversify its economy, reduce its carbon footprint, and enhance its global competitiveness.

Moreover, green initiatives align with national and international sustainability goals, attracting investments and partnerships from both public and private sectors. This not only bolsters the state's economic development but also contributes to its image as an environmentally responsible and forward-thinking region.

In conclusion, the promotion of Green MSMEs in Rajasthan, with a particular focus on water conservation and solar energy uptake, is not just a necessity but also an opportunity for the state's sustainable development. These initiatives can mitigate the water crisis, reduce energy costs, create employment, and position Rajasthan as a leader in green and clean technologies, ultimately ensuring a brighter and more sustainable future for the state and its inhabitants.

9.2.1 Alignment of Project of the State with respect to RAMP programme Objectives

The interventions proposed are under DLI 5.1 of the RAMP Implementation Manual, which talks about increase in green investment. The focus in Rajasthan has been on water conservation and solar energy uptake for micro and small enterprises (MSEs) in Rajasthan. These interventions are directly aligned with the program's overarching goal of promoting sustainable and green investments in the MSME sector. The interventions are tailored to address the specific challenges faced by MSEs in Rajasthan and contribute to the program's success in multiple ways:

- ► **Promoting Solar Energy Uptake:**
  - ► Increasing CGTMSE Guarantee: The proposal to increase the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) guarantee for installing solar panels is a strategic financial incentive. It aligns with RAMP's objective to facilitate access to capital for MSEs. By reducing the financial risk associated with solar investments, more MSEs are likely to embrace solar energy solutions.

  - ► Environmental Sustainability: RAMP recognizes the importance of transitioning to cleaner energy sources. Solar energy not only reduces greenhouse gas emissions but also lowers energy costs for MSEs, enhancing their competitiveness.

9.2.2 Energy Audits

9.2.2.1 Design Concept of the Proposal

Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in the economic development of our country. However, a significant percentage of these enterprises remain unaware of the benefits of Energy Audits, a valuable tool for reducing operational costs and environmental impact. To bridge this knowledge gap and promote energy efficiency among MSMEs, we propose a two-pronged approach.

BEE stands for the Bureau of Energy Efficiency. It is an agency of the Indian government that was established as part of the National Action Plan on Climate Change. BEE was formed under the Ministry of Power in 2002 with the primary goal of promoting energy efficiency and the sustainable use of energy resources in India.

- BEE Star Rating
- Standardized Testing
- Energy Label
- Certification and Accreditation
- Promotion of Energy Efficiency
- Energy Conservation Building Codes
- Energy Performance in Industries
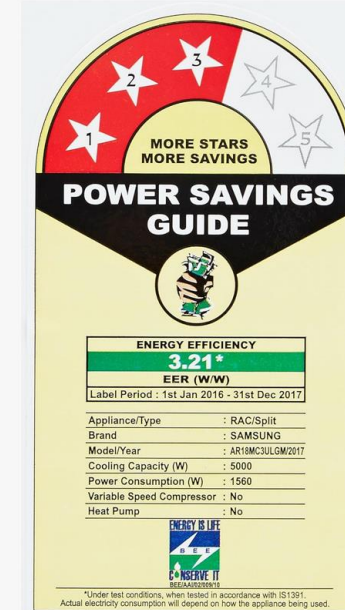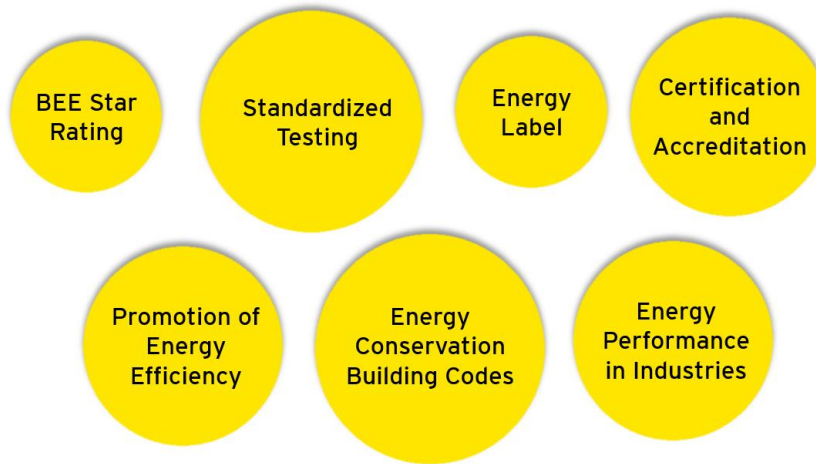
Figure 54: Bureau of Energy Efficiency

The Bureau of Energy Efficiency has several key objectives:

1. **Energy Efficiency Standards and Labelling:** BEE sets energy efficiency standards and labels for various appliances and equipment, such as air conditioners, refrigerators, and lighting products. The labelling system, known as the BEE star rating, helps consumers make informed choices by indicating the energy efficiency of products.

2. **Energy Conservation Act:** BEE is responsible for implementing and enforcing the Energy Conservation Act, which outlines energy efficiency and conservation measures in India. The Act includes provisions for energy consumption norms and energy management standards in industries.

3. **Promotion of Energy Efficiency:** BEE promotes energy efficiency through various programs and initiatives, including awareness campaigns, energy audits, and capacity-building activities.

4. **Demand-Side Management:** BEE works on demand-side management programs to reduce peak electricity demand, manage energy consumption, and optimize energy usage.

5. **Certification and Accreditation:** BEE certifies and accredits energy auditors and energy managers to ensure that professionals meet the necessary standards for energy management.

6. **Energy Performance in Industries:** BEE provides guidelines and recommendations for industries to improve their energy performance and reduce energy costs.

7. **Energy Conservation Building Codes:** BEE develops and implements energy conservation building codes to improve the energy efficiency of buildings, including residential, commercial, and industrial structures.

8. **Capacity Building:** The bureau focuses on building the capacity of various stakeholders, including industries, government bodies, and individuals, to implement energy-efficient practices and technologies.

BEE plays a crucial role in India's efforts to reduce energy consumption, promote sustainable development, and mitigate the impact of climate change. It is involved in various initiatives aimed at improving energy efficiency across different sectors, which is essential for the long-term energy security and environmental sustainability of the country.

BEE (Bureau of Energy Efficiency) rating is a system used in India to measure and indicate the energy efficiency of appliances and equipment. The Bureau of Energy Efficiency, which operates under the Ministry of Power in India, developed this rating system to help consumers make informed choices and encourage the adoption of energy-efficient products.

Here's how the BEE rating system works:

1. **Star Rating:** Appliances and equipment are typically labelled with a star rating, which ranges from 1 star to 5 stars, with 5 stars indicating the highest level of energy efficiency. The more stars an appliance has, the more energy-efficient it is.

2. **Energy Label:** Along with the star rating, you will find an energy label that provides information on the appliance's energy consumption. This label displays the annual energy consumption in units, which allows consumers to estimate the energy costs associated with using the appliance.

3. **Standardized Testing:** BEE conducts standardized testing and assessment of appliances to determine their energy efficiency. This includes factors like power consumption, performance, and energy-saving features.

4. **Mandatory Labelling:** BEE rating and labelling are mandatory for certain appliances and equipment in India, including refrigerators, air conditioners, washing machines, fans, and more. Manufacturers must comply with these regulations, and consumers can use the labels to compare the energy efficiency of various models before making a purchase.

5. **Market Transformation:** The BEE rating system aims to transform the market by encouraging the adoption of energy-efficient technologies. It not only helps consumers save on energy bills but also contributes to environmental conservation by reducing energy consumption.

The BEE rating system is an important tool for consumers to make environmentally conscious choices and reduce their energy consumption. It also helps manufacturers design and produce more energy-efficient products, ultimately benefiting both consumers and the environment.

Are you aware of the BEE Energy Audits

13.72%

86.28%

■ Yes ■ No
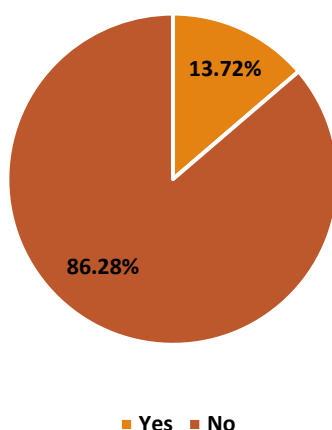
Figure 55: Awareness regarding BEE Energy Audits

► Objectives of the Interventions proposed
- Raise awareness among MSMEs about the importance and benefits of Energy Audits.
- Encourage and support 500 MSMEs in undergoing Energy Audits.
- Provide financial incentives to incentivize implementation of energy-saving measures.

9.2.2.2 Approach and Methodology

► **Energy Audits and Incentivization**
  Approach:
  - Collaborate with accredited energy auditing firms or experts recognized by the Bureau of Energy Efficiency (BEE) to conduct audits after implementation of the required inputs from the BEE Audits.
  - Provide financial incentives to motivate MSMEs to act based on audit recommendations.
  - Establish a support system to guide MSMEs through the implementation process.

  Methodology:
  - Eligibility and Application: MSMEs interested in participating will submit applications, demonstrating their commitment to energy efficiency.
  - Audit Selection: Review applications and select MSMEs based on criteria such as energy consumption, potential savings, and willingness to implement changes.
  - Energy Audits: Engage accredited auditors to conduct comprehensive energy audits for selected MSMEs.
  - Recommendations: Prepare detailed audit reports with energy-saving recommendations and estimated cost savings.
  - Incentive Disbursement: Upon successful implementation of energy-saving measures, reimburse up to 50% of the audit cost or a maximum of 5 lakh rupees, whichever is lower, to the MSME.

Along with the above-mentioned approach, an **Energy Efficiency Learning Portal (EELP)** will also be launched which will act as a beacon of innovation. Designed to revolutionize the awareness and adoption of Energy Audits and Water Audits among Micro, Small, and Medium Enterprises (MSMEs), the EELP leverages the power of digital technology. It aspires to democratize access to energy and water efficiency knowledge, empower MSMEs with practical insights, and incentivize their engagement in energy-saving and water-saving measures. This transformative platform holds the potential to usher in a new era of eco-conscious and resource-efficient practices within MSMEs.

Components of the EELP:
1. **Interactive Learning Modules:** The foundation of EELP is a rich repository of interactive learning modules that cater to the diverse landscape of MSMEs. These modules include:
   - Customized Curriculum: Tailored content designed to address industry-specific energy and water consumption patterns, ensuring that the learning is practical and relevant.
   - Engaging Multimedia: Leveraging video tutorials, interactive simulations, and real-case scenarios, these modules make learning both effective and engaging.
   - Progress Tracking: A key feature, this involves assessments and quizzes to measure understanding and retention. This real-time feedback system empowers learners to gauge their progress and adapt their learning journey accordingly.

2. **Virtual Energy and Water Audit Simulations:** EELP offers a unique opportunity to explore the world of energy and water audits through immersive virtual simulations. These simulations provide:
   - Realistic Simulations: MSMEs can take virtual walkthroughs of their facilities, allowing them to identify energy and water-saving opportunities within their own contexts.
   - Recommendation Engine: Powered by AI, this feature provides data-driven suggestions for potential upgrades and improvements. It facilitates decision-making by offering actionable insights.
   - Cost-Benefit Analysis: EELP offers estimations of potential savings and Return on Investment (ROI) for each recommended energy and water-saving measure. This empowers MSMEs to make informed choices that align with their goals and budgets.

3. **Expert Q&A and Community Forum:** EELP fosters a collaborative ecosystem where expertise meets peer-driven knowledge sharing. This component includes:
   - Access to Experts: Direct interaction with accredited energy and water auditors and efficiency experts, providing answers to specific queries and guidance on best practices.
   - Peer Knowledge Sharing: A community forum allows MSMEs to share their experiences, challenges, and best practices. It encourages collaboration and learning from one another's journeys.
   - Live Webinars and Workshops: Regular live sessions on specific energy-saving and water-saving techniques and technologies ensure that the learning remains dynamic and up to date.

The whole learning ecosystem on this platform will be gamified using the concept of gamification. Gamification is the use of game design elements, principles, and techniques in non-game contexts to enhance engagement, motivation, and participation. It involves applying game-like features to various activities, processes, or systems to make them more interactive, enjoyable, and rewarding. The goal of gamification is to encourage people to perform certain actions, learn new skills, or achieve specific objectives by making the experience more entertaining and satisfying.

Gamification is a powerful tool for enhancing engagement, motivation, and retention in the learning process. By incorporating gamified elements into the Energy Efficiency Learning Platform (EELP), we can make energy and water efficiency education more enjoyable and effective. Here's how we can gamify the learning process:

▶ **Energy and Water Efficiency Challenges:**
   - Create interactive challenges that simulate real-world energy and water efficiency scenarios.
   - Users can earn points and rewards for successfully completing challenges.
   - Challenges could involve identifying energy-saving opportunities, optimizing water use, or making eco-friendly choices within a virtual MSME setting.

▶ **Progression and Achievement Levels:**
   - Implement a levelling system where users advance through different stages or levels as they complete modules, quizzes, and challenges.
   - Users can earn badges, titles, or other virtual rewards as they progress.

- Levels can be named after eco-friendly concepts or energy efficiency achievements, making it fun and educational.

► **Leader boards and Competitions:**
- Create leader boards that display the progress and achievements of users.
- Users can compete to see who can save the most energy, reduce water consumption, or complete modules the fastest.
- Recognize top performers with virtual trophies or recognition on the platform.

► **Virtual Currency and Rewards:**
- Introduce a virtual currency that users can earn through activities and challenges.
- Users can spend this currency on virtual rewards, such as customizing their virtual MSME's energy and water efficiency features.
- Rewards can include energy-efficient equipment, water-saving technologies, or eco-friendly office upgrades.

► **Storytelling and Narratives:**
- Develop engaging narratives that guide users through their learning journey.
- Users can take on the role of an energy or water efficiency consultant tasked with improving the sustainability of their virtual MSME.
- The storyline can evolve as users progress, making the learning experience more immersive.

► **Energy and Water Saving Simulations:**
- Include interactive simulations where users can make decisions that impact energy and water efficiency.
- Users can witness the consequences of their choices, promoting a deeper understanding of the concepts.
- Successful choices can lead to rewards, while less efficient choices can be used as learning opportunities.

► **Timed Challenges and Quizzes:**
- Introduce timed quizzes and challenges to add an element of urgency and excitement.
- Users can earn extra points for completing tasks within a set time frame.
- Timed challenges can simulate real-world scenarios where quick decision-making is crucial for energy and water conservation.

► **Collaboration and Team Play:**
- Encourage users to collaborate and form teams to solve energy and water efficiency challenges together.
- Team achievements can be recognized and rewarded, promoting a sense of camaraderie.

Gamifying the Energy Efficiency Learning Platform (EELP) transforms the learning process into an engaging and enjoyable experience. By incorporating elements like challenges, progression levels, competitions, and rewards, EELP can motivate users to actively participate in energy and water efficiency education. This gamified approach not only enhances user engagement but also reinforces the practical application of energy-saving knowledge, making it a win-win for both the learners and the environment.

9.2.2.3 Timelines

Table 69: Timelines for Implementation of BEE Audits

Major Budget Heads	Nos	Units	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Workshops for awareness of BEE Audits	2500	MSMEs		1250	1250		
Energy Audit Implementation after BEE Energy Audits	500	MSMEs		125	125	125	125

9.2.2.4 Project Costing

Table 70: Project Costing for Energy Audits Implementation

Major Budget Heads	Nos	Units	Per Unit Cost	Total Cost (INR)	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Workshops for awareness of BEE Audits	50	Training Workshops	100000	5000000	0.5	0	0.25	0.25	0	0
Energy Audit Implementation after BEE Energy Audits	500	MSMEs	500000	250000000	25	0	6.25	6.25	6.25	6.25
EELP Portal	1	Lumpsum	10000000	10000000	1	0.2	0.5	0.1	0.1	0.1

9.3 Access to Market

Exporting plays a crucial role in the growth and sustainability of enterprises, especially in today's globalized economy. However, many enterprises encounter significant challenges that hinder their success in international markets. This diagnostic study sought to identify and analyse the major obstacles faced by enterprises in relation to exports.

The study employed a combination of diagnostic surveys and stakeholder discussions to gather information and insights from a diverse group of enterprises. The surveys were designed to identify the most pressing issues, and stakeholder discussions allowed for in-depth exploration and validation of the findings. A total of 14000 enterprises across various sectors participated in the study.

Issues faced by enterprise related to Exports
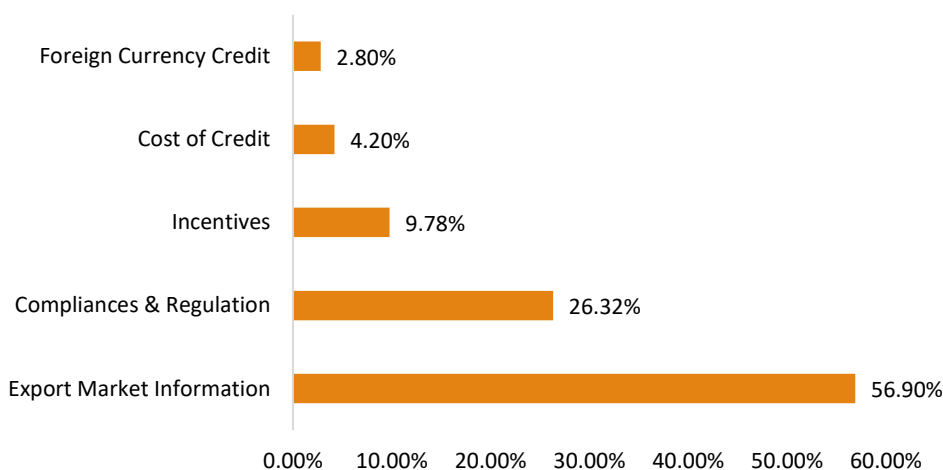
Figure 56: Issues faced by MSMEs related to Exports

Major Findings:
▶ **Lack of Export Market Information (56.90%):** The most prominent issue reported by enterprises was a deficiency in export market information and market intelligence. Many enterprises lacked the necessary knowledge about target markets, customer preferences, and emerging trends. This knowledge gap significantly hampered their ability to effectively penetrate and compete in international markets.

▶ **Compliances and Regulations (26.32%):** A substantial percentage of enterprises expressed ongoing difficulties with export-related compliances and regulations. These challenges included complex documentation requirements, varying regulatory frameworks across different markets, and difficulty in keeping up with evolving regulations. Even enterprises with prior exporting experience faced continuous compliance-related issues.

9.3.1 Alignment of Project of the state with respect to RAMP Programme Objectives

In the endeavour to bolster the capabilities of Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan and ensure their seamless integration with market access initiatives,

a pivotal focus lies on promoting supplier linkage initiatives. This subsection of DLI 3.1, as outlined in the RAMP Implementation Manual, lays the foundation for a comprehensive strategy aimed at fostering a symbiotic relationship between the state's MSMEs and the markets they serve.

Proposed Interventions:

► **Market Intelligence & Exports:**
- The provision of up-to-date market intelligence is a cornerstone of the proposed strategy. MSMEs will benefit from timely information on market trends, demand patterns, and consumer preferences. This will empower them to make informed decisions, align their product offerings, and seize emerging opportunities.

► **Branding of Haats:**
- 'Haats' or local markets have long been the heartbeat of rural commerce. By branding these traditional marketplaces, we aim to imbue them with a renewed sense of purpose and identity. This initiative includes improving infrastructure, sanitation, and the overall shopping experience, drawing both local and external customers.

► **AI Tools for E-commerce:**
- The integration of Artificial Intelligence (AI) tools into e-commerce platforms is poised to be a game-changer. AI can enhance user experiences through personalized recommendations, streamline supply chain operations, and optimize inventory management. It is set to make the online shopping process more efficient and user-friendly.

► **Product Branding and Marketing Support:**
- MSMEs often need guidance in branding and marketing. This intervention offers support in creating compelling product branding and marketing strategies, ensuring that their offerings resonate with target audiences and stand out in a competitive market.

► **Export Promotion:**
- For MSMEs looking to expand their horizons beyond domestic markets, export promotion initiatives will provide the necessary guidance, resources, and market intelligence to venture into global markets.

► **Market Linkages:**
- Facilitating direct linkages with large buyers, retailers, and e-commerce platforms can be a game-changer for MSMEs. These connections will enable them to scale their operations, diversify their customer base, and access new distribution channels.

► **Skills Enhancement Programs:**
- Empowering MSMEs with the skills and knowledge needed to navigate the complexities of modern markets is an integral part of the proposed strategy. Training and skill enhancement programs will ensure they are well-prepared to compete effectively.

9.3.2 Market Intelligence (Market Development and Marketing) for Exports

9.3.2.1 Problem Statement

Micro, Small, and Medium Enterprises (MSMEs) constitute a vital segment of Rajasthan's economy, contributing significantly to its growth and development. However, despite their potential to thrive in the global market, a significant impediment hampers their international export competitiveness. A comprehensive survey conducted reveals a critical issue: over 56% of MSMEs in Rajasthan lack essential information on export markets. This knowledge gap, coupled with persistent challenges related to compliances and regulations, hinders their ability to compete effectively on the global stage.

Key Challenges:
- ► **Lack of Export Market Information:**
  - A significant percentage of MSMEs in Rajasthan face a dearth of information regarding export markets. This knowledge gap encompasses crucial details such as demand trends, market dynamics, consumer preferences, and competition analysis. Without this information, MSMEs struggle to make informed decisions and effectively position their products in international markets.

- ► **Compliance and Regulatory Issues:**
  - Navigating the complex landscape of international trade requires strict adherence to diverse regulations, standards, and compliances. Many MSMEs lack the resources and expertise needed to comply with international trade norms, which can result in delays, penalties, and lost market opportunities.

- ► **Lack of Export Readiness:**
  - MSMEs often face challenges in preparing themselves for the rigors of international trade. This includes understanding export procedures, documentation, quality standards, and trade finance requirements. A significant proportion of MSMEs may lack the necessary knowledge and skills to meet these criteria.

9.3.2.2 Design Concept of the Proposal

Objective: To empower Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan with valuable market intelligence for exports and facilitate their access to this information through an integrated online portal.

Key Components:
- ► **Market Intelligence Expert Pool:**
  - Establish a dedicated team of experts with expertise in various export sectors, international markets, and market research.
  - These experts will be responsible for gathering, analysing, and curating up-to-date market intelligence data.

- ► **Integrated Portal:**
  - Develop a user-friendly and secure online portal integrated with the Rajasthan Industry Department's website.
  - Ensure the portal is easily accessible and responsive for both desktop and mobile devices.

o Implement a secure login system for authorized MSMEs and experts.

► **Market Intelligence Database:**
  o Create a comprehensive database of market reports, trends, competitor analyses, and export-related information for various industries and target countries/regions.
  o Organize the information in a structured manner, allowing for easy navigation and search.

► **Customized Recommendations:**
  o Implement an intelligent recommendation system that suggests relevant market intelligence reports and insights based on the user's profile and preferences.
  o MSMEs can specify their industry, target markets, and areas of interest to receive tailored recommendations.

► **Interactive Dashboard:**
  o Provide MSMEs with an interactive dashboard where they can access and track their subscribed market intelligence reports.
  o Include visualizations, charts, and graphs to simplify complex data.

► **Export Readiness Assessment:**
  o Offer an export readiness assessment tool to help MSMEs evaluate their preparedness for international trade.
  o Provide personalized feedback and recommendations based on the assessment results.

► **Collaborative Forums:**
  o Create discussion forums or communities where MSMEs can interact with market intelligence experts and fellow exporters to share insights and seek advice.
  o Encourage knowledge sharing and networking.

► **Resource Centre:**
  o Include a resource centre with guides, tutorials, and templates to assist MSMEs in various aspects of exporting, such as compliance, logistics, and marketing.

Benefits:
  o Empowers MSMEs in Rajasthan with valuable market intelligence.
  o Simplifies access to crucial export-related information.
  o Enhances export readiness and competitiveness.
  o Encourages collaboration and knowledge sharing among MSMEs.
  o Promotes economic growth and expansion of Rajasthan's exports.
  o Enabling MSMEs with buyers.

This integrated market intelligence portal and expert pool intervention aims to equip Rajasthan's MSMEs with the knowledge and resources they need to thrive in international markets, ultimately contributing to the economic development of the region.

► **Other Interventions proposes under Exports:**
  o **Tie-Ups with IIP for Export-Oriented Packaging (Content and MoUs)**

- **Packaging Design Workshops:** Collaborate with IIP (Indian Institute of Packaging) to organize workshops on innovative, export-oriented packaging designs tailored for various industries.
- **Customized Packaging Solutions:** Create content focusing on custom packaging solutions catering to specific export market requirements and international standards.
- **Seminars on Sustainable Packaging:** Develop content promoting sustainable and eco-friendly packaging materials and techniques for exports, in line with global environmental norms.

o **Memorandums of Understanding (MoUs):**
- **Research Collaboration:** MoU with IIP for joint research endeavors focusing on export-oriented packaging innovations and sustainable packaging practices.
- **Training Partnerships:** Establish MoUs to create structured training programs for MSMEs on export packaging, leveraging IIP's expertise.
- **Consultation and Advisory Services:** MoUs outlining the provision of consultation services to MSMEs in Rajasthan, assisting in the implementation of export-oriented packaging practices.

o **Export-Oriented Skill Development Workshops for MSMEs**
- **Workshop Modules:**
- **Export Readiness Training:** Conduct workshops preparing MSMEs for global market entry, covering aspects such as market analysis, export planning, and compliance requirements.
- **International Marketing Strategies:** Workshops focusing on global marketing techniques, branding, and digital strategies for reaching international clientele.
- **Trade Finance and Documentation:** Workshops providing insights into export finance, managing export documentation, and mitigating financial risks in international trade.

o **Workshops for Bankers and DICs for Exports**
- **Export Finance and Credit Facilities:** Workshops to educate bankers on tailored financial products for exporters and the intricacies of export financing.
- **Export Documentation and Risk Mitigation:** Training sessions on documentation required for export transactions and risk management strategies in international trade.
- **Government Export Incentives:** Workshops informing bankers and DIC representatives about available government schemes and incentives for exporters.

o **Reverse Buyer Seller Meets**
- **Identification of Buyers:** Organize events where potential foreign buyers are identified and invited to meet with local MSMEs for business discussions.
- **Business Matchmaking:** Facilitate one-on-one meetings between buyers and MSMEs to explore potential partnerships and collaborations.

- ▪ **Sector-Specific Meets:** Tailor meets to specific industries, encouraging deeper engagement and understanding between buyers and sellers.

- o **Export Hotspots - 4 Assistants in Rajasthan for Handholding of MSMEs for Exports**
  - ▪ **Market Research Assistance:** Offer guidance on market trends, demand analysis, and competitor insights in specific export sectors.
  - ▪ **Regulatory and Compliance Support:** Assist MSMEs in understanding and adhering to international trade regulations and compliance requirements.
  - ▪ **Logistical Guidance:** Provide support on logistics, shipping, and customs clearance procedures for export activities.

- o **ECGC insurance amount reimbursement**

ECGC stands for Export Credit Guarantee Corporation of India Limited. It is a government-owned export credit insurance company in India. ECGC primarily provides export credit insurance support to Indian exporters and banks to protect them against the risks of non-payment by overseas buyers.

The corporation offers various types of insurance products and services, including:
Export Credit Insurance: ECGC provides export credit insurance to protect exporters against the risk of non-payment by overseas buyers due to commercial or political reasons.

Export Credit Guarantee: It offers guarantees to banks and financial institutions to encourage them to provide credit facilities to exporters.
Export Finance: ECGC supports export finance through various schemes and initiatives, facilitating export-related financial assistance.

Market Intelligence: It provides market-related information and research to help exporters identify new markets and opportunities.
The main objective of ECGC is to promote and support India's export trade by providing insurance coverage and other financial services to mitigate the risk associated with exporting goods and services to overseas markets.

*Objective of the intervention: To incentivize and support new exporters by reimbursing a portion of their ECGC insurance premiums, aiming to reduce their financial burden and encourage their participation in export activities.*Approach and Methodology

Approach and Methodology for the Integrated Market Intelligence Portal for MSME Exporters in Rajasthan:

▶ **Needs Assessment:**
- **Stakeholder Engagement:** Engage with key stakeholders including MSME associations, export promotion agencies, industry experts, and government officials to understand the specific needs and challenges faced by MSMEs in Rajasthan concerning market intelligence for exports.
- **Surveys and Interviews:** Conduct surveys and interviews with a representative sample of MSMEs to gather insights into their current knowledge, information needs, and preferences for accessing market intelligence.

▶ **Expert Team Formation:**
- **Recruitment:** Identify and recruit a team of experts with expertise in different industries and export markets. Ensure diversity in expertise to cover a wide range of sectors.
- **Training:** Provide specialized training to the expert team on market research methodologies, data collection, analysis, and reporting.

▶ **Portal Development:**
- **Requirements Gathering:** Collaborate with a web development agency to gather detailed requirements for the portal, including features, user interfaces, and security measures.
- **Prototyping:** Create a prototype of the portal to visualize the user experience and gather feedback from potential users.
- **Development:** Build the portal based on the approved design and specifications, ensuring scalability and security.

▶ **Market Intelligence Database Creation:**
- **Data Collection:** Utilize various sources, including government reports, industry publications, trade data, and market research firms, to collect relevant market intelligence data.
- **Data Analysis:** Analyze collected data to generate meaningful insights and trends for different industries and target export markets.
- **Data Organization:** Organize the data in a structured manner, categorizing it by industry, country, and type of information (e.g., market reports, competitor analysis).

▶ **User Testing and Optimization:**
- **User Testing:** Conduct usability testing with a select group of MSMEs to identify and address any usability issues and bugs.
- **Optimization:** Continuously improve the portal based on user feedback, adjusting enhance its user-friendliness and functionality.

▶ **Content Curation and Recommendations:**
- **Content Selection:** Populate the portal with relevant market intelligence reports, insights, and resources.
- **Recommendation Engine:** Implement a recommendation system that suggests personalized market intelligence reports to users based on their profiles, interests, and past interactions with the portal.

► **Collaborative Forums and Resource Center:**
- **Forums Setup:** Create discussion forums and a community platform where users can engage with experts and peers, ask questions, and share experiences.
- **Resource Development:** Develop and curate educational resources, templates, and guides for MSMEs, covering various aspects of international trade.

Along with this it is also being proposed to dovetail with existing "Mission Niryatak Bano" scheme in Rajasthan and create an export readiness accelerator programme.

Mission Niryatak Bano : This is an initiative taken by state government to make exporters aware of export procedures, documentation etc. Various training programmes, capacity building programmes are included in it.

Beneficiary: Exporters/ Entrepreneurs.
Implementing Agency : REPC

Key Points:

► **Export Workshops and Seminars:** The REPC organizes workshops and seminars on various export-related topics. These events could cover subjects such as export procedures, documentation, international trade regulations, market intelligence, export finance, logistics, and strategies for entering new markets.

► **Mission Niryatak Bano (Export Training Programs):** The REPC conducts comprehensive training programs designed to enhance the export capabilities of businesses. These programs cover areas such as export marketing, product development, export pricing, negotiation skills, understanding international trade agreements, and cultural considerations in international business.

► **Export Documentation and Procedures:** The REPC offers training sessions specifically focused on export documentation and procedures. This training could help exporters understand the required documents, regulatory compliance, and best practices for smooth and efficient export transactions.

► **E-commerce and Digital Export:** With the growing importance of e-commerce in international trade, the REPC offers training programs to educate exporters on leveraging digital platforms for export. This includes training on e-commerce strategies, online marketplaces, digital marketing, and utilizing technology for export operations. REPC has joined hands with Amazon Global Selling for these types of trainings.

Export Promotion and Branding: The REPC may provide guidance on export promotion strategies, including training on branding, product positioning, and marketing techniques for international markets. This training could help exporters effectively promote their products and services abroad.

The proposed **Export Readiness Accelerator Program (ERAP)** along with the current endeavours being made by the Rajasthan Export Promotion Council would help in creating a transformative approach to elevate the export capabilities of Rajasthan's MSMEs, positioning them as competitive players in the global marketplace. By nurturing export-ready enterprises, ERAP is poised to drive economic prosperity and resilience in the state.

Overview:

The Export Readiness Accelerator Program (ERAP) can be a pioneering initiative designed to empower MSMEs in Rajasthan with the knowledge, tools, and resources needed to excel in international markets. ERAP shall leverage a holistic approach, combining specialized training, market intelligence, and strategic support to propel enterprises towards export success.

Key Components of ERAP:
- ► **Customized Export Readiness Assessments:**
  - ERAP commences with in-depth assessments to evaluate the export readiness of each MSME.
  - These assessments identify the specific strengths, weaknesses, opportunities, and threats that pertain to each enterprise's international expansion efforts.

- ► **Tailored Training Modules:**
  - ERAP's comprehensive curriculum covers critical aspects of exporting, including market research, compliance, logistics, and marketing strategies.
  - Training is customized to address industry-specific needs and the unique considerations of the target export destinations.

- ► **Virtual Market Entry Simulations:**
  - ERAP provides a virtual platform for MSMEs to simulate their entry into target markets.
  - This virtual experience enables them to navigate challenges, make informed decisions, and refine their market entry strategies, all in a risk-free environment.

- ► **Access to Real-time Market Intelligence:**
  - ERAP integrates AI-driven market intelligence tools that offer up-to-date insights on target markets.
  - MSMEs gain access to information such as demand trends, competitor analysis, and regulatory updates, which empowers them to make data-driven export decisions.

- ► **Compliance Navigator Toolkit:**
  - ERAP develops an intuitive toolkit to guide MSMEs through the complexities of export-related compliances and regulations.
  - This toolkit provides step-by-step instructions, templates, and resources to ensure adherence to international trade laws.

- ► **Export Mentorship Program:**
  - ERAP pairs MSMEs with seasoned export mentors who provide guidance, share industry insights, and offer practical advice on navigating international markets.
  - This mentorship program fosters a supportive community for knowledge exchange and networking.

- ► **Export Opportunity Matching Platform:**

- ERAP creates a digital platform that matches MSMEs with potential international partners, distributors, and buyers.
- This platform uses product/service offerings and market interests to facilitate connections, opening doors to new business opportunities.

The Export Readiness Accelerator Program (ERAP) will stand as a monumental initiative set to change the trajectory of Rajasthan's MSMEs. By combining knowledge, training, market intelligence, and mentorship, ERAP equips these enterprises to conquer international markets with confidence and competence. It not only expands their horizons but also fuels economic growth, fosters resilience, and positions Rajasthan as a global player in the world of trade and commerce. ERAP is a beacon of hope and a pathway to global success for the state's MSMEs.

Other Export Interventions Porposed
► **Tie-Ups with IIP for Export-Oriented Packaging (Content and MoUs)**
  o Needs Assessment: Identify specific packaging needs for various industries by collaborating with MSMEs and IIP to determine their packaging challenges and gaps.
  o Content Development: Create tailored content for workshops and seminars focusing on innovative, export-oriented packaging, considering different industry requirements and global standards.
  o Workshop Implementation: Organize sessions in collaboration with IIP, inviting MSMEs to participate and learn about effective packaging techniques and sustainable practices.

► **Export-Oriented Skill Development Workshops for MSMEs**
  o Curriculum Design: Design workshop modules on export readiness, marketing strategies, and trade finance after conducting market research and assessing MSME requirements.
  o Expert Collaboration: Engage industry experts and experienced exporters to conduct these workshops, providing real-life insights and case studies.
  o Feedback and Improvement: Gather feedback from participants to continuously improve and customize workshop content based on evolving market needs.

► **Workshops for Bankers and DICs for Exports**
  o Identification of Topics: Identify key areas where bankers and DIC representatives lack expertise regarding export finance, documentation, and government incentives.
  o Customized Training: Tailor workshops to suit the knowledge gaps and necessities of the audience, ensuring the content is relevant and easily understandable.
  o Collaboration and Follow-Up: Partner with financial institutions and DICs for continuous support and consultations, offering follow-up sessions to address any emerging concerns.

► **Reverse Buyer Seller Meets**
  o Buyer Identification: Collaborate with trade bodies, embassies, and industry associations to identify potential foreign buyers interested in sourcing products from Rajasthan's MSMEs.
  o Logistical Arrangements: Organize the meetups, facilitating discussions and providing necessary infrastructure for buyer-seller interactions.

    o Feedback and Action Plan: Collect feedback from both buyers and MSMEs, identifying actionable items to enhance future meetups and potential collaborations.

▶ **Export Hotspots - 4 Assistants in Rajasthan for Handholding of MSMEs for Exports**
    o Assistant Selection and Training: Recruit and train knowledgeable individuals with expertise in export practices and relevant industry knowledge.
    o MSME Interaction: Assign these assistants to various regions, collaborating with MSMEs, understanding their challenges, and providing customized solutions.
    o Monitoring and Evaluation: Regularly assess the impact of these assistants by measuring MSMEs' export growth and feedback from beneficiaries.

▶ **ECGC Insurance Premium Reimbursement for New Exporters**
    o **Approach:**
        ▪ **Eligibility Criteria:**
            • Identify new exporters who have recently commenced their export activities and have obtained export credit insurance from ECGC.
        ▪ **Reimbursement Scheme:**
            • Offer reimbursement of ECGC insurance premiums up to a maximum of INR 50,000 or 50% of the total premium cost, whichever is lower.
            • Allocate funds specifically for the reimbursement scheme.
        ▪ **Verification and Documentation:**
            • Establish a verification process to confirm the status of new exporters and the payment of their ECGC insurance premiums.
            • Collect and review documentation proving the payment of premiums and the export activities undertaken by these new exporters.
        ▪ **Disbursement Process:**
            • Develop a streamlined disbursement process for reimbursing the premiums to eligible new exporters.
            • Ensure transparency and efficiency in the disbursement mechanism.

    o **Methodology:**
        ▪ **Reimbursement Process:**
            • Application and Verification: New exporters will apply for reimbursement, providing necessary documentation to verify premium payments and their status as new exporters.
            • Evaluation and Approval: Review and assess the applications for eligibility, and approve reimbursement based on the set criteria.
        ▪ **Disbursement:** Transfer the approved reimbursement amount to the eligible exporters after verification.

9.3.2.4 Timelines

Table 71: Timelines for Market Intelligence Facilitation

Activity	Nos	Units	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
No. of MSMEs to be impacted	20000	MSMEs	1000	4000	5000	5000	5000

9.3.2.5 Innovative Technology towards Project Implementation

A dedicated online portal will be developed and integrated into the Rajasthan Industry Department's website to facilitate the submission of applications by MSMEs. This online portal will offer a range of features and functionalities to streamline the application process and enhance user experience.

9.3.2.6 Expected Impact

The end objective of the intervention is to augment performance of 5000 new exporters in the state of Rajasthan with the above interventions.

9.3.2.7 Project Costing

Activity	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Creation of Team of Market Intelligence Experts	6	Experts	3,60,00,000.00	21.60	1.08	5.13	5.13	5.13	5.13
Creation of Integrated Portal	1	Lumpsum	20,00,000.00	0.20	0.10	0.03	0.03	0.03	0.03
Access to Market Intelligence Reports	4	Lumpsum	1,00,00,000.00	4.00	-	1.00	1.00	1.00	1.00
Awareness & Training Programmes for MSMEs	400	Training Workshops	1,00,000.00	4.00	0.20	0.80	1.00	1.00	1.00
Tie Ups with IIP for Export Oriented Packaging (Content and MoUs)	1	Lumpsum	1,00,00,000.00	1.00	0.20	0.50	0.10	0.10	0.10
Export Oriented Skill Development Workshops for MSMEs	5000	MSMEs	10,000.00	5.00	0.20	1.20	1.20	1.20	1.20
Workshops for Bankers and DICs for Exports	1000	Bankers	5,000.00	0.50	-	0.20	0.10	0.10	0.10
Reverse Buyer Seller Meets	4	Buyer - Seller Meet	1,00,00,000.00	4.00	-	1.00	1.00	1.00	1.00
Export Hotspots	4	Assistants	24,00,000.00	0.96	-	0.24	0.24	0.24	0.24
Export Readiness Accelerator Programme	10000	MSMEs	10,000.00	10.00	0.50	2.00	2.50	2.50	2.50

ECGC First Time Exporters Reimbursement	4000	MSMEs	50,000.00	20.00	-	5.00	5.00	5.00	5.00
Total				71.26	2.28	17.10	17.30	17.30	17.30

9.3.3 Branding of Haats

Rajasthan, known for its rich cultural heritage and vibrant economy, has significant potential for fostering trade and business opportunities through events like trade fairs, exhibitions, vendor development programs, and buyer-seller meets. However, there appear to be several issues hindering participation in these events, as indicated by the survey results.

Key Findings:

1. **Lack of Awareness of Supporting Schemes (76.23%):** A significant majority of respondents (76.23%) reported that they were not aware of any supporting schemes related to trade fairs and similar events. This suggests that there is a communication gap between the government and potential participants in Rajasthan.

2. **No Major Benefits Received (71.32%):** Most respondents (71.32%) expressed dissatisfaction with the benefits they have received from participating in trade fairs and similar events. This indicates a need for better organization, coordination, and follow-up to ensure that participants derive tangible advantages from such activities.

3. **Lack of Awareness of Events (68%):** A substantial portion of respondents (68%) claimed to be unaware of the existence of trade fairs, exhibitions, vendor development programs, and buyer-seller meets in the state. This is a significant concern as it suggests that promotion and outreach efforts are insufficient.

4. **Insufficient Number of Events (51.32%):** More than half of the respondents (51.32%) felt that there were fewer such events being organized in the state. This implies that there is a demand for more frequent opportunities for businesses to engage with potential partners and customers.

5. **Financial Burden (12.86%):** While a relatively smaller percentage of respondents (12.86%) cited financial burden as an issue, it still signifies that some businesses find it financially challenging to participate in these events. Addressing this concern could encourage wider participation.

Issues faced related to participating in trade fair/exhibition/vendor development programs/ buyer seller meet etc.
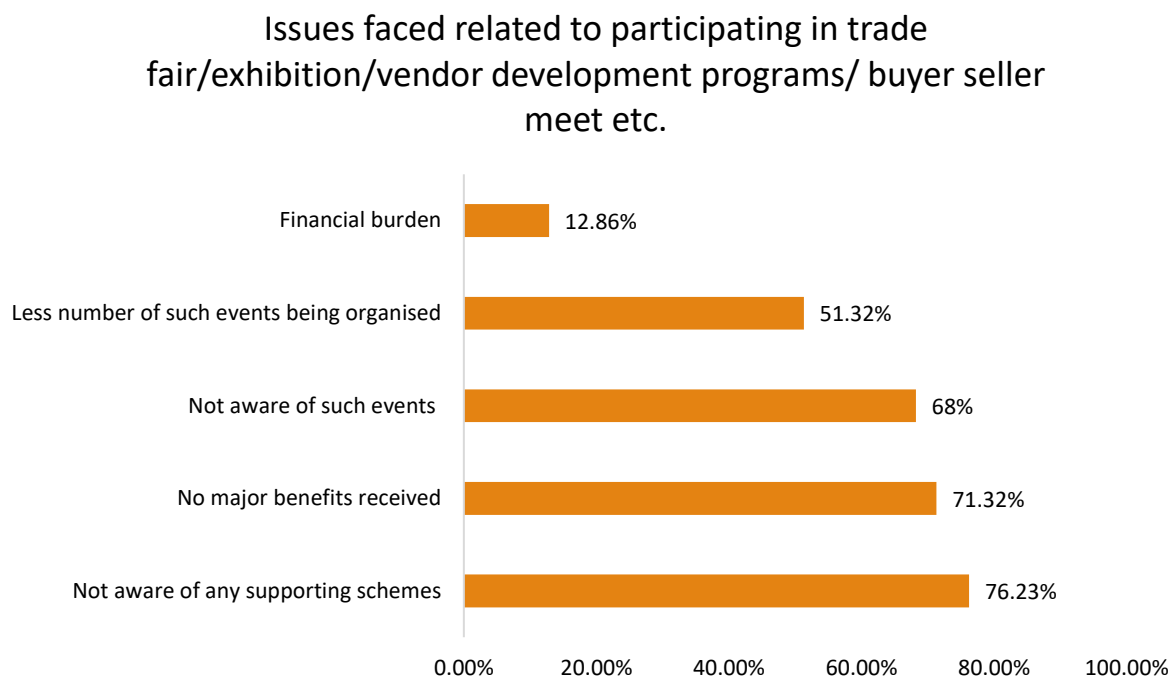
Figure 57: Issues faced related to participating in trade fair/exhibition/vendor development programs/ buyer seller meet etc.

9.3.3.1 Problem Statement

In Rajasthan, significant attention is dedicated to enhancing the market access capabilities of Micro, Small, and Medium Enterprises (MSMEs). However, district Haats are currently underperforming due to a lack of awareness about their events and a shortage of such opportunities. This underscores the need for extensive enhancements in communication, organization, and accessibility to fully unlock their potential in promoting trade and business opportunities.

9.3.3.2 Design Concept of the Proposal

Design Concept for Intervention: **"Revitalizing Rajasthan's Haats for Thriving Trade and Culture"**

Objective: To transform underutilized District Industries Centre (DIC) land parcels into vibrant and bustling haats (marketing bazaars) by implementing a comprehensive branding and marketing strategy. This intervention aims to enhance footfall, provide affordable spaces for MSMEs, and promote economic growth, cultural exchange, and community engagement.

Key Components:

► **Affordable MSME Spaces:** Create dedicated areas within the haats where MSMEs can set up their stalls or booths at subsidized costs, encouraging their active participation.

► **Branding and Identity:** Develop a distinctive brand identity for each haat, highlighting its unique features, products, and cultural significance. This branding will instill a sense of pride and recognition among local communities and visitors.

► **Marketing Campaigns:** Execute targeted marketing campaigns that include traditional and digital methods to raise awareness about the haats. This may involve:

- **Specific Shows:** Organize thematic shows or exhibitions showcasing local crafts, products, and cultural performances to attract diverse audiences.
- **Dances and Music Programs:** Host regular cultural events, featuring traditional dances, music performances, and cultural festivals, enhancing the haat's appeal as a cultural hub.
- **Open Mic Events:** Encourage local talent by hosting open mic sessions, poetry readings, storytelling, and other community engagement activities.
- **Digital Marketing:** Leverage social media platforms, websites, and online advertising to reach a wider audience, promote events, and showcase products available at the haats.

► **Community Involvement:** Foster community engagement by involving local artisans, cultural groups, and residents in the planning and execution of events and activities. Encourage their active participation and ownership of the haats.

9.3.3.3 Approach and Methodology

► **Needs Assessment and Site Selection:**
- Conduct a comprehensive assessment of the existing DIC haats in each district to identify potential sites for intervention.
- Evaluate the infrastructure and accessibility of each site to ensure suitability for hosting marketing bazaars and cultural events.
- Engage local communities and stakeholders in the site selection process to ensure inclusivity and relevance.

► **Stakeholder Engagement:**
- Collaborate with DIC officials, local authorities, and community leaders to gain their support and involvement in the intervention.
- Organize meetings, workshops, and focus group discussions to gather input from MSMEs, artisans, and other potential participants.
- Establish partnerships with cultural groups, event organizers, and local artists to facilitate cultural programming.

► **Branding and Identity Development:**
- Employ a creative agency or design team to develop a unique brand identity for each haat, reflecting its local culture and offerings.
- Create logos, signage, and promotional materials that convey the essence and uniqueness of each haat.

► **Marketing and Promotion:**
- Develop a marketing strategy that combines traditional and digital approaches to promote each haat.

- Create a content calendar for regular social media updates, blog posts, and email newsletters.
- Collaborate with local media outlets and influencers to increase visibility.

► **Event Planning and Execution:**
  - Organize a series of events, including thematic shows, cultural performances, open mic nights, and festivals.
  - Coordinate logistics, secure performers, and obtain necessary permits and licenses.
  - Ensure safety measures are in place for all events.

► **Community Engagement:**
  - Encourage local residents, artisans, and cultural groups to actively participate in events and contribute to the haat's success.
  - Facilitate community workshops and skill-building sessions to empower local talent.

List of 10 suggested Districts for this particular intervention in Rajasthan:

1. **Jaipur:** The capital city of Rajasthan, renowned for its rich history, magnificent palaces, and vibrant culture, is a top destination for tourists.

2. **Jaisalmer:** Known as the "Golden City," Jaisalmer boasts stunning desert landscapes, intricate havelis, and the iconic Jaisalmer Fort.

3. **Bikaner:** Famous for its grand palaces, camel safaris, and delectable snacks, Bikaner offers a unique Rajasthani experience.

4. **Jodhpur:** Often called the "Blue City" for its azure houses, Jodhpur is famous for Mehrangarh Fort, Umaid Bhawan Palace, and its traditional handicrafts.

5. **Udaipur:** The "City of Lakes" is celebrated for its romantic ambiance, beautiful lakes, and opulent palaces like the City Palace and Lake Palace.

6. **Rajsamand:** Known for the stunning Rajsamand Lake and its marble industry, this district offers a serene retreat in nature.

7. **Chittorgarh:** Home to the historic Chittorgarh Fort, this district is a treasure trove of Rajput history and valour.

8. **Ajmer:** A religious and cultural hub, Ajmer is famous for the Dargah Sharif of Khwaja Moinuddin Chishti and the serene Ana Sagar Lake.

9. **Kota:** Known for its educational institutions and the Chambal Gardens, Kota also has a rich heritage, including the Kota Fort.

10. **Sawai Madhopur:** Home to the Ranthambore National Park, Sawai Madhopur is a popular wildlife destination with a chance to spot tigers and other fauna.

Along with these 10 districts other 5 districts will also be added under this particular intervention. This intervention in Rajasthan have been carefully selected for branding and

promotion based on factors such as high tourist footfall, cultural significance, historical heritage, and economic viability.

9.3.3.4 Timelines

Table 72: MSMEs to be impacted with proposed marketing and branding of Haats Intervention

Activity	Nos	Units	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
No. of MSMEs to be impacted	4800	MSMEs	0	2400	2400	2400	2400

9.3.3.5 Innovative Technology towards Project Implementation

Haat Culture Connect represents not just a branding initiative, but a visionary digital bridge that unites tradition, technology, and trade in a seamless, emotionally resonant experience. This pioneering concept heralds a new era for Rajasthan's Micro, Small, and Medium Enterprises (MSMEs), empowering them to thrive in a globalized world while preserving the cultural essence that makes them truly unique.

Key Components:

1. Virtual Experience Hub:
- Haat Culture Connect establishes an immersive online platform that extends the physical haats into the digital realm. This virtual hub becomes a stage for interactive showcases of products, artisan stories, and cultural performances. Visitors from around the world can engage with Rajasthan's cultural treasures from their homes.

2. Augmented Reality (AR) Tours:
- AR technology takes the concept of a virtual tour to the next level. It allows visitors to explore the physical haats through a virtual lens. They can navigate stalls, interact with artisans, and make purchases, all from the comfort of their homes. This not only expands the reach of MSMEs but also provides an engaging and immersive experience for visitors.

3. Cultural Storytelling:
- Central to the Haat Culture Connect initiative is the art of storytelling. Curated multimedia content brings to life the stories behind the artisans, their crafts, and the deep cultural significance of the products they create. Visitors gain a profound understanding of the heritage and craftsmanship behind each item.

4. Virtual Workshops and Demos:
- Artisans can now connect with a global audience through live-streamed workshops and demonstrations. They can showcase their craftsmanship, provide insights into their creative process, and offer a behind-the-scenes look at their work. This not only fosters a deeper appreciation for their art but also connects artisans with potential customers and collaborators.

5. Personalized Recommendations:

- Leveraging AI algorithms, Haat Culture Connect provides personalized product recommendations to virtual visitors. The system analyzes their preferences and browsing behaviour to suggest items that align with their interests, making the virtual shopping experience more tailored and enjoyable.

6. Interactive Forums:
- Online forums create a sense of community and collaboration among participants and visitors. They can engage in discussions, seek advice, and share insights. This interactive platform not only enriches the overall experience but also fosters a supportive community.

7. Cultural Exchange Initiatives:
- Haat Culture Connect takes cultural exchange to the digital realm. It facilitates virtual meet-ups that allow artisans and visitors from different regions to connect, learn, and collaborate. These cross-cultural interactions not only bridge geographical gaps but also spark creativity and innovation.

Haat Culture Connect is a visionary initiative that harnesses the power of technology to preserve and promote Rajasthan's rich cultural heritage while empowering MSMEs to thrive in global markets. It represents a transformative approach that bridges traditions and technology, making trade fairs and exhibitions accessible to a global audience. This initiative not only elevates the experience of participants and visitors but also ensures the preservation of Rajasthan's cultural legacy for generations to come. Haat Culture Connect truly exemplifies the convergence of tradition and technology in a digital age.

9.3.3.6 Expected Impact

The planned intervention to impact 4800 Micro, Small, and Medium Enterprises (MSMEs) directly over the next four years holds the potential for significant indirect impacts that can benefit both the targeted MSMEs and the broader local economy. Here are some of the potential indirect impacts:

► **Increased Business Activity:** As the targeted MSMEs receive support and resources through the intervention, they are likely to expand their operations. This expansion can result in increased business activity within the region, generating economic growth and job opportunities.

► **Market Linkages:** One of the critical benefits of this intervention is the creation of new market linkages for MSMEs. As these enterprises grow and improve their products or services, they may establish connections with larger companies, both locally and nationally, leading to increased sales and revenue.

► **Increased Investments:** A thriving MSME sector can attract investments from outside the region. Investors are likely to be more interested in areas with a vibrant and growing business ecosystem, leading to further economic development.

► **Infrastructure Development:** To support the expansion of MSMEs, there may be a need for improved infrastructure, such as transportation networks and logistics facilities. Investments in infrastructure can have a lasting positive impact on the region.

► **Enhanced Entrepreneurship Ecosystem:** A successful intervention can foster an environment conducive to entrepreneurship. This can inspire more individuals to start their businesses, further contributing to economic growth.

While the direct impact of the intervention on 4800 MSMEs is substantial, the indirect impacts have the potential to create a ripple effect, positively influencing the broader regional economy. By fostering growth, creating job opportunities, and enhancing the overall business ecosystem, this intervention can play a crucial role in driving economic development and prosperity in the targeted area.

9.3.3.7 Project Costing

Table 73: Project Costing for Branding and Marketing of Haats Intervention

Activity	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023 -24	FY 2024 -25	FY 2025 -26	FY 2026 -27	FY 2027 -28
Stakeholder Meetings	10	Stakeholder Meetings	1,00,000.00	0.10	0.05	0.01	0.01	0.01	0.01
Marketing & Promotion of Haats - Urban	10	District Haats	2,00,00,000.00	20.00	1.00	5.00	5.00	5.00	4.00
Marketing & Promotion of Haats - Rural	5	Rural District Haats	1,00,00,000.00	5.00	0.25	1.25	1.25	1.25	1.00
Total				25.10	1.30	6.26	6.26	6.26	5.01

9.3.4 AI Tool for E-Commerce

9.3.4.1 Problem Statement

Addressing the Monopoly Challenge in E-commerce for Rajasthan's MSMEs
While the advent of global e-commerce giants like Flipkart and Amazon has brought unprecedented opportunities for businesses worldwide, Rajasthan's Micro, Small, and Medium Enterprises (MSMEs), particularly the nano MSMEs, are facing a significant challenge: the exorbitant commissions levied by these platforms, often reaching as high as 28%. These steep fees erode the profit margins of these enterprises, hindering their growth and sustainability.

To address this issue, the One Nation One Digital Commerce (ONDC) network has been conceived, aimed at dismantling monopolistic practices and democratizing the e-commerce industry. However, a crucial barrier remains: the majority of Rajasthan's MSMEs lack the necessary capabilities and resources to effectively utilize the ONDC network.

Key challenges in leveraging the ONDC network include:
► **Onboarding and Setup:** Many MSMEs struggle with the initial onboarding process onto the ONDC seller portal, which includes tasks such as registration, account setup, and verification.

▶ **Product Showcase:** Presenting their products effectively on the platform demands high-quality photographs, compelling product descriptions, and accurate categorization, skills that many MSMEs lack.**Optimized Selling:** To succeed on the ONDC network, MSMEs must employ effective selling strategies, manage inventory efficiently, and respond to customer inquiries promptly, which can be challenging for those inexperienced in digital commerce.

▶ **Technological Literacy:** Many nano MSMEs have limited technological literacy, making it challenging for them to navigate the digital landscape effectively.

▶ **Resource Constraints:** Limited financial and human resources further impede the ability of MSMEs to adapt to the ONDC network.

This problem statement underscores the urgent need to bridge the digital divide for Rajasthan's MSMEs, enabling them to embrace the ONDC network fully. Doing so will empower these enterprises to retain a more significant share of their earnings, participate in digital commerce equitably, and secure their long-term sustainability.

9.3.4.2 Design Concept of the Proposal

Objective: To empower Rajasthan's Micro, Small, and Medium Enterprises (MSMEs) with a user-friendly AI tool, "EmpowerMSME," designed to help them overcome the challenges of utilizing the ONDC (One Nation One Digital Commerce) network effectively.

Key Components:
▶ **AI-Powered Tool Development:**
- **Photography Assistance**: Incorporate AI features to assist MSMEs in capturing high-resolution product images using their smartphones.
- **Auto-Generation**: Develop AI algorithms that automatically generate product titles and descriptions based on images and user input.
- **SEO Optimization**: Implement AI-driven SEO optimization to enhance product listings for improved search visibility.
- **User-Friendly Interface**: Design an intuitive dashboard for easy navigation and step-by-step guidance.

▶ **Onboarding Support:**
- **Registration Assistance**: Assist MSMEs in registering on the ONDC network, reducing barriers to entry.
- **Training and Tutorials**: Create interactive tutorials and resources to train MSMEs in using the AI tool effectively.

▶ **Product Showcase and Inventory Management:**
- **Product Enhancement**: Provide tools and guidelines for creating visually appealing product listings with high-resolution images and engaging descriptions.
- **Inventory Management**: Offer features for efficient inventory tracking, order management, and fulfilment.

▶ **Capacity Building:**
- **Technological Literacy**: Include resources and materials to enhance the technological literacy of MSMEs, enabling them to navigate digital commerce confidently.

9.3.4.3 Approach and Methodology

Here's an approach and methodology for the implementation of the "EmpowerMSME" AI-assisted digital commerce tool for Rajasthan's MSMEs:

Approach: Empowering Rajasthan's MSMEs through AI-Driven Digital Commerce
► *AI Tool Development:*
  • **AI Feature Integration**: Incorporate AI-driven features for photography assistance, auto-generation of product content, SEO optimization, and user-friendly interface.
  • **User Testing**: Conduct rigorous testing and user feedback sessions to refine the tool's usability and effectiveness.
  • **Accessibility**: Ensure that the tool is accessible via smartphones and computers, making it inclusive for a wide range of users.

► *Onboarding and Training:*
  • **Onboarding Support**: Offer step-by-step guidance to MSMEs for registering on the ONDC network and using the AI tool.
  • **Interactive Tutorials**: Develop interactive tutorials and resources that help MSMEs make the most of the tool's capabilities.
  • **Technological Literacy**: Provide resources to enhance technological literacy, ensuring that MSMEs can navigate digital commerce confidently.

► *Product Showcase and Inventory Management:*
  • **Enhancement Tools**: Equip MSMEs with tools and guidelines for creating compelling product listings, managing inventory efficiently, and fulfilling orders.
  • **Quality Assurance**: Implement quality control measures to maintain high product standards and user satisfaction.

9.3.4.4 Timelines

Table 74: Timelines for implementation of AI Tool for E-Commerce

Activity	Nos	Units	FY 2023 -24	FY 2024 -25	FY 2025 -26	FY 2026 -27	FY 2027 -28
AI App for MSMEs to create a portfolio using ONDC platform for showcasing products, SEO, auto-generation of product titles, products description etc (Making Cost)	1	Lumpsum					
No. of MSMEs to be targeted, Trainings and actual onboarding	20000	MSMEs		5000	5000	5000	5000

9.3.4.5 Expected Impact

Through the implementation of the EmpowerMSME AI-assisted digital commerce tool, we anticipate a transformational impact on Rajasthan's Micro, Small, and Medium Enterprises (MSMEs). The expected outcomes of this intervention are as follows:

► **Enhanced Digital Commerce Capacity:**

- Over 20,000 Rajasthan-based MSMEs are expected to adopt and benefit from the EmpowerMSME tool.
- MSMEs will gain the ability to effectively navigate the digital commerce landscape, breaking down barriers to entry into the digital marketplace.

▶ **Expanded Market Linkages:**
- Rajasthan's MSMEs will create additional market linkages through e-commerce, transcending geographical boundaries.
- The online presence facilitated by EmpowerMSME will enable MSMEs to tap into national and potentially global markets.

▶ **Preservation of Traditional Crafts:**
- The tool's support in showcasing products effectively will help preserve Rajasthan's rich heritage of handicrafts, handlooms, and unique regional products.
- Traditional craftsmen and artisans will continue to thrive, ensuring cultural preservation.

▶ **Technological Literacy and Empowerment:**
- MSMEs will acquire essential digital skills and technological literacy, empowering them to compete in the modern economy.
- The intervention will bridge the digital divide, enabling MSMEs to adapt and innovate.

9.3.4.6 Project Costing

Table 75: Project Costing for AI Tool for E-Commerce

Activity	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
AI App for MSMEs to create a portfolio using ONDC platform for showcasing products, SEO, auto-generation of product titles, products description etc (Making Cost)	1	Lumpsum	2,00,00,000.00	2.00	1.20	0.20	0.20	0.20	0.20
No. of MSMEs to be targeted, Trainings and actual onboarding	20000	MSMEs	5,000.00	10.00	-	2.50	2.50	2.50	2.50

9.3.5 RAJEEVIKA – Accelerating the Impact

Rajeevika is a livelihood mission in the state of Rajasthan, India. It is an initiative aimed at promoting self-employment and entrepreneurship among rural and economically disadvantaged communities in the state. Rajeevika focuses on poverty reduction and socio-economic development by providing training, financial support, and resources to help individuals and communities generate sustainable livelihoods. It particularly emphasizes women's empowerment and their active participation in economic activities. The program often involves the formation of Self-Help Groups (SHGs) and the facilitation of income-generating activities, such as micro-enterprises and small-scale businesses. Rajeevika plays a crucial role in improving the socio-economic conditions of rural communities in Rajasthan.

9.3.5.1 Problem Statement

RAJEEVIKA, a flagship program aimed at empowering women MSMEs, has made significant strides in improving access to credit and addressing skill gaps. However, the next critical challenge is to enhance Access to Market for the products of these enterprises. Market access is a pivotal factor in the sustainability and growth of women-led MSMEs. In this note, we present a proposed intervention to expedite the next phase of RAJEEVIKA, focusing on bridging the market access gap.

9.3.5.2 Design Concept of the Proposal

The proposed interventions aims to select 20 products from various blocks across the state of Rajasthan. This intervention is designed to empower women entrepreneurs with the skills and resources to improve their market access, ensure product quality, and ultimately create a self-sustainable ecosystem.

Empowering Women Entrepreneurs through RAMP: A Path to Self-Sustainability

► **Product Selection and Geographic Diversity:** Under the RAMP program, a strategic approach involves selecting 20 different products from various blocks across Rajasthan. This approach ensures a diverse range of products, representing the rich cultural and economic diversity of the state. This selection is crucial as it not only highlights the uniqueness of local products but also taps into the potential of various regions.

► **Capacity Building Workshops:** One of the cornerstones of this intervention is the extensive capacity building workshops designed to empower women entrepreneurs. These workshops are tailored to provide the knowledge and skills required for effective marketing and branding. Women will be equipped with the expertise needed to create strong brand identities, develop marketing strategies, and engage with customers. The objective is to transform them into confident and savvy business leaders who can navigate the competitive market landscape.

► **Connecting with Market Channels:** Beyond training, the next logical step is to connect women entrepreneurs with market channels. This means facilitating their entry into e-commerce platforms and physical supply chains. By bridging this gap, these entrepreneurs will gain exposure to broader markets and a wider customer base, ensuring their products reach the right consumers.

▶ **Setting up a QA/QC Cell:** Ensuring the quality and standardization of products is pivotal for market success. The proposal to set up a Quality Assurance and Quality Control (QA/QC) cell is a crucial component of this intervention. The QA/QC cell will uphold and certify the standards of the products, which is essential for both building consumer trust and meeting the requirements of larger markets. It guarantees that the products maintain a consistent level of quality and adhere to industry standards, making them more competitive in the market.

▶ **Transitioning to Self-Sustainability:** The ultimate goal of this intervention is to transition the entire process into the hands of the women entrepreneurs themselves. Through education, market access, and quality control, the women will be empowered to take ownership of their businesses and operations. The intention is to create self-sustainable enterprises that can thrive independently, fostering economic independence and resilience among women in the MSME sector.

Integrating RAJEEVIKA Products into Malls in Jaipur, Udaipur, and Jodhpur
Objective: Introduce and promote Rajeevika products in prominent malls of Jaipur, Udaipur, and Jodhpur, providing rural artisans and self-help groups a platform to showcase and sell their products while enhancing their visibility and market reach.

9.3.5.3 Approach and Methodology

Here's a detailed approach and methodology for the implementation of the project aimed at empowering women entrepreneurs through the RAMP (Raising and Accelerating MSME Performance) program. This approach outlines the step-by-step process for executing the project effectively:

Title: Approach and Methodology for Empowering Women Entrepreneurs under RAJEEVIKA through RAMP

1. Project Planning and Orientation:
- **Stakeholder Engagement:** Engage key stakeholders, including government agencies, NGOs, women's groups, and local authorities, to ensure their support and alignment with the project's objectives.
- **Project Orientation:** Conduct a project orientation workshop to brief all stakeholders about the project's objectives, strategies, and expected outcomes.

2. Product Selection and Geographic Mapping:
- **Product Selection:** Collaborate with local communities to identify and select 20 unique products that represent the diversity of the region.
- **Geographic Mapping:** Identify and select various blocks across Rajasthan to ensure a balanced representation of products and geographic diversity.

3. Needs Assessment and Training:
- **Needs Assessment:** Conduct a comprehensive needs assessment of women entrepreneurs, identifying their existing skills, challenges, and aspirations.
- **Capacity Building Workshops:** Design and conduct capacity building workshops based on the identified needs. Topics should include marketing and branding, digital literacy, pricing strategies, and negotiation skills.
- **Local Experts and Trainers:** Collaborate with local experts and trainers to ensure the relevance and effectiveness of training programs.

4. Quality Assurance and Standardization:
- **Establish QA/QC Cell:** Set up a dedicated Quality Assurance and Quality Control (QA/QC) cell to uphold and certify product quality standards.
- **Certification:** Ensure products meet industry standards and obtain necessary certifications to enhance credibility.

5. Market Linkages and E-commerce Integration:
- **E-commerce Platforms:** Facilitate the registration of women entrepreneurs on e-commerce platforms, providing support for product listings, pricing, and online marketing.
- **Physical Supply Chains:** Connect women entrepreneurs with local and regional supply chains, retailers, and markets.

6. Monitoring and Evaluation:
- **Key Performance Indicators (KPIs):** Define clear KPIs, such as increased sales, market reach, and brand recognition.
- **Regular Assessment:** Conduct regular assessments and evaluations to measure progress and make necessary adjustments.

7. Mentorship and Networking:
- **Mentorship Programs:** Establish mentorship programs that match experienced business leaders with women entrepreneurs, providing guidance, support, and knowledge sharing.
- **Networking Events:** Organize networking events to encourage collaboration and create a supportive community among women entrepreneurs.

8. Transition to Self-Sustainability:
- **Empowerment:** Continuously empower women entrepreneurs through education, mentorship, and practical experience.
- **Capacity Transfer:** Gradually transfer project responsibilities, such as quality control and marketing, to the women themselves, ensuring they can run their businesses independently.

9. Continuous Learning and Adaptation:
- **Feedback Mechanism:** Implement a feedback mechanism to collect input from women entrepreneurs, trainers, mentors, and other stakeholders for ongoing improvement.
- **Flexibility:** Be prepared to adapt to changing market conditions and evolving needs of women entrepreneurs.

10. Documentation and Reporting:
- **Regular Reports:** Maintain a regular reporting system to document project progress, challenges, and successes.
- **Knowledge Sharing:** Share project insights and best practices with stakeholders to inspire similar initiatives in other regions.

11. Sustainability and Exit Strategy:
- **Exit Planning:** Develop a clear exit strategy to ensure the project transitions into a self-sustainable model and continues to benefit women entrepreneurs in the long term.

12. Scale-Up and Replication:
- **Scaling:** Consider the potential for scaling up the project to reach more women entrepreneurs in Rajasthan or replicating it in other regions.

By following this comprehensive approach and methodology, the RAMP program can effectively empower women entrepreneurs, enhance their market access, and foster self-sustainability within the MSME sector. This structured process ensures that the project addresses the specific needs of women entrepreneurs, provides them with the necessary tools, and gradually hands over the reins for long-term success.

Integrating RAJEEVIKA Products into Malls in Jaipur, Udaipur, and Jodhpur
- ► **Selection of Mall Spaces:**
  - Identify suitable spaces within the selected malls for setting up dedicated Rajeevika product stores.
  - Negotiate leasing agreements with the malls for the designated spaces.

- ► **Store Setup and Refurbishment:**
  - Refurbish and design the store spaces to align with the brand image of Rajeevika products, focusing on appealing visual merchandising to attract mall visitors.
  - Install necessary infrastructure for a functional and visually appealing store.

- ► **Training and Personnel:**
  - Conduct training sessions for store personnel, focusing on product knowledge, customer service, and sales techniques to enhance customer experience.

- ► **Branding and Promotion:**
  - Develop a comprehensive branding strategy to promote the Rajeevika stores, employing both traditional and digital marketing methods.
  - Collaborate with the malls to leverage their promotional platforms and events for increased visibility.

- ► **Point of Sale (POS) Software Implementation:**
  - Implement POS software systems to manage sales and inventory efficiently, ensuring smooth store operations.

Scope of Work
- ► Raising and Accelerating MSME Performance Programme (RAMP)
  - **Lease Cost and Refurbishment:** Allocate funds for leasing space and refurbishing stores in malls.
  - **Training and Salaries:** Budget allocation for training store personnel and covering their salaries.
  - **Branding and Promotion:** Funds for comprehensive branding activities to boost store visibility.

- ► RAJEEVIKA Team Responsibilities
  - **SKU & Store Management:** Oversee stock keeping, inventory management, and store operations.
  - **Supply Chain & Quality:** Ensure product quality, supply chain efficiency, and restocking of merchandise.
  - **Store Maintenance:** Maintain the physical store spaces and address any operational issues.
  - **Financial Support:** Provide financial support and advance payments to artisans and SHGs supplying products.

► **Expected Impact:**
- o Market Exposure: Increased market visibility and exposure for Rajeevika products in urban areas, potentially leading to higher sales and demand.
- o Economic Empowerment: Enhanced economic opportunities for rural artisans and self-help groups, leading to increased incomes and livelihood improvement.
- o Skill Enhancement: Training and exposure to retail environments will improve the skills of artisans and SHG members.
- o Community Upliftment: Encouraging community pride and motivation among artisans and rural entrepreneurs.
- o Mall-Consumer Connect: Bridging the gap between rural crafts and urban consumers, promoting cultural exchange and appreciation for traditional crafts.

This intervention aims to bridge the rural-urban divide, promoting inclusivity and sustainability by bringing indigenous RAJEEVIKA products to urban markets, benefitting both the artisans and the consumers.

9.3.5.4 Timelines

Table 76: RAJEEVIKA Intervention Timelines

Activity	Nos	Units	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Trainings for marketing and Branding	2000	Women MSMEs	0	600	600	600	200
QA/QC	20	Blocks/Products		6	6	6	2
Mall Spaces	3	Spaces		3	-	-	-

The successful execution of the project to empower women entrepreneurs under the RAMP program involves a strategic multi-year timeline:

Year 1: Assessment and Product Selection
- **Needs Assessment:** In the first year, a comprehensive needs assessment will be conducted to understand the challenges and aspirations of women entrepreneurs.
- **Product and Block Selection:** During this period, 20 unique products from 20 various blocks across Rajasthan will be carefully selected, ensuring a representation of product diversity and geographic variety.

Year 2: Market Access and Capacity Building
- **Market Access (Blocks 1-6):** Year two will focus on the market access of the first six product-block combinations. Women entrepreneurs will be connected with market channels, including e-commerce platforms and physical supply chains, to expand their reach.
- **Capacity Building Continues:** Capacity building workshops, mentorship, and quality assurance measures will continue for the previously selected products and blocks.

Year 3: Market Access and Quality Assurance
- **Market Access (Blocks 6-12):** In the third year, the project will extend market access to products from blocks 6 to 12, further broadening the reach of women-led MSMEs.

- **QA/QC Cell Expansion:** QA/QC cells will be set up for the products from blocks 1 to 12, ensuring quality standards are maintained and certifications are obtained.

Year 4: Sustainability and Expansion
- **Market Access (Blocks 13-18):** The fourth year will mark the expansion of market access to products from blocks 13 to 18, encompassing a broader region and diverse range of offerings.
- **Empowerment and Transition:** The emphasis will be on empowering women entrepreneurs to take over project responsibilities gradually. This includes managing quality assurance, marketing, and other aspects, making the project more self-sustainable.

9.3.5.5 Expected Impact

The proposed intervention under the RAMP (Raising and Accelerating MSME Performance) program holds the potential to create a significant and far-reaching impact on women entrepreneurs, their businesses, and the broader economic landscape of Rajasthan. Here are the expected impacts of this intervention:

1. **Economic Empowerment of Women:** By providing training, market access, and quality assurance, the intervention is expected to empower women entrepreneurs economically. They will gain the skills and tools needed to expand their businesses and generate sustainable income for themselves and their families.

2. **Improved Market Access:** The project's focus on connecting women entrepreneurs with e-commerce platforms, supply chains, and markets will significantly enhance their market access. This, in turn, will lead to increased sales and revenue.

3. **Quality and Standardization:** The establishment of Quality Assurance and Quality Control (QA/QC) cells and adherence to industry standards will elevate the quality and credibility of women-led MSME products. This will lead to greater consumer trust and opportunities to enter larger and more lucrative markets.

4. **Entrepreneurial Confidence:** Through capacity-building workshops and mentorship, women entrepreneurs will gain confidence in their business acumen and leadership skills. This newfound confidence will enable them to make informed decisions and pursue business opportunities more assertively.

5. **Job Creation and Local Economic Growth:** As women entrepreneurs expand their businesses and improve product quality, they are likely to create job opportunities within their communities. This will contribute to local economic growth and reduced unemployment.

6. **Gender Equality and Empowerment:** The project's focus on women entrepreneurs not only advances economic empowerment but also contributes to gender equality. Women taking on leadership roles in MSMEs can challenge societal norms and inspire other women to pursue entrepreneurship.

7. **Knowledge Sharing and Replication:** The success of this intervention can serve as a model for other regions or similar programs. Knowledge sharing and replication can amplify the impact, benefiting a broader section of women entrepreneurs.

8. **Self-Sustainability:** The gradual transition of project responsibilities to women entrepreneurs will create self-sustainable businesses. These businesses will continue to thrive even after the project's conclusion, ensuring long-term benefits for women and their communities.

9.3.5.6 Project Costing

Table 77: Project Costing - RAJEEVIKA Intervention

Intervention	Major Budget Heads	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
RAJEEVIKA	Trainings for marketing and Branding	4000	Women MSMEs	10000	4	0	1	1	1	1
	QA/QC	20	Blocks/Products	5000000	10	0	2.5	2.5	2.5	2.5
RAJEEVIKA - Mall Space	Lease Cost of the space	3	Stores	9600000	2.88	0	0.72	0.72	0.72	0.72
	Refurbishment/Visual Merchandising of the Space	3	Stores	400000	0.12	0	0.06	0.02	0.02	0.02
	Training Cost for Store Personnel	12	Personnel	60000	0.072	0	0.072	0	0	0
	Branding and Promotion of the Store	3	Stores	200000	0.06	0	0.06	0	0	0
	POS Software	3	Stores	300000	0.09	0	0.09	0	0	0
	Staff Salaries	12	Staff	1680000	2.016	0	0.504	0.504	0.504	0.504
					19.24	0.00	5.01	4.74	4.74	4.74

9.3.6 Khamma Ghani – Crafted in Rajasthan

"Khamma Ghani" is a traditional greeting in the Rajasthan region of India, particularly in the Rajasthani language. It is a warm and respectful way to welcome someone or offer greetings. "Khamma Ghani" reflects the rich cultural heritage of Rajasthan, where hospitality and courtesy are highly valued. When you say "Khamma Ghani" to someone, you are essentially extending a friendly and heartfelt welcome, expressing goodwill, and creating a welcoming atmosphere. It is a symbol of the warm and gracious nature of the people in the region, making it a pleasant and memorable greeting for both locals and visitors.

9.3.6.1 Problem Statement

India is a land steeped in rich cultural diversity and heritage; a tapestry woven with centuries-old traditional crafts that have thrived through generations. However, the country's mere 2% share of the $400-billion global crafts market suggests that our invaluable heritage is underappreciated and underutilized. This problem extends to the state of Rajasthan, renowned for its vibrant and intricate craftsmanship. The supply chains for exporting these crafts have remained largely unchanged, and there's a conspicuous lack of effort to explore alternative avenues for global sales. Instead of focusing solely on increasing export figures, India should prioritize bolstering its domestic market, especially in light of the rapidly growing middle class, which foreign brands are actively targeting. It's time for India to invest in preserving and promoting its traditional crafts and creating accessible markets for artisans, starting with Rajasthan.

Problem Statement: *One of the significant challenges we face is the lack of awareness and knowledge about our traditional crafts among the Indian population. Our own people often remain oblivious to the artistic treasures that lie within our own boundaries. This disconnect has dire consequences, as it contributes to the dwindling interest and demand for traditional crafts. As a result, our artisans, particularly those in Rajasthan, are struggling to find sustainable livelihoods, and their unique skills are at risk of fading away.*

9.3.6.2 Design Concept of the Proposal

Rajasthan's rich tapestry of traditional crafts and artisanal skills is a cultural treasure that deserves recognition and preservation. To address the critical need for sensitizing people and creating accessible markets for artisans, we propose leveraging the powerful **Google Arts and Culture platform** to showcase 17 traditional handicrafts, textiles, and other craft forms through immersive short films.

These films will not only highlight the intricate process behind each craft but also delve into the lives of the artisans, the cultural significance of the craft, its usage, and more. This initiative aims to bridge the gap between traditional crafts and modern audiences, fostering appreciation and support for India's artisanal heritage.

Objectives:
- ► **Preservation:** Document and preserve the knowledge and skills associated with 17 traditional craft forms.
- ► **Awareness:** Educate the public about the cultural, historical, and artistic significance of these crafts.

► **Empowerment:** Create opportunities for artisans, especially those in Rajasthan, to access wider markets.
► **Inspiration:** Inspire the younger generation to engage with and take pride in their cultural heritage.

Following are the 18 crafts forms identified in the state:

Table 78: Craft Forms of Rajasthan

S.No	Art and Craft Form	Description
1	Bandhani and Bandhej	Rajasthani Bandhani and Bandhej are famous textile tie and dye technique which involves dyeing cotton or silk fabric creating various shapes, styles, and patterns. Sikar and Jodhpur regions are known for their bandhani designs, including small and large dotted chunaries. Recently Jodhpuri Bandhej was recently given GI Tag.
2	Lehariya	It is a form of tie and die craft which originated in 12th century. It is distinguished by its form of diagonal strips creating a unique pattern. The process of making lehariya is time consuming and complex. Most common technique is to make small pleats, using a thread or string. After tying its dyed in series of different colours. There are three popular patterns viz, Mothra, Chunri and Samudri.
3	Block Printing	Sanganer and Bagru, two villages in Jaipur, which are renowned for their exceptional block printing techniques. Sanganeri print is , known for its floral patterns, and is known for 'boota-booties', while Bagru is known for geometric, liner, and zig-zag patterns. Traditionally used for royal families, these textiles are now available for everyone. Sanganeri work is mostly done on white backgrounds, while Bagru works on indigo or dyed backgrounds.
4	Dabu or Mud Printing	Dabu printing, also known as mud printing,and is a traditional Rajasthani hand block printing technique that uses mud as a resist to create intricate patterns on fabric. The dabu printing process begins with the fabric being washed and dried. The fabric is then stamped with a wooden block that has been coated in a mixture of mud, gum, and lime. The mud resist prevents the dye from penetrating the fabric in the areas where it is applied. The fabric is then dyed in a natural dye, such as indigo or pomegranate. Once the fabric is dyed, the mud resist is washed away, revealing the intricate dabu pattern. Dabu prints are typically characterized by their soft, earthy tones and intricate patterns. Some of the most common dabu patterns include floral motifs, geometric designs, and animal prints.
5	Ajrakh Printing	The geometric shapes of Ajrakh printing are renowned, for hues of deep indigo and rich red, with black and which highlights. This art was created in the centre of the desert city of Barmer and is mostly practiced by the

S.No	Art and Craft Form	Description
		Khatri community. It is incredibly time-consuming, complicated, and tedious. While printing, the necessary design is marked on the fabric, and then a dye repellent is applied to prevent colour from staining the fabric and a unique design is created on the fabric.
6	Aarri Taari	Aari tari is a traditional Rajasthani embroidery technique that uses a needle and thread to create intricate designs on fabric. It is a delicate and time-consuming process that has been passed down from generation to generation. The aari tari embroidery process begins with the fabric being stretched over a frame. The artisan then uses a needle and thread to create the desired design. The most common aari tari designs include floral motifs, geometric designs, etc. Aari tari embroidery is often done on silk, cotton, or chiffon fabrics.
7	Zari Work	Zari work is a traditional Indian embroidery technique that uses metal threads to create intricate designs on fabric. It is a highly skilled craft that has been passed down from generation to generation. Zari work is thought to have originated in Persia in the 12th century. It was introduced to India by the Mughal emperors, and it quickly became a popular craft among the Indian aristocracy. The most common metal threads used in zari work are gold and silver. However, other metals, such as copper and brass, can also be used. Zari work can also be embellished with beads, sequins, and other decorative elements.
8	Blue Pottery	Blue Pottery is widely recognized as a traditional craft of Jaipur, originated from Turko-Persian style. The pottery is unique from other pottery in the world since it does not use clay. Since the pottery is created from Egyptian paste, glazed, and low-fired, it has a distinctive appearance. The majority of the pottery's decorations feature animal and bird motifs, and some of it is semi-transparent. Also, the decorative objects such as tiles, door knobs, pots, vases, plates, ashtrays, candle stands, wall hangings, bathroom sets, tumblers and containers with lids are increasingly made using the pottery technique.
9	Kagzi Pottery	Kagzi pottery is a traditional pottery style that originated in Alwar, and is named after the Kagzi family, who started this pottery style in the region. Kagzi pottery is made using a special kind of paper-thin clay and performed on Lota and Pots. The use of paper moulds which is also reusable in the pottery-making process, makes it environmentally sustainable and reduces the amount of waste generated.
10	Pokharan Pottery	Pokhran pottery is a traditional craft from Pokhran. The skilled artisans in the district create unique and rustic

S.No	Art and Craft Form	Description
		pottery using locally sourced clay. These creations are known for their earthy colors, intricate designs, and its remarkable strength. Pokhran pottery reflects the rich cultural heritage of Rajasthan and is often used for both functional and decorative purposes, such as serving dishes, surahis, mortar and pestles, casseroles, dry fruit holders, jars, and decorative pots.
11	Theva	Theva art recognized by Maharawat Sawant Singhji in Pratapgarh in Rajasthan, refers to the intricate images, it is almost like a painting of gold on a glass background and it is done with the help of a pen-like tool called the tankla. The name ' Theva ' has originated from the combination of these two types of work and the words " Tharana" and " Vada". Initially the work of ' Theva ' used to engraved in jewellery and later being engraved on precious stones of yellow, pink and black colored glass also.
12	Marori and Charkwan	Marori and Charkwan are intricate forms of embroidery and mirror work originated in the state. Marori involves the use of metallic threads and beads to create dazzling patterns on fabrics, while Charkwan employs tiny pieces of mirror to embellish textiles. Both art forms are known for their vibrant, ornate designs, often adorning clothing and textiles in Rajasthan's rich cultural heritage.
12	Koftagiri	Koftagiri is a traditional Rajasthani art form that involves the inlaying of precious metals, such as gold and silver, onto iron or steel. It is a delicate and intricate craft that requires a high level of skill and expertise. Koftagiri art is thought to have originated in the 16th century during the Mughal era. It was originally used to decorate weapons and armor, but it is now used to create a wide range of decorative items, such as jewellery, boxes, and vases.
14	Katputli	Katputli is a traditional folk art form in India, mainly practiced in Rajasthan. It is a form of puppetry where the puppets are made of wood and are controlled by strings. The puppets are typically about 12 to 18 inches tall and are often dressed in colorful costumes. Malang and karni are two popular types of katputlis in Rajasthan.
15	Kundan and Meenakari	Kundan and Meenakari are two traditional Rajasthani art forms that are used to create beautiful and intricate jewellery. Kundan is a type of jewellery that is made by setting precious stones in gold. The stones are typically set using a technique called "kundankari," which involves using thin sheets of gold to create a framework for the stones. ''Meenakari'' is a type of enamelling that is used to decorate jewellery with colourful designs. The enamel is

S.No	Art and Craft Form	Description
		applied to the jewellery using a brush, and it is then fired in a kiln to harden.
16	Pichwai	Pichwai is a traditional Indian art form that originated in the town of Nathdwara. Pichwai paintings are characterized by their use of bright colors, intricate designs, and religious symbolism. They are often made using a combination of block printing and hand-painting techniques. The word "pichwai" comes from the Hindi words "pich" meaning "back" and "wai" meaning "hanging." Pichwai paintings were traditionally hung behind the idol of Lord Krishna in temples. Pichwai art is a centuries-old tradition that is still practiced today. It is a beautiful and intricate art form that is an important part of the Rajasthani cultural heritage.
17	Phad	Phad paintings are a traditional form of storytelling art from Rajasthan, India. They are typically large, colourful paintings that depict stories from Hindu mythology and folklore. Phad paintings are typically created on cloth or paper, and they are often used to illustrate religious texts or to tell stories at festivals and other gatherings. Phad paintings are characterized by their bold colours, intricate designs, and dynamic compositions. They often feature large figures of gods and goddesses, as well as animals, plants, and other natural elements. Phad paintings are an important part of the Rajasthani cultural heritage, and they are still practiced by many artisans today.
18	Usta Kala	The word "Usta art" refers to the Naqqashi and Manoti arts, which were developed by Usta artists in Rajasthan's Bikaner district and are influenced by Mughal patterns. The Phool Mahal, Chandra Palace, Anoop Palace, and Karan Palace are some of the notable examples of Usta art in the neighborhood. Previously, this type of gold emboss work was done on walls and ceilings. However, it began to be done on lightweight materials like glass, wood, marble, and camel leather throughout the British era. Uska Kala Craft of Bikaner recently received the GI tag with the aid of NABARD in August 2023.

9.3.6.3 Approach and Methodology

1. Craft Selection:
- **Identify Craft Forms:** Begin by identifying 18 traditional craft forms that represent India's diverse cultural heritage, with a particular focus on Rajasthan's crafts.
- **Consultation:** Engage with artisans, craft experts, and historians to finalize the selection, ensuring cultural and regional significance.

2. Collaboration and Partnerships:

- **Forge Collaborations:** Establish partnerships with artisans, craft communities, cultural institutions, and government bodies.
- **Local Outreach:** Conduct outreach in Rajasthan to connect with artisans and craftsperson, gaining their support and participation.

3. Content Creation:

- **Short Film Production:** Begin the production of short films, dedicating approximately one month per craft form.
- **Research and Scripting:** Conduct thorough research on each craft form's history, techniques, and cultural relevance. Develop compelling scripts for the films.
- **Filming and Interviews:** Film artisans at work, capturing the intricacies of their craft. Conduct interviews to share their personal stories.
- **Post-production:** Edit and enhance the footage, ensuring high-quality content.

4. Platform Development:

- **Google Arts and Culture Integration:** Collaborate with Google to integrate the short films into the Google Arts and Culture platform.
- **User-Friendly Design:** Design a user-friendly interface, ensuring easy navigation and accessibility.
- **Multilingual Support:** Implement subtitles and translations for global reach.

5. Interactive Features:

- **360-Degree Tours:** Create virtual tours of craft workshops, allowing users to explore the craft process first-hand.
- **Interactive Galleries:** Develop galleries showcasing finished products and historical artifacts.
- **Engagement Tools:** Enable user engagement through comments, questions, and sharing options.

6. Promotion and Outreach:

- **Marketing Strategy:** Develop a comprehensive marketing plan, utilizing social media, educational partnerships, and influencer collaborations.
- **Google's Reach:** Leverage Google's global resources to maximize exposure.
- **Launch Event:** Organize a virtual launch event to unveil the initiative to the public.

9.3.6.4 Timelines

Activity	Nos	Units	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Bandhani and Bandhej	1	Video		X			
Lehariya	1	Video		X			
Block Printing	1	Video			X		
Dabu or Mud Printing	1	Video				X	
Ajrakh Printing	1	Video			X		
Aarri Taari	1	Video		X			
Zari Work	1	Video					X
Blue Pottery	1	Video				X	
Kagzi Pottery	1	Video			X		

Pokharan Pottery	1	Video		███			
Theva	1	Video				███	
Marori and Charkwan	1	Video			███		
Koftagiri	1	Video				███	
Katputli	1	Video					███
Kundan and Meenakari	1	Video					███
Pichwai	1	Video					███
Phad	1	Video			███		
Usta Kala	1	Video		███			

Along with the videos Activity-Based Innovative Awareness Models for Rajasthan's Craft Heritage is also being proposed to create awareness regarding various arts and crafts of the state.

Introduction: The promotion and preservation of Rajasthan's rich craft heritage are vital for showcasing the state's cultural richness and supporting local artisans. To achieve this, 18 activity-based innovative awareness models tailored for each of the 18 crafts have been designed. These models aim to engage the community, tourists, and artisans in immersive experiences that highlight the history, significance, and artistry of Rajasthan's traditional crafts.

1. Bandhani Treasure Hunt:
- Create a scavenger hunt at popular tourist destinations like Chowki Dhani, where participants search for hidden bandhani textiles.
- Accompany findings with information about the craft, history, and significance.

2. Lehariya Fashion Show:
- Organize fashion shows with a monsoon theme, featuring vibrant lehariya garments.
- Narrators share stories about the craft's history and its role in Rajasthan's cultural fabric.

3. Sanganeri Block Printing Workshop:
- Conduct hands-on workshops in flea markets across Rajasthan where participants learn the art of block printing.
- Allow participants to create their own block-printed fabric, fostering appreciation for this craft.

4. Dabu or Mud Printing - Dabu Diaries: Documentary Series:
- Produce a documentary series that showcases the entire process of dabu printing.
- Include interviews with artisans, highlighting the cultural significance and intricacies of the craft.

5. Ajrakh Printing - Ajrakh Artisan Showcase:
- Host an artisan showcase that features Ajrakh artists demonstrating their intricate printing techniques.
- Allow visitors to interact with artisans and witness the craft in action.

6. Aari Taari - Aari Taari Storytelling Circle:
- Organize storytelling sessions where experienced artisans share their journeys and experiences with aari tari embroidery.
- Train storytellers to travel outside the state and share their knowledge.

7. Zari Masterclass Series on Youtube:
- Arrange a series of masterclasses led by skilled zari artisans on platforms like YouTube.
- Participants can learn techniques, history, and even create their own zari-embellished items.

8. Blue Pottery Art Exhibition Overseas:
- Curate an art exhibition overseas showcasing a diverse range of blue pottery creations.
- Include information panels about the craft's origin, techniques, and significance.

9. Kagzi Pottery Workshop with Climate Action Groups:
- Conduct workshops focused on creating eco-friendly, reusable items using kagzi pottery techniques.
- Emphasize sustainability and promote the craft's unique characteristics.

10. Pokharan Pottery Festival - Call for Tourists:
- Organize a pottery festival in Pokhran, featuring live demonstrations by local artisans.
- Create an immersive experience for attendees to try their hand at pottery.

11. Theva Heritage Trail:
- Develop a guided tour through Pratapgarh showcasing Theva art installations.
- Provide insights into the techniques, history, and cultural significance of this intricate craft.

12. Marori and Charkwan Folk Dance Performance:
- Choreograph a folk dance performance that incorporates the vibrant elements of marori and charkwan embroidery on the costumes.
- Use dance as a medium to tell the story of this craft.

13. Koftagiri - Curate a Traveling Exhibition:
- Curate a traveling exhibition showcasing both historical and contemporary koftagiri pieces.
- Collaborate with Railways for transport and accessibility.

14. Katputli Puppetry Festival - Collaborate with International Puppeteers:
- Organize a puppetry festival featuring performances by local katputli artists.
- Include interactive workshops where participants can create their own puppet characters and international collaboration to make it a media event.

15. Kundan and Meenakari Jewelry - Collaborate with Design Institutes:
- Collaborate with design institutes to sponsor module development for students.
- Provide insights into the symbolism and cultural significance of these crafts.

16. Pichwai Design - Sponsor Celebrity Designers:
- Sponsor celebrity designers from India and abroad to become brand ambassadors for Pichwai art.
- They can create and showcase unique designs inspired by Pichwai in high-profile events.

17. Phad Paintings - Sponsor Education Companies:
- Sponsor an education company to develop Teaching-Learning Materials (TLM) for school education systems.
- These materials will use Phad paintings as visual aids to enhance the learning experience.

18. Usta Kala - Usta Kala Glass Painting:
- Forge tie-ups with national and international interior design companies.
- Promote Usta Kala through their creations, encouraging the use of Usta Kala glass paintings in interior designs.

Implementation:
- Each activity-based model will require dedicated teams responsible for planning, execution, and promotion.
- Collaboration with local artisans, tourist destinations, and educational institutions will be essential.
- Use a mix of online and offline platforms to reach a wider audience.

- Evaluation and feedback mechanisms will be in place to gauge the effectiveness of each model.

These activity-based awareness models are designed to bring Rajasthan's craft heritage to life and foster a deeper appreciation for these traditional arts among the community, tourists, and artisans.

9.3.6.5 Expected Impact

The implementation of this intervention, which focuses on promoting traditional craft forms in Rajasthan through short films and an online platform, is expected to have several significant outcomes:

1. Preservation of Cultural Heritage:
- The initiative will contribute to the preservation and promotion of 18 traditional craft forms, safeguarding India's rich cultural heritage.
- By showcasing the history and techniques of these crafts, it will raise awareness about their cultural significance, helping to pass down these traditions to future generations.

2. Empowerment of Artisans:
- Collaborating with artisans and craft communities will provide them with exposure and recognition, potentially increasing their income and livelihoods.
- Sharing artisans' personal stories will humanize their craft, fostering empathy and support from the wider public.

3. Educational Resource:
- The initiative will serve as a valuable educational resource for students, researchers, and enthusiasts interested in traditional crafts, history, and culture.
- It will enhance people's understanding of the complexities and skills involved in these crafts.

4. Global Outreach:
- Integration with Google Arts and Culture will provide a global platform, reaching a diverse and international audience.
- Multilingual support and subtitles will make the content accessible to a wider range of viewers.

5. Tourism Promotion:
- Highlighting craft forms in Rajasthan can boost cultural tourism in the region, attracting tourists interested in experiencing the crafts firsthand.
- The virtual craft workshops and interactive galleries can serve as a preview for potential tourists.

9.3.6.6 Project Costing

Table 79: Project Costing for Khamma Ghani Intervention

Activity	Nos	Units	Per Unit Cost	Total Cost (INR)	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Khamma Ghani - Crafted in Rajasthan	18	Videos	10,00,000.00	1,80,00,000.00	1.80	0	0.40	0.50	0.50	0.40

9.4 Awareness

Rajasthan, a state known for its rich cultural heritage and vibrant economy, is no exception when it comes to fostering the growth of MSMEs. However, despite a multitude of well-intentioned government schemes, there exists a glaring issue - a lack of awareness among the very enterprises these schemes aim to support.

The success of any government program or scheme hinges on two critical factors: reach and awareness. While the government may design and implement schemes with the best intentions, their impact remains limited if the intended beneficiaries are unaware of their existence or the benefits they can avail. This challenge is not unique to Rajasthan but resonates across the nation. In Rajasthan, as in many other states, numerous MSMEs remain in the dark about the support they could receive, and as a result, remain excluded from the benefits they deserve.

Mukhyamantri Laghu Vanijyik Vahan Swarojgar Yojana

2.80%
16.32%
80.88%

■ Used   ■ Aware but not Used   ■ Not Aware

Mukhyemantri Laghu Udhyog Protashahan Yojana

6.38%
28.26%
65.36%

■ Used   ■ Aware but not Used   ■ Not Aware

PMEGP

3.26%

22.95%

73.79%
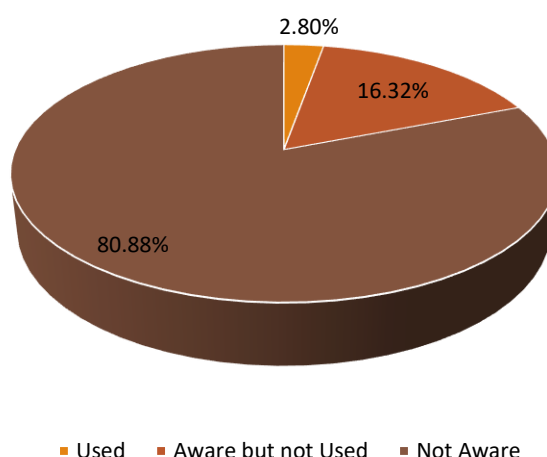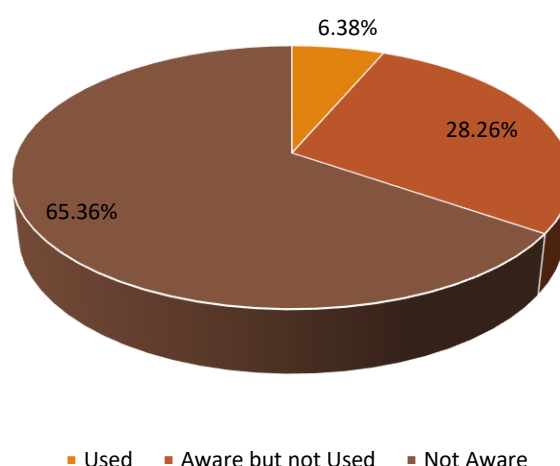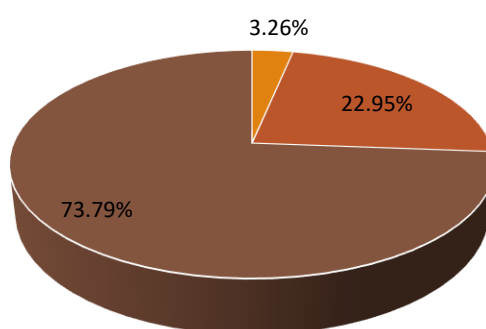
■ Used   ■ Aware but not Used   ■ Not Aware

Dr. Bhimrao Ambedkar Rajasthan Dalit Aadiwasi Udhyam Protasahan Yojana

0.96% 9.32%

89.72%
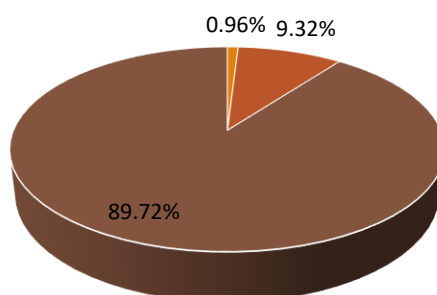
■ Used   ■ Aware but not Used   ■ Not Aware

CGTMSE

4.88%

19.36%

75.76%
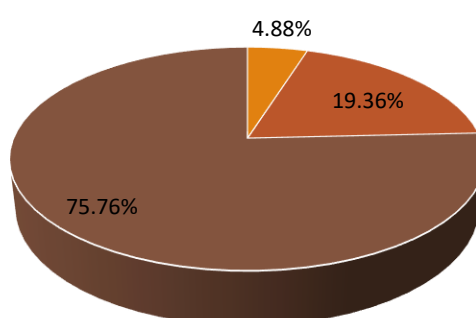
■ Used   ■ Aware but not Used   ■ Not Aware

Integrated Cluster Development Programme

0.53% 3.86%

95.61%

■ Used   ■ Aware but not Used   ■ Not Aware

MSE-CDP

0.00%   2.96%

97.04%

■ Used   ■ Aware but not Used   ■ Not Aware
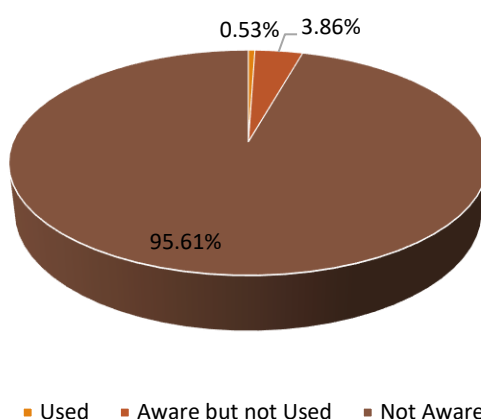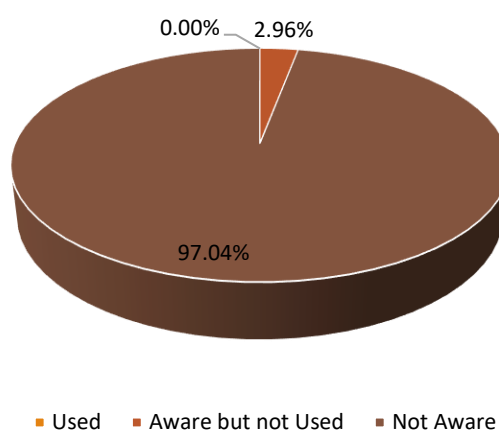
The following is the data compiled from the on ground survey conducted in Rajasthan. The data presents a compelling snapshot of the awareness levels among MSMEs in Rajasthan regarding key government schemes:

► **Mukhyamantri Laghu Vanijyik Vahan Swarojgar Yojana:** A mere 2.80% of MSMEs are actively utilizing this scheme, while a substantial 16.32% are aware but have not yet tapped into its potential. Astonishingly, a staggering 80.88% remain in the dark, missing out on a promising opportunity.

► **Mukhyamantri Laghu Udhyog Protashahan Yojana:** This scheme fares slightly better, with 6.38% of MSMEs actively benefiting from it. Yet, the fact that 28.26% are aware but remain hesitant to dive in is a clear indication of the need for more targeted awareness campaigns. A significant 65.36% still remain unaware.

► **PMEGP (Prime Minister's Employment Generation Programme):** With 3.26% actively utilizing PMEGP, there's a substantial 22.95% of MSMEs who are aware but have not capitalized on this opportunity. The largest chunk, at 73.79%, continues to operate in the shadows.

► **Dr. Bhimrao Ambedkar Rajasthan Dalit Aadiwasi Udhyam Protasahan Yojana:** Only 0.96% of MSMEs are availing themselves of this scheme, while 9.32% know about it but have not yet made the leap. An overwhelming 89.72% remain unaware, highlighting a critical gap in outreach.

► **CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises):** A modest 4.88% of MSMEs have tapped into this scheme, with 19.36% aware but not utilizing it. A substantial 75.76% continue to operate without the safety net it provides.

► **Integrated Cluster Development Programme:** This scheme sees the lowest active participation, with a mere 0.53% of MSMEs benefiting. Though 3.86% are aware, a whopping 95.61% remain oblivious to the potential transformations it can bring to their enterprises.

► **MSE-CDP (Micro and Small Enterprises - Cluster Development Programme):** Although the data indicates no active users, a small fraction of 2.96% are aware, while a significant 97.04% are yet to discover its benefits.

These statistics serve as a wake-up call for policymakers, industry associations, and stakeholders involved in the MSME sector in Rajasthan. It is evident that while awareness exists to varying degrees, a significant portion of MSMEs is yet to embrace the opportunities these schemes offer. Bridging this awareness gap is not just a matter of convenience; it's a strategic imperative for the state's economic growth.

9.4.1 Alignment of Project of the state with respect to RAMP Programme Objectives

DLI 3 focuses on the augmentation of the efficacy of firm capabilities schemes, while DLI 5 emphasizes the enhancement of the effectiveness of CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises) and GG (Green Guarantee) delivery schemes. A key hurdle hindering the successful implementation of these schemes lies in the fact that a substantial majority of Micro, Small, and Medium Enterprises (MSMEs) operating in the state of Rajasthan remain unaware of these programs. Consequently, they do not take advantage of these beneficial initiatives.

9.4.1.1 Problem Statement

The data from on-ground survey in Rajasthan reveals a concerning lack of awareness among Micro, Small, and Medium Enterprises (MSMEs) about crucial government schemes aimed at fostering their growth and development. These schemes encompass a wide range of benefits, yet a substantial majority of MSMEs remain uninformed and, consequently, fail to utilize them effectively. This glaring awareness gap poses a significant challenge for policymakers, industry associations, and stakeholders involved in the MSME sector in Rajasthan, hindering the state's economic growth potential. The problem at hand is how to bridge this substantial awareness gap and ensure that MSMEs are well-informed and can make informed decisions to tap into the opportunities these schemes offer.

9.4.2 Digital Awareness Campaigns

9.4.2.1 Design Concept of the Proposal

The aim of this proposal is to address the critical issue of low awareness among Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan regarding key government schemes designed for their growth and development. To bridge this awareness gap and empower MSMEs, we propose a comprehensive digital awareness campaign supported by innovative strategies and tools.

Campaign Elements:
► **Digital Marketing Agency Partnership:**
- We will collaborate with a reputable digital marketing agency to design and execute the awareness campaign.
- The agency will employ a mix of traditional and cutting-edge marketing solutions to reach a wide audience.

► **Multi-Channel Approach:**
- The campaign will encompass various channels, including billboards at strategic locations, Facebook and online campaigns, and push messages.
- By leveraging both traditional and new-age marketing, we ensure maximum outreach.

► **Push Message System for UDYAM Registered MSMEs:**
- We will establish a push message system to regularly update and inform UDYAM registered MSMEs.
- Messages will be sent via WhatsApp and regular messaging platforms to reach MSMEs directly.

► **MSME Rajasthan Sathi Application:**
- We will launch a dedicated mobile application called "MSME Rajasthan Sathi."
- This app will serve as a one-stop resource for MSMEs, providing information on various government schemes and initiatives.

► **YouTube Channel for Daily Live Content:**
- A YouTube channel tailored to MSMEs will be established.
- The channel will feature daily live sessions where MSMEs can interact with industry experts and government officials.
- Topics will cover scheme details, business strategies, and problem-solving.

9.4.2.2 Approach and Methodology

The following section explains the approach and methodology for implementation of the intervention proposed.

9.4.2.2.1 Approach
► **Digital Marketing Agency Partnership:**
- A reputable digital marketing agency known for its expertise in reaching and engaging target audiences will be engaged.
- The agency will work closely with the SPIU team to tailor marketing strategies that blend traditional and digital methods for maximum impact.

► **Multi-Channel Deployment:**
- Billboards at strategic locations, online campaigns, social media, and push messages will be synchronized to create a unified and compelling message.

- This multi-channel approach will ensure that our message reaches MSMEs across various touchpoints.

► **Push Message System:**
  - A robust push message system will be set up, targeting UDYAM registered MSMEs.
  - Regular updates and important information will be disseminated via WhatsApp and text messages to keep MSMEs informed.

► **MSME Rajasthan Sathi Application:**
  - The development and launch of the "MSME Rajasthan Sathi" application will be done as a crucial milestone.
  - The app will be user-friendly and packed with valuable resources, ensuring easy access to scheme details and application procedures.

► **YouTube Channel Creation:**
  - The YouTube channel dedicated to MSMEs will be created with a well-defined content strategy.
  - Industry experts and government officials will be onboarded to participate in live sessions.

9.4.2.2.2 Methodology

► **Coordination and Collaboration:**
  o Close collaboration with government agencies, industry associations, and stakeholders will be maintained throughout the implementation process.
  o Alignment and synergy will be ensured through regular coordination meetings.

► **Continuous Feedback Loop:**
  o Feedback mechanism will be established to collect input and insights from MSMEs.
  o Our strategies will be fine-tuned based on real-time feedback through this iterative approach.

► **Scalability and Sustainability:**
  o The methodology will be designed with scalability in mind, allowing for the expansion of the campaign's reach and impact over time.
  o Long-term benefits for MSMEs will be maintained through a core consideration of sustainability.

The approach and methodology for implementing this awareness campaign will be grounded in careful planning, strategic partnerships, and a commitment to empowering MSMEs in Rajasthan. Through this concerted effort, we anticipate making a significant difference in increasing awareness and participation in government schemes, ultimately driving economic growth and prosperity for the state.

9.4.2.3 Timelines

Table 80: Implementation plan for the Intervention of Digital Awareness Campaigns for MSMEs in Rajasthan

Activity	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Hiring of a Digital Agency for designing and implementing the campaign					
Application for MSMEs					
Launching a YouTube Channel with daily content					
Daily Evening One Hour Show with Industry/Govt Experts					

Timeline of the Interventions

9.4.2.4 Innovative Technology towards Project Implementation

The successful implementation of the proposed intervention will heavily leverage various cutting-edge technologies to reach and engage Micro, Small, and Medium Enterprises (MSMEs) effectively. Here's an overview of the technology-driven components integral to this initiative:

► **Push Messages via WhatsApp and Regular Messaging:**
  - We will harness the power of instant messaging platforms like WhatsApp and regular messaging services.
  - Push messages will be strategically designed and sent to the mobile devices of UDYAM registered MSMEs. This real-time communication ensures that crucial updates and information are delivered promptly.

► **"MSME Rajasthan Sathi" Mobile Application:**
  - The cornerstone of our technological strategy is the development of the "MSME Rajasthan Sathi" mobile application.
  - This user-friendly app will serve as a centralized hub of information on government schemes and initiatives for MSMEs. Users can access scheme details, application procedures, and important updates effortlessly.

► **YouTube Channel with Daily Content:**
  - To foster direct engagement and knowledge-sharing, we will launch a dedicated YouTube channel.
  - This channel will feature daily live content where MSMEs can interact with industry experts and government officials in real-time. It will be a valuable resource for staying updated and seeking expert guidance.

► **Data Analytics and Feedback Mechanism:**
  - We will employ data analytics tools to track the effectiveness of our campaigns and app usage.
  - A feedback mechanism will be integrated into the app, enabling MSMEs to provide input and share their experiences, helping us continuously improve our offerings.

Incorporating these technological advancements into our strategy will not only bridge the awareness gap but also empower MSMEs with the tools they need to make informed

decisions and harness the full potential of government schemes. It reflects our commitment to using technology as an enabler for the socio-economic growth of Rajasthan's MSME sector.

9.4.2.5 Expected Impact

The proposed initiative holds the potential to bring about a transformative impact on Rajasthan's Micro, Small, and Medium Enterprises (MSMEs). With a strategic blend of technology, information dissemination, and expert engagement, we anticipate the following significant outcomes:

► **Application Adoption by 5 Lakh MSMEs:**
- Our goal is to ensure that a substantial portion of Rajasthan's MSME community actively embraces the "MSME Rajasthan Sathi" mobile application.
- We anticipate that at least 5 lakh MSMEs will recognize the value of this resource and make it an integral part of their daily operations.

► **Enhanced Access to Information:**
- MSMEs across Rajasthan will gain seamless access to a wealth of information regarding government schemes and initiatives.
- The application will serve as a comprehensive repository of scheme details, application procedures, and updates, empowering MSMEs with knowledge.

► **Increased Application for Government MSME Schemes:**
- A key metric of success will be the noticeable surge in the number of MSMEs applying for government schemes.
- As MSMEs become more informed and aware of the opportunities available, we expect a significant uptick in applications, driving economic growth.

► **Empowerment through Expert Connect:**
- The daily live content on the dedicated YouTube channel will enable direct engagement with industry experts and government officials.
- MSMEs will have a platform to seek guidance, address queries, and gain insights, fostering empowerment and informed decision-making.

9.4.2.6 Project Costing

Table 81: Project Costing of Digital Awareness Campaign Intervention

Activity	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Hiring of a Digital Agency for designing and implementing the campaign	1	Lumpsum	2,00,00,000.00	2.00	0.10	0.50	0.50	0.50	0.40
Application for MSMEs	1	Lumpsum	1,00,00,000.00	1.00	0.05	0.25	0.25	0.25	0.20
Launching a YouTube Channel with daily content	1	Lumpsum	2,00,00,000.00	2.00	0.10	0.50	0.50	0.50	0.40
Daily Evening One Hour Show with Industry/Govt Experts	1020	Daily Shows	2000	0.20	0.01	0.048	0.048	0.048	0.048

9.4.3 Physical Awareness Campaigns

9.4.3.1 Design Concept of the Proposal

In addition to the digital awareness campaigns, we recognize the importance of direct engagement with Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan. Through these physical awareness campaigns, we aim to create a lasting impact by reaching out to 2.5 lakh MSMEs over the next four years. This multifaceted initiative will involve informative workshops tailored to empower MSMEs with insights into government schemes and the diverse array of platforms available to them.

► Targeted workshops will be strategically conducted across Rajasthan, with a focus on key industrial clusters. These workshops will serve as platforms for the dissemination of information about government schemes, eligibility criteria, and the application process. They will be designed to be interactive, enabling MSMEs to seek clarifications and guidance.

► The central theme of the workshops will be the raising of awareness about various government schemes designed to benefit MSMEs. In-depth insights into the nuances of each scheme will be provided, with a focus on emphasizing the tangible benefits that MSMEs can derive from their participation.

► MSMEs will be introduced to crucial platforms such as TReDS (Trade Receivables Discounting System), GeM (Government e-Marketplace), ONDC (Open Network for Digital Commerce), OCEN (Open Credit Enablement Network), and others. Hands-on demonstrations will be provided to ensure that MSMEs become well-acquainted with these platforms and can effectively leverage them for business growth.

► Alongside workshops, informative materials, brochures, and guides will be distributed to MSMEs for future reference. These materials will serve as knowledge resources and will reinforce the concepts presented during the workshops.

9.4.3.2 Approach and Methodology

The implementation of our holistic intervention, combining both digital and physical awareness campaigns, will follow a meticulously planned approach and methodology. This multifaceted strategy is designed to empower and engage Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan effectively.

► **Engagement with Expertise:**
   o Collaboration with industry experts, government officials, and experienced trainers will be done, who will play pivotal roles in our awareness campaigns.
   o Their expertise will be instrumental in designing informative workshops and delivering high-impact content during our physical campaigns.

► **Workshop Customization:**
   o Workshops will be tailored to the unique requirements of different industrial clusters within Rajasthan.
   o This customization will ensure that MSMEs receive information that directly pertains to their sectors and business needs.

► **Strategic Workshop Rollout:**
  o Over the next four years, the workshops will be systematically conducted across Rajasthan.
  o These workshops will be strategically timed and located to maximize their reach and impact.

► **Scheme Awareness Sessions:**
  o Each workshop will include dedicated sessions to raise awareness about government schemes available to MSMEs.
  o Experts will provide in-depth insights, and participants will have the opportunity to clarify doubts and seek guidance.

► **Platform Familiarization:**
  o Hands-on demonstrations and practical training will be integral components of our workshops, ensuring that MSMEs become proficient in utilizing platforms such as TReDS, GeM, ONDC, OCEN, and more.

9.4.3.3 Timelines

Table 82: Timelines for Physical Awareness Campaigns

Activity	Nos	Units	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Physical Campaigns on Govt Schemes, GeM, E-Commerce, TReDS etc	100000	MSMEs	5000	25000	25000	25000	20000

9.4.3.4 Expected Impact

Over 1 lakh MSMEs in Rajasthan will be empowered with comprehensive knowledge of government schemes and digital platforms. This initiative will lead to an **increased participation of MSMEs in government schemes**, resulting in economic growth and job creation. Improved access to digital platforms will be experienced by MSMEs, fostering business efficiency and competitiveness. Strengthened relationships between MSMEs, government agencies, and industry experts will create a supportive ecosystem for sustainable growth.

9.4.3.5 Project Costing

Table 83: Project Costing for Physical Awareness Campaigns

Activity	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Physical Campaigns on Govt Schemes, GeM, E-Commerce, TReDS etc	2000	Campaigns	75000	15.00	0.75	3.75	3.75	3.75	3.00

9.5 Access to Finance

Access to finance in Rajasthan for the Micro, Small, and Medium Enterprises (MSMEs) sector presents a complex landscape characterized by a historical reliance on traditional forms of lending and significant challenges in transitioning to formal sector financing. The state's MSME ecosystem has long depended on peer lending and informal sector lending, which have been deeply ingrained in the Marwadi community's financial practices for generations. However, despite this reliance on informal sources of credit, there remains a pressing need to access formal financing channels.

Challenges in Access to Finance:

First preference to avail credit to address immediate credit needs

| Category	Percentage
Self Sufficient	7.66%
Non-Banking Financial Companies	8.32%
Small Finance Banks	18.62%
Commercial Banks	11.86%
Cooperative Banks	17.66%
Informal credit market (private…	12.68%
Peer Lending	23.20%
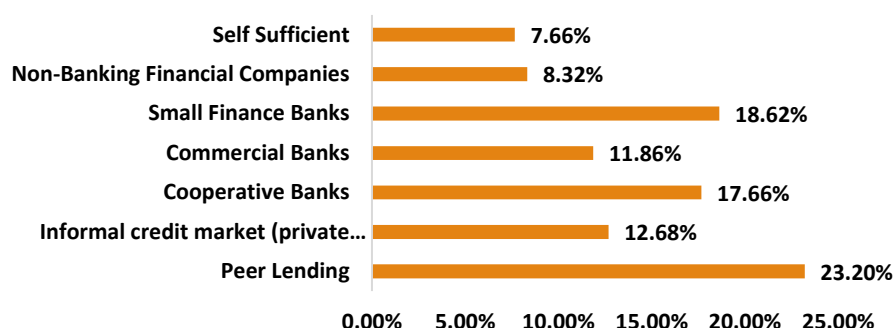
Figure 58: Preference to avail credit

► **Overreliance on Peer and Informal Lending:** The survey data shows that a significant portion of MSMEs in Rajasthan rely on peer lending (23.20%) and informal credit markets, often from private money lenders (12.68%). While these forms of financing have played a crucial role in sustaining many businesses, they often come with high-interest rates and lack the protections and benefits of formal sector financing.

Schemes Availed

| Scheme	Percentage
No Schemes Availed	89.04%
Dr. Bhimrao Ambedkar Rajasthan Dalit Aadiwasi Udhyam Protasahan Yojana	1.88%
Mukhyamantri Laghu Vaanijiyik Vahan Swarojgar Yojana	2.86%
MLUPY	5.33%
PMEGP	0.89%
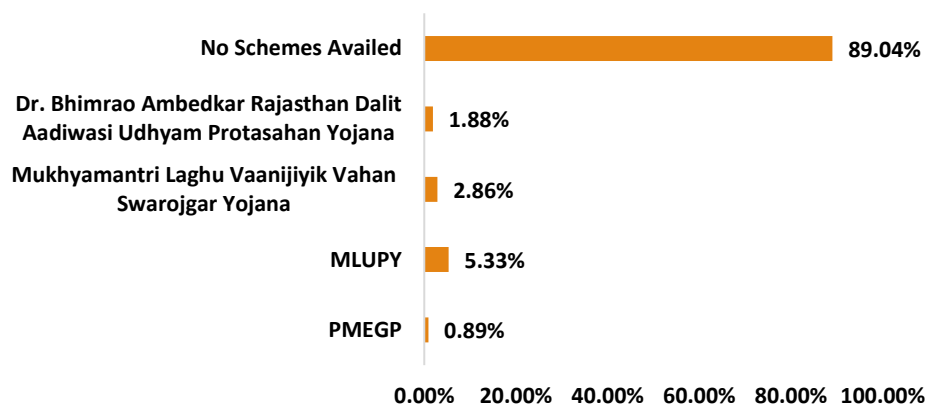
Figure 59: MSMEs availing schemes in Rajasthan

▶ **Limited Awareness of Government Schemes:** The survey also highlights a substantial lack of awareness among MSMEs regarding government schemes designed to promote access to finance. For instance, the utilization rates of schemes like PMEGP (0.89%), MLUPY (5.33%), and Mukhyamantri Laghu Vaanijiyik Vahan Swarojgar Yojana (2.86%) remain dismally low. This indicates a major communication gap between government agencies and the MSME sector.

▶ **High Demand vs. Low Disbursement:** Another challenge is the mismatch between the demand for formal sector financing and the actual disbursed amounts. Many government and private sector schemes have high numbers of applications but relatively low disbursement rates. This suggests that while MSMEs are keen to access formal financing, bureaucratic hurdles or limited resources may hinder the allocation of funds.

9.5.1 Alignment of Project of the state with respect to RAMP Programme Objectives

In accordance with the RAMP Implementation Manual's DLI 5, the focus lies on bolstering the efficiency of the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and the Green Guarantee (GG) Loan delivery systems. The proposed interventions aim to expand the volume of loans covered by CGTMSE guarantees while simultaneously promoting increased uptake of Green Guarantee Loans within the CGTMSE framework.

9.5.2 Problem Statement

Rajasthan, while being one of the prominent states in India, is facing significant challenges in terms of the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) guarantees against the number of MSMEs registered on the UDYAM portal. The data shows that Rajasthan lags behind several other states in this regard, including Uttar Pradesh, Madhya Pradesh, Andhra Pradesh, and Jammu & Kashmir. This discrepancy raises concerns about the state's ability to effectively support and promote its MSME sector.

Table 84: Number of CGTMSE Guarantees against UDYAM Registrations[63]

Sr. No.	States / UTs (Union Territories)	Number of Guarantees against the UDYAM Registrations
1	UTTAR PRADESH	0.05
2	MADHYA PRADESH	0.07
3	MAHARASHTRA	0.02
4	ANDHRA PRADESH	0.08
5	TAMIL NADU	0.02
6	KARNATAKA	0.04
7	RAJASTHAN	0.03
8	JAMMU & KASHMIR	0.12
9	WEST BENGAL	0.05
10	GUJARAT	0.02

---

[63] CGTMSE Guarantees FY 2021-22

► **Low Utilization of CGTMSE Guarantees**: The fact that Rajasthan's CGTMSE guarantees are relatively low compared to the number of MSMEs registered on the UDYAM portal suggests that there is a significant underutilization of this crucial financial support mechanism. MSMEs in the state may not be fully leveraging the benefits offered by CGTMSE, including collateral-free credit facilities, due to various reasons.

► **Challenges in Accessing Formal Credit**: Rajasthan's MSMEs may face challenges in accessing formal credit channels. They might still rely heavily on informal lending sources, which can limit their ability to expand and grow. The gap between the number of guarantees and actual disbursements indicates that while there might be interest in formal sector lending, the application-to-disbursement process may be posing hurdles.

► **Lack of Awareness and Outreach**: One of the primary reasons for this discrepancy could be the lack of awareness among Rajasthan's MSMEs about the CGTMSE and other available credit guarantee schemes. Many entrepreneurs might not even be aware that such schemes exist, let alone how to navigate the application process.

► **Need for Capacity Building**: The state of Rajasthan needs to focus on capacity building initiatives that help MSMEs understand the benefits of formal sector lending, the role of CGTMSE, and how to access these schemes. This involves conducting awareness campaigns, workshops, and training programs to educate entrepreneurs about the financial opportunities and support available to them.

Problem Statement 1 - Addressing the need to enhance CGTMSE effectiveness and stimulate Green Guarantee Loan adoption within the framework.

Small and Medium Enterprises (SMEs) play a pivotal role in any economy, contributing significantly to employment generation, innovation, and economic growth. Access to finance is crucial for the sustenance and expansion of SMEs. While traditional loan products, often backed by schemes like the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), are readily available, a notable issue persists - SMEs predominantly rely on loans due to a lack of awareness and understanding of alternate financial mechanisms.
The Current Scenario:

► **Loan-Centric Approach:** SMEs typically opt for loans from banks and financial institutions as their primary source of financing. While loans offer liquidity, they also come with certain limitations, such as the burden of repayments and interest costs.

► **Underutilization of Alternatives:** Alternate financial mechanisms, including SME exchanges, venture capital, angel investors, and crowdfunding platforms, remain underutilized by MSMEs. These options offer advantages like equity financing, access to a broader investor base, and potentially lower financial stress.

Problem Statement 2 - Despite the presence of diverse financing options beyond traditional loans, SMEs continue to underutilize alternate financial mechanisms due to a lack of awareness and knowledge. To unlock the full potential of these avenues and promote the growth of SMEs, there is an urgent need to address this knowledge gap and foster an environment where SMEs can confidently explore and access a wider range of financial resources.

9.5.3 Design Concept of the Proposal

I. Increasing CGTMSE Guarantees:

Objective: To increase the number of guarantees issued under CGTMSE for loans under 10 Lakhs Rupees in Rajasthan.

Table 85: Average Loan Size covered under CGTMSE in Rajasthan

Fiscal Year	No of Guarantees	Amount Approved (in Crore)	Avereage Loan Size (In Lakhs)
2021-22	38622	2553	6.61
2020-21	32883	1440.58	4.38
2019-20	41289	1997.82	4.83

► **Awareness Campaigns:**
- Develop and implement a comprehensive awareness campaign targeting MSMEs across Rajasthan. This campaign will focus on educating SMEs about the benefits and process of obtaining CGTMSE guarantees.
- Collaborate with local industry associations, financial institutions, and government bodies to reach a wider audience.
- Utilize various communication channels, including social media, workshops, and seminars.

► **Premium Subsidy for First Year:**
- To incentivize MSMEs to opt for CGTMSE guarantees, introduce a premium subsidy for the first year of coverage for loans up to INR 50 Lakhs and upto INR 50,000 or 50% of the premium cost reimbursement for loans over INR 50 Lakhs.
- The subsidy will be a percentage of the CGTMSE premium, reducing the financial burden on SMEs during their initial year of CGTMSE coverage.
- The subsidy can be funded through a government allocation or partnership with financial institutions.

II. 1% extra interest subsidy for women enterprises on financial schemes in Rajasthan

Objective: Empower and support women-led Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan by offering an additional 1% interest subsidy on financial schemes, aiming to enhance their access to affordable credit and promote business growth.

Key Components:
1. Identification and Categorization:
   - Collaborate with financial institutions, industry associations, and government databases to identify and categorize women-owned MSMEs in Rajasthan.

2. Policy Formulation:
   - Develop a comprehensive policy framework outlining the provision of a 1% interest subsidy on various financial schemes specifically for women-led MSMEs, ensuring legal compliance and feasibility.

3. **Partnerships and Awareness Campaigns:**
   - Partner with banks, non-banking financial institutions, and relevant stakeholders to implement the subsidy program.
   - Conduct extensive awareness campaigns to inform and educate women entrepreneurs about the availability and benefits of the interest subsidy.

4. **Eligibility Criteria and Application Process:**
   - Define clear eligibility criteria for women-owned MSMEs to qualify for the interest subsidy, making the application process straightforward and accessible.

III. Promoting SME Exchange Listings:

Objective: To facilitate the listing of at leas SMEs on the SME Exchange in Rajasthan within the next four years.

► **Handholding Support:**
   - Establish a dedicated team to provide personalized assistance to SMEs interested in listing on the SME Exchange.
   - This support team will guide SMEs through the listing process, from initial application to post-listing compliance.
   - Offer training and workshops on compliance, investor relations, and financial reporting.

► **Cost Subsidization:**
   - Subsidize the costs associated with listing on the SME Exchange for eligible SMEs.
   - This subsidy can cover application fees, advisory fees, and other expenses related to the listing process.
   - The subsidy will make it more financially viable for SMEs to explore this financing avenue.

9.5.4 Approach and Methodology

9.5.4.1 Implementation of CGTMSE Guarantee Enhancement

To facilitate an increase in the number of CGTMSE guarantees in Rajasthan, a dedicated fund will be created under the RAMP (Rajasthan Atmanirbhar Micro, Small, and Medium Enterprises) implementation. The approach involves streamlining the application process, rigorous document scrutiny, and providing subsidies directly to eligible MSMEs.

I. Fund Establishment:
1. **Legal Framework:**
   - A clear legal framework will be established defining the fund's purpose, operation, and governance.
   - Ensuring the compliance with financial regulations and reporting requirements.

II. Integrated Portal and Application Process:
1. **Portal Development:**

- User-friendly integrated online portal on the Rajasthan Industry Department website will be developed.
- The portal would include detailed information on the CGTMSE guarantee process and subsidy provisions.

2. **Application Submission:**
   - MSMEs seeking CGTMSE guarantees base premium reimbursement will apply through the integrated portal.
   - An easy-to-follow application form will be designed, including mandatory document uploads and declaration sections.

III. Document Scrutiny and Verification:

1. **Document Collection:**
   - MSMEs will submit their loan application documents and CGTMSE guarantee request through the portal.
   - Comprehensive document collection, including business plans, financial statements, loan details, and previous loan repayment records will be ensured.

2. **Scrutiny Team:**
   - A dedicated team will be established which would be responsible for document scrutiny and verification.
   - The authenticity of submitted documents will be verified by the team ensuring compliance with CGTMSE guidelines.

IV. Subsidy Disbursement:

1. **Approval Process:**
   - Eligible MSMEs' applications will be reviewed and approved by the scrutiny team.
   - Applications meeting the criteria will proceed to the subsidy disbursement stage.
2. **Direct Bank Transfer:**
   - Establish a direct bank transfer system to reimburse the approved subsidy amount into the bank accounts of eligible MSMEs.
   - Ensure secure and transparent financial transactions.
3. **Subsidy Monitoring:**
   - Implement a tracking mechanism to monitor subsidy disbursements, ensuring compliance with budget allocations.

V. Reporting and Evaluation:

1. **Regular Reporting:**
   - Generate periodic reports on the number of applications received, approvals, subsidy amounts disbursed, and the impact on MSMEs.

9.5.4.2 1% extra interest subsidy for women MSMEs

I. Understanding and Identification

Identification of Women-Led Enterprises: Collaborate with banks, financial institutions, and MSME associations to identify and categorize women-led enterprises in Rajasthan.

II. Policy Formulation

Policy Development: Draft and implement a policy outlining the provision of an additional 1% interest subsidy on financial schemes exclusively for women-owned MSMEs.

Legal Framework: Establish a legal framework for the implementation of the subsidy, ensuring compliance and legitimacy.

III. Collaboration and Tie-ups

Tie-ups with Financial Institutions: Partner with banks and financial institutions to facilitate the implementation of the subsidy within their lending schemes.

Educational Campaigns: Conduct awareness campaigns to inform women entrepreneurs about the availability and benefits of the subsidy.

IV. Application and Eligibility

Eligibility Criteria: Define clear eligibility criteria for women-owned MSMEs to avail themselves of the interest subsidy, ensuring transparency and fairness.

Application Process: Simplify the application process for accessing the subsidy, making it easily understandable and accessible to potential beneficiaries.

V. Dissemination and Access

Information Dissemination: Create a platform or resource center where women entrepreneurs can access information about various financial schemes and the associated interest subsidies.

Access Support: Offer assistance to interested women entrepreneurs in understanding and navigating the financial landscape to benefit from the scheme.

VI. Monitoring and Evaluation

Tracking Mechanism: Implement a monitoring mechanism to track the utilization and impact of the interest subsidy on women-led MSMEs.

Periodic Evaluation: Conduct periodic evaluations to gauge the effectiveness and reach of the subsidy scheme and make necessary adjustments.

9.5.4.3 Promoting SME Exchange Listings

► **SME Identification and Eligibility:**
- Identify SMEs with growth potential interested in listing on the SME Exchange.
- Establish eligibility criteria, including financial health, compliance record, and readiness for listing.

► **Handholding Support Team Setup:**
- Assemble a team of experts in finance, compliance, and capital markets to provide guidance to SMEs.
- Develop a comprehensive training program for the support team to ensure consistency in assistance.

► **Cost Subsidization Mechanism:**
- Define the parameters for cost subsidization, including the types of expenses covered and the extent of subsidy.
- Establishment of a clear application process for SMEs to access these subsidies.

9.5.5 Timelines

Table 86: CGTMSE Guarantees to be targeted in next 4 Years

Fiscal Year	Target Total
2024-25	50000
2025-26	60000
2026-27	72000
2027-28	86400

Table 87: Timelines for Increased CGTMSE Guarantees and Listing on SME Exchange

Activity	Nos	Units	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Subsidizing CGTMSE Base Premium Fess for loans under 10Lakhs	214720	MSMEs	-	40000	48000	57600	69120
Subsidizing CGTMSE Base Premium Fess for loans upto 50Lakhs	8052	MSMEs	-	1500	1800	2160	2592
Subsidizing CGTMSE Base Premium Fess for loans upto 10Cr	10000	MSMEs	-	1000	2000	3000	4000
Extra 1% Interest Subsidy Rebate under MLUPY for Women MSMEs	4000	MSMEs	-	1000	1000	1000	1000
Onboarding of 100 SMEs from Rajasthan on SME Exchange	40	SMEs	-	10	10	10	10

9.5.6 Expected Impact

The proposed interventions to facilitate an increase in the number of CGTMSE guarantees for loans under 10 Lakhs Rupees in Rajasthan, as well as promoting SME Exchange listings, are expected to have a significant impact on the MSME sector in the state. Here's an overview of the expected impact:

Impact of CGTMSE Guarantees for MSMEs under 50 Lakhs Rupees:

▶ **Increased Access to Credit:** By streamlining the application process and providing subsidies, more MSMEs are likely to apply for CGTMSE guarantees. This will result in increased access to credit for small and micro-enterprises, enabling them to expand their operations, invest in technology, and create more job opportunities.

▶ **Financial Inclusion:** The user-friendly online portal and simplified application process will make it easier for MSMEs, including those in remote areas, to access financial services. This will contribute to greater financial inclusion and economic development in Rajasthan.

Impact of Promoting SME Exchange Listings:

► **Capital Access:** SMEs with growth potential that list on the SME Exchange gain access to a broader pool of investors and capital. This can help them raise funds for expansion, research and development, and innovation.

► **Enhanced Visibility:** Listing on the SME Exchange enhances the visibility and credibility of SMEs. This can attract more business opportunities, partnerships, and collaborations, both domestically and internationally.

► **Market Discipline:** To qualify for listing, SMEs must meet certain eligibility criteria and comply with regulatory requirements. This encourages better financial management and corporate governance practices among listed SMEs.

► **Investor Confidence:** Establishing a handholding support team and offering cost subsidization will boost the confidence of SMEs considering listing. This, in turn, can attract more investors to the SME Exchange, fostering a healthy investment ecosystem.

9.5.7 Project Costing

Table 88: Project Costing for Interventions under Access to Finance

Activity	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Subsidizing CGTMSE Base Premium Fess for loans under 10Lakhs	214720	MSMEs	3,700.00	79.45	-	14.80	17.76	21.31	25.57
Subsidizing CGTMSE Base Premium Fess for loans upto 50Lakhs	8052	MSMEs	27,500.00	22.14	-	4.13	4.95	5.94	7.13
Subsidizing CGTMSE Base Premium Fess for loans upto 10Cr	10000	MSMEs	50,000.00	50.00	-	9.31	11.18	13.41	16.10
Extra 1% Interest Subsidy Rebate under MLUPY for Women MSMEs	4000	MSMEs	8000	3.2		0.8	0.8	0.8	0.8
Onboarding of 100 SMEs from Rajasthan on SME Exchange	40	SMEs	15,00,000.00	6.00	0.30	1.80	1.80	1.20	0.90

9.6 Capacity Building and Skill Development

Rajasthan's Micro, Small, and Medium Enterprises (MSMEs) possess inherent entrepreneurial acumen, a characteristic often associated with the Marwari community. However, a notable challenge lies in the fact that many of these enterprises do not actively engage in capacity-building workshops or pursue a structured approach to enhance their capabilities. The following data from a recent survey reinforces this critical point:

### In Last 5 Years how many Technical Workshops have you attended

7.38%   3.39%

89.23%

■ None   ■ <5   ■ More than 5
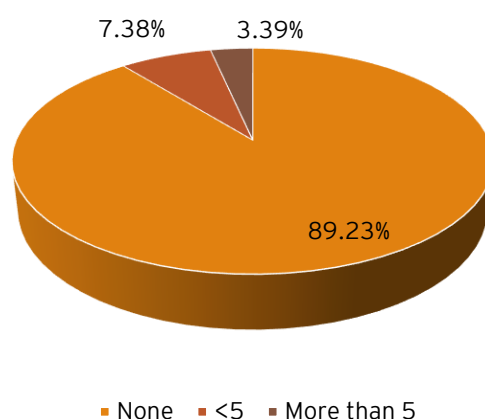
*Figure 60: In Last 5 Years how, many Technical Workshops have you attended*

Why Capacity Building is needed:

► **Enhanced Competence:** Capacity-building workshops provide an opportunity for MSMEs to enhance their technical and managerial skills. Acquiring new knowledge and competencies equips them to navigate a rapidly changing business landscape effectively.

► **Adaptability:** In today's dynamic marketplace, adaptability is key to survival. Capacity building fosters adaptability by keeping MSMEs updated on industry trends, emerging technologies, and evolving customer preferences.

► **Innovation:** Capacity-building initiatives encourage innovation. MSMEs exposed to new ideas and practices are better positioned to develop innovative products, services, and processes, which can lead to increased competitiveness.

► **Operational Efficiency:** Structured capacity-building programs can help MSMEs streamline their operations and optimize resource utilization, resulting in cost savings and improved efficiency.

► **Access to Resources:** Capacity-building workshops often provide networking opportunities, connecting MSMEs with potential partners, mentors, and sources of funding, thereby expanding their access to resources.

Another pressing challenge the MSMEs in the state of Rajasthan face it that most of its workforce is unskilled/ informally skilled. For many of these individuals, the only opportunity

for skill development can come through on-the-job training. While on-the-job training is valuable, it alone cannot bridge the gap in skills and has far-reaching consequences for both productivity and safety within the MSME sector.

Does the MSME face issue with availability of Skilled Workforce

■ Yes ■ No
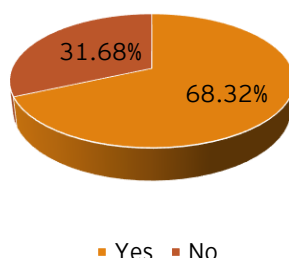
A significant majority, accounting for 68.32% of MSMEs, perceive a notable issue with the availability of a skilled workforce in Rajasthan. This perception reflects the challenges that MSMEs in the state face in sourcing skilled employees to meet their operational needs.

Where do you hire Skilled Workforce from
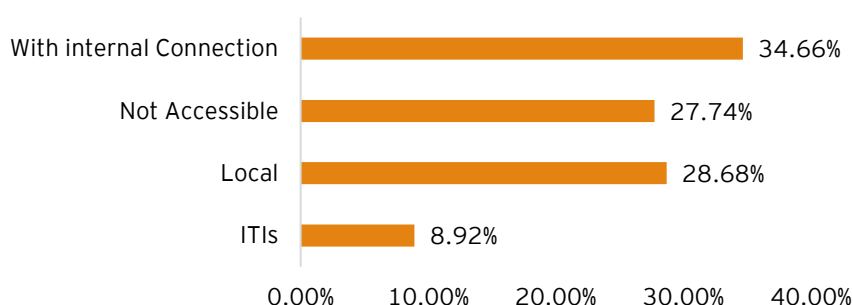
Where MSMEs Hire Skilled Workforce From:
- ► **ITIs (Industrial Training Institutes):** Approximately 8.92% of MSMEs rely on Industrial Training Institutes (ITIs) to source skilled workers. ITIs are institutions that offer technical education and training programs.

- ► **Local Talent Pool:** Nearly 28.68% of MSMEs hire skilled workers from the local talent pool, indicating a preference for individuals residing within the immediate vicinity.

- ► **Not Accessible (Limited Availability):** A substantial 27.74% of MSMEs report that they find it challenging to access skilled workers due to limited availability in their area.

- ► **Internal Connections (Referrals or Existing Employees):** A significant proportion, comprising 34.66% of MSMEs, depend on internal connections, including referrals from existing employees or their professional networks, to hire skilled workers.

These findings collectively highlight the prevalent struggle of MSMEs in Rajasthan in sourcing skilled talent. The reliance on internal connections underscores the need for broader strategies to enhance skill development and improve the accessibility of skilled workers for the MSME sector in the state. Addressing this issue is pivotal to ensuring the growth and competitiveness of Rajasthan's MSMEs in an evolving business landscape.

9.6.1 Alignment of Project of the state with respect to RAMP Programme Objectives

The proposed intervention in Capacity Building closely aligns with the **objectives outlined in DLI 3, which focuses on enhancing the effectiveness of Firm Capabilities Schemes.** This multifaceted intervention encompasses various components aimed at bolstering the capabilities of individuals and entities within the sector.

The intervention entails a comprehensive approach, including the targeted development of specific sector-related skills for the workforce. This will empower workers with the expertise required to excel in their respective fields. Additionally, supervisors will receive specialized training, further enhancing their ability to lead and manage effectively.

Moreover, the intervention seeks to strengthen the financial acumen of existing entrepreneurs by providing them with essential knowledge in basic financial principles. Equipping them with this vital skill set can significantly contribute to their success and sustainability.

In today's digital age, proficiency in digital tools and technologies is imperative. Therefore, the intervention will also encompass training in the use of digital tools, ensuring that participants are well-prepared to navigate and leverage digital resources effectively.

Furthermore, marketing skills will be a pivotal aspect of this initiative, enabling individuals and businesses to effectively promote their products and services in a competitive market.

Beyond skill development, the intervention includes the organization of seminars, the establishment of a knowledge Portal, and the implementation of training workshops. These elements are designed to complement and enhance the impact of the CHAMPIONS program and foster a culture of continuous learning and growth within the sector.

9.6.2 Problem Statement

9.6.2.1 Capacity Building Problem Statement

Despite their inherent potential, a substantial majority of Rajasthan's MSMEs, as evidenced by the survey data, have not actively participated in technical workshops over the past five years. This alarming lack of engagement in capacity-building activities underscores a critical issue:

Many of Rajasthan's MSMEs are operating without the essential knowledge and skills required to thrive in a competitive business environment. The absence of capacity-building efforts not only limits their growth potential but also poses a threat to their long-term sustainability.

9.6.2.2 Skill Development Problem Statement

A significant proportion of Rajasthan's workforce remains unskilled. The survey data indicates that nearly **70% of MSMEs perceive a challenge in accessing a skilled workforce.** Moreover, the sources from which MSMEs currently hire skilled workers are limited, with a considerable percentage relying on internal connections.

The shortage of skilled workers not only hampers the productivity and competitiveness of Rajasthan's MSMEs but also poses safety risks and quality concerns. Addressing the skill development gap is imperative to ensure the sector's growth and sustainability.

9.6.3 Design Concept of the Proposal

Objective: To enhance the skill sets of workmen in the MSME sector of Rajasthan by identifying skill gaps, partnering with training providers, deploying training programs, and validating skill acquisition through certification.

- ► **Selection of Cluster and Geographical Regions**
  - o Responsibility: State Project Implementation Unit (SPIU)
  - o Identify key clusters and regions within Rajasthan where MSMEs are prominent and require skill development initiatives.

- ► **Need Assessment through Occupational Mapping**
  - o Responsibility: Association/SPIU
  - o Conduct a detailed assessment to map the specific occupational skill requirements within these selected clusters and regions.

- ► **Specific Skill Gap Study**
  - o Responsibility: Association/SPIU
  - o Perform a comprehensive study focusing on the specific skill gaps identified during the assessment to ascertain the areas needing immediate attention and improvement.

- ► **Association with Training Provider**
  - o Responsibility: SPIU
  - o Form partnerships with training providers, including institutions, vocational training centers, or other relevant organizations capable of addressing the identified skill gaps.

- ► **Empanelment of Trainers/Institution**
  - o Responsibility: SPIU
  - o Select, evaluate, and empanel trainers or institutions based on their capabilities and expertise in delivering training programs aligned with the identified skill gaps.

- ► **Deployment and Training Process (On-The-Job and Institutional)**
  - o Responsibility: Training Institutions
  - o Implement training programs both on-the-job (OTJ) and through institutional training to impart necessary skills to the workmen.

- ► **Certification and Validation**
  - o Responsibility: SPIU

o Oversee the certification process to validate and authenticate the skills acquired by the workmen through the training programs.

Capacity Building:

► **Empanelment of Trainers:** The Capacity Building component will leverage trainers empanelled under the RAMP program. These trainers will bring a wealth of knowledge and expertise to the workshops, ensuring high-quality training sessions for MSMEs.

► **Infrastructure Support:** Industry associations will play a crucial role in providing the necessary infrastructure for conducting Capacity Building workshops. This includes training halls, equipment, and other logistical requirements. This collaborative effort optimizes resource utilization and promotes cost efficiency.

Knowledge Sharing and Sustainability:

► **Knowledge Portal:** To facilitate continuous learning and knowledge sharing, a dedicated Knowledge Portal will be established. This online platform will serve as a repository of resources, best practices, and insights, benefiting both MSMEs and industry associations.

► **Seminars and Workshops:** Periodic seminars and workshops will be organized under the CHAMPIONS program to further disseminate knowledge and promote a culture of innovation and growth among MSMEs.

9.6.4 Approach and Methodology

Approach and Methodology for Industry Association-led Skill Training and Capacity Building Intervention

► **Needs Assessment:**
- Conduct a comprehensive survey and analysis of the skill gaps and capacity-building requirements within the target workforce and MSMEs in the state.
- Collaborate with industry associations to identify the specific skills and competencies needed by their member MSMEs.

► **Partnering with Industry Associations:**
- Establish partnerships and Memorandums of Understanding (MOUs) with industry associations in the state, outlining roles, responsibilities, and commitments.
- Industry associations will be responsible for selecting suitable MSMEs capable of providing skill development training and employment opportunities.

► **Skill Training Program Design:**
- Develop customized skill training programs based on the identified needs, in consultation with industry associations.
- Ensure that the training modules are practical, up-to-date, and aligned with industry standards.
- Facilitate the creation of training materials and curriculum.

► **Trainer Empanelment (Capacity Building):**

- Under the RAMP programme experienced trainers with expertise in various domains relevant to MSMEs will be empanelled.
- Ensure that trainers are adequately trained and equipped to deliver effective capacity-building workshops.

► **Infrastructure and Resource Allocation:**
- Collaborate with industry associations to provide necessary infrastructure and resources for skill training and capacity-building activities, including training halls, equipment, and materials.
- Allocate budget and resources efficiently to support the program's successful implementation.

► **Participant Selection:**
- Identify the target audience for skill training programs, which may include unemployed individuals, students, or underemployed workers.
- Ensure a transparent and inclusive selection process for participants.

► **Skill Training Delivery:**
- Implement skill training programs in collaboration with selected MSMEs, ensuring a hands-on and practical learning experience.
- Monitor the progress of participants and assess their performance periodically.

► **Capacity Building Workshops:**
- Organize capacity-building workshops for MSMEs in various domains such as marketing, finance, technology adoption, and management.
- Tailor workshop content to address specific challenges and opportunities faced by MSMEs.

► **Monitoring and Evaluation:**
- Establish a robust monitoring and evaluation framework to track the effectiveness of the intervention.
- Collect data on participant outcomes, employment rates, and MSME growth indicators.
- Use feedback from industry associations, trainers, and participants to continually refine the programs.

► **Learning Infrastructure and Training Aids for DICs:**
- Technology Selection: Research, select, and procure appropriate audio-visual equipment including large monitors, projectors, sound systems, and other necessary aids.
- Space Optimization: Design the layout for seminar and workshop spaces within each DIC, considering optimal placement of equipment for effective learning and visibility.
- Installation and Setup: Deploy the chosen technology in the designated areas of each DIC, ensuring proper installation and functional setup.

By following this comprehensive approach and methodology, the proposed intervention can effectively address skill gaps, empower MSMEs, and create sustainable employment opportunities in collaboration with industry associations in the state.

9.6.5 Timelines

Table 89: Timelines for Implementation of Skill Development and Capacity Building Interventions

Activity	Nos	Units	FY 2023 -24	FY 2024- 25	FY 2025- 26	FY 2026- 27	FY 2027- 28
Sector Specific Skill Development for workmen	12800	Workmen	0	3200	3200	3200	3200
Sector Specific Skill Development for Supervisors	1000	Supervisors	0	250	250	250	250
Capacity Building of Existing Entrepreneurs	10000	MSMEs	0	2500	2500	2500	2500
Seminars (10 Seminars every Quarter)	640	Seminars	0	160	160	160	160
ZED Training Workshops	10000	MSMEs	0	2500	2500	2500	2500
LEAN Training Workshops	2500	MSMEs	0	625	625	625	625
IPR Workshops	2500	MSMEs	0	625	625	625	625

Table 90: Sector Specific Skill Development Numbers for Workforce

S.No	Sector	Workmen	Hours	Per hour training cost
1	Textile	1700	150	120
2	Apparel	1700	150	120
3	Handloom and Handicrafts	1700	150	120
4	Stone	1700	150	120
5	Wood	1350	150	120
6	Special Craft	1000	150	120
7	Food Processing	500	150	100
8	Chemicals	150	150	100
9	Tourism	1000	150	100
10	Auto	1000	150	100
11	Other Services	1000	150	120

Table 91: Sector Specific Skill Development numbers for Supervisors

S.No	Sector	Supervisors /Managers / Master Artisans	Number of Hours	Per Hour Cost
1	Textile	100	100	500
2	Apparel	250	100	500
3	Handloom and Handicrafts	50	100	500
4	Stone	50	100	500
5	Wood	50	100	500
6	Special Craft	0	100	500
7	Food Processing	50	100	500
8	Chemicals	0	100	1000
9	Tourism	150	100	1000
10	Auto	150	100	1000
11	Other Services	150	100	500

9.6.6 Expected Impact

The proposed intervention, comprising sector-specific skill development, capacity building, seminars, and workshops for MSMEs in collaboration with industry associations, is poised to have a significant and multi-faceted impact on the workforce, MSMEs, and the state's economy:

► **Enhanced Workforce Skills:**
- The training of 12,800 workmen and 1,000 supervisors in sector-specific skills will lead to a highly skilled and competent workforce.
- Workers and supervisors will acquire up-to-date skills, making them more employable and productive.

► **Strengthened MSMEs:**
- Capacity building for 10,000 MSMEs will equip entrepreneurs with essential knowledge and skills in areas such as marketing, finance, technology, and management.
- This will enhance the competitiveness and sustainability of MSMEs, potentially leading to increased revenue and job creation.

► **Knowledge Dissemination:**
- Conducting 40 seminars every quarter will disseminate valuable knowledge and insights among a wide audience.
- Entrepreneurs and industry professionals will gain access to industry best practices and market trends, fostering innovation and growth.

► **Quality and Productivity Improvement:**
- Training 10,000 MSMEs in Zero Defect Zero Effect (ZED), 5,000 in Lean methodologies, and 2,500 in Intellectual Property Rights (IPR) workshops will contribute to improved product quality, process efficiency, and innovation.
- This will lead to cost savings, reduced waste, and increased competitiveness.

9.6.7 Project Costing

Table 92: Project Costing of Skill Development and Capacity Building Interventions

Activity	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023 -24	FY 2024 -25	FY 2025 -26	FY 2026 -27	FY 2027 -28
Sector Specific Skill Development for workmen	12800	Workmen	18,000	23.04	-	5.76	5.76	5.76	5.76
Sector Specific Skill Development for Supervisors	1000	Supervisors	50000	5.00	-	1.25	1.25	1.25	1.25
Capacity Building of Existing Entrepreneurs	10000	MSMEs	30000	30.00	-	7.50	7.50	7.50	7.50
Seminars (10 Seminars every Quarter)	640	Seminars	100000	6.40	-	1.60	1.60	1.60	1.60
Training & Empanelment of Trainers	1	Lumpsum	1000000	0.10	0.10	-	-	-	-
Digital Platform including AMC	1	Lumpsum	7000000	0.70	0.50	0.05	0.05	0.05	0.05
Content Creation	1	Lumpsum	50,00,000	0.50	0.10	0.25	0.05	0.05	0.05
ZED Documentary Support for Gold and Silver	200	MSMEs	20000	0.40	-	0.10	0.10	0.10	0.10
LEAN Training Workshops	50	Workshops	100000	0.50	-	0.13	0.13	0.13	0.13
IPR Workshops	50	Workshops	100000	0.50	-	0.13	0.13	0.13	0.13
Doubling of GI Tags in Rajasthan	17	GI Tags	500000	0.85	0.10	0.25	0.3	0.20	-
DICs Institutional Capacity Building (Once Every Half Year)	1600	DICs	5000	0.8	-	0.24	0.24	0.24	0.08
Department of Industries and Commerce Capacity Building (Once every year)	5200	DoIC	7000	3.64	-	1.092	1.092	1.092	0.364
Learning Infrastructure and Training Aids	37	DICs	500000	1.85	0.90	0.95	-	-	-
				74.28	1.70	19.29	18.19	18.09	17.00

9.7 Delayed Payments

Rajasthan is home to a unique economic landscape. One notable aspect of its industrial sector is the prevalence of numerous *Micro and Small Enterprises (MSMEs)*, and not many OEMs or anchor units. While these businesses contribute significantly to the state's economy, they grapple with several challenges, chief among them being *delayed payments* and *cash flow issues*.

1. Delayed Payments:
- *Payment Evasion:* Many MSMEs in Rajasthan encounter challenges when dealing with larger companies and corporations, which sometimes delay payments or, in extreme cases, evade payments altogether. This not only hampers the MSMEs' financial stability but also erodes their trust in business relationships.
- *Lack of Legal Recourse:* Pursuing legal action to recover dues can be a lengthy and expensive process, often beyond the financial capacity of smaller enterprises. This puts them at a disadvantage, as they struggle to enforce contracts and recover their rightful payments.
- *Impact on Operations:* Delayed payments disrupt the regular operations of MSMEs, making it difficult to meet their own financial obligations, such as paying suppliers, employees, and creditors.

2. Cash Flow Issues:
- *Working Capital Crunch:* Rajasthan's MSMEs frequently face a working capital crunch due to delayed payments. This shortage of funds prevents them from investing in growth, acquiring raw materials, or adopting new technologies.
- *Reduced Competitiveness:* The inability to access sufficient working capital can erode the competitiveness of MSMEs. They might miss out on bulk orders or be unable to scale their operations to meet market demands.
- *Limited Access to Finance:* Traditional financial institutions often hesitate to provide loans or credit to MSMEs, especially those without a robust credit history or collateral. This further restricts their access to funds during cash flow crises.

### Issue of Delayed Payments
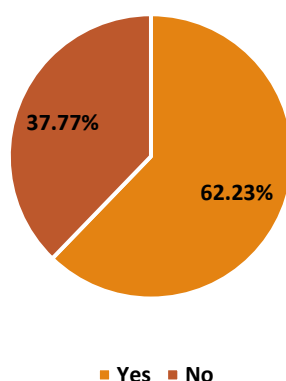
*Figure 61: Issues with Delayed Payments*
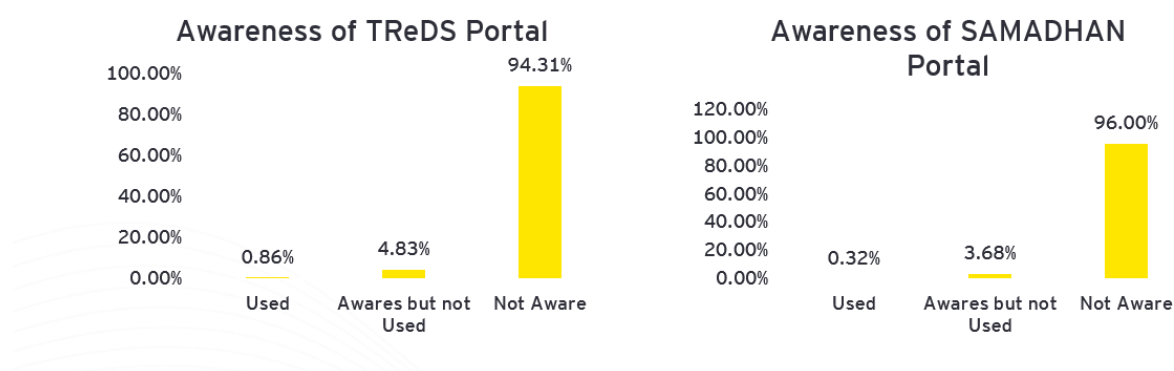
Figure 62: Awareness Regarding TReDS and SAMADHAN Platforms

The survey data from Rajasthan's Micro, Small, and Medium Enterprises (MSMEs) reveals crucial insights into the challenges faced by these businesses in the state, particularly concerning delayed payments and their awareness of government initiatives like the TReDS and SAMADHAN portals.

1. Delayed Payments:

- **High Incidence of Delayed Payments:** A staggering 62.23% of respondents reported experiencing issues related to delayed payments. This indicates that a significant majority of MSMEs in Rajasthan grapple with payment delays, which can severely impact their financial stability and operations.

- **Cash Flow Concerns:** Delayed payments can lead to cash flow problems, hindering the ability of MSMEs to invest, grow, and meet their financial obligations. This data underscores the urgent need to address this issue and protect the interests of MSMEs.

2. Awareness of Government Initiatives:

- **TReDS Portal:** A mere 0.86% of respondents reported using the TReDS (Trade Receivables Discounting System) portal, while 4.83% were aware of it but had not used it. However, a substantial 94.31% of respondents were not aware of the TReDS portal. This highlights a significant gap in awareness and utilization of a platform designed to facilitate financing and address delayed payments.

- **SAMADHAN Portal:** Similarly, only 0.32% of respondents reported using the SAMADHAN portal, with 3.68% being aware of it but not using it. An overwhelming 96.00% of respondents were not aware of the SAMADHAN portal. This data suggests a critical need for greater awareness and promotion of government initiatives aimed at resolving payment disputes.

9.7.1 Alignment of Project of the state with respect to RAMP DLIs

DLI 4 in RAMP Implementation manual talks about Strengthening the receivable financing market for MSMEs and it includes increase in MSMEs onboarded on TReDS platforms, increasing the transactions, and improving the number of Financial Institutions on these

TReDS platforms. The proposed intervention under this DLI aptly coincides with the mandate of the DLI and has been proposed keeping the same in view.

9.7.1.1 Problem Statement

The survey conducted among Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan has shed light on a critical issue plaguing the state's economic landscape—delayed payments, and a significant lack of awareness regarding essential government initiatives. These challenges have far-reaching implications for the financial health and sustainability of MSMEs in the region.

- ► **Delayed Payments:** The survey data reveals that a staggering 62.23% of MSMEs in Rajasthan grapple with delayed payments. This poses a severe threat to their cash flow, operational efficiency, and overall financial stability. The persistence of this issue undermines the growth potential of these vital economic contributors.

- ► **Lack of Awareness:** The data also indicates that a vast majority of MSMEs in Rajasthan are not aware of government initiatives designed to alleviate payment-related challenges. Specifically, 94.31% of respondents were unaware of the TReDS (Trade Receivables Discounting System) portal, while 96.00% were unaware of the SAMADHAN portal. These platforms have the potential to significantly mitigate payment issues but are underutilized due to the lack of awareness.

The convergence of delayed payments and low awareness of government initiatives presents a formidable challenge for MSMEs in Rajasthan. It hinders their ability to access timely financing, manage working capital effectively, and compete in a dynamic business environment.

Therefore, there is an urgent need to address these issues and formulate targeted interventions that enhance the receivable financing market for MSMEs in Rajasthan. These interventions should encompass strategies to expedite payments, raise awareness about government initiatives like TReDS and SAMADHAN, and empower MSMEs to navigate the financial landscape with confidence.

9.7.1.2 Design Concept of the Proposal

The proposed initiatives aim to address the critical issues of delayed payments and low awareness of government-backed financing solutions among Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan. To combat these challenges, we introduce a comprehensive design concept that encompasses two key components:

- ► **TReDS Awareness Workshops for MSMEs**
  The primary objective of this component is to empower MSMEs with knowledge about the Trade Receivables Discounting System (TReDS) platform, ensuring they are aware of its potential for availing financing

- ► **Facilitating SME-SME Transactions on TReDS**
  This component focuses on diversifying and expanding the user base of TReDS by promoting SME-SME transactions, thus creating a more robust and inclusive financing ecosystem.

9.7.1.3 Approach and Methodology

Approach and Methodology for Implementing TReDS Awareness Workshops and Facilitating SME-SME Transactions

► **TReDS Awareness Workshops for MSMEs:**
Phase 1: Pre-Workshop Preparation:
- **Stakeholder Engagement:** Collaborate with TReDS platform operators, financial institutions, industry associations, and government bodies to plan and organize the workshops.
- **Workshop Curriculum:** Develop a comprehensive workshop curriculum covering TReDS functionality, benefits, registration process, and case studies showcasing successful MSME financing through TReDS.
- **Selection of Locations:** Identify key MSME clusters, industrial areas, and trade associations across Rajasthan as workshop venues.

Phase 2: Workshop Execution:
- **Workshop Rollout:** Conduct a series of interactive workshops in selected locations, ensuring participation from a diverse range of MSMEs.
- **Resource Mobilization:** Engage financial experts, TReDS platform representatives, and experienced trainers to lead the workshops.
- **Hands-On Training:** Provide practical, hands-on training sessions, allowing MSME representatives to register on the TReDS platform and simulate financing transactions.

Phase 3: Post-Workshop Support:
- **Follow-Up and Assistance:** Offer ongoing support to MSMEs as they navigate the TReDS platform and seek financing opportunities.
- **Awareness Materials:** Distribute informative materials, user guides, and contact details for assistance.
- **Monitoring and Evaluation:** Continuously monitor the adoption rate of TReDS among MSMEs and gather feedback for further improvements.

► **Facilitating SME-SME Transactions on TReDS:**
Phase 1: Outreach and Partner Engagement:
- **Stakeholder Partnerships:** Collaborate with industry associations, chambers of commerce, and trade bodies to mobilize SME participation.
- **Incentive Planning:** Develop incentive programs, such as reduced transaction fees or access to preferential financing terms, to attract SME buyers to the TReDS platform.

Phase 2: Onboarding SME Buyers (Months 4-6):
- **Targeted Outreach:** Identify and target 5000 SMEs across Rajasthan to onboard them as buyers on the TReDS platform.
- **Registration Support:** Provide hands-on assistance to SMEs during the registration process on the TReDS platform.

Phase 3: Monitoring and Evaluation (Months 7-12):
- **Transaction Tracking:** Monitor the volume and frequency of SME-SME transactions on the TReDS platform.
- **Incentive Assessment:** Evaluate the effectiveness of incentives in encouraging SME participation.

- **Feedback Gathering:** Continuously gather feedback from participating SMEs to identify challenges and areas for improvement.

By adhering to this structured approach and methodology, the implementation of the TReDS awareness workshops and the facilitation of SME-SME transactions will be efficient, impactful, and conducive to the overall economic growth and financial empowerment of MSMEs in Rajasthan.

9.7.1.4 Timelines

Figure 63: Timelines for TReDS Interventions

Activity	Nos	Units	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
SME - SME TReDS	5000	MSMEs	0	1250	1250	1250	1250
Trainings for MSME onboarding on TReDS	25000	MSMEs	1000	6000	6000	6000	6000

9.7.1.5 Expected Impact

The proposed intervention, comprising the onboarding of 5000 SME buyers on the Trade Receivables Discounting System (TReDS) platform alongside targeted awareness workshops, is poised to generate a significant and far-reaching impact on Rajasthan's Micro, Small, and Medium Enterprises (MSMEs) ecosystem.

1. Increased Financing Access for SMEs:

- **Onboarding 5000 SME Buyers:** By successfully onboarding 5000 SME buyers onto the TReDS platform, the intervention directly enhances their access to timely and efficient financing solutions. This influx of buyers expands the demand for invoice discounting, making it an attractive option for financiers.

- **Diverse Financing Options:** With a larger pool of SME buyers participating on TReDS, financiers, including banks and non-banking financial institutions (NBFCs), will be incentivized to provide competitive financing options, such as invoice discounting and factoring.

2. Improved Cash Flow Management:

- **Reduction in Payment Delays:** Awareness workshops contribute to a heightened understanding of the TReDS platform among MSMEs. As a result, they are more likely to leverage TReDS for timely invoice discounting, effectively mitigating cash flow challenges caused by delayed payments.

- **Enhanced Financial Resilience:** MSMEs that adopt TReDS financing experience improved liquidity, enabling them to meet operational expenses, pay suppliers promptly, and invest in business growth.

9.7.1.6 Project Costing

Table 93: Project Costing of TReDS Interventions

Activity	Nos	Units	Per Unit Cost	Total Cost (INR)	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
SME - SME TReDS	5000	MSMEs	30,000.00	15,00,00,000.00	15	1	3.5	3.5	3.5	3.5
Trainings for MSME onboarding on TReDS	500	Training Workshops	100000	5,00,00,000.00	5	0.2	1.2	1.2	1.2	1.2

9.7.2 Alignment of Project of the state with respect to RAMP DLIs

In the realm of RAMP Implementation, DLI 6.1 stands as a beacon of progress, focusing on the adaptation and integration of the SAMADHAN Portal with Online Dispute Resolution (ODR) service providers, thereby simplifying dispute resolution for Micro, Small, and Medium Enterprises (MSMEs).

9.7.2.1 Problem Statement

In the context of Rajasthan's Micro, Small, and Medium Enterprises (MSMEs), the SAMADHAN Portal—a platform designed for dispute resolution—holds significant potential. However, the current landscape reveals critical challenges that impede its effective utilization, leading to the necessity for targeted intervention.

Challenges:
1. **Low Awareness:** A substantial portion of MSMEs in Rajasthan remains unaware of the existence and functionalities of the SAMADHAN Portal. This lack of awareness restricts their ability to seek timely dispute resolution through this valuable resource.
2. **Infrastructure Limitations:** Inherent problems persist within the physical infrastructure and the overall ecosystem supporting the SAMADHAN Portal. These issues create impediments that hinder the seamless utilization of the platform for dispute resolution.
3. **Buyer Engagement and Timeliness:** MSMEs have voiced concerns regarding buyer participation in dispute resolution processes. Delays caused by uncooperative buyers result in prolonged disputes, financial strain, and a loss of trust in the effectiveness of the SAMADHAN Portal.

9.7.2.2 Design Concept of the Proposal

The proposal to develop an Online Dispute Resolution (ODR) Ecosystem, seamlessly integrated with the SAMADHAN Portal, envisions a transformative platform that empowers private legal service providers and facilitates swift, efficient, and accessible dispute resolution for Micro, Small, and Medium Enterprises (MSMEs).

Key Components:
- ► **Centralized ODR Platform:**
  - **Objective:** To establish a unified ODR platform that serves as a one-stop destination for dispute resolution, accessible to private legal service providers and MSMEs.
  - **Features:**
    - User-Friendly Interface: An intuitive interface ensuring easy navigation for legal service providers and MSMEs.
    - Case Management: Robust case tracking and management tools to streamline dispute resolution processes.
    - Secure Data Handling: Stringent data security protocols to protect sensitive case information.
    - Integration with SAMADHAN: Seamless integration with the SAMADHAN Portal, enabling efficient case transfer and updates.
- ► **Inclusive Access for Legal Service Providers:**
  - **Objective:** To invite private legal service providers, including law firms and individual practitioners, to participate in the ODR ecosystem.
  - **Approach:**
    - Registration Portal: A user-friendly registration portal for legal service providers to join the ecosystem.
    - Verification Process: A vetting mechanism to ensure the credibility and qualifications of participating legal service providers.
    - Training and Resources: Ongoing training and access to resources to equip providers with ODR expertise.
- ► **Virtual Meeting Infrastructure:**
  - **Objective:** To facilitate online meetings, hearings, and mediation sessions for dispute resolution.
  - **Components:**
    - Virtual Meeting Rooms: Secure, online spaces for legal service providers, MSMEs, and other stakeholders to convene.
    - Video Conferencing Tools: Integration of reliable video conferencing tools to enable real-time interactions.
    - Document Sharing: Secure document sharing and collaboration features for presenting evidence and documentation.
- ► **Case Management and Tracking:**
  - **Objective:** To ensure transparency, accountability, and efficient resolution of cases.
  - **Features:**
    - Automated Updates: Real-time notifications and case status updates for all stakeholders.
    - Secure Document Repository: A centralized repository for storing case-related documents.
    - Reporting and Analytics: Data-driven insights to monitor case progress and identify bottlenecks.

9.7.2.3 Approach and Methodology

The successful implementation of the Online Dispute Resolution (ODR) Ecosystem, seamlessly integrated with the SAMADHAN Portal, demands a structured approach and methodology to ensure efficiency, transparency, and accessibility.

1. Needs Assessment:
- **Stakeholder Identification:** Identify key stakeholders, including legal service providers, MSMEs, government bodies, and technology partners.
- **Gap Analysis:** Conduct a thorough analysis of existing ODR capabilities, technology infrastructure, and legal service provider networks in Rajasthan.

2. Platform Development:
- **Platform Design:** Collaborate with technology experts to design and develop the ODR platform, ensuring a user-friendly interface and robust security features.
- **Integration with SAMADHAN:** Seamlessly integrate the ODR platform with the SAMADHAN Portal, enabling case transfer and updates between the two systems.
- **Security Measures:** Implement stringent data security protocols to safeguard sensitive case information.

3. Legal Service Provider Onboarding:
- **Registration Portal:** Launch a user-friendly registration portal for legal service providers to join the ODR ecosystem.
- **Vetting Mechanism:** Establish a vetting process to verify the qualifications and credibility of participating legal service providers.
- **Training and Resources:** Provide training and access to resources to equip legal service providers with ODR expertise.

4. Virtual Meeting Infrastructure:
- **Virtual Meeting Rooms:** Set up secure, online spaces for conducting meetings, hearings, and mediation sessions.
- **Video Conferencing Tools:** Integrate reliable video conferencing tools to facilitate real-time interactions.
- **Document Sharing:** Implement secure document sharing and collaboration features for presenting evidence and documentation.

5. Case Management and Tracking:
- **Automated Updates:** Develop a system for real-time notifications and case status updates for all stakeholders.
- **Secure Document Repository:** Create a centralized repository for storing case-related documents securely.
- **Reporting and Analytics:** Implement data-driven insights to monitor case progress and identify bottlenecks.

6. User Support and Assistance:
- **Helpdesk and Support:** Establish a dedicated support team to address queries and provide assistance to MSMEs and legal service providers.
- **Training Resources:** Develop educational materials and conduct webinars to empower MSMEs with ODR knowledge.

By adhering to this structured approach and methodology, the implementation of the ODR Ecosystem linked with the SAMADHAN Portal will be comprehensive, efficient, and

conducive to the accessibility and success of online dispute resolution for Rajasthan's MSMEs.

9.7.2.4 Timelines

Table 94: Timelines for ODR Implementation in Rajasthan

Activity	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Needs Assessment					
Platform Development					
Legal Service Provider Onboarding					
Virtual Meeting Infrastructure					
Case Management and Tracking					
User Support and Assistance					

9.7.2.5 Expected Impact

The implementation of the Online Dispute Resolution (ODR) Ecosystem, seamlessly integrated with the SAMADHAN Portal, holds the promise of a transformative impact on the dispute resolution landscape for Micro, Small, and Medium Enterprises (MSMEs) in Rajasthan. This innovative intervention is expected to usher in several positive outcomes:

1. Expedited Dispute Resolution:
   - **Swift Resolution:** The ODR Ecosystem will significantly reduce the time required for dispute resolution, enabling MSMEs to resolve disputes efficiently and focus on their core business activities.
   - **Cost Savings:** Faster dispute resolution translates into reduced legal costs, making it more affordable for MSMEs to seek resolution and avoid protracted legal battles.

2. Access to Quality Legal Services:
   - **Leveraging Legal Expertise:** By providing a platform for legal service providers to participate, MSMEs gain access to qualified legal professionals, ensuring fair and knowledgeable representation during dispute resolution.
   - **Levelling the Playing Field:** Smaller MSMEs will benefit from the same level of legal expertise as larger entities, promoting fairness and equity in dispute resolution.

3. Increased Confidence in the SAMADHAN Portal:
   - **Enhanced Utilization:** The integration with SAMADHAN fosters confidence in the platform's effectiveness, encouraging more MSMEs to utilize SAMADHAN for dispute resolution.
   - **Wider Adoption:** As MSMEs experience efficient and successful dispute resolution through the ODR Ecosystem, SAMADHAN's utilization is expected to surge.

4. Reduction in Legal Backlogs:
   - **Offloading the Courts:** By diverting a substantial volume of MSME-related disputes to the ODR Ecosystem, the burden on traditional courts is expected to decrease, allowing the legal system to focus on more complex cases.

9.7.2.6 Project Costing

Table 95: Project Costing for ODR

Activity	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
ODR Ecosystem of SAMADHAN	1	Lum psum	5,00,00,000.00	5.00	5	0.5	2.5	0.75	0.75

9.8 Monitoring and Evaluation

9.8.1 Design Concept of the Proposal

To ensure the successful implementation and continuous improvement of the RAMP project, a comprehensive monitoring and evaluation (M&E) framework will be put in place. This framework will include the establishment of an integrated dashboard, feedback collection mechanisms, and regular stakeholder conferences.

Integrated Dashboard for Data Monitoring:
- ► **Single Portal for Data Monitoring:** An integrated dashboard will be developed, serving as a single portal that links all relevant state and central-level dashboards and data sources. This portal will provide real-time access to key project metrics, performance indicators, and progress reports.

- ► **Comprehensive Data Integration:** The integrated dashboard will aggregate data from various sources, including the online portal for CGTMSE guarantees, SME Exchange listings, subsidy disbursements, and compliance records. It will provide a holistic view of the project's status and impact.

- ► **Real-time Reporting:** The dashboard will enable stakeholders to access up-to-date information on the number of applications received, approvals, subsidy amounts disbursed, feedback from interns, and other relevant data. This real-time reporting will facilitate data-driven decision-making.

Feedback Collection Mechanism:
- ► **Internship Program:** To gather valuable feedback on the ground and identify gaps in the implementation of RAMP, an internship program will be initiated. Five graduates will be hired as interns in each district for a two-month period.

- ► **Feedback Collection Agents:** These interns will act as feedback collection agents and liaisons between the project and MSMEs at the district level. They will interact with beneficiaries, stakeholders, and local businesses to collect feedback on the effectiveness and challenges of the interventions.

- ► **Real-time Issue Resolution:** The feedback collected by interns will be promptly relayed to the project management team. This real-time feedback mechanism will allow for quick identification of issues and their resolution, ensuring that the project remains responsive to the needs of MSMEs.

► **Continuous Improvement:** Feedback collected through this mechanism will be analyzed and used to make necessary adjustments to the project's strategies, processes, and policies. It will help in refining the interventions and ensuring that they align with the evolving needs of MSMEs.

Quarterly Stakeholder Conferences:
► **Stakeholder Engagement:** Quarterly conferences will be organized at the division level, bringing together key stakeholders, including government officials, financial institutions, MSME representatives, and experts in relevant fields.
► **Effectiveness Assessment:** These conferences will serve as a platform for stakeholders to assess the effectiveness of the RAMP implementation. They will review progress, discuss challenges, and share best practices.
► **Roadmap Development:** The conferences will also play a vital role in the development of a roadmap for more effective implementation. Stakeholders will collaborate to identify areas for improvement and strategic priorities for the coming quarters.
► **Alignment and Coordination:** Regular conferences will foster better alignment and coordination among various agencies and institutions involved in the project. This will ensure that the project remains on track and achieves its objectives.

In conclusion, the M&E framework for the RAMP project is designed to provide transparency, accountability, and continuous improvement. Through the integrated dashboard, feedback collection mechanism, and stakeholder conferences, the project will be able to adapt to changing circumstances, address challenges in real time, and ultimately deliver meaningful benefits to the MSME sector in Rajasthan. This commitment to monitoring and evaluation reflects the government's dedication to the success and impact of RAMP.

Table 96:Project Costing for Monitoring and Evaluation

Activity	Nos	Units	Per Unit Cost	Total Cost (INR)	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Integrated Dashboard for Monitoring	1	Lumpsum	10,00,00,000.00	10,00,00,000.00	10.00	1.00	6.00	2.00	1.00	1.00
Feedback Collection Mechanism	165	Interns	480000	7,92,00,000.00	7.92	0	1.98	1.98	1.98	1.98
Quarterly Stakeholder Conference	16	Conferences	500000	80,00,000.00	0.80	0	0.20	0.20	0.20	0.20

10 Total Budget

Table 97: Total Budget

DLI Matching	Intervention	Major Budget Heads	Nos	Units	Per Unit Cost	Total Cost (Cr)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
DLI 3.1	Onboarding of Sector Specific Mentors in State of Rajasthan for MSMEs	Mentor Recruitment Process	1	Lumpsum	5,00,000.00	0.05	0.05	0.00	0.00	0.00	0.00
		Mentor Salary	22	Mentors	80,000.00	8.45	0.00	2.11	2.11	2.11	2.11
		Developing digital process for MSME-Mentor Matching and marketing cost	1	Lumpsum	20,00,000.00	0.20	0.10	0.03	0.03	0.03	0.03
		Per MSME Technology Upgradation Charge	11000	MSMEs	10,000.00	11.00	0.00	2.75	2.75	2.75	2.75
		Technology Workshops	1100	Training Workshops	1,00,000.00	11.00	0.55	3.30	4.40	2.75	0.00
		Creation of Knowledge Repository	1	Lumpsum	20,00,000.00	0.20	0.01	0.06	0.06	0.05	0.02
	Empowering MSMEs through Technology Exposure and Machinery Fair Participation	Domestic Exposure Visits	1000	MSMEs	20,000.00	2.00	0.00	0.50	0.50	0.50	0.50
		International Exposure Visits	200	MSMEs	1,25,000.00	2.50	0.00	0.63	0.63	0.63	0.63
		Domestic Machinery Fairs	500	MSMEs	25,000.00	1.25	0.00	0.31	0.31	0.31	0.31
		International Machinery Fairs	200	MSMEs	1,50,000.00	3.00	0.00	0.75	0.75	0.75	0.75
		Portal Development	1	Lumpsum	50,00,000.00	0.50	0.30	0.05	0.05	0.05	0.05

DLI												
DLI 3.1	Market Intelligence - Exports	Creation of Team of Market Intelligence Experts	6	Experts	3,60,00,000.00	21.60	1.08	5.13	5.13	5.13	5.13
		Creation of Integrated Portal	1	Lumpsum	20,00,000.00	0.20	0.10	0.03	0.03	0.03	0.03
		Access to Market Intelligence Reports	4	Lumpsum	1,00,00,000.00	4.00	0.00	1.00	1.00	1.00	1.00
		Awareness & Training Programmes for MSMEs	400	Training Workshops	1,00,000.00	4.00	0.20	0.80	1.00	1.00	1.00
		Tie Ups with IIP for Export Oriented Packaging (Content and MoUs)	1	Lumpsum	1,00,00,000.00	1.00	0.20	0.50	0.10	0.10	0.10
		Export Oriented Skill Development Workshops for MSMEs	5000	MSMEs	10,000.00	5.00	0.20	1.20	1.20	1.20	1.20
		Workshops for Bankers and DICs for Exports	1000	Bankers	5,000.00	0.50	0.00	0.20	0.10	0.10	0.10
		Reverse Buyer Seller Meets	4	Buyer - Seller Meet	1,00,00,000.00	4.00	0.00	1.00	1.00	1.00	1.00
		Export Hotspots	4	Assistants	24,00,000.00	0.96	0.00	0.24	0.24	0.24	0.24
		Export Readiness Accelerator Programme	10000	MSMEs	10,000.00	10.00	0.50	2.00	2.50	2.50	2.50
		ECGC First Time Exporters Reimbursement	4000	MSMEs	50,000.00	20.00	0.00	5.00	5.00	5.00	5.00
DLI 3.2	District Haats Marketing & Branding	Stakeholder Meetings	10	Stakeholder Meetings	1,00,000.00	0.10	0.05	0.01	0.01	0.01	0.01
		Marketing & Promotion of Haats - Urban	10	District Haats	2,00,00,000.00	20.00	1.00	5.00	5.00	5.00	4.00
		Marketing & Promotion of Haats - Rural	5	Rural District Haats	1,00,00,000.00	5.00	0.25	1.25	1.25	1.25	1.00
DLI 3.1	Digital Awareness	Hiring of a Digital Agency for designing and implementing the campaign	1	Lumpsum	2,00,00,000.00	2.00	0.10	0.50	0.50	0.50	0.40
		Application for MSMEs	1	Lumpsum	1,00,00,000.00	1.00	0.05	0.25	0.25	0.25	0.20

	Campaigns	Launching a YouTube Channel with daily content	1	Lumpsum	2,00,00,000.00	2.00	0.10	0.50	0.50	0.50	0.40
		Daily Evening One Hour Show with Industry/Govt Experts	1020	Daily Shows	2,000.00	0.20	0.01	0.05	0.05	0.05	0.05
DLI 3.1	Physical Awareness Campaigns	Physical Campaigns on Govt Schemes, GeM, E-Commerce, TReDS etc	2000	Campaigns	75,000.00	15.00	0.75	3.75	3.75	3.75	3.00
DLI 5.1	CGTMSE Base Premium Waiver	Subsidizing CGTMSE Base Premium Fess for loans under 10Lakhs	214720	MSMEs	3,700.00	79.45	0.00	14.80	17.76	21.31	25.57
DLI 5.1		Subsidizing CGTMSE Base Premium Fess for loans upto 50Lakhs	8052	MSMEs	27,500.00	22.14	0.00	4.13	4.95	5.94	7.13
DLI 5.1		Subsidizing CGTMSE Base Premium Fess for loans upto 10Cr	10000	MSMEs	50,000.00	50.00	0.00	9.31	11.18	13.41	16.10
DLI 5.1	MLUPY Women 1% extra subsidy	Extra 1% Interest Subsidy Rebate under MLUPY for Women MSMEs	4000	MSMEs	8000	3.2	0.00	0.80	0.80	0.80	0.80
DLI 2.2	AI Tool for E-Commerce	AI App for MSMEs to create a portfolio using ONDC platform for showcasing products, SEO, auto-generation of product titles, products description etc (Making Cost)	1	Lumpsum	5,00,00,000.00	5.00	3.00	0.50	0.50	0.50	0.50
		No. of MSMEs to be targeted, Trainings and actual onboarding	20000	MSMEs	5,000.00	10.00	0.00	2.50	2.50	2.50	2.50
DLI 4.2	SME Exchange	Onboarding of 40 SMEs from Rajasthan on SME Exchange	40	SMEs	15,00,000.00	6.00	0.30	1.80	1.80	1.20	0.90
DLI 3.1	Capacity	Sector Specific Skill Development for workmen	12800	Workmen	18000	23.04	0.00	5.76	5.76	5.76	5.76

	Building and Skill Development	Sector Specific Skill Development for Supervisors	1000	Supervisors	50000	5.00	0.00	1.25	1.25	1.25	1.25
		Capacity Building of Existing Entrepreneurs	10000	MSMEs	30000	30.00	0.00	7.50	7.50	7.50	7.50
		Seminars (40 Seminars every Quarter)	640	Seminars	100000	6.40	0.00	1.60	1.60	1.60	1.60
		Training & Empanelment of Trainers	1	Lumpsum	1000000	0.10	0.10	0.00	0.00	0.00	0.00
		Digital Platform including AMC	1	Lumpsum	7000000	0.70	0.50	0.05	0.05	0.05	0.05
		Content Creation	1	Lumpsum	5000000	0.50	0.10	0.25	0.05	0.05	0.05
		ZED Documentary Support for Gold and Silver	200	MSMEs	20000	0.40	0.00	0.10	0.10	0.10	0.10
		LEAN Training Workshops	50	Workshops	100000	0.50	0.00	0.13	0.13	0.13	0.13
		IPR Workshops	50	Workshops	100000	0.50	0.00	0.13	0.13	0.13	0.13
		Doubling of GI Tags in Rajasthan	17	GI Tags	500000	0.85	0.10	0.25	0.30	0.20	0.00
		DICs Institutional Capacity Building (Once Every Half Year)	1600	DICs	5000	0.80	0.00	0.24	0.24	0.24	0.08
		Department of Industries and Commerce Capacity Building (Once every year)	5200	DoIC	7000	3.64	0.00	1.09	1.09	1.09	0.36
		Learning Infrastructure and Training Aids	37	DICs	500000	1.85	0.90	0.95	0.00	0.00	0.00
M&E	Monitoring & Evaluation	Integrated Dashboard for Monitoring	1	Lumpsum	100000000	10.00	1.00	5.00	2.00	1.00	1.00
		Feedback Collection Mechanism	165	Interns	480000	7.92	0.00	1.98	1.98	1.98	1.98
		Quarterly Stakeholder Conference	16	Conferences	500000	0.80	0.00	0.20	0.20	0.20	0.20
DLI 3.2	Google Art and Culture	Khamma Ghani - Crafted in Rajasthan	18	Videos	1000000	1.8	0	0.4	0.5	0.5	0.4
		Activity- Based Innovative Awareness Models	18	Events	1000000	1.8	0	0.4	0.5	0.5	0.4
DLI 6.1	SAMADHAN	ODR	1	Lumpsum	50000000	5	0.5	2.5	0.75	0.75	0.5
DLI 4.3	TReDS	SME - SME TReDS	5000	MSMEs	30000	15	1	3.5	3.5	3.5	3.5
DLI 4.4		Trainings for MSME onboarding on TReDS	500	Training Workshops	100000	5	0.2	1.2	1.2	1.2	1.2

		EELP Portal	1	Lumpsum	10000000	1	0.2	0.5	0.1	0.1	0.1
DLI 5.1	Energy Audits	Workshops for awareness of BEE Audits	50	Training Workshops	100000	0.5	0	0.25	0.25	0	0
DLI 5.1		Energy Audit Implementation after BEE Energy Audits	500	MSMEs	500000	25	0	6.25	6.25	6.25	6.25
DLI 3.1	RAJEEV IKA	Trainings for marketing and Branding	4000	Women MSMEs	10000	4	0	1	1	1	1
		QA/QC	20	Blocks/Products	5000000	10	0	2.5	2.5	2.5	2.5
DLI 3.1	RAJEEV IKA - Mall Space	Lease Cost of the space	3	Stores	9600000	2.88	0	0.72	0.72	0.72	0.72
		Refurbishment/Visual Merchandising of the Space	3	Stores	400000	0.12	0	0.06	0.02	0.02	0.02
		Training Cost for Store Personnel	12	Personnel	60000	0.072	0	0.072	0	0	0
		Branding and Promotion of the Store	3	Stores	200000	0.06	0	0.06	0	0	0
		POS Software	3	Stores	300000	0.09	0	0.09	0	0	0
		Staff Salaries	12	Staff	1680000	2.016	0	0.504	0.504	0.504	0.504
DLI 2.2		SPIU	1	Lumpsum	200000000	20	2	4.5	4.5	4.5	4.5
		Total				559.84	15.50	133.71	140.34	137.51	132.78
		Total with ADMIN Cost (10%)				615.82	17.05	147.08	154.38	151.26	146.05

*Admin Cost would include annual leasing of vehicles for RAMP implementation purposes and other allied expenses of the implementation team.