Strategic Investment Plan

Government of NCT of Delhi

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Overview of the MSME Segment and the RAMP Programme

1. Introduction

1.1. Overview of MSME in India

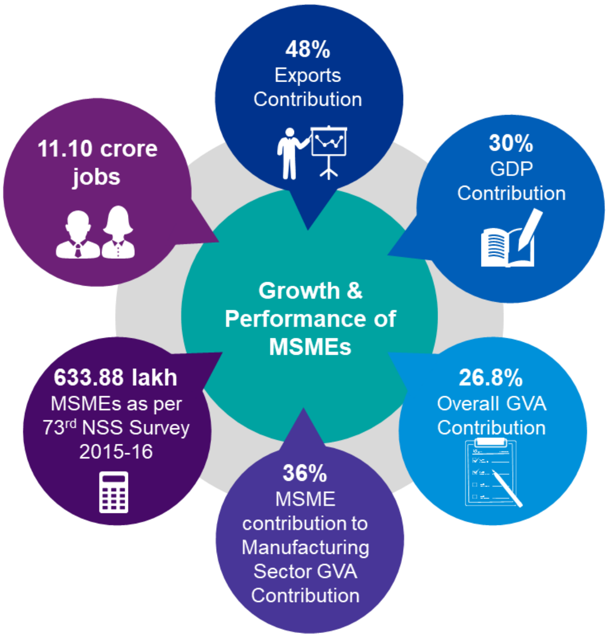
India is advancing towards 'Atmanirbhar Bharat' (Self-reliant India), driven by favorable policy developments, enhanced domestic capabilities, and digital transformation. Manufacturing remains a key focus area, expected to foster international collaboration due to India's cost advantages and strategic geographical location. The Micro, Small, and Medium Enterprise (MSME) sector is poised to play a crucial role in realizing the long-term vision of a self-reliant India by 2047.

The MSME sector, often regarded as the growth engine of the economy, significantly contributes to reducing regional disparities, alleviating poverty, and ensuring a more equitable distribution of national income and wealth. This sector has consistently served as a stronghold for the Indian economy, providing resilience against global economic shocks and adversities. It plays a vital role in the overall growth of the industrial economy. Contributing 30% to India's GDP, the MSME sector accounts for approximately 48% of total exports. It is also a major source of employment, providing jobs to around 110 million people, making it the second-largest employer after the agriculture sector. With about 63.4 million units, MSME contribute roughly 33.4% of India's manufacturing output.

The contribution of the MSME sector to overall GVA rose from 29.3 per cent in FY18 to 30.5 per cent in FY20, and to the economic impact of the pandemic caused the sector's share to fall to 26.8 per cent in FY21. Also, MSME contribution to the manufacturing sector's GVA also fell to 36.0 per cent in FY 21 from ~37.5 per cent in FY21.[1]

The sector witnessed a double-digit credit growth of 30.6 per cent, on average during January-November 2022, supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government. Further, the MSME sector is showing signs of financial resilience as seen from the GST data of MSME which reveals that GST paid by MSME after declining in FY21 has been rising since and now has crossed the pre-pandemic level of FY20.[2]

As per the National Sample Survey (NSS) 73rd round, conducted by National Sample Survey Office, Ministry of Statistics & Program Implementation during the period 2015-16, there were 633.88 lakh unincorporated non-agriculture MSME in the country engaged in different economic activities (196.64 lakh in Manufacturing, 230.35 lakh in Trade, 206.84 lakh in Other Services, and 0.03 lakh in Non-captive Electricity Generation and Transmission).



Source: Economic Survey 2022, GoI and Annual Report of MoMSME, GoI

Figure: MSME Growth Indicators

Out of the 633.88 lakh estimated number of MSME, 324.88 lakh MSME (51.25%) are in rural areas and 309 lakh MSME (48.75%) are in the urban areas, being a lever for equitable distribution of national income and inclusive economic growth.

The gross foreign direct investment (FDI) inflows for manufacturing sector increased, from USD 82 billion in FY21 to USD 83.6 billion in FY22, signaling rising confidence. A 35.4 per cent y-o-y increase in capital expenditure to nurture infrastructure development, is further expected to boost investment prospects in MSME landscape. The 2023-24 FY union budget has laid the foundation for the MSME sector to propel its growth trajectory. There has been ~ 200 per cent increase in the budgetary allocation for MSME in the last seven years, increasing from INR 6,481 crore in 2017-18 to INR 22,138 crore in 2023-24.

[1] *Economic Survey, Government of India, 2022-23*
[2] *Economic Survey, Government of India, 2022-23*

Allocation to the tune of INR 22,138 crore have been made in the Union budget for FY24 for the Ministry of Micro, Small and Medium Enterprises, Government of India[3]. Notwithstanding, Budget FY 2023-24 also encompassed of initiatives like the emergency credit line guarantee scheme, and the RAMP (Raising and accelerating MSME performance) program with an outlay of INR 6,000 crore. Also, the revamped credit guarantee scheme worth INR 9,000 crore is a shot in the arm for reviving the glory of MSME.

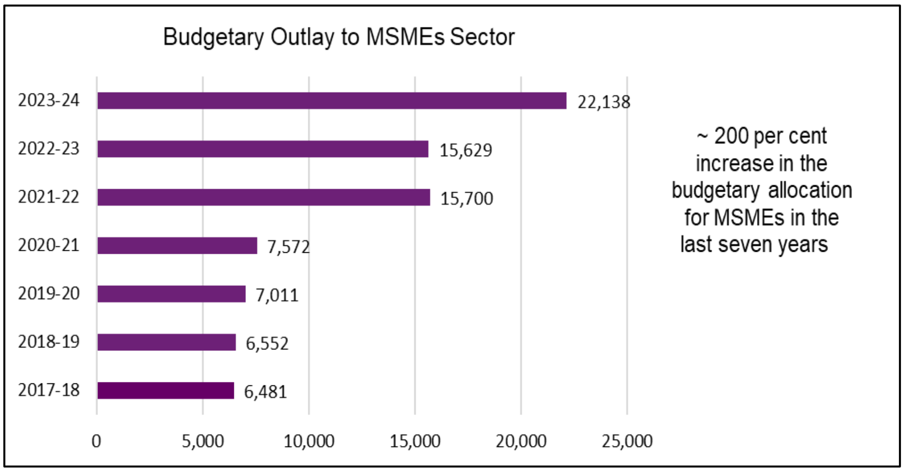


Figure: Budgetary Outlay to MSME Sector (INR Crore)

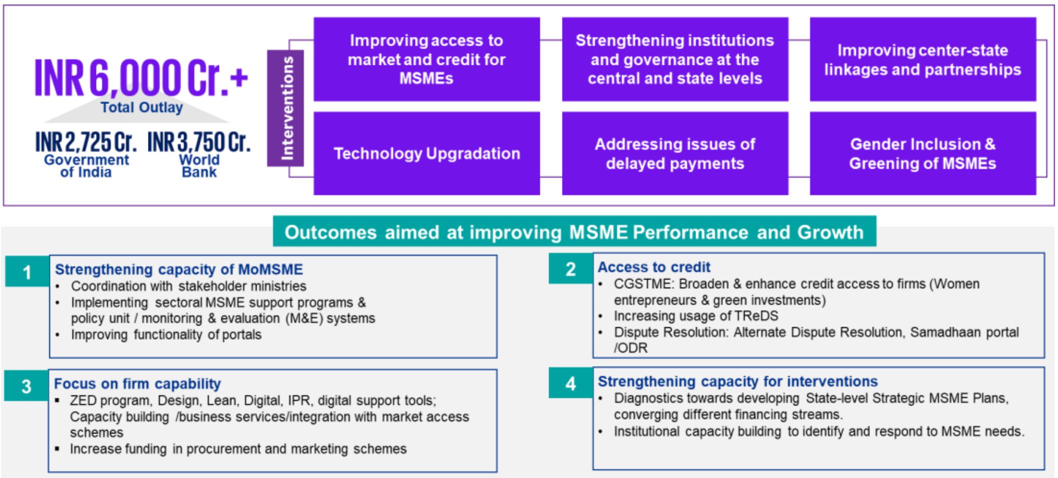
Thus, with the immense capacity of MSME for driving economic growth and development at regional, national, and global levels promoting and raising the competitiveness of MSME nationally and globally becomes an imperative to achieve long term sustainable and balanced growth.

MSME sector is the key focus area for the government as it holds higher growth prospects in the future. In order to keep the momentum of growth and holistic development, it is vital that the MSME sector is empowered to meet challenges that can threaten their survival and growth. Keeping mind, the contributions of MSME sector, Ministry of MSME has been consistently articulating policies resulting in enabling schemes and programmes for enhancing competitiveness of enterprises. The ministry extends support in multiple areas like skill development programmes, marketing assistance, technology support, credit flow, procurement policies, participation in exhibitions domestic & abroad, fostering entrepreneurship and promotion of manufacturing sector, etc.

[3] 'India's MSME must adopt the mantra of going from local to global' | Mint (livemint.com)

2. About RAMP Programme

2.1. Background



Raising and Accelerating MSME Performance (RAMP) is a World Bank supported Programme, supporting the Ministry of MoMSME's "Implementing MSME competitiveness Programme- post Covid Resilience and Recovery Programme (MCRRP)", which aims at strengthening schemes that focus on 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 MSME. RAMP seeks to support States and UTs to develop and implement strategic Programmes for MSME. States and UTs will have to conduct a diagnostic exercise and develop their respective Strategic Investment Plan (SIP) defining main gaps, priorities for intervention and use of existing National and State schemes (including convergence of non-MSME schemes), and critical actions that need financing through the RAMP Programme. The SIP is an evidence-based plan for addressing the main challenges for MSME growth in the States and UTs, listing priority sectors and geographies for intervention, and including outcome goals over the next five years. All RAMP Programme interventions in the States and UTs will be based on the SIP.

2.2. Programme Outlay:

The total outlay approved under RAMP is for INR 6062.45 crore out of which INR 3750 Crore is a loan from the World Bank and the remaining INR 2312.45 Crore is the counterpart funding by the Government of India.

2.3. Programme Objective

The aim of the RAMP Programme is to strengthen institutions and access to markets to enhance MSME Performance. The objectives of the Programme are:

- Strengthening coordination and institutions at the National and State/UT level
- Building and integrating technology platforms
- Enhancing firm capabilities and access to markets
- Strengthening the receivables financing market
- Enhancing guarantee products towards increased greening and gender participation
- Expanding access to Online Dispute Resolution Mechanism (ODR)

2.4. Key Result Areas:

The Programme has identified two results areas viz:

i. **Result Area #1: Strengthening Institutions and Governance of the MSME Programme:**

This intervention will target results at the Central and States & UTs levels to address institutional capacity and coordination constraints. This result area (RA) aims to strengthen National and State institutions to deliver on the MSME agenda through better CG level and CG -State coordination in the MSME sector; enhanced policy capacity of MoMSME to undertake evidence-based policy and Programme design; improved and interoperable portals to deliver online services to MSME at scale and in a cost-effective manner; and a more decentralized, flexible, and cohesive MSME Programme led by States and UTs.

ii. **Result Area #2: Support to market access, firm capabilities, and access to finance:**

The intervention will aim to use technology-driven solutions and leverage platform approaches to achieve economies of scale and better outreach of quality market-based private sector service provision in the areas of firm capabilities and access to finance. This RA aims to improve the quality, coverage and delivery of the existing Firm Capabilities schemes and strengthen the market for BDS; improve access to finance and working capital by strengthening receivable financing markets for MSME through well-functioning digital factoring platforms; improve access to finance for women entrepreneurs and greening investments through CGTMSE; and strengthen dispute resolution mechanisms for delayed payments to MSME by incorporating online dispute resolution and private sector provision of these services.

2.5. Disbursement Linked Indicators (DLIs)

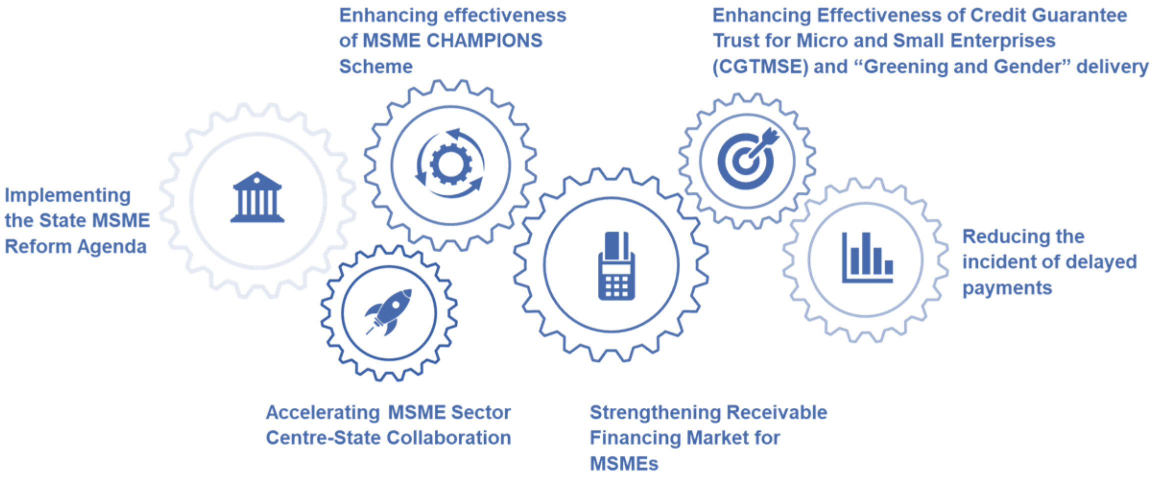


Figure: Disbursement Linked Indicators (DLIs)

The key matrix to monitor progress under RAMP are the Disbursement Linked Indicators against key results areas. The six DLIs are as showcased above.

2.6. State/UT Participation - Strategic Investment Plan (SIP)

RAMP entails preparation and implementation of SIPs which will lay out a plan for a four-year period (FY 2023-24 - FY 2026-27) which will be results based with budgeted MSME support. The SIP will require formulation of milestones to be developed by States and UTs which will be approved by the Ministry of MSME. Financial assistance will be disbursed to the States and UTs based on achievements against agreed upon targets as per the respective SIPs.

The SIP will serve as a strategic roadmap to strengthen the resilience of MSME and provide support for the development of the MSME sector in the States and UTs. It will address not just traditional challenges faced by the MSME sector but will also build systemic capacity to respond to emerging challenges. The SIP will be based on a diagnostic exercise which will gather evidence- based data and information on the MSME sector in the States/UTs.

The SIP would focus on identification of gaps by the States and UTs. Moreover, as part of the SIPs, the States and UTs are expected to converge other sources of financing including their own budgetary resources that are critical for development. So, the effective amount going into MSME development in the States and UTs through the SIP process would be a substantial amount.

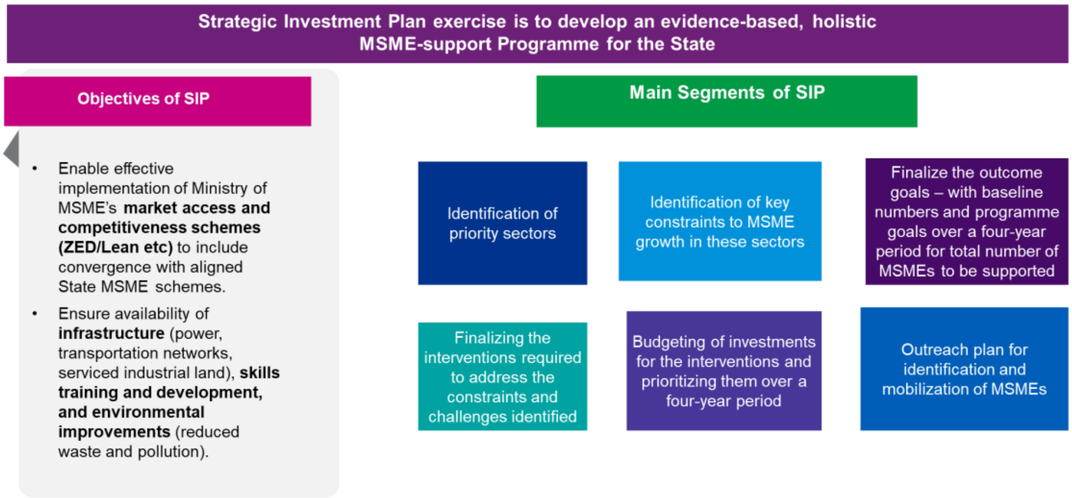


Figure: States and UTs Strategic Investment Plan (SIP) under RAMP

02

Overview of NCT of Delhi

3. Overview of NCT of Delhi

Delhi is among the largest metropolises in the country and serves as a centre of international politics, trade, culture, and literature. It is not only one of the fastest-growing states of India but also has a per capita income that is almost three times the per capita income of the entire country.[4] For the year 2023-24, Delhi's share in country's GDP was 3.6%, which is comparable to a large state like Haryana or Kerala.[5] This urban agglomeration acts as the consumption and distribution center for North India.

Delhi lies at the heart of the National Capital Region (NCR), surrounded by four important cities from the states of Uttar Pradesh and Haryana. Delhi is also the centre of the National Capital Region (NCR), which is a unique 'interstate regional planning' area created by the National Capital Region Planning Board Act of 1985. The Delhi metropolitan area lies within the NCT of Delhi, which has three Local Bodies - Municipal Corporation of Delhi, New Delhi Municipal Council, and Delhi Cantonment Board.

Table 1: Snapshot of Delhi NCR's Demographic & Economic Profile[6]

Parameter		Estimate
	Population	1,67,97,841
	Sex Ratio	868 per 1000 boys
	Literacy	86.2%
	Health (expenditure in 2022-23)	₹4158.11 crore
	Migration	1.62 lakhs
	Urbanization (% or urban population to total)	97.50%
	Per Capita Income, 2023-24 (at current prices)	₹4,61,910
	GSDP, 2023-24 (at current prices)	₹ 11,07,746 crore
	Total Tax Collection (2022-23)	₹ 4,70,16.96 crore

[4] *Department of Foreign Affairs and Trade, Australian Government, An Indian Economic Strategy to 2035, 2019*
[5] *Economic Advisory Council to the PM, Relative Economic Performance or Indian States, 2024*
[6] *Data Collected from: Economic Survey of Delhi 2023-24, 2022-23, Census of India, 2011*

3.1. Interconnectedness: Delhi- A star performer in logistics

Located at North Latitude from 28.24 – 28.53 degrees and East Longitude from 76.50 - 77.20 degrees, Delhi covers an area of 1483 sq. km., of which 369.35 sq. km. is designated as rural and 1113.65 sq. km. as urban, which makes it the largest city in terms of area in the country. It has a length of 51.9 km and breadth of 48.48 km. Delhi hosts a majority of sectors along with smooth transition of resources across borders.

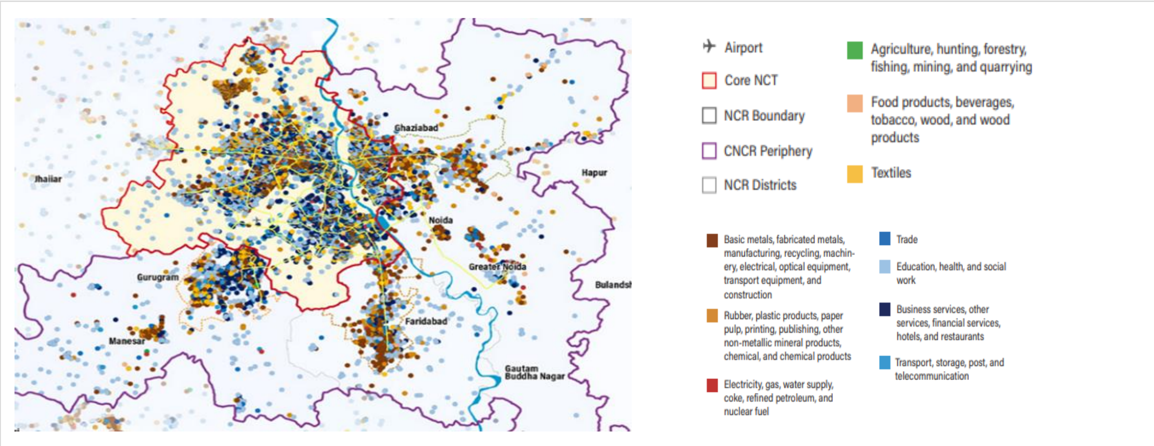


Figure: Job Description, Establishment and Routes of Delhi and adjoining areas[7]

3.2. Current Administrative Structure

NCT of Delhi consists of 11 Districts, 33 tehsils/sub-divisions, 110 census towns, 250 wards, and 112 villages in the NCT of Delhi (Census, 2011).

Figure: District Map of NCT of Delhi

Delhi is divided into 18 Planning Zones for ease of planning and management. The Delhi metropolitan area lies within the NCT of Delhi, which has five local municipal corporations - North Delhi Municipal Corporation, South Delhi Municipal Corporation, East Delhi Municipal Corporation, New Delhi Municipal Council, and Delhi Cantonment Board (DCB). The former single MCD serving 95 percent of the Delhi area with 96 percent of the total population got trifurcated in 2012 for the better delivery of services to the public into smaller Municipal Corporations, i.e. North DMC, South DMC, and East DMC.

[7] *World Resource Institution, Morphology of Delhi National Capital Region's economic geography and its implications for planning, 2023*

The municipal corporations handle civic administration for the city.

3.3. Infrastructure & Resources: Leveraging Geographic Strength

Delhi stands as a pivotal hub of economic and industrial activities. Its strategic location, coupled with a well-developed infrastructure, positions Delhi as a vital center for trade, manufacturing, and services. The industrial landscape of Delhi is characterized by a diverse mix of traditional industries and modern sectors, including textiles, chemicals, electronics, information technology, and automotive components. The city's proximity to major markets, well-connected transportation network, and access to skilled labor further enhance its industrial growth.

Delhi's favorable policies and business-friendly environment have attracted both small-scale enterprises and large corporations. Delhi has 33 notified Industrial Estates. Further, Delhi has 29 planned Industrial Areas and 4 flatted factories complex. In addition, 25 non-conforming Industrial clusters have been notified for development. There are about 33000 Industrial plots in all. Bawana is the largest Industrial area with over 16,500 Industrial plots.

Table No.1: Notified Industrial Areas of NCT Delhi

S. No.	Industrial Area/ Flatted Factory	District	Total Land Area (Acres.)
1	Shahzada Bagh Industrial Area	Central	14
2	Rani Jhansi Road	Central	19
3	FFC, Jhandewalan, Rani Jhansi Road	Central	-
4	Patparganj Industrial Area	East	218
5	Mayapuri Industrial Area, Ph-I, Ph-II	New Delhi	468
6	Naraina Industrial Area, Ph-I, Ph-II	New Delhi	246
7	Rajasthani Udyog Nagar Industrial Area	North	42
8	G.T Karnal Road Industrial Area	North	91
9	Badli Industrial Area	North	82
10	Bawana Industrial Area	North	1922
11	Narela Industrial Area	North	506
12	S.M.A. Industrial Area	Northwest	42

Table No.1: Notified Industrial Areas of NCT Delhi			
S. No.	**Industrial Area/ Flatted Factory**	**District**	**Total Land Area (Acres.)**
13	Leather Complex Wazirpur Industrial Area	Northwest	-
14	Wazirpur Industrial Area	North-West	261
15	Lawrence Road Industrial Area	North-West	52
16	S.S.I Industrial Area	North-West	50
17	Shahdara Industrial Area	Shahdara	45
18	FFC, Jhilmil Industrial Area	Shahdara	7
19	Jhilmil Industrial Area	Shahdara	157
20	Mohan Co-operative Industrial Area	Southeast	288
21	Friends Colony Industrial Area, Shahdara	Southeast	36
22	Okhla Phase - I & II	Southeast	555
23	FIEE, S-Block, Okhla Industrial Area Ph-II	Southeast	35
24	FIEE, A-Block, Okhla Industrial Area Ph-II	Southeast	41
25	FFC, Okhla Industrial Area	Southeast	13
26	Okhla Industrial Estate Ph-III	Southeast	113
27	Udyog Nagar Industrial Area	West	174
28	Mangolpuri Industrial Area	West	294
29	DLF Moti Nagar Industrial Area	West	28
30	Najafgarh Industrial Area	West	230
31	Tilak Nagar Industrial Area	West	13
32	Kirti Nagar Industrial Area	West	100
33	DSIIDC Sheds, Nangloi	West	1

Administration of Delhi's Industrial Areas

- DSIIDC is responsible for creation and redevelopment of Infrastructure and institutional setup through redevelopment of conforming and non-conforming industrial areas under the Delhi Industrial Development, Operation and

Maintenance (DIDOM) Act, 2010 was notified on 28th March 2011 to place all Industrial Areas under DSIIDC.

3.4. Demographic Transition through rapid urbanization

As per 2011 Census, the density of population in Delhi worked out at 11,320 persons per square kilometer, as against the national level of 382 persons per square kilometer. Delhi is one of the fastest growing cities in the country in terms of population. Due to rapid pace of urbanization, the landscape of Delhi has undergone a major change from a rural majority to urban.

Urbanization has also led to creation of more job opportunities directly linked with the in-flux of labor and the development of major industrial areas as well as hubs for setting up of service sector companies. This has led to Delhi being one of the top destinations for major companies to set up their base, the availability of skilled as well as unskilled labor, industrial land and space for development, excellent utility profile and Delhi's fast and seamless connection to other parts of the country and abroad. The following figure depicts the growth in terms of establishments and estimated employment generated showcasing how urbanization, industrial growth and influx of labor (bicausality) have all influenced in the region's development.

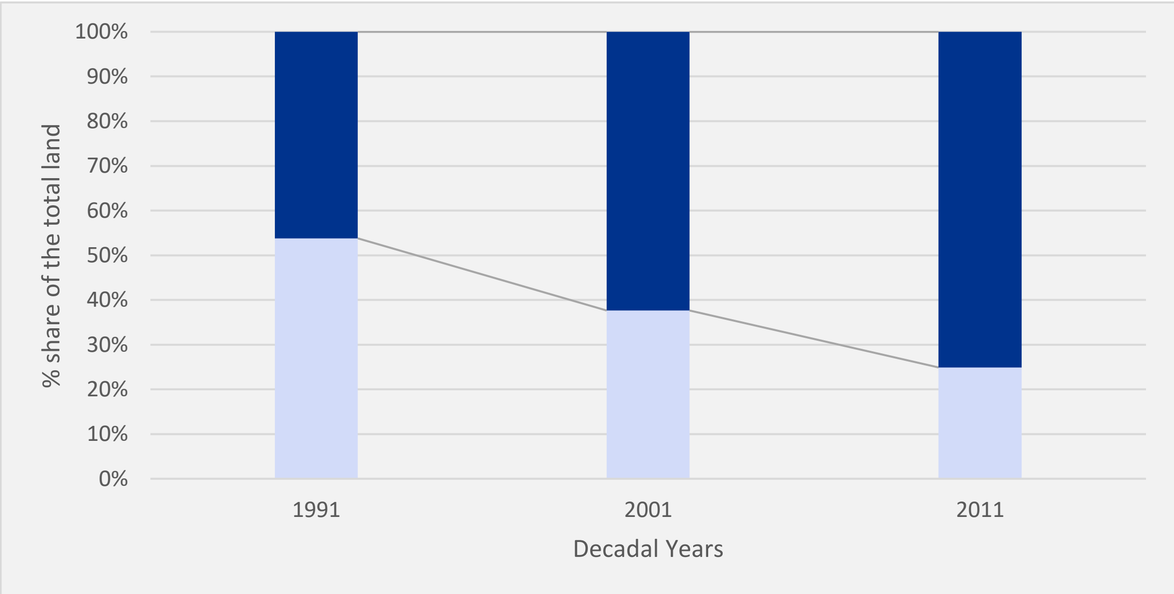


Figure: The rural to urban area change during the last three censuses in Delhi[8]

[8] Census of India Report, 1991, 2001 and 2011, Office of Registrar General & Census Commissioner, India.

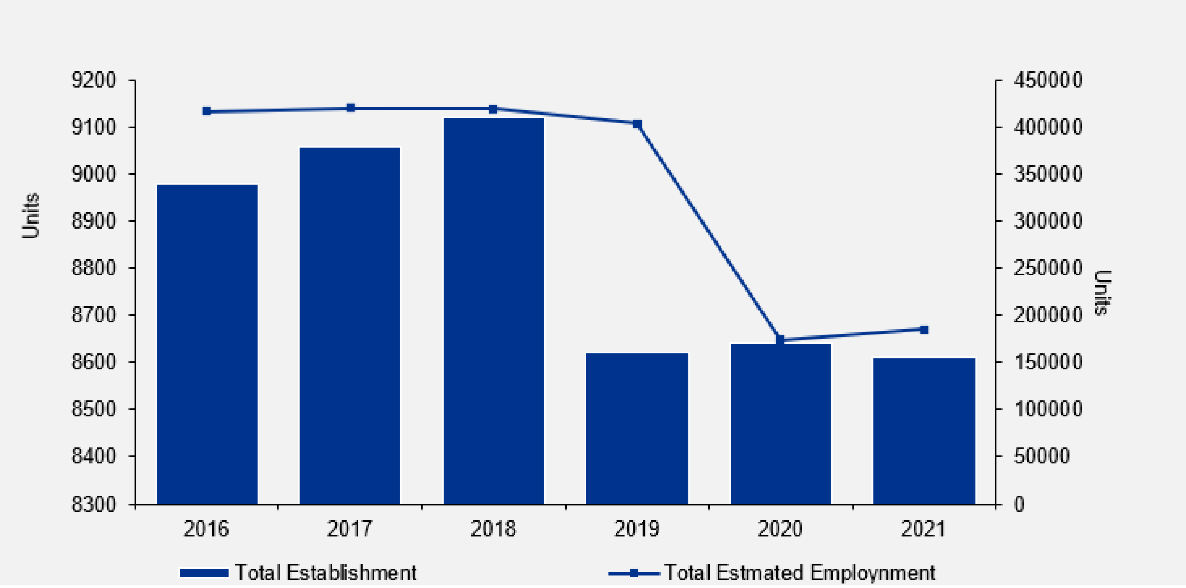


Figure: Time Series Analysis of Establishments viz-a-biz estimated employment generated[9]

3.5. Economic Overview of Delhi

Delhi is one of the fastest-growing states in the country and has promising, robust and expanding economy. At current prices, the advance estimates of the Gross State Domestic Product (GSDP) of Delhi stood at Rs. 10.4 trillion (US$ 130 billion) in 2022-23, marking a substantial growth of 15.04% compared to the previous year's INR 0.04 Lakh Cr[10].

a. Marking Key Sectors: Delhi's Growth Drivers

The major sectors which contribute to the tertiary sector in order are Real estate, ownership of dwellings & professional services (24.9 percent), Transport, Storage & Communication (16.4 percent), Financial Services (15.4 percent), Trade, hotels & restaurants (13.5 percent) and others. Similarly, the major sectors in the secondary sector are Construction (4.1 percent), Electricity, Gas, Water Supply & other Utility Services (3.2 percent), and Manufacturing (6.8 percent), among others. The share of the secondary sector has declined due to the displacement of industrial units and the closure of polluting industrial units due to the strict enforcement of environmental pollution standards.

Delhi's economy has a predominant Service Sector with its share of contribution to Gross State Value Added (at current prices) at 85.40% during 2023-24 followed by

[9] *Government of NCT of Delhi, Economic Survey of Delhi, 2022-23*
[10] *Ministry of Statistics and Programme Implementation*

contribution of Secondary Sector (13.02%) and Primary Sector (1.58%). The tertiary sector plays a pivotal role in the State economy both in terms of employment generation and contribution to State Income.

Key Snapshot of Key Parameters

- The state's **GSDP (in Rs.) increased at a CAGR of 9.12%** between 2015-16 and 2023-24.
- As observed in many urban economies, Delhi also follows the trend of having a predominant presence in the Service Sector, driving its economic structure.
- The Advance Estimate of GSDP of Delhi at constant prices during 2023-24 was recorded at ₹672247 crore, registering a growth of 7.39% over 2022-23. Consequently, as per Economic Survey of Delhi-2023-24, Advance Estimate of GSDP of Delhi at current prices during 2023-24 was likely to attain a level of ₹11,07,746 crore which is at a growth of 9.17% over 2022-23.
- Remarkably, Delhi hosts more companies than all other States and Union Territories in the country except Maharashtra.
- Delhi's Per Capita Income has always been around 2.5 times higher when compared to national average, both at current and constant prices. The Per Capita Income of Delhi at current prices reached at the level of ₹4,30,120 in 2022-23 as compared to ₹3,76,217 in 2021-22. The Advance Estimate of Per Capita Income of Delhi at current prices during 2023-24 estimated at ₹4,61,910 registering a growth of 7.39% over the previous year.

SECTOR WISE GROWTH OF ECONOMY (AT CONSTANT PRICES)

(in %)

SECTORS	2019-20		2020-21		2021-22		2022-23		2023-24	
	Delhi	All India	Delhi	All India	Delhi	All India	Delhi	All India	Delhi	All India
1. Agriculture, Forestry & Fishing	-2.30	6.2	-19.04	4.1	-8.88	3.5	0.51	4.0	4.61	1.8
2. Mining & quarrying	9.49	-3.0	12.75	-8.6	-32.04	7.1	-22.41	4.6	9.34	8.1
3. Manufacturing	4.96	-3.0	0.05	2.9	11.44	11.1	0.57	1.3	4.49	6.5
4. Electricity, Gas, Water Supply & Other Utility Services	-6.20	2.3	-4.98	-4.3	9.63	9.9	-0.93	9.0	6.19	8.3
5. Construction	-2.19	1.6	-6.47	-5.7	23.38	14.8	12.10	10.0	7.46	10.7
6. Trade, Hotels, Transport, Communication and Services related to Broadcasting	5.67	6.0	-24.44	-19.7	8.37	13.8	13.93	14.0	9.22	6.3
7. Financial, Real Estate & professional Services	3.62	6.8	-0.60	2.1	6.74	4.7	5.64	7.1	5.44	8.9
8. Public Administration, Defence and Other Services	10.44	6.6	-3.90	-7.6	6.90	9.7	9.50	7.2	9.66	7.7
GSVA/GVA at basic prices	**4.79**	**3.9**	**-7.99**	**-4.2**	**7.06**	**8.8**	**7.48**	**7.0**	**7.19**	**6.9**
GSDP/GDP at market prices	**3.69**	**3.9**	**-8.96**	**-5.8**	**8.76**	**9.1**	**7.85**	**7.2**	**7.39**	**7.3**

Figure: Growth in GSDP and Sectors in Delhi at constant prices

b. Sustained GSDP Growth and significant contribution by Service Sector

A significant driver of this sustained growth has been the service sector, which forms the backbone of Delhi's economy. The service sector's contribution to Delhi's GSDP has been substantial, accounting for approximately ~30% of the total GSDP. This sector encompasses a wide range of industries, including information technology, telecommunications, banking, media, tourism, and real estate.

The dominance of the service sector in Delhi's economy can be attributed to several factors. Firstly, Delhi's strategic location and excellent connectivity make it a prime hub for trade and commerce. Secondly, the availability of a skilled workforce has attracted numerous multinational companies and startups to set up their operations in the city. Additionally, the government's proactive policies and initiatives to promote business and investment have further bolstered the growth of the service sector.

The service sector's growth has not only contributed to the overall economic development of Delhi but has also created numerous employment opportunities, thereby improving the standard of living for its residents. The sector's resilience and adaptability have enabled it to weather economic fluctuations better than the primary and secondary sectors

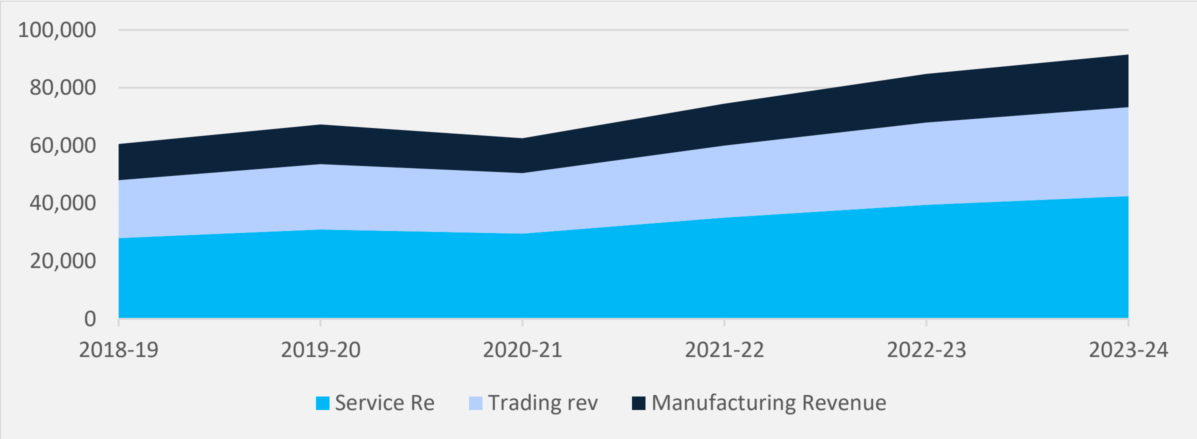


Figure: Share of various sectors in terms of revenue generated from 2018-19 till 2023-24[11]

As depicted in Figure 6, Delhi has seen a continued growth in revenue with a slight dip in FY2020-21 owing to Covid-19. However, whilst comparing it with the downfall as faced by other states, Delhi’s revenue was not largely affected. This could possibly be due to the large share of Service and Trade sector in Delhi’s overall revenue. Though, Manufacturing sector was severely affected, but considering its

[11] *Planning Department, Government of NCT of Delhi, Economic Survey of Delhi, 2023-24*

lower contribution in the revue, it did not adversely impacted Delhi's economy. Delhi stood out to be one of the most resilient states during the pandemic.

c. Export and FDI

Delhi has emerged as a significant player in India's export landscape. In the fiscal year 2024-25, merchandise exports from Delhi stood at approximately US$ 853.16 million from April 2024 to August 2024. The city's strategic location, robust infrastructure, and diverse industrial base have contributed to its growing export capabilities. Key export commodities from Delhi include textiles, garments, electronics, and engineering goods.

According to the Department for Promotion of Industry and Internal Trade (DPIIT), cumulative FDI inflow in Delhi amounted to ~US$ 31.71 billion between October 2019-March 2023 amounting to approximately 13.37% of the total FDI equity inflow in the country. Delhi is among the top five in the country in terms of FDI inflow. Major industries in the region include banking, insurance, financial services, Agri, processed food, construction and real estate, tourism, logistics, and IT/ITeS. Hence, Delhi has been attracting a huge share of FDIs thus solidifying its position as one of the top places in India to establish businesses, operate manufacturing units and carry out various other activities in the trade and service sector.

In terms of MSME, Delhi ranked 10th in the country in exports by MSME during 2022-23 with export value of USD 3376.02 million which accounts for 2.69% of total national exports by MSME. In FY24 the merchandise exports from Delhi stood at US$ 10.23 billion and US$ 8.14 billion in FY23 which is 2.34% and 1.8% of national merchandise export in resp. years.[12]

[12] *Directorate General of Commercial Intelligence and Statistics, Kolkata, Merchandise EXIM Status Report of India's MSME Sector, January 2024*

d. Distribution of Labour

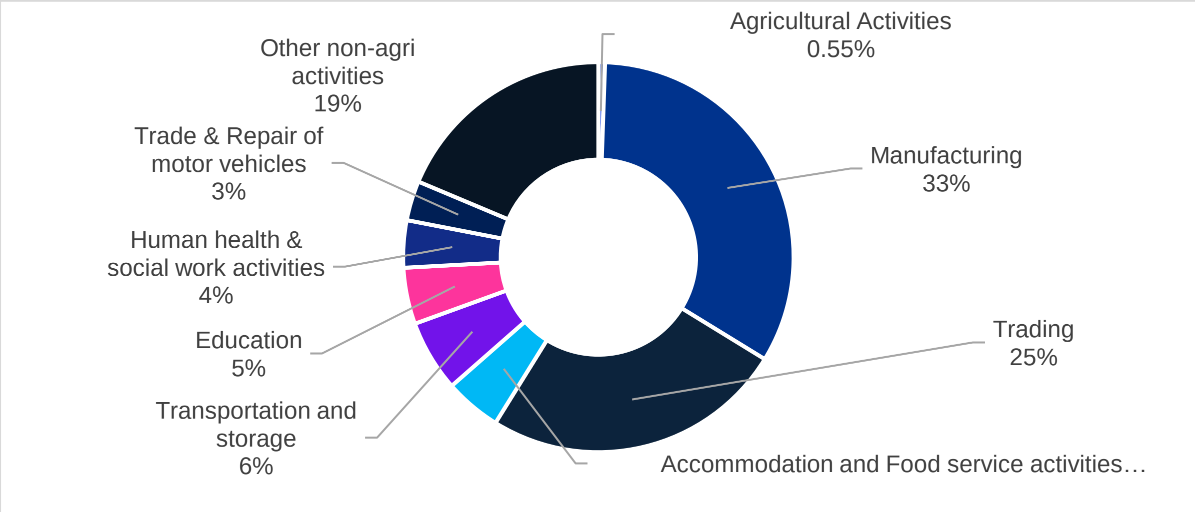


Figure: Distribution of employment by major economic activity group

As per the 6th Economic Census Report, 30,19,781 persons were employed in 8,75,308 establishments with an average of 3.45 employees per establishment in Delhi. Out of the total, 27,610 persons (0.91%) were employed in rural areas whereas, 29, 92,171 (99.09%) were engaged in urban Delhi. The increase in the number of workers is further translated into a hike in the monthly wages of skilled workers in Delhi.

03

Overview of NCT of Delhi MSME Segment

4. Overview

Micro, Small, and Medium Enterprises (MSME) have been playing a crucial role in expanding entrepreneurial activities through innovative business practices. They are broadening their reach across various economic sectors, producing a diverse array of products and services to meet the demands of both domestic and international markets.

The MSME sector contributes significantly to employment generation, revenue creation, and overall economic growth of Delhi. As Per the NSS 73rd Round of NSSO, Delhi **has 0.70% of MSME owned by female entrepreneurs**. The sector encompasses a wide range of industries, including manufacturing, services, and retail-trade, with a strong presence of small-scale industries. The significant contribution of MSME sector in Delhi is given below:

- **Ease of Doing Business[13]:** India's performance in the World Bank's Doing Business Report was based on the assessment of two Indian cities i.e. Delhi and Mumbai. Improvements in the business environment of Delhi, helped India jump to 63rd place in the World Bank's Doing Business ranking in 2020 from 130 in 2017, a rare feat for any large and diverse country of the size of India.

- **Employment Generation:** MSME are a major source of employment in Delhi, providing jobs to over **71 lakh** people. The sector has been instrumental in creating opportunities for skilled and unskilled workers, particularly in manufacturing and service sub-sectors.

- **Diverse Ecosystem:** Delhi's MSME ecosystem is characterized by its diversity, with a strong presence of manufacturing units, service-oriented businesses, and trading enterprises. Key sub-sectors include textiles, food processing, electronics, IT services, healthcare, and logistics. NCT of Delhi through the One District One Product (ODOP) initiative, has identified 11 districts with unique products (Bakery products, Milk based products, ready to eat products) and identified leading manufacturers/sellers/exporters for their respective ODOPs. Delhi has been granted a Geographical Indication (GI) Tag namely "Basmati" which shares its tag with other states of India, including Haryana.

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[13] Single Window System NCT Delhi

4.1. Central Government Schemes benefitting MSME in Delhi NCT

The Micro Small and Medium Enterprises, play a significant role in the economic development of India. The sector has contributed immensely to the GDP of the country and has also promoted entrepreneurship in semi-urban and rural areas of the country. In the Union Budget 2025-26, to help MSME scale operations and access better resources, the investment and turnover limits for classification have been increased by 2.5 times and 2 times, respectively. This is expected to improve efficiency, technological adoption, and employment generation. The limit of micro unit was increased to Rs. 2.5 Crore of investment and Rs 10 Crore of turnover. Similarly, the limit of small unit was increased to Rs. 25 Crore of investment and Rs 100 Crore of turnover. For Medium Enterprises, now it is Rs. 125 Crore of investment and Rs. 500 Crore of turnover.

Delhi has been actively implementing MSME schemes of Centre and State benefiting the enterprises. Below are the details of the beneficiaries of the schemes:

Scheme	Incentives	Beneficiaries in India	Beneficiaries in Delhi NCT
Udyam Registration	Zero-cost registration, access to government schemes, and priority lending.	3,44,48,995	8,04,114
Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)	Collateral-free loans up to ₹2 crore.	1,00,00,000+ guarantees	2,00,000+ guarantees
Prime Minister's Employment Generation Programme (PMEGP)	Subsidy up to 35% for project cost (₹25 lakh for manufacturing, ₹10 lakh for services).	9.97 lakh+ MSME	2,000 MSME

Scheme	Incentives	Beneficiaries in India	Beneficiaries in Delhi NCT
Zero Defect Zero Effect (ZED)	Certification and financial support for quality and sustainability.	2,75,000+ MSME	~1,300 MSME
MSE - Cluster Development Programme	Financial support for infrastructure development in MSME clusters.	590+ projects	8 projects

4.2. Key Initiatives by the Government of Delhi to enhance MSME Sector

The Government of Delhi has undertaken several strategic initiatives to bolster the growth and competitiveness of MSME in the region. These initiatives are designed to address key challenges such as access to finance, infrastructure deficits, skill gaps, and regulatory complexities, while also promoting innovation and sustainability. Below is a detailed overview of the key initiatives:

- **Delhi Industrial Cluster Development Program -** To address the issue of inadequate industrial spaces, the Delhi Industrial Cluster Development Program focuses on developing dedicated industrial clusters for high-growth sectors such as textiles, electronics, and pharmaceuticals. The program provides affordable industrial spaces and ensures the development of necessary infrastructure, including roads, water supply, and power connectivity, to create a conducive environment for MSME.

- **Delhi Startup Policy -** The Delhi Startup Policy aims to promote innovation and entrepreneurship by providing proposed financial incentives of up to ₹20 lakh for startups. The policy also offers mentorship and incubation support through partnerships with industry experts and academic institutions. Additionally, it facilitates access to venture capital funding and encourages the development of a robust startup ecosystem in Delhi NCT.

- **Ease of Doing Business Reforms -** To simplify compliance processes and reduce approval timelines, the Government of Delhi has implemented several ease of doing business reforms. These include the introduction of a single-window clearance system for licenses, permits, and approvals, as well as the development of online portals for MSME registration and compliance. These reforms aim to reduce bureaucratic hurdles and enhance the overall business environment for MSME.

- **Tourism Promotion Initiatives -** Recognizing the potential of tourism as a key driver of economic growth, the Government of Delhi has launched the "Dilli Dekho" campaign to promote Delhi as a premier tourist destination. The campaign includes the development of heritage walks, cultural festivals, and integrated tourism circuits to showcase Delhi's rich cultural heritage. Additionally, public-private partnerships are being encouraged to invest in tourism infrastructure and services.

- **Renewable Energy Initiatives -** To promote clean energy and sustainability, the Government of Delhi has introduced subsidies for rooftop solar installations under the Delhi Solar Policy 2023. The policy aims to increase the adoption of solar energy among MSME and households, thereby reducing their energy costs and carbon footprint. Furthermore, the Delhi Renewable Energy Development Agency (DREDA) has been established to promote research and development in renewable energy technologies.

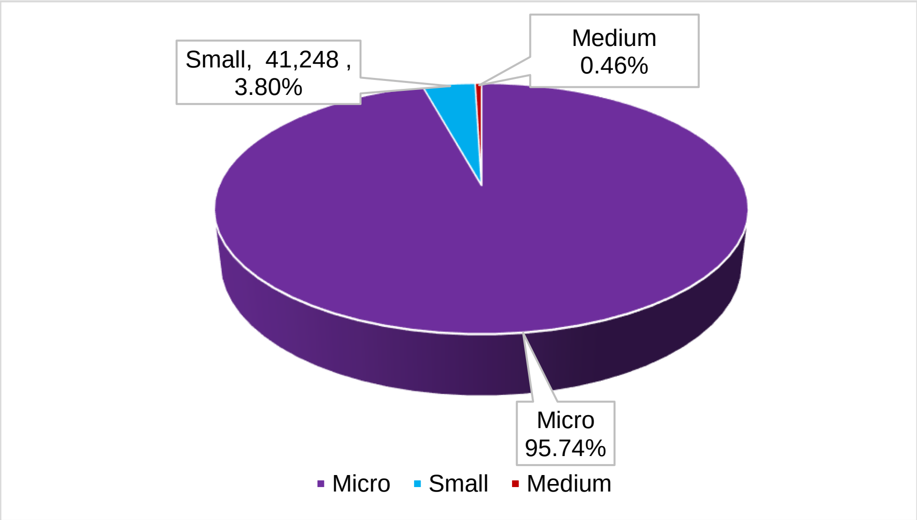
- **Skill Development Programs -** To bridge the skill gap in MSME, the Government of Delhi has launched sector-specific training programs in high-demand areas such as IT, logistics, and advanced manufacturing. These programs are conducted in collaboration with industry associations and educational institutions to ensure that the training is aligned with industry requirements. Additionally, apprenticeship schemes have been introduced to provide hands-on experience to MSME workers.

4.3. UDYAM Data Analysis of NCT of Delhi MSME

To help formalize and support the growth of MSME in India, the Ministry of Micro, Small and Medium Enterprises (MoMSME) launched the Udyam Registration Portal in 2020. This portal allows MSME to easily register their enterprises online by simply filling out a self-declaration form. By making the registration process use the portal ensures that businesses can quickly access various government incentives and benefits, fostering their development and success.

Detailed below is the analysis of MSME units registered on Udyam based on the data available on dashboard of Ministry of MSME, Govt of India.

As on 29th January 2025, total 10,86, 089 MSME are registered in Delhi under Udyam and Udyam Assist Portal (UAP). The total registered units comprise of 10,39,825 (95.74%) Micro enterprise, 41,248 (3.80%) Small and 5,016 (0.46%) Medium industries. The MSME in Delhi are producing a variety of products, from simple consumer goods to high-precision, sophisticated finished products.

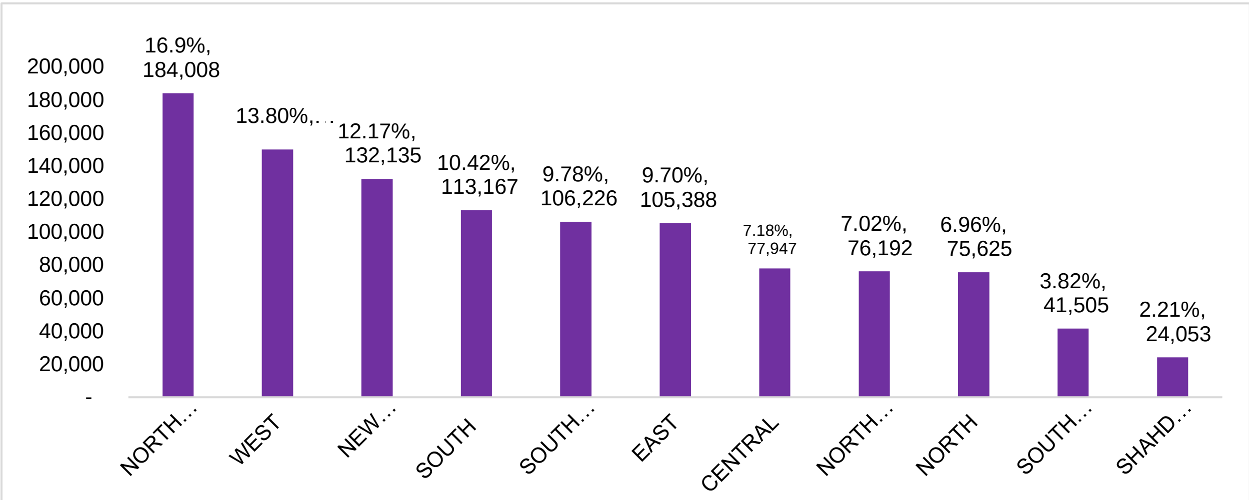


When compared to the National data, Delhi's MSME sector shows a similar distribution pattern, with a predominant share of micro enterprises, followed by small and medium enterprises. This alignment with the National trend emphasizes on the critical role of micro enterprises in driving economic activity and employment across State and National levels.

Among the UTs, Delhi has highest number of registered MSME followed by Jammu & Kashmir and Puducherry whereas nationally it ranks 17th.

4.3.1. District wise distribution of MSME

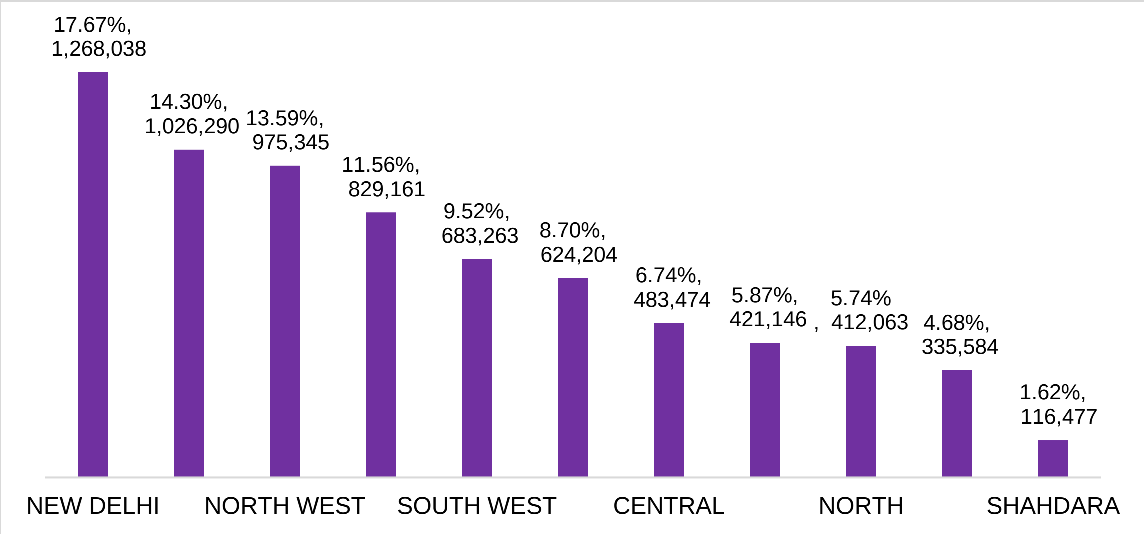
From the perspective of geographical representation of the registered MSME units in Delhi, North-West District has highest number of units with a share of 17% of



total registered units followed by West (13.80%) and New Delhi (12.17%). With total share of 2.21% Shahdara has the lowest number of units registered in Delhi.

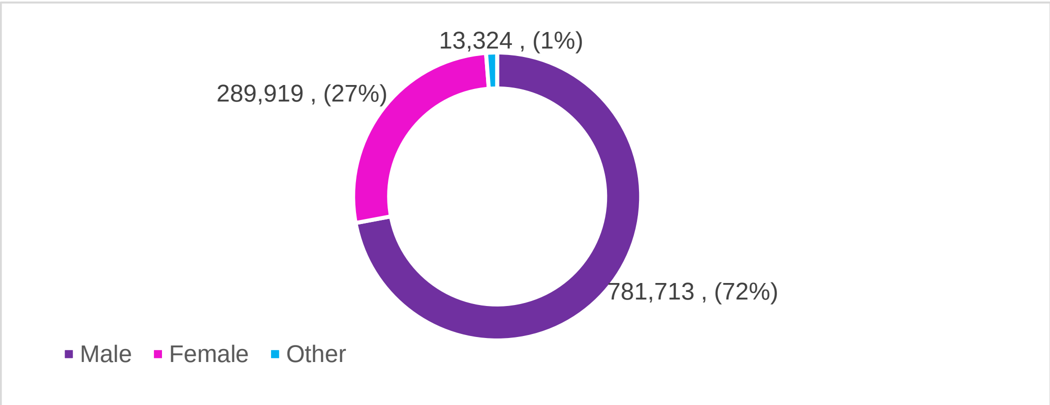
4.3.2. Employment generated by MSME.

The MSME sector plays a crucial role in generating employment. In Delhi, according to available data, the sector employs approximately 71.75 lakh people. New Delhi district despite being ranked 3rd in terms of registration, has so far provided 12.68 lakh (17.67%) employment which is highest in the State, followed by South (14.30%) and North-West (13.59%). Shahdara district has lowest contribution to employment generation which is also aligned with its low registration of MSME units.



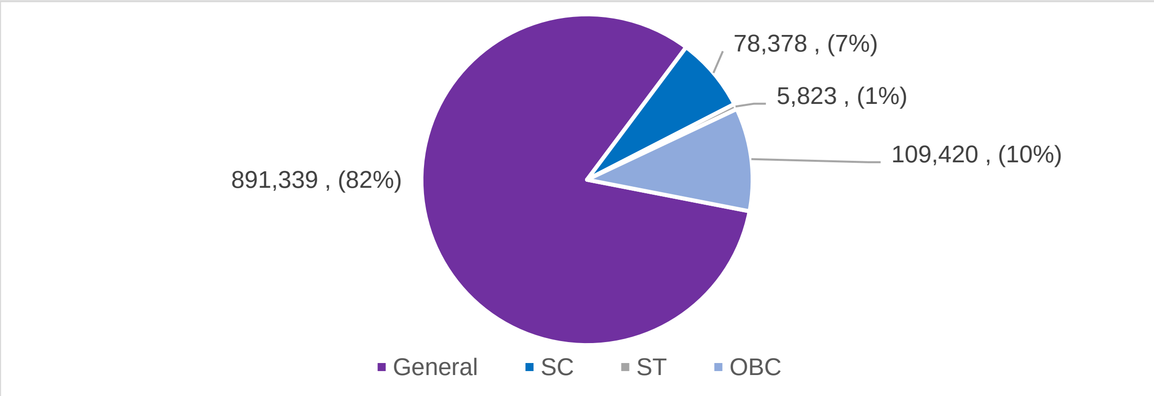
4.3.3. Gender distribution of MSME

The graph below highlights percentage distribution of MSME on the basis of gender ownership. Male owned MSME constitute 72% whereas only 27% of MSME are owned by females. The rest share of 1% is constituted by others. This disparity suggests the need for targeted policies and initiatives to encourage and support women entrepreneurship, such as providing access to funding, mentorship programs, and networking opportunities etc.



4.3.4. Social Category of registered Entrepreneurs

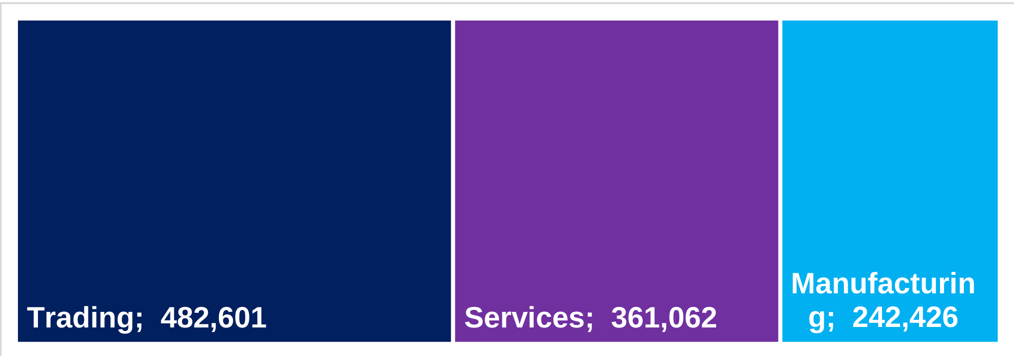
The below graph represents distribution of MSME among various social categories. Entrepreneurs belonging to General category own more than 82% of MSME units whereas the entrepreneurs from OBC own around 10% of the registered unit. The entrepreneurs from the ST communities have the lowest representation among the registered units.



4.3.5. Distribution of MSME by nature of Business

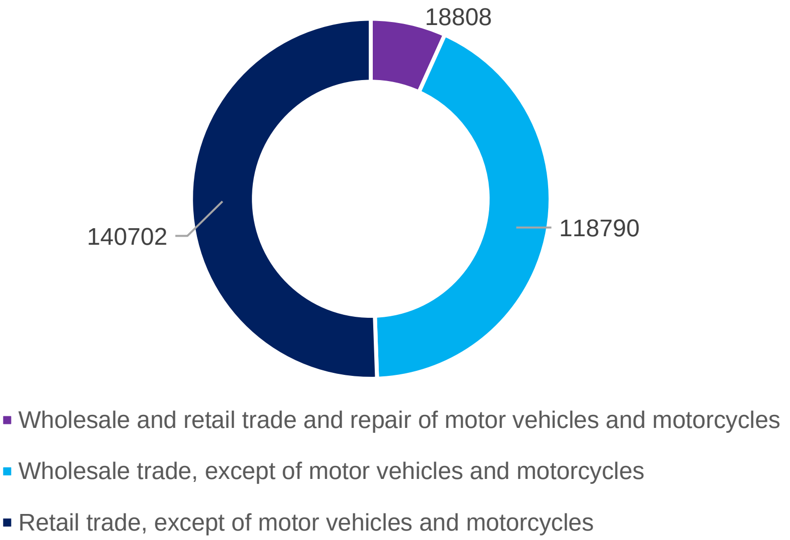
The graph below represents the distribution of Udyam-registered MSME in Delhi based on their primary business activities. The trading sector constitutes the largest share accounting for 44.4% of the total registered units. The services sector follows closely, comprising 3,61,062 MSME constituting around 33.2% of the total MSME. The manufacturing sector makes up 22.3% of the total registrations in the State.

This distribution highlights Delhi's strong orientation towards trade and services, with manufacturing forming a smaller but significant portion of the MSME ecosystem. The prominence of the trading sector reflects Delhi's role as a major commercial hub, while the substantial share of service-based enterprises closely relates with the Delhi's growing emphasis on knowledge-based and professional services.



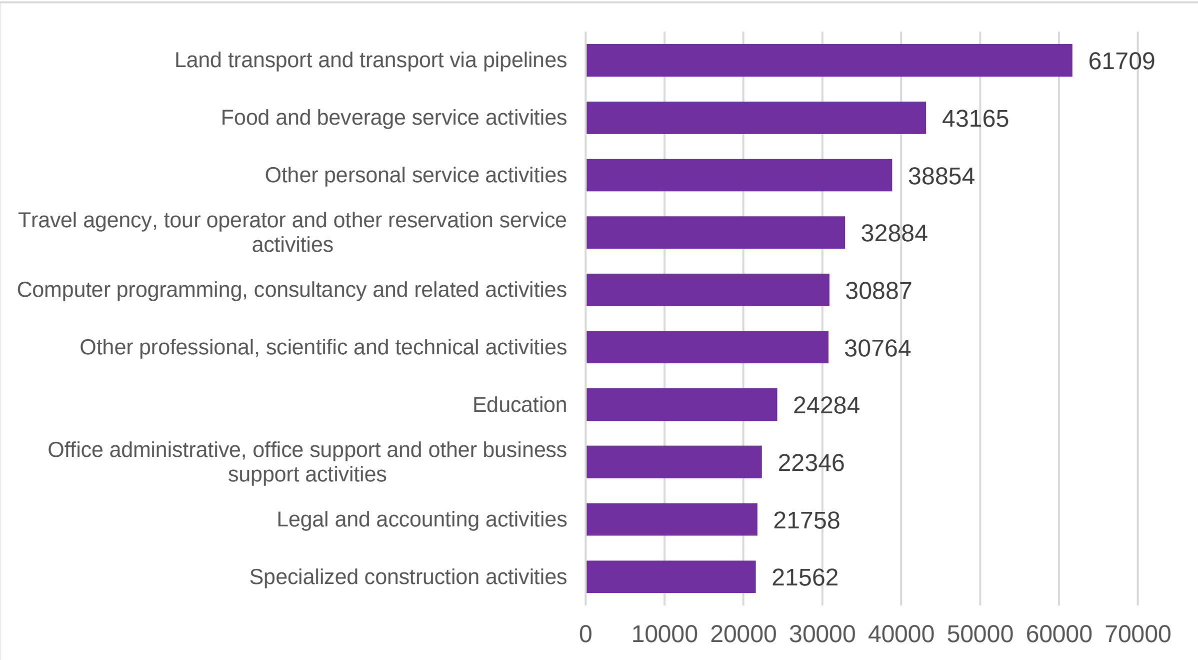
4.3.6. Major Activities under the Trading Sector

Majority of the units registered in Delhi are into trading activities, a closer look at the data reveals that 1,40,702 units are carrying out Retail trade activities, (except of motor vehicles and motorcycles category), whereas 1,18,790 registered units have taken up Wholesale activities (except of motor vehicles and motorcycles) followed by 18,808 units under Wholesale and retail trade and repair of motor vehicles and motorcycles category. Below is the graphical representation of major trading activities



4.3.7. Major activities under the Service Sector

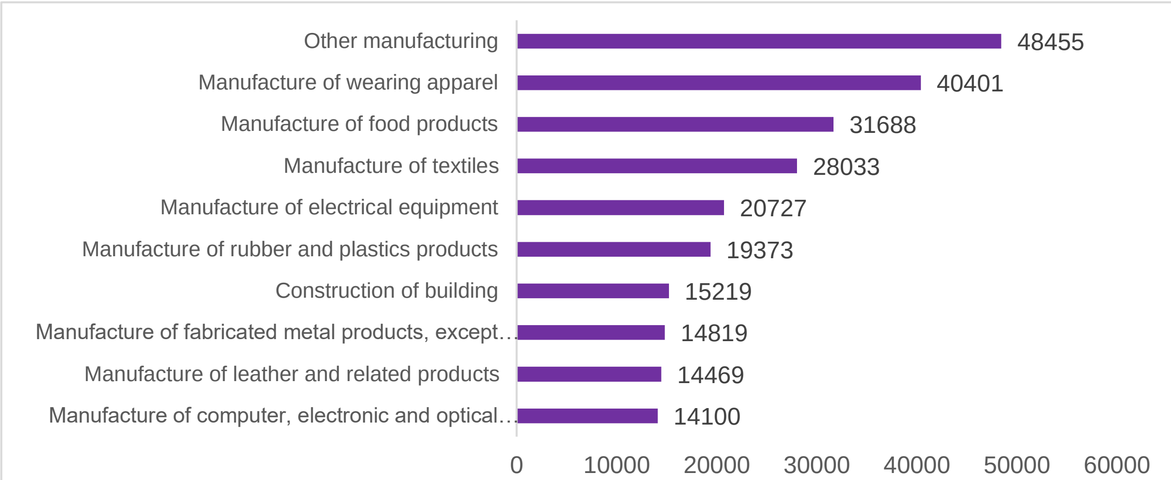
The service sector in Delhi is largely dominated by activities related to land transport and transport via pipelines with 61,709 registered units followed by Food



and Beverage service activities with 43,165 units whereas 38,854 units have taken up activities pertaining to Other Personal Service. Below is the graphical representation of the top 10 activities taken up under the service sector by the MSME registered in Delhi.

4.3.8. Major activities under the Manufacturing Sector

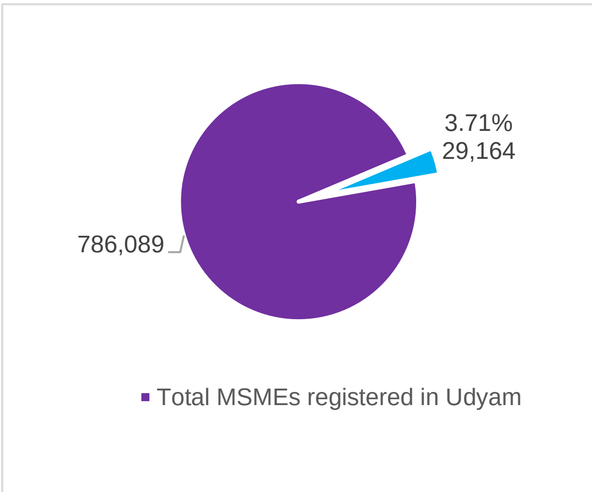
The manufacturing sector in Delhi is predominantly driven by other manufacturing activities[14], with a total of 48,455 units. This is closely followed by the



manufacturing of wearing apparel, which comprises 40,401 units, and the manufacturing of food products, with 31,688 units. The graph below illustrates the top 10 activities undertaken by MSME in the manufacturing sector within Delhi as per the Udyam registration

4.3.9. Export Performance of the MSME

As per the available data Total exporting MSME In Delhi is 29,164 which is 3.71% of total units registered under Udyam. This draws attention towards the need for enhanced support and initiatives to boost the export capabilities of MSME in Delhi. Despite being ranked 3rd among the Small States/UTs as per the NITI Aayog's Export Preparedness Index 2022, there are several areas that require attention. The report emphasizes the importance of



[14] It includes the manufacture of jewelry, musical instruments, sports goods, games, toys, and medical and dental instruments

strengthening the business ecosystem, implementing sector-specific measures, and undertaking necessary reforms to enhance the export potential of MSME. By addressing these critical areas, Delhi can significantly improve its overall export performance and contribute more effectively to the national economy.

04

RAMP Strategic Investment Plan: Challenges and Proposed Interventions

5. Executive Summary

While Delhi has a high density of MSME, it faces a challenge of sustaining the segment in the face of competition from emerging towns especially in and around the National Capital Region across Uttar Pradesh, Haryana and further upto Punjab and Uttarakhand.

Large-scale industries fail to absorb the growing workforce, leading to higher unemployment. Despite their potential to drive inclusive economic growth, MSME struggle due to credit constraints, lack of technological adoption, and bureaucratic challenges[15]. The "micro" of the MSME is worth focusing on because it provides 97 percent of the employment provided by the MSME sector. In Delhi, an approximately 2 million people are employed by MSME[16].

Slow industrial expansion, low productivity, and inefficient supply chains hinder the ability of MSME in Delhi to scale up and compete in both domestic and international markets. Industrial clusters in Naraina, Mayapuri, and Bawana often rely on outdated manufacturing processes, reducing efficiency and increasing costs[17]. Small businesses in areas like Shahdara and Paharganj face market fragmentation, limited brand visibility, and difficulty in accessing national and global buyers due to inadequate digital outreach and the absence of quality certifications. Financial barriers remain a significant hurdle, as stringent loan requirements and risk-averse banking policies prevent MSME from accessing working capital for business expansion. Only 16% of SMEs have timely access to finance, forcing small and medium-sized businesses to rely on their own resources. Many small businesses struggle to get funding from banks due to high credit requirements, lengthy application processes, and restrictive lending policies. As a result, MSME often have limited access to finance and risk capital[18]. Additionally, technological adoption remains low, with many MSME lacking the awareness or resources to invest in automation, AI, and cloud-based solutions, making them less competitive in a digital economy.

Economic activity remains concentrated in established industrial zones like Okhla and Bawana, leaving other regions underdeveloped. However, MSME in traditional sectors like handicrafts, food processing, and green energy have the potential to drive decentralized economic growth by leveraging local resources and skilled labour[19]. Additionally, regulatory burdens, such as multiple licensing requirements,

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[15] World Bank, MSME Growth Report, 2023
[16] Delhi Skill and Entrepreneurship University (DESU) Challenges and opportunities for Women MSME
[17] NITI Aayog, Strategy for New India@75, 2018
[18] MSME https://www.onendf.com/biggest-challenges-facing-by-MSME/
[19] White Paper on Delhi Industrial & Economic Development Policy, 2023-33

compliance delays, and frequent policy changes, discourage MSME formalization. Streamlining compliance procedures through digital platforms and single-window clearance systems can improve ease of doing business. Addressing these challenges through financial inclusion, technology-driven solutions, supply chain improvements, and policy reforms will be crucial in transforming Delhi NCT's MSME landscape into a globally competitive and sustainable ecosystem.

Economic growth in Delhi NCT has been accompanied by significant environmental challenges, particularly in the MSME sector. Many small and medium enterprises operate in industries that contribute to pollution, including manufacturing, textile processing, and chemical production. Industrial clusters such as Mayapuri, Naraina, and Okhla face issues related to air and water pollution due to inefficient waste disposal methods and outdated production techniques[20]. MSME often lack the financial resources and technical expertise to implement environmentally sustainable practices, making it difficult for them to comply with green regulations and reduce their carbon footprint.

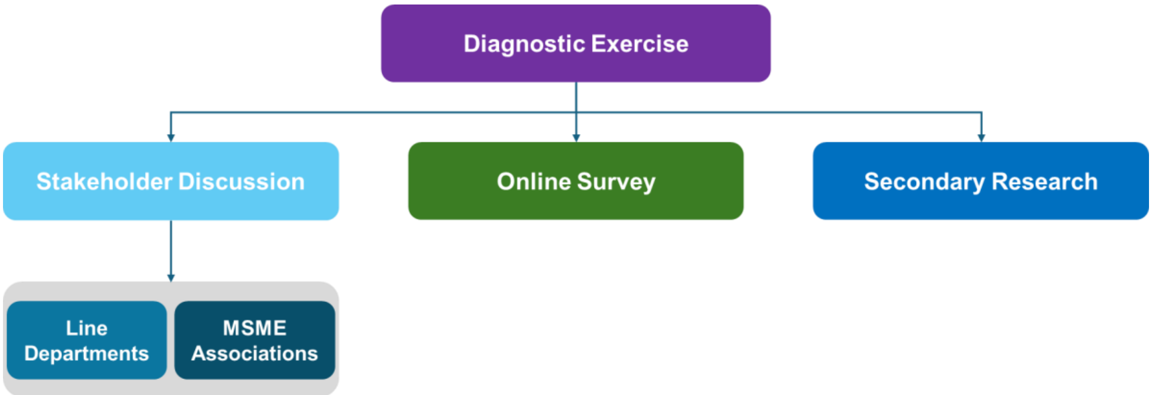
Additionally, high energy consumption in MSME operations, coupled with dependency on fossil fuels, increases overall emissions. The transition to renewable energy sources, such as solar power, remains slow due to high installation costs and limited government incentives for small businesses. Waste management is another major challenge, as many MSME lack structured recycling and disposal systems, leading to increased landfill waste and hazardous environmental impacts. The unorganized nature of industrial operations in areas like Shahdara and Bawana further exacerbates the problem, as businesses continue to operate with inefficient energy use and poor environmental compliance.

In terms of addressing the challenge of sustaining MSME productivity and prosperity, it is essential to ascertain and understand in depth the actionable hurdles prior to designing interventions. To cite an example, access to finance is definitely critical to be addressed. But the RAMP SIP intervention is required to complement the priority sector lending focus of financial institutions, various government schemes aimed at making finance more affordable and the technological innovations such as Open Credit Enablement Network (OCEN) along with RBI's Unified Lending Interface (ULI).

[20] Comprehensive Study on Air Pollution and Green House Gases (GHGs) in Delhi

6. Diagnostic Exercise by DSIIDC

To develop a comprehensive Strategic Implementation Plan (SIP), it is essential to have a holistic understanding of MSME, government departments and MSME associations. Our diagnostic study involved a combination of primary assessments and secondary research. The primary assessment included both physical and virtual interactions with MSME, government departments, administrative bodies. Additionally, stakeholder workshops were conducted with MSME associations and line departments in the Government of NCT of Delhi for the secondary research, we thoroughly analyzed reports, related to MSME in NCT of Delhi.



The study employed a multi-method approach, including secondary research, stakeholder consultations, and targeted surveys. This study is crucial for understanding the overall performance of Micro, Small, and Medium Enterprises (MSME) in the Delhi National Capital Territory (NCT) for various reasons:

- **Identifying Strengths and Weaknesses:** A diagnostic study helps in pinpointing the strengths and weaknesses of MSME. This includes understanding their operational efficiencies, market reach, financial health, and technological capabilities.
- **Policy Formulation:** Accurate data from a diagnostic study aids policymakers in crafting targeted policies and support mechanisms. This ensures that the specific needs of MSME in Delhi NCT are addressed, promoting sustainable growth and development.
- **Resource Allocation:** By understanding the performance and challenges faced by MSME, resources can be allocated more effectively. This includes financial aid, training programs, and infrastructure development, ensuring that support reaches the areas where it is most needed.
- **Market Competitiveness:** A diagnostic study can reveal how MSME in Delhi NCT are performing compared to their counterparts in other regions. This

information is vital for enhancing their competitiveness in both domestic and international markets.

- **Innovation and Technology Adoption:** The study can highlight gaps in technology adoption and innovation. This is crucial for MSME to stay relevant in a rapidly changing market environment and to leverage new technologies for improved productivity and growth.
- **Employment Generation:** MSME are significant contributors to employment. Understanding their performance helps in identifying opportunities for job creation and skill development, which is essential for the socio-economic development of the region.
- **Addressing Challenges:** The study can uncover specific challenges faced by MSME, such as regulatory hurdles, access to finance, and market barriers. Addressing these challenges through informed interventions can significantly improve their performance.

6.1. Secondary Research

The initial phase involved an extensive review of existing literature, reports, and data related to the MSME sector in Delhi. Key sources included government publications, industry reports, and academic studies. This secondary research provided a foundational understanding of the current landscape, historical trends, and existing challenges within the MSME sector. For instance, the “Functional Plan for Micro and Household Enterprises in NCR” prepared by the National Capital Region Planning Board[21] offered valuable insights into the status and issues faced by micro and household enterprises in the region.

6.2. Stakeholder Discussions

Primary assessment in a diagnostic exercise for MSME sector refers to the initial evaluation and analysis conducted to identify the key areas of concern or potential for improvement within the MSME sector. It is a crucial step in the diagnostic process as it helps in understanding the current state of the sector and determining the necessary actions to enhance its performance. The primary assessment involves gathering relevant information about various aspects of the MSME. In order to understand these aspects of the MSME sector in NCT of Delhi, a focused group discussion (FGD) and consultation with the stakeholders, Government of NCT of Delhi and MSME associations.

The FGD process typically involves bringing together a diverse group of stakeholders, including MSME owners, associations, government representatives,

[21] Functional Plan for Micro and Household Enterprises in NCR [02 EXECUTIVE SUMMARY.pdf]

line departments, industry experts, and other relevant parties and the same was followed by involving all the stakeholders to understand the issues and challenges of MSME in NCT of Delhi. The idea behind the discussion was to create an open and inclusive environment where participants can freely express their thoughts, share experiences, and contribute to the decision-making process.

Recommendations were suggested primarily in the areas of access to market (domestic, international and e-commerce) and access to finance. Other recommendations were provided for awareness about various schemes for MSME, technology upgradation, and greening initiatives.

6.3. Interaction with MSME

One-to-one interaction with MSME units is a crucial aspect of fostering their growth and development. Such interactions play a significant role in understanding the specific needs and challenges faced by MSME, providing them with tailored support, and facilitating their integration into the broader ecosystem. Consultations was conducted through online surveys or phone calls. The purpose of these interactions was to understand the unique circumstances of each MSME unit, stakeholders can offer tailored advice and solutions to address their specific challenges.

Accordingly, the **one-to-one consultation was carried out among 50 MSME out of which 95% were UDYAM registered**. All the surveyed/investigated MSME are active with their production activities. **A majority of MSME (72%) who participated in the discussion indicated that they were not aware about Ministry of MSME schemes.** Upon further analysis of responses from MSME it is seen that even MSME aware about schemes did not know how to avail scheme benefits.

Further, approximately 60% MSME indicated that their operations were self-financed, and over 65% MSME respondents are not listed on any e-commerce platform including GeM.

The issues and challenges identified from the interaction and data analysis of the responses are:

- Many MSME have not taken advantage of government schemes due to a lack of awareness and understanding of the schemes, as well as difficulties in navigating the application process
- There is a widespread issue of MSME being unaware of various government initiatives
- It is crucial to provide MSME with institutional support for registering on various portals

- MSME have expressed a need for increased awareness and capacity building regarding the TReDS, SAMADHAN, and digitalization including onboarding on e-commerce platforms

This diagnostic study underscores the need for targeted interventions to address the identified challenges and to bolster the performance of the MSME sector in Delhi NCT.

6.4. Summary of Interaction with Line Departments

Sl. No.	Stakeholders	Challenges	Interventions

1	Delhi State Industrial and Infrastructure Development Corporation Ltd. (DSIIDC)	**Lack of clear policy for MSME support in Delhi:** Delhi currently lacks a **comprehensive and well-defined policy framework** specifically tailored to support Micro, Small, and Medium Enterprises (MSME). While the Government of India offers various schemes like **Stand-Up India, CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises), and PMEGP (Prime Minister's Employment Generation Programme)**, there is **no unified state-level policy** in Delhi that outlines a clear roadmap for MSME development. This absence of a structured policy leads to **inconsistent implementation** of support programs and **limited financial incentives** for small businesses.	**Formulate a Comprehensive MSME Policy for Delhi:**
			
			• **Develop a State-Specific MSME Policy:**
			  ○ Draft and implement a Delhi MSME Policy that addresses the unique challenges faced by businesses in the region. This policy should include incentives for startups, financial assistance, and support for innovation and technology adoption.
			• **Sector-Specific Policy Focus:**
			  ○ Identify and prioritize key sectors (e.g., manufacturing, textiles, food processing) for targeted policy interventions, including tax relief, subsidized utilities, and easier access to credit.
			• **Regular Policy Updates:**
			  ○ Conduct annual reviews of the MSME policy to ensure it remains responsive to emerging business challenges and aligns with national priorities like "Atmanirbhar Bharat."
			
			Dedicated MSME Facilitation Office:

Sl. No.	Stakeholders	Challenges	Interventions

			• Set up an MSME Facilitation Centre under the Delhi State Industrial and Infrastructure Development Corporation (DSIIDC) to serve as a one-stop resource for MSME. This office should provide:
			  ○ Information dissemination about schemes and policies.
			  ○ Guidance on compliance and legal frameworks.
			  ○ Handholding support for MSME to access financial programs and incentives.

	DSIIDC	**Coordination Challenges:** MSME support in Delhi is fragmented due to **poor coordination** between multiple government agencies. This lack of synchronization results in **duplication of efforts**, **delayed approvals**, and **conflicting regulations**. For example, MSME applying for business licenses may need to navigate overlapping requirements from **municipal bodies, environmental boards**, and **industrial development authorities**, leading to **prolonged approval processes** and **increased administrative costs**.	**Create an MSME Coordination Task Force:**
			• Establish a State-Level MSME Task Force to coordinate efforts across all government agencies involved in MSME development. This task force should:
			  ○ Ensure regular inter-departmental communication.
			  ○ Resolve regulatory conflicts and streamline approval processes.
			  ○ Monitor the implementation of MSME support programs and track outcomes.
			Implement a Unified Digital Platform:

Sl. No.	Stakeholders	Challenges	Interventions
			• Develop an Integrated MSME Support Portal where all government departments (industries, pollution control, tax authorities) can: ○ Share real-time information and documentation. ○ Provide single-window clearance for MSME approvals. ○ Allow businesses to track applications and receive coordinated responses from multiple agencies. **Conduct Regular Joint Reviews & Stakeholder Consultations:** • Organize **bi-annual coordination meetings** involving key government bodies and MSME associations to: ○ Identify and address **duplication of efforts**. ○ Ensure **policy alignment** across departments. ○ Encourage **public-private collaboration** to resolve cross-cutting challenges. **Policy Alignment & Data Sharing:**

Sl. No.	Stakeholders	Challenges	Interventions
			• Establish a **data-sharing framework** between agencies to provide a **holistic view** of MSME support initiatives. • Ensure that all government bodies work from a **common set of guidelines** to reduce inconsistencies in regulations and decision-making. **Dedicated MSME Grievance Redressal Mechanism:** • Set up an **MSME Grievance Cell** (RAMP-DELHI) to quickly address **inter-departmental issues** and ensure **timely resolution** of business concerns.
2	Badli Industrial Association (BIA)	**Limited land availability and unclear land-use classifications:** Industries face difficulty in expanding due to a lack of clear guidelines on permitted land use and slow land allotment processes.	Expedite land allotment processes and develop clear guidelines on land-use classifications, including a comprehensive mapping of industrial and non-industrial areas to facilitate MSME expansion.
	(BIA)	**Limited awareness of financial schemes (e.g., Stand-Up India):** Many Micro, Small, and Medium Enterprises (MSME) in Delhi are unaware of the various government financial schemes designed to support their growth and sustainability. Programs which aim to provide bank loans to due to a lack of knowledge and understanding. This challenge leads to	Conduct targeted financial literacy programs and regular outreach initiatives to increase awareness of central and state-sponsored financial schemes such as Stand-Up India, Mudra, and CGTMSE. **Enhanced Awareness Campaigns:** **Targeted Information Dissemination:**

Sl. No.	Stakeholders	Challenges	Interventions
		missed opportunities for financial support and business expansion. Key aspects of the problem include: **Limited Information Dissemination:** Many MSME do not receive adequate communication from government agencies or financial institutions regarding available schemes. Information is often presented in complex legal and financial language, making it difficult for small business owners to understand eligibility and benefits. **Inadequate Outreach Mechanisms:** The current awareness programs do not effectively reach marginalized and rural entrepreneurs who would benefit most from schemes like Stand-Up India. There is a lack of proactive outreach by banks and government bodies to educate and onboard eligible businesses. **Complexity of Application Processes:**	Launch a **multi-channel awareness campaign** using social media, local newspapers, and community radio to inform MSME about available schemes like Stand-Up India. Create **informative brochures** in multiple languages (Hindi, English, and local dialects) explaining eligibility, benefits, and step-by-step application processes. **Information Kiosks & Helplines:** • Set up **dedicated financial scheme kiosks** within industrial clusters and MSME hubs to offer real-time guidance and support. • Establish **helplines and chat support** where MSME can inquire about scheme details and get assistance with the application process. **Simplifying Application Processes:** **Streamlined Digital Platforms:** • Develop a **user-friendly MSME portal** under the RAMP initiative to provide a one-stop platform for applying to schemes like Stand-Up India.

Sl. No.	Stakeholders	Challenges	Interventions
		MSME perceive financial schemes as cumbersome, which deters them from applying. Many business owners lack the technical knowledge required to navigate digital portals or complete the necessary paperwork. **Financial Literacy Deficit:** Many MSME, especially first-time entrepreneurs, lack basic financial literacy, making them unaware of how to access and leverage schemes. Entrepreneurs from SC/ST and women-led enterprises are particularly affected due to social and educational barriers.	• Simplify the online application process by offering **pre-filled forms** and AI-based guidance to reduce manual errors. **Offline Assistance Centres:** • Establish **offline support centres** in collaboration with local industry associations to assist business owners who face digital literacy barriers. **Financial Literacy & Capacity Building:** **Regular Training Workshops:** • Organize **financial literacy workshops** in collaboration with industry bodies and banks to educate MSME about government schemes. • Focus on **practical, hands-on training** on preparing loan applications, managing business finances, and complying with scheme requirements. **Mentorship Programs:** • Launch **mentorship initiatives** connecting experienced business leaders with first-time SC/ST and women entrepreneurs to provide continuous guidance.

Sl. No.	Stakeholders	Challenges	Interventions
			Collaboration with Financial Institutions: **Bank-MSME Collaboration:** • Partner with banks to create a **dedicated MSME Relationship Officer** in industrial estates to provide personalized assistance. • Encourage banks to host **"Financial Inclusion Days"** where they offer in-person guidance on accessing schemes and resolving issues. **Incentives for MSME Participation:** • Offer **financial incentives** to banks and NBFCs that meet defined targets for MSME scheme approvals and disbursements. **Monitoring & Feedback Mechanisms:** **Regular Surveys & Feedback Loops:** • Conduct **annual MSME surveys** to assess awareness levels and identify pain points in accessing financial schemes.

Sl. No.	Stakeholders	Challenges	Interventions
			• Create a **grievance redressal mechanism** to address issues MSME face when applying for schemes. **Impact Measurement:** • Track the number of MSME utilizing schemes through **digital dashboards**, ensuring transparency and policy adjustments where needed.
	(BIA)	**Inadequate formalization and compliance hurdles:** MSME struggle with multiple processes, making it challenging to register and comply with legal requirements.	Simplify the MSME registration process by creating a digital platform for documentation and compliance, ensuring ease of business registration and regulatory adherence.
3	Naraina Industrial Association (NIA)	**High operating charges and their impact on MSME sustainability:** Micro, Small, and Medium Enterprises (MSME) in Delhi face **significant financial burdens** due to rising operating costs. These charges cover a wide range of expenses such as electricity tariffs, property and service taxes, labor costs, regulatory fees, and environmental compliance. High operating costs directly reduce the profitability of MSME, making it difficult for them to sustain and scale their businesses. **High Electricity Tariffs**	**Reduce Electricity Costs:** **Subsidized Power Tariffs for MSME:** Implement a **tiered electricity pricing model** where MSME receive reduced rates for consumption below a defined threshold. Offer **time-of-use pricing** for MSME to incentivize operations during off-peak hours, lowering energy costs. **Incentivize Renewable Energy Adoption:** Provide **capital subsidies** for installing solar rooftop panels or energy-efficient equipment.

Sl. No.	Stakeholders	Challenges	Interventions
		Industrial units in Delhi face exorbitant electricity costs, particularly in older industrial estates where outdated infrastructure leads to higher energy consumption and inefficiencies. Many MSME in these areas are burdened by outdated machinery and inadequate power management systems, which result in increased energy use and inflated electricity bills. Additionally, unpredictable tariff hikes and high demand charges further strain MSME, making it difficult for them to plan long-term operations. Unlike larger enterprises that can negotiate better power rates due to their scale, MSME lack the bargaining power to secure favourable electricity costs. This disparity makes small businesses vulnerable to sudden increases in energy expenses, limiting their profitability and competitiveness. **Excessive Property and Service Charges** MSME operating within industrial areas in Delhi are subjected to double taxation, which includes property taxes levied by municipal authorities and service charges for maintenance, security, and waste disposal. This dual burden significantly increases operating costs, particularly for	Establish a **Green Energy Fund** to help MSME transition to low-cost renewable sources through affordable financing. **Manage Labor Costs & Improve Workforce Affordability:** **Wage Subsidy Programs:** • Implement **partial wage reimbursements** for MSME hiring from marginalized communities (SC/ST, women, differently abled). **Skilled Labor Pipeline:** Partner with **ITI (Industrial Training Institutes)** and local academic bodies to develop affordable training programs, reducing hiring costs. **Flexible Wage Policies:** Advocate for a **separate minimum wage structure** for MSME to reflect their unique financial constraints without undermining worker welfare. **Reduce Environmental Compliance Costs:** **Green Technology Incentives:**

Sl. No.	Stakeholders	Challenges	Interventions
		small businesses that lack the financial resilience to absorb additional expenses. Further compounding the issue is the lack of transparency in how these fees are calculated. Ambiguous fee structures and the absence of standardized assessment criteria result in inconsistent billing, leaving MSME confused and financially strained. These opaque practices not only escalate costs but also discourage new businesses from establishing themselves in industrial areas, ultimately hindering the growth of the MSME sector. **High Labor Costs** Labor costs in Delhi are among the highest in India. MSME—especially those in manufacturing, textiles, and other sectors requiring substantial human resources. In addition to paying higher wages, MSME must comply with employee welfare mandates such as the Employees' Provident Fund (EPF) and Employees' State Insurance (ESI). These requirements increase administrative work and operational costs, making it difficult for small businesses to compete with larger firms. As a result, many MSME struggle to sustain a	Provide **capital grants** for pollution control technology and **tax credits** for MSME adopting sustainable practices. Offer **fee waivers** for small enterprises investing in certified green infrastructure. **Establish Common Environmental Facilities:** Set up **Common Effluent Treatment Plants (CETPs)** and **shared pollution control units** to reduce individual MSME compliance burdens. **Dedicated MSME Grievance Redressal Mechanism:** Set up a **"MSME Compliance Facilitation Cell"** to assist businesses in resolving regulatory issues promptly.

Sl. No.	Stakeholders	Challenges	Interventions
		stable workforce, limiting their capacity to scale operations and maintain productivity. **Environmental Compliance Costs** Delhi's MSME also face significant costs related to environmental compliance. Stricter regulations mandate businesses to invest in pollution control equipment, waste management systems, and energy-efficient technologies. Moreover, there are limited financial incentives or subsidies available to offset the costs of meeting these regulatory standards. Without adequate support, many MSME are either forced to delay compliance or bear the expenses themselves, which affects their cash flow and operational sustainability. This challenge is particularly acute in industries with high environmental impact, such as chemicals, manufacturing, and textiles.	
	(NIA)	**Skilled labour shortages in industrial areas:** Industries face a lack of adequately trained workers, leading to reduced productivity and operational inefficiencies.	Implement industry-specific skill development programs in partnership with technical institutions, focusing on the latest industrial practices and emerging technologies to address labour shortages.
	(NIA)	**MSME' reluctance to register due to complex regulatory processes:** Many MSME avoid registration because of the	Simplify regulatory frameworks and streamline compliance mechanisms through a dedicated

Sl. No.	Stakeholders	Challenges	Interventions
		cumbersome regulatory environment and fear of additional scrutiny.	MSME facilitation cell to provide guidance and reduce bureaucratic complexities.
4	Dalit Indian Chamber of Commerce & Industry (DICCI)	**Financial gaps, limited working capital, and dependence on middlemen:** MSME, especially those owned by marginalized communities, struggle to access affordable credit and are forced to rely on intermediaries, reducing their profit margins.	Establish dedicated working capital funding mechanisms, improve access to credit through special credit lines for SC/ST entrepreneurs, and implement financial inclusion programs targeting marginalized groups.
	(DICCI)	**Lack of Awareness about Industry Clusters (IC):** Industry Clusters (IC) are groups of interconnected businesses, suppliers, and associated institutions that work within a specific sector and geographical area to drive economic growth, competitiveness, and innovation. These clusters help MSME by providing shared resources, easier access to supply chains, collaboration opportunities, and policy support. However, in Delhi, there is a significant lack of awareness among MSME about the benefits and functionalities of Industry Clusters.	**Awareness Campaigns & Information Dissemination:** • Conduct **industry-specific awareness sessions** in partnership with industrial associations, explaining the concept, benefits, and government support available for clusters. • Develop a **dedicated online portal** where MSME can find details about existing clusters, benefits, and the process of joining. • Create **sector-wise cluster directories** with contact points, incentives, and collaboration opportunities. **Capacity Building & Training:** • Organize **training workshops for MSME** on the advantages of forming/joining clusters and how to leverage them for business growth.

Sl. No.	Stakeholders	Challenges	Interventions
			• Provide **technical assistance** on legal formalities, cluster formation, and collective business operations. **Cluster Facilitation Centres:** • Establish **Industry Cluster Facilitation Centres** in key industrial zones to provide hands-on support and advisory services to MSME. • These centres can act as **one-stop information hubs** for industries looking to form clusters. **Public-Private Partnership Initiatives:** • Encourage **collaborations between MSME, large enterprises, and academic institutions** to build stronger clusters.
	(DICCI)	**Issues related to supply inconsistency, budget constraints, and working capital shortages:** MSME in Delhi face significant operational hurdles due to irregular supply chains, financial limitations, and inadequate working capital. These issues disrupt business operations, reduce efficiency, and limit the ability to scale. Below is a breakdown of the three interconnected challenges:	**Strengthening Supply Chain Management:** **Supply Chain Mapping & Aggregation:** • Establish **supply chain facilitation platforms** to connect MSME directly with verified suppliers and reduce reliance on middlemen. • Promote **group purchasing initiatives** where MSME can pool resources to buy

Sl. No.	Stakeholders	Challenges	Interventions
		Supply Inconsistency: Unreliable Raw Material Availability: Many MSME depend on third-party suppliers for raw materials, which often leads to delays, price fluctuations, and inconsistent quality. Dependency on Middlemen: MSME often rely on intermediaries to procure materials, which increases costs and reduces profit margins. Limited Access to Bulk Purchasing: Small businesses struggle to procure raw materials in bulk, leading to higher per-unit costs and irregular supply. Logistical Challenges: Transportation delays and inefficient supply networks further disrupt production schedules, especially for MSME in non-confirming industrial areas. **Budget Constraints:** Limited Access to Capital: MSME often lack the financial resources to invest in modern equipment, technology, and skilled labour.	raw materials in bulk, reducing costs and ensuring consistent supply. **Logistics Support:** • Provide **subsidies or incentives** for MSME investing in local supply chains to reduce transportation challenges. • Collaborate with logistics firms to create **dedicated delivery corridors** for MSME clusters. **Inventory Management Systems:** • Offer **technology grants** to implement digital supply chain tracking systems, enabling real-time monitoring and efficient stock management. **Improving Access to Capital & Budget Management:** **Simplified Financing Options:** • Introduce **pre-approved credit lines** through partnerships with banks, NBFCs, and fintech firms for MSME with consistent track records. • Enhance access to **government-backed credit schemes** like CGTMSE (Credit

Sl. No.	Stakeholders	Challenges	Interventions
		High Operational Costs: Rising costs for electricity, wages, and regulatory compliance strain the limited budgets of MSME. Inadequate Financial Planning: Many small businesses lack the expertise to forecast budgets accurately, leading to poor cash flow management. **Working Capital Shortages:** Delayed Payments: MSME face prolonged payment cycles from buyers, particularly large corporations and government bodies, causing liquidity crunches. Limited Credit Access: Traditional financial institutions often hesitate to extend loans due to the perceived risk of MSME, especially those without collateral. Seasonal Demand Variations: Industries with seasonal demand (e.g., textiles, consumer goods) experience cash flow gaps during off-peak periods. Complex Lending Processes: Lengthy documentation and bureaucratic hurdles	Guarantee Fund Trust for Micro and Small Enterprises) for collateral-free loans. **Budgetary Support Programs:** • Provide **working capital support schemes** specifically tailored for high-cost sectors such as manufacturing, electronics, and textiles. • Offer **budget management training** through workshops to help MSME improve financial planning and optimize operational costs. **Addressing Working Capital Shortages:** **Timely Payment Mechanisms:** • Implement a **mandatory payment deadline policy** for large companies and government agencies, ensuring payments to MSME within 45 days. • Integrate MSME with **TReDS (Trade Receivables Discounting System)** to enable early payment access through invoice discounting. **Specialized Credit Products:**

Sl. No.	Stakeholders	Challenges	Interventions
		prevent MSME from accessing timely financial support.	• Design **sector-specific financial products** with flexible repayment schedules to address working capital needs during seasonal fluctuations. **Ease of Credit Access:** • Simplify **loan application processes** by reducing paperwork and facilitating online applications through a unified MSME portal. • Partner with public and private sector banks to establish **dedicated MSME helpdesks** within industrial clusters for easy financial assistance. **Policy Advocacy & Capacity Building:** • Regularly **engage with industry associations** to identify and resolve emerging supply chain and financial issues. • Advocate for **policy reforms** that prioritize MSME access to affordable credit, working capital, and market linkages. • Conduct **financial literacy programs** to empower MSME with better financial planning, resource allocation, and cash flow management.

Sl. No.	Stakeholders	Challenges	Interventions
	(DICCI)	**Lack of mentoring support for marginalized communities (SC/ST entrepreneurs):** Entrepreneurs from marginalized communities often lack access to mentorship, reducing their capacity to scale and innovate.	Create mentorship and incubation programs specifically targeting SC/ST entrepreneurs to provide business guidance, market access, and technical support for sustainable growth.
	(DICCI)	**Exclusion of SC/ST entrepreneurs in the mainstream industrial sector:** Historical marginalization limits their participation in industrial ecosystems, leading to socio-economic exclusion.	Design and implement affirmative action policies, including reserved procurement quotas and specialized support systems for SC/ST entrepreneurs to ensure their equitable participation in the industrial landscape.
5	Delhi Skill and Entrepreneurship University (DSEU)	**Need for Women-Centric Training on Entrepreneurship:** Women entrepreneurs in Delhi face significant barriers when starting and growing their businesses due to limited access to training programs tailored to their unique needs. Despite government initiatives like Stand-Up India and Women Entrepreneurship Platform (WEP), there is a lack of gender-specific training that addresses the socio-economic and operational challenges faced by women entrepreneurs. Key aspects of the challenge include: **Limited Access to Business Knowledge:**	**Develop Women-Centric Entrepreneurship Training Programs:** **Customized Curriculum:** • Design **women-focused training modules** covering **business fundamentals**, **financial planning**, **digital literacy**, and **regulatory compliance**. • Include **sector-specific training** in high-potential industries such as **artisanal crafts**, **agriculture-based products**, **retail**, **healthcare**, and **IT-enabled services**. **Flexible Training Models:**

Sl. No.	Stakeholders	Challenges	Interventions
		Many women entrepreneurs, especially in semi-urban and marginalized communities, lack **formal business training** on topics such as **financial literacy**, **business planning**, and **digital marketing**. **Complex regulatory processes** and **legal frameworks** are often not simplified or communicated effectively, preventing women from confidently managing their enterprises. **Socio-Cultural Barriers:** **Gender stereotypes** and societal expectations discourage women from pursuing entrepreneurial ventures. Women often juggle business responsibilities with family duties, limiting their ability to attend conventional training programs. A **lack of supportive networks** and **mentorship opportunities** reduces the confidence of aspiring women entrepreneurs. **Inadequate Technical and Digital Skills:** The **digital divide** disproportionately affects women-led businesses, making it harder for	• Offer **hybrid training models** (in-person and online) to accommodate women balancing business and household responsibilities. • Provide **part-time and weekend options** to enhance accessibility for women entrepreneurs. **Establish Women Entrepreneurship Support Centres (WESC):** **Dedicated Learning Hubs:** • Create **Women Entrepreneurship Support Centres** within industrial clusters and community hubs to offer continuous learning and advisory support. **One-Stop Resource Centre:** • These centres should provide **hands-on assistance** with business registration, financial applications, and compliance processes. **Mentorship and Networking Initiatives:** **Mentorship Programs:**

Sl. No.	Stakeholders	Challenges	Interventions
		them to adopt **e-commerce platforms** or use **digital payment systems** effectively. There is a lack of **sector-specific technical training** for industries where women entrepreneurs are concentrated, such as **handicrafts, food processing, textiles**, and **healthcare services**. **Limited Access to Financial Resources:** Women entrepreneurs often face **credit access barriers** due to **limited collateral** and **low financial literacy**.	• Launch a **Women Mentorship Initiative** where experienced women entrepreneurs guide new business owners through **peer learning and one-on-one mentoring**. **Networking Platforms:** • Organize **women-focused business forums**, conferences, and networking events to foster collaboration and market access. **Access to Financial Resources:** **Gender-Specific Financial Literacy Workshops:** • Conduct **financial literacy programs** to educate women on **business accounting**, **loan applications**, and **investment management**. **Earmark Funding for Women Entrepreneurs:** • Ensure **dedicated financial products** for women-led MSME under programs like **CGTMSE** and **Stand-Up India** are promoted and easily accessible. **Microfinance Collaboration:**

Sl. No.	Stakeholders	Challenges	Interventions
			• Collaborate with **microfinance institutions** and **cooperative banks** to offer **collateral-free loans** to women entrepreneurs. **Digital Empowerment Programs:** **Digital Business Training:** • Offer **digital literacy programs** focusing on **e-commerce integration**, **online marketing**, and **digital payment systems**. **Access to Digital Tools:** • Provide **subsidized access** to business management software and digital infrastructure through **government-supported tech grants**. **Policy Advocacy & Recognition:** **Gender-Inclusive Policy Development:** • Advocate for a **Women's Entrepreneurship Policy** at the state level to ensure women-led MSME receive

Sl. No.	Stakeholders	Challenges	Interventions
			tax relief, **subsidized utilities**, and **market linkages**. **Recognition & Awards:** • Establish **annual awards** recognizing outstanding women entrepreneurs to encourage participation and highlight successful business models.
		High minimum wages impacting MSME viability: Rising labour costs due to high minimum wage requirements pose a challenge for MSME to maintain profitability and remain competitive.	Review and rationalize minimum wage policies to strike a balance between worker welfare and MSME sustainability, particularly in labour-intensive sectors.
6	MSME Cluster Representatives (MSME CR) and Line Departments (Delhi Jal Board, Dept. of Environment, Dept. of Women and Child Development)	**No incentives for solar rooftops and green energy:** Industries lack financial and technical support to adopt renewable energy solutions, increasing their operational costs and environmental impact.	Develop incentive programs, such as tax rebates and low-interest loans, for MSME adopting renewable energy solutions, and facilitate partnerships with renewable energy service providers.
	(MSME CR)	**Double taxation issues (property and service charges):** MSME face financial strain due to overlapping taxes, such as property taxes and service charges, increasing the cost of doing business.	Conduct a comprehensive review of the taxation structure and work towards eliminating double taxation by harmonizing state and local tax policies applicable to MSME.
	(MSME CR)	**Lack of coordinated consultation between government and industry:** Limited dialogue between government bodies and industrial stakeholders leads to	Establish regular consultation forums involving industrial associations and government representatives to ensure collaborative policymaking and responsive governance.

Sl. No.	Stakeholders	Challenges	Interventions
		ineffective policy implementation and missed opportunities.	
	(MSME CR)	**Limited access to export financing and market linkages:** MSME face difficulty in securing financing for exports and establishing connections with domestic and international markets.	Set up Export Facilitation Centres to assist MSME in accessing export financing, navigating regulatory procedures, and expanding market reach through targeted trade promotion initiatives.
	(MSME CR)	**Volatility in raw material pricing affecting production costs:** Fluctuations in the prices of essential raw materials create uncertainty and financial challenges for MSME.	Implement a price stabilization fund or offer hedging mechanisms to protect MSME from the impact of raw material price volatility and ensure cost predictability.

Field Survey and Analysis of Data

A field survey was conducted to assess the current state of Micro, Small, and Medium Enterprises (MSME) in Delhi NCT. The survey aimed to gather first-hand insights from individuals associated with various MSME—ranging from Micro, Small, and Medium enterprises—across different geographical locations within Delhi NCT. The data collected offers a comprehensive understanding of the challenges, opportunities, and policy needs of the MSME sector in the region.

Objective of the Survey

The primary objectives of the survey were to:

a) Understand the structural composition of MSME, including their size, ownership type, and year of establishment.

b) Identify operational and financial challenges faced by MSME, especially concerning cash flow, market access, and credit availability.

c) Evaluate awareness and utilization of government schemes and other support programs targeted at MSME.

d) Gauge the extent of digital adoption, particularly in e-commerce and online market integration.

e) Assess sustainability practices and the willingness of MSME to adopt green initiatives and environment-friendly practices.

f) Identify areas where MSME require additional government support to sustain and grow their businesses.

Methodology of the Survey

The survey was conducted using an online survey form that was randomly circulated to MSME units and individuals across Delhi NCT. The digital format allowed for wider outreach, enabling MSME from various regions and sectors to participate conveniently. 50 responses were successfully received from a diverse pool of respondents, providing a balanced representation of business sizes, ownership types, and industry categories.
The survey form comprised 20 well-structured questions covering the following areas:

1. **Business Profile:**
   - UDYAM registration status, size of business (Micro/Small/Medium), type of business (Manufacturing/Service/Trading).
   - Year of establishment and number of employees.

2. **Ownership and Social Inclusion:**

    - Ownership type (Proprietorship, Partnership, Private/Public Limited).
    - Representation of women and minority groups (SC, ST, OBC, Minority).

3. **Financial and Operational Aspects:**

    - Sources of funding (Self-financed, Bank loans, NBFCs, Investors).
    - Key financial challenges (cash flow issues, delayed payments, credit access, operational costs).

4. **Market Reach and Digital Integration:**

    - Primary market focus (Local, National, International).
    - Presence on e-commerce platforms (GeM, ONDC, Amazon, Flipkart, others).

5. **Government Schemes and Policy Awareness:**

    - Awareness of MSME schemes and whether businesses had availed of these schemes.
    - Feedback on scheme effectiveness and areas requiring more government support.

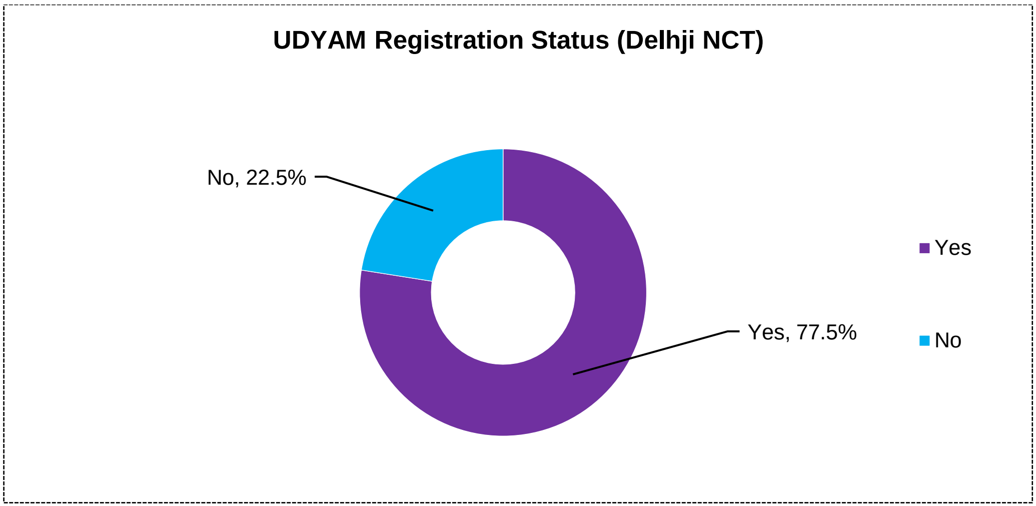
6. **Sustainability and Green Practices:**

    - Adoption of environment-friendly practices (e.g., waste management, energy efficiency).
    - Future plans for implementing green initiatives and challenges in adopting sustainable practices.

UDYAM Registration Status

The UDYAM Registration chart reveals that **77.5% of MSME** in Delhi NCT are registered under the UDYAM system, while **22.5%** remain unregistered. This high registration rate indicates growing awareness among MSME about the benefits of formal registration. Registered businesses can access government schemes, subsidies, credit guarantees, and priority sector lending. The introduction of online registration and simplified processes under the UDYAM platform has played a key role in enhancing compliance.

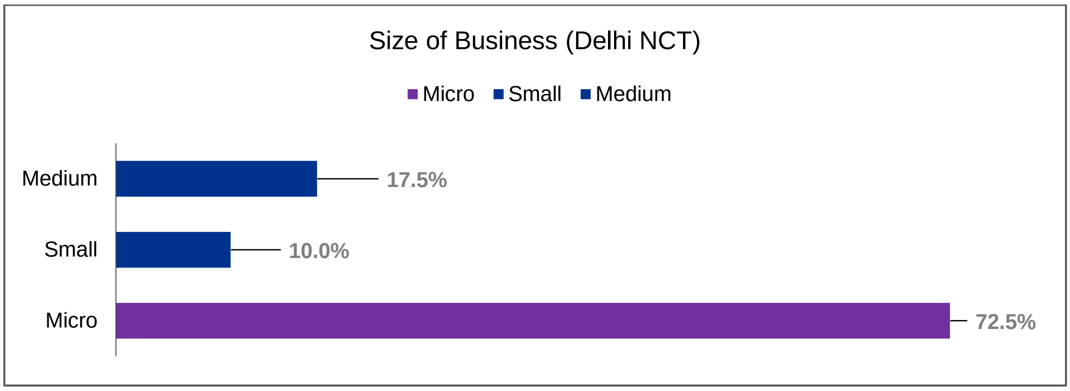
However, the **22.5%** unregistered portion suggests that a significant segment of MSME still operates outside the formal system. This may stem from lack of awareness, fear of regulatory compliance, or perceived complexities in the registration process. Targeted outreach programs, simplified documentation, and on-ground support initiatives can drive further participation and ensure that all eligible MSME benefit from the formal ecosystem.



Size of Business

The size of business chart demonstrates that **72.5% of MSME in Delhi NCT fall within the Micro category**, **10% are Small**, and **17.5% are medium** enterprises. This reflects the dominance of micro-enterprises, which are typically resource-constrained and face challenges like limited working capital, inadequate access to technology, and market linkages.

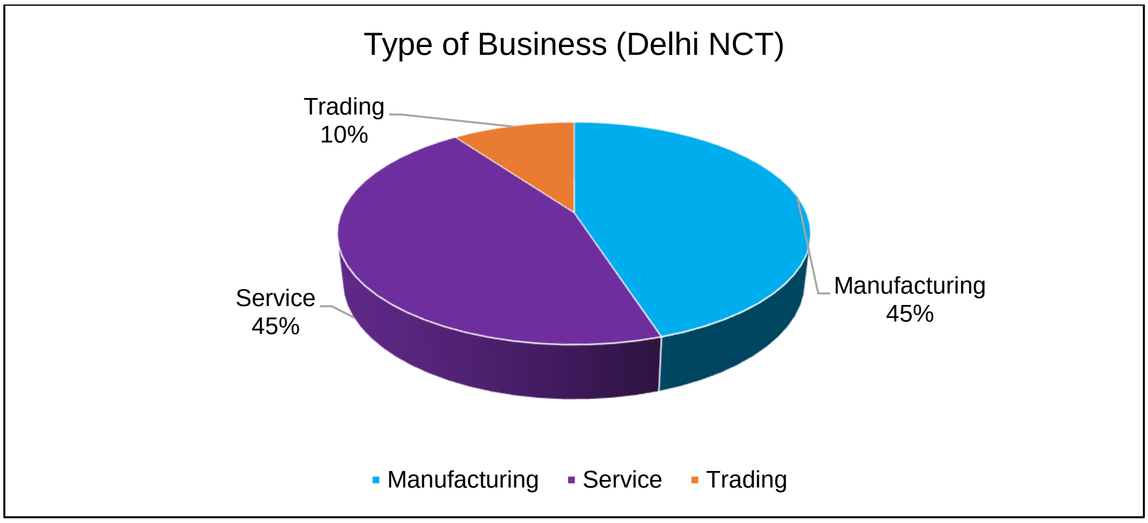
Micro-enterprises often rely on local markets and are vulnerable to economic shocks due to thin profit margins. Tailored policies such as low-interest loans, working capital support, and capacity-building programs are crucial to sustain and expand these businesses. Additionally, there is an opportunity to encourage scaling by offering tax incentives and reduced regulatory burdens for small and medium businesses.



Type of Business

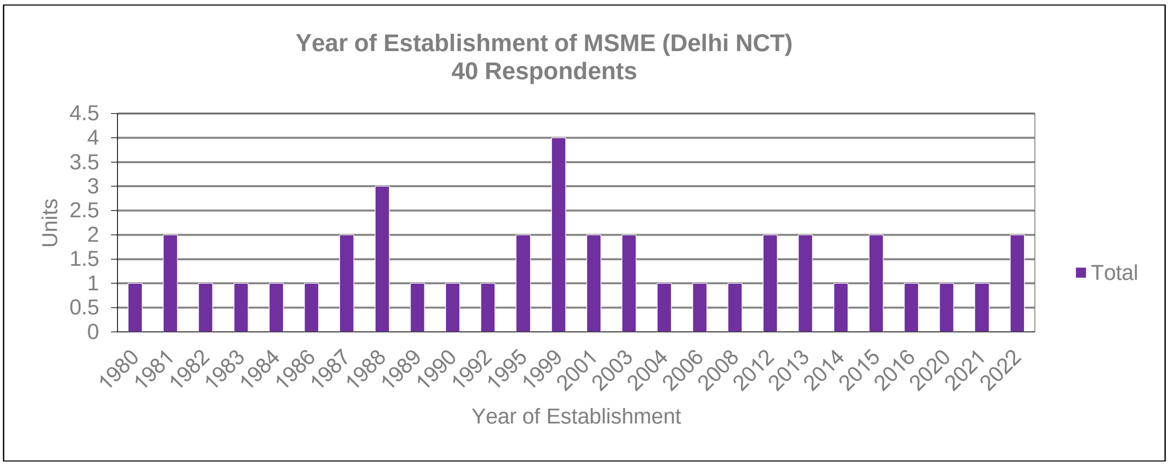
The type of business distribution shows that **45% of MSME operate in the Service sector**, followed by **45% in Manufacturing** and **10% in Trading**. This suggests a shift towards service-oriented enterprises, reflecting Delhi's urban economy and the rise of IT services, consulting, and retail.

While the service sector flourishes, manufacturing MSME face challenges related to infrastructure, labour costs, and technology adoption. To foster balanced growth, policymakers must strengthen manufacturing support through industrial modernization, cluster development, and skill enhancement programs. Similarly, trade facilitation initiatives can help small traders integrate into national and global supply chains.



Year of Establishment

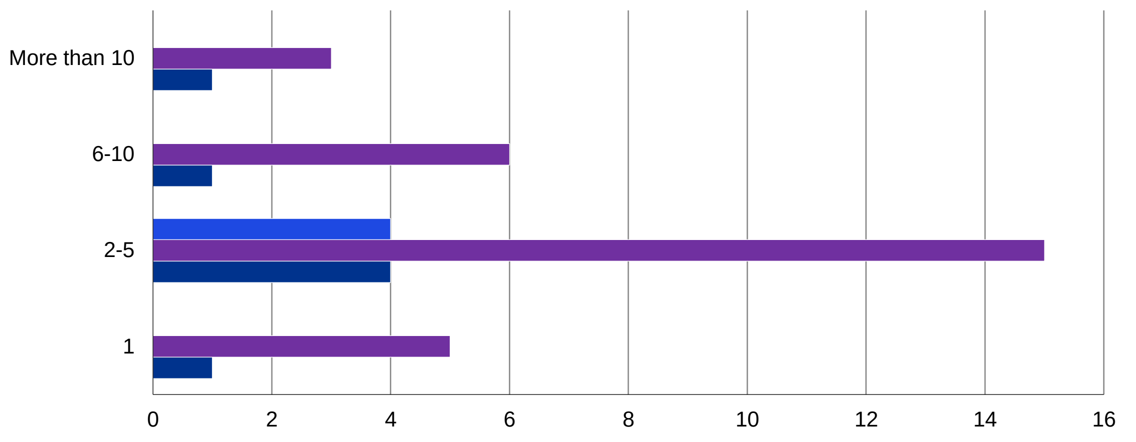
The Year of Establishment histogram indicates the spread of business establishment by respondents from **1980 to 2024 where majority of respondents started business around 1999**. This shows that the businesses of majority of respondents is more than a decade old in Delhi and operates in various sectors of Manufacturing, Service and Trading. The trend underscores the need for continuous policy refinement to foster an entrepreneurial ecosystem. New entrants require startup-friendly policies, mentorship programs, and easy market access to sustain growth and reduce business mortality rates.



Number of Employees

The survey reveals that **45% of MSME employ 2-5 workers**, **25% have 6-10 employees**, and only **10% employ more than 10 workers.** This indicates that most MSME operate on a small scale with limited labour capacity.

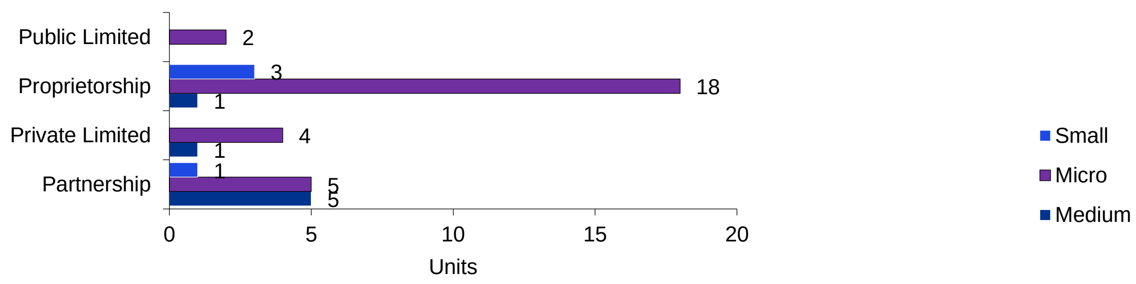
This small workforce size reflects challenges in scaling operations, often linked to high labour costs and skilled manpower shortages. Labor cost relief, wage subsidies, and vocational training programs can help MSME scale their workforce while maintaining competitiveness.



	1	2-5	6-10	More than 10
Small		4		
Micro	5	15	6	3
Medium	1	4	1	1

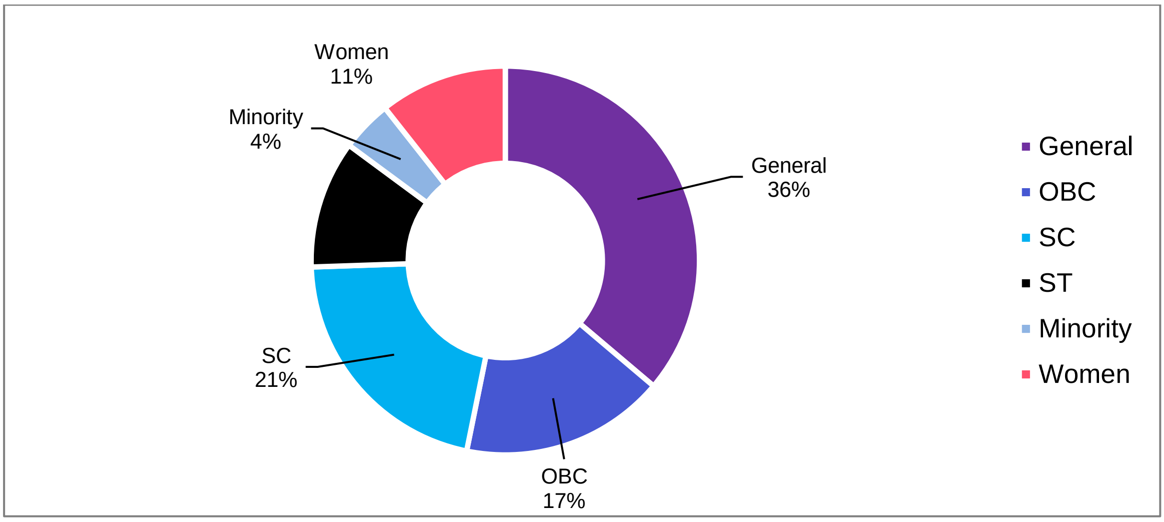
Ownership Type

The ownership type chart shows that **55% of MSME in Delhi NCT operate as Proprietorships**, **27.5% as Partnerships**, while only **12.5% are Private Limited** and **5% Public Limited**. The predominance of simplified business structures suggests that MSME prefer low compliance costs and flexibility.
However, more formal structures like Private Limited companies provide better access to funding and investment opportunities. There is a need to educate MSME about the benefits of incorporation, including limited liability and easier access to capital markets.



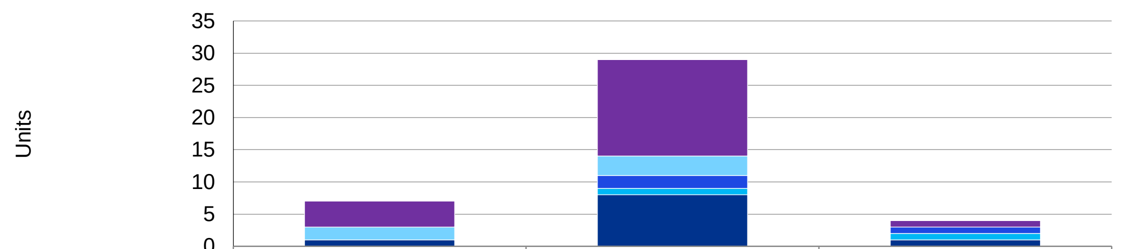
Women/Minority-Owned Enterprises

Only 11% of MSME are women-owned, with medium representation from **SC (21%), ST (11%), and Minority (4%) communities. 17% respondents are from OBC category.** This reflects socio-economic barriers such as limited access to capital, cultural constraints, and inadequate support.
Targeted programs like Stand-Up India and Women Entrepreneurship Development should be expanded to bridge the gap. Special incentives, mentorship, and access to market platforms for disadvantaged groups can foster greater diversity in MSME ownership.



Sources of Funding

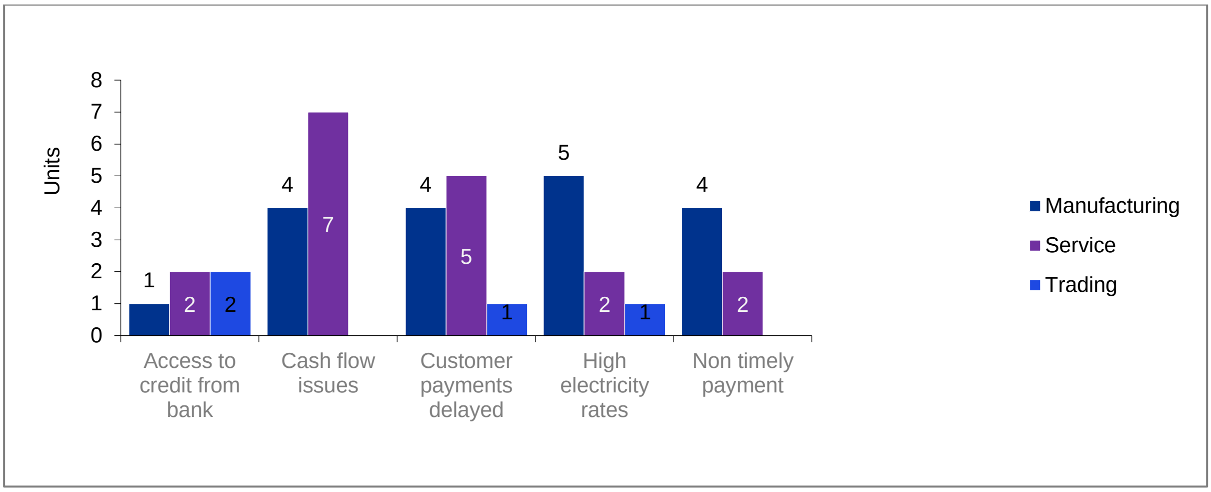
50% of MSME rely on self-financing, with **25% accessing bank loans**. Loans from **NBFCs (7.5%)** and **investor funding (5%)** remain limited. This highlights challenges in accessing formal credit, particularly for micro-enterprises.
Simplifying access to credit through digitized platforms like TReDS and CGTMSE can bridge these gaps. Financial literacy programs and alternative financing models like peer-to-peer lending should also be encouraged.



	Medium	Micro	Small
Self-financed	4	15	1
Others	2	3	
Loans from NBFCs		2	1
Investors		1	1
Bank loans	1	8	1

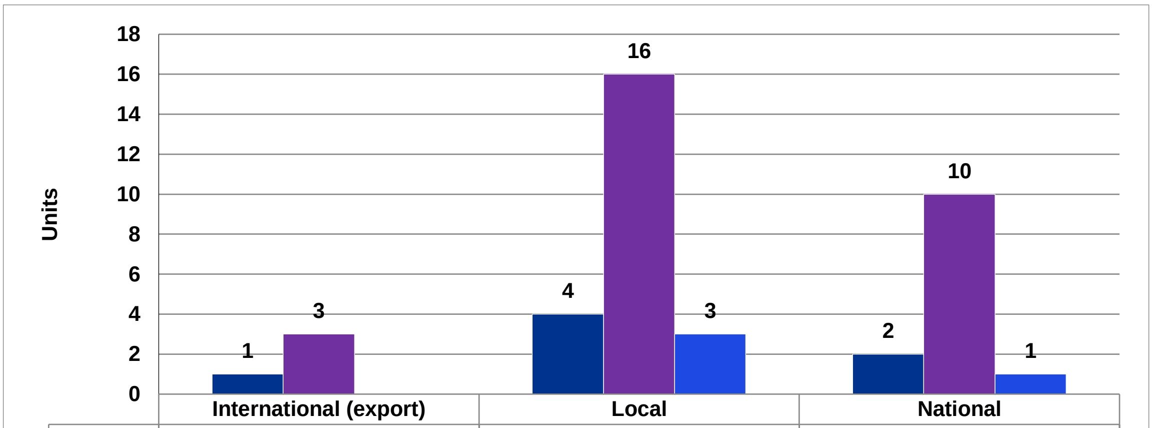
Financial Challenges

Key financial challenges include **cash flow issues (27.5%), delayed payments (15%),** and **access to bank credit (12.5%).** High electricity costs (20%) further strain MSME profitability.
Addressing these requires enforcing payment timelines, easing credit processes, and offering operational cost subsidies to ensure financial stability and growth.



Primary Markets

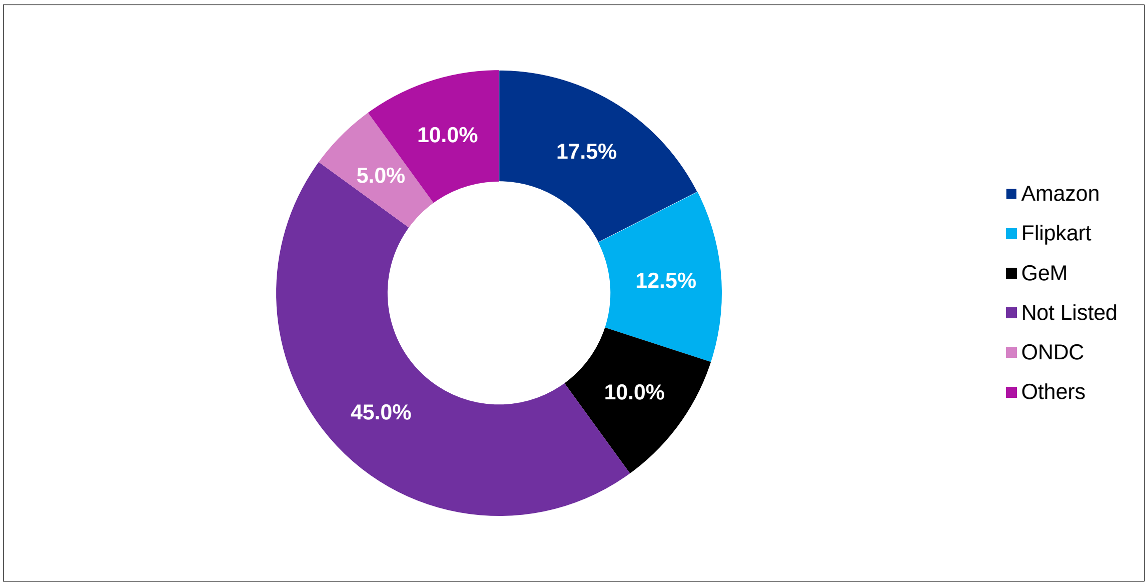
57.5% of MSME serve local markets, **while 32.5% operate nationally** and **only 10% engage in exports**. This indicates limited global integration.
Expanding MSME' reach through export promotion, e-commerce platforms, and international trade fairs is crucial to foster global competitiveness.



	International (export)	Local	National
Medium	1	4	2
Micro	3	16	10
Small		3	1

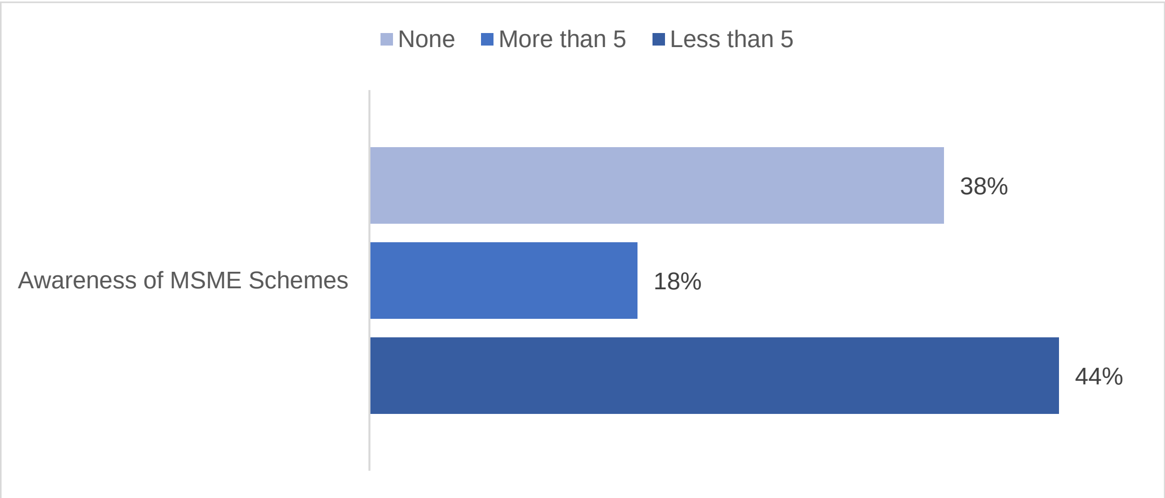
E-Commerce Platform Presence

45% of MSME are not listed on any platform. **GeM accounts for 10%,** suggesting a low digital footprint. Boosting digital adoption via subsidized onboarding and e-commerce literacy can increase market access for MSME.



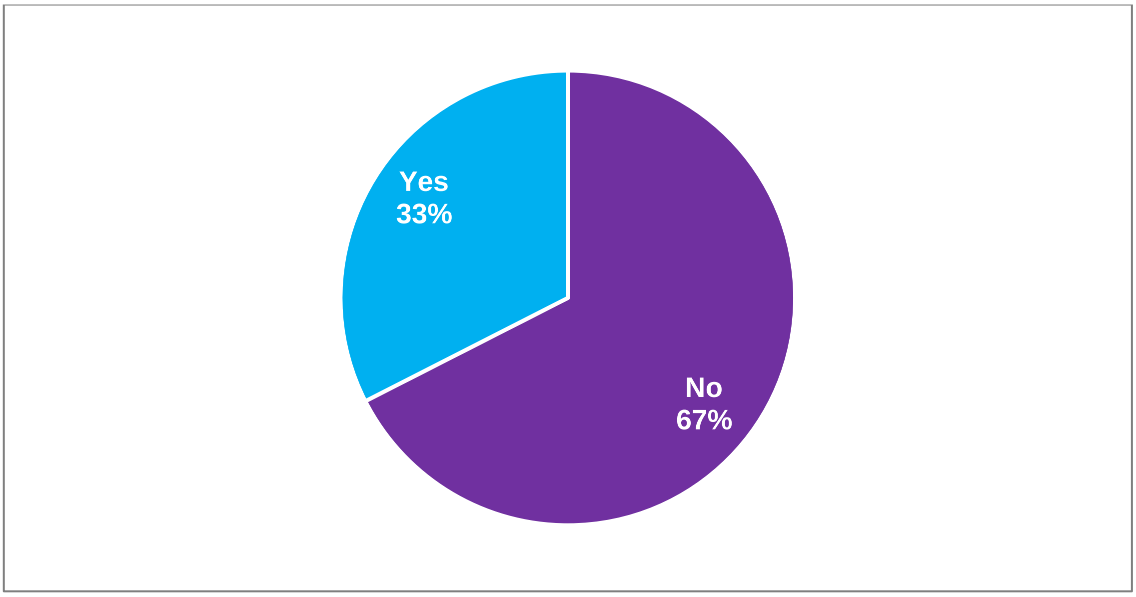
Awareness and Utilization of MSME Schemes

Only 18% of MSME know about more than five schemes, with **44% are below 5** who knows about MSME schemes. This shows a knowledge gap that can be bridged through targeted awareness campaigns and simplified application processes.



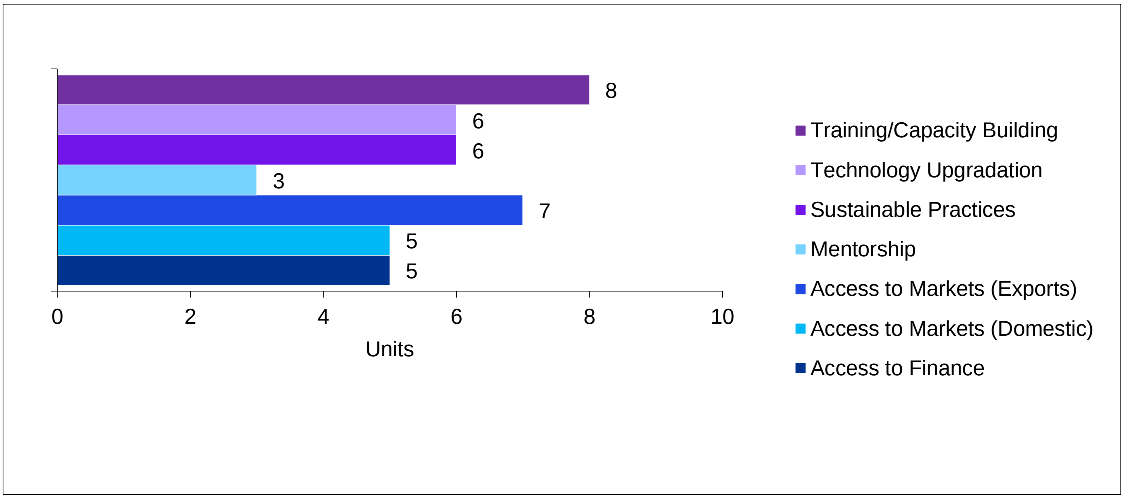
Availed MSME Scheme

Only 33% of MSME have availed MSME schemes, suggesting that access barriers remain for many businesses. Awareness campaigns and streamlined processes can enhance scheme utilization.



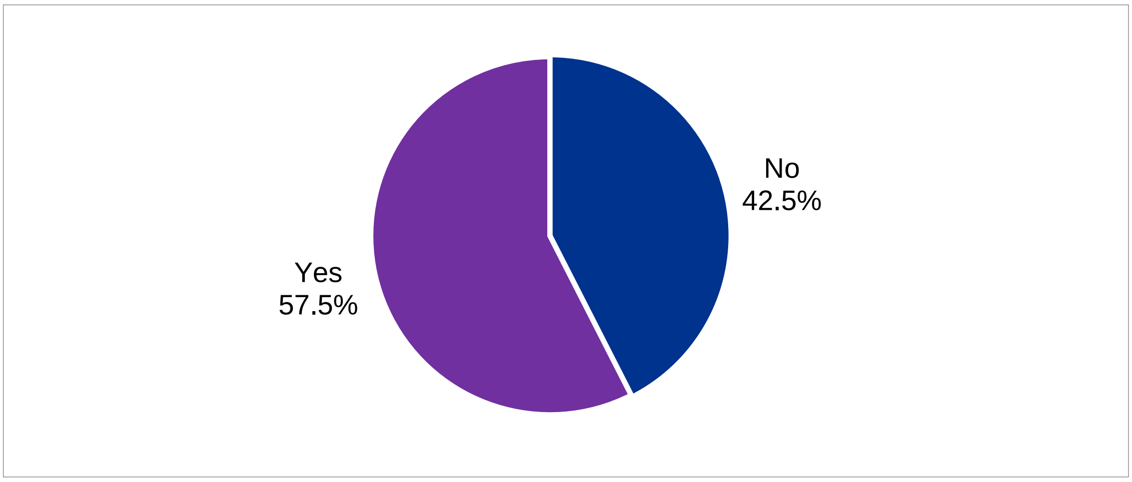
Areas Where Government Support is Needed

Top priorities include Training/Capacity Building, Access to finance, Market access, and Technology upgradation. Tailored policy interventions in these areas can improve MSME competitiveness and ensure sustainable growth.



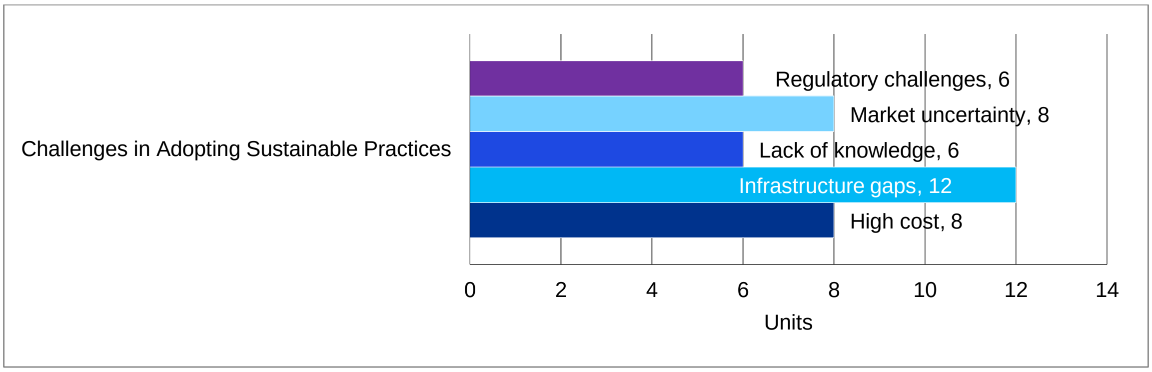
Environmental Practices and Sustainability

58% of MSME report adopting sustainable practices, while **4% no plan** for future green initiatives. High costs and regulatory challenges remain major barriers. Green incentives, subsidies, and capacity-building programs can enhance sustainability adoption across MSME.



Challenges in Adopting Sustainable Practices (Delhi NCT)

Highlights the major barriers faced by MSME when implementing eco-friendly initiatives. Infrastructure gaps emerged as the most significant challenge, with **12 responses**, indicating that MSME lack access to essential facilities like renewable energy systems and waste management. High costs and market uncertainty were reported by 8 respondents each, reflecting concerns about the financial burden and unclear returns on sustainable investments. Regulatory challenges and lack of knowledge, with 6 responses each, further hinder MSME due to complex compliance processes and limited technical expertise. Addressing these barriers through policy reforms, financial support, and capacity-building programs is essential to encourage sustainable transformation among MSME.



7. Challenges to be addressed

1 **Financial Awareness, Discipline and Diligence:** While Delhi is among the top loan origination states in sectors such as plastic – rubber product manufacturing and retail trade, inadequacy of financial diligence and discipline among MSME is a widespread challenge. This is especially in the case of micro firms and single owner enterprises. The awareness spectrum ranges from aspects such as ability to dynamically assess balance sheets for business health, diligence in financial compliance and documentation, ability to prepare business models with cash flow projections for loan application, leveraging digital finance and trade, selecting finance suitable to one's business cycle, managing working capital, etc. Enabling MSME towards more disciplined finance management can help narrow the credit gap estimated to be INR 5 lakh crore.

2 **High operating costs of utilities, labour and space:** Higher space rentals make Delhi costlier than the surrounding NCR towns and cities especially for MSME to operate and expand. Adding to the operating costs are costs of water supply and electricity. Our preliminary short surveys suggest that operating an industrial unit in Delhi is a rupee (15%) more than that in Noida or Faridabad. Similarly water for industrial purposes costs 10% more than that in the competitor towns. Along with sustainable subsidization and duty exemption, it is essential to encourage MSME in getting practices and systems audited and facilitate technology upgrade and process improvements.

Manpower costs, especially for skilled resources are 25-50% higher in Delhi than the competitor towns. This is aggravated by the high attrition rates, which as per preliminary enquiries is in the range of 17 to 20%. Owing to thin margins and working capital issues, MSME are not able to undertake employee retention programmes and offer competitive incentives.

3 **Suboptimal productivity:** A rather nationwide concern is the saturation in productivity of the MSE segment, which the Policy Division of Ministry of MSME estimated to under 20% of large technologically advanced industrial units. In the continuous post-COVID struggle to help operations stay afloat, understaffed MSME often are unable to strategize growth, advancement, diversification, market development or sustainability. This erodes their business opportunities especially under anchor-vendor supply chains and export categories. Despite Delhi housing fourth largest number of Medium Enterprises, estimates deduced from data published by Ministry of MSME suggests that on an average, Delhi's

MSME earn less than 60% that of leading states such as Maharashtra, Gujarat and Tamil Nadu[22].

4 **Gender Inclusiveness and Empowerment of Women Entrepreneurs:** As of January 2025, 2.89 lakh women-owned MSME registered as Udyam Enterprises and Informal Micro Enterprises (IMEs) accounted for 27% of Delhi's MSME entities, below the national average of 40%. Comparatively, the gender representation in other states is 53% in Andhra Pradesh, 35% in Assam, 50% in Bihar, 39% in Goa, 27% in Haryana, 45% in Karnataka, 38% in Madhya Pradesh, 31% in Punjab and 62% in West Bengal.
Even in terms of non-collateralized (government guaranteed) credit under CGTMSE, and additionally under initiatives such as MUDRA and PMEGP, states such as Haryana and Punjab fare better in terms of coverage of women-owned enterprises[23].

5 **Environmental challenges like pollution which aggravate regulatory restriction and compliance burden:** Delhi suffers from the twin problem of air and water pollution, whose fallout impacts MSME operations, manpower wellbeing and mobility, apart from escalating compliance costs. Moreover, waste management in a state of jurisdictional overlaps has struggled to work towards circular economy/ industrial management. It is of critical importance to train MSME in adopting greener and environmentally friendlier supply chains and technologies and practices while plugging in schemes which provide financial assistance for Environmental – Social – Governance (ESG) initiatives in green technology and circularization.

6 **Saturated market due to the lack of an established brand identity of Delhi's MSME products, services and clusters:** Despite being one of the most crucial industrial and trading hubs of the country, Delhi's industrial ecosystem in general and MSME catchment in particular is yet to leverage a brand identity as in the case with Pune, Bengaluru or Chennai. Despite being among the most vibrant start up hubs with almost 3,500 DPIIT registered startups and 19 unicorns, collective efforts for supplier market branding are yet to be undertaken, in the absence of which the state's recall value and market reach amongst industrial buyers and importers is restricted.

7 **Lack of a policy framework:** An Integrative policy puts forth a vision for holistic industrial and trade ecosystem development and sustainability, and further incentivizes harmonious growth of enterprise across sectors, service and value

[22] Analysis of Udyam Registered MSME, 2020-2022; https://www.dcmsme.gov.in/UDYAM_Publication_with_tables_final20220622.pdf
[23] MSME run by women, 04 Feb 2024; https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2003869

chains. Delhi is yet to reestablish such a policy framework post-COVID, with the Industrial and Economic Development Policy still under finalization. Moreover, policy in order to ensure responsiveness to evolving needs of the MSME segment, requires sustained public private partnerships in running professional diagnostics and business facilitation cells – which help enterprises and entrepreneurs understand policy in greater depth and extract more benefit through greater diligence.

8. Proposed Interventions

8.1. The MSME Journey along the DL-RAMP

It is proposed to **curate, plan and implement an MSME journey** through various benefits of the RAMP Programme. The **enabler is envisaged to be the one-stop IT interface integrated with the State Single Window** and facilitated through a mobile application – for stakeholders, implementing agencies, authorities and beneficiary MSME to register, avail, interact and report.

a. The induction of MSME catchments will be through **diagnostic studies, sensitization and awareness building** campaigns financed under the **Information-Education-Communication (IEC)** Interventions at 5% of the total SIP budget, in accordance with the RAMP Implementation Norms set by the World Bank and RAMP Division, Ministry of MSME, Government of India.

b. Once inducted, MSME can be offered tailored **capacity building workshops** to fill information gaps and induce improvement initiative. These capacity building workshops will be forward linked with relevant business development services such as registrations, compliances, certifications, finance, etc.

c. The third stage of intervention will be **sustained institutional mentorship** – including market information, diagnostic studies, business development service linkages, diligence guidance, good practices, technical and management advisory, etc. through **business facilitation cells**.

d. This will enable **market access initiatives such as vendor development programmes and buyer-seller meets for exporters** to help grow business opportunities.

e. Once a considerable traction has been achieved among the MSME catchments which would have gauged their market standing and areas of improvement,

cluster-based improvement interventions will encourage target cohorts to adopt improvement measures including **technology upgrades, digitalization and ESG compliance**.

f. This can be forward linked to offer **MSME policy incentives** to reduce costs of productivity and employment improvement initiatives.

g. Finally, the well performing MSME can be selected as **Champion MSME for being provided special assistance and strategic mentorship**, to further inspire their clusters' and segments' MSME to adopt similar improvement and growth strategies. These Champions would be encouraged to **transition to the next scale** (micro to small, medium and further, large). Through the various programmes, it is proposed to identify and facilitate **500 Champion MSME.**

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
1	Diagnostic studies to identify MSME catchments	1	1	1	1	1	05 studies
2	Awareness campaigns under IEC strategy	20	20	20	20	20	100 campaigns
3	Tailored capacity building workshops	140	140	140	140	140	1,700 workshops
4	RTD Skilling Workshops		100	100	100	100	400 workshops
5	Business development services linkage to create Champion MSMEs	200	200	200	200	200	1,000 MSMEs
6	Institutional mentorship via BFCs	10,000	10,000	10,000	10,000	10,000	50,000 MSMEs
7	Market access initiatives (VDPs, BSMs)	1,333	1,333	1,334	-	-	4,000 MSMEs

8	Cluster-based improvement planning	100	100	100	100	100	500 clusters
9	Linking to state MSME policy incentives	✓	✓	✓	✓	✓	Policy support for all clusters
10	Identification and mentorship of Champion MSMEs	200	200	200	200	200	1,000 MSMEs

8.2. Capacity Building Workshops:

Capacity Building Workshops are envisaged to be day-long trainings (6-8 hours) focusing on critical areas of improvement for MSME. Implementing Agencies including specialized institutions, industry associations, cluster SPVs or individual experts, etc. can be empaneled to conduct these workshops and bridge information and action gaps. These workshops are envisaged to follow a case study approach to ensure participant relevance and engagement. They will be planned to also involve registration and service kiosks for different purposes including certification, finance, consultation, etc. The cost of each workshop will be benchmarked as per the Awareness Programme Format under Champions Scheme – at INR 70,000 per 50 participants (i.e. 1,400 per participant) including any tax implications.

a. **Financial Discipline and Diligence:** This workshop series will address the spectrum ranging from financial capacity self-assessment, risk assessment, basic business diligence, financing decisions regarding appropriate type of leverage, working capital management practices, alternate financing, etc.
   Target: 20,000 MSME
   Budget: INR 2,80,00,000/-

b. **Supply Chain Management:** Being a critical factor of organizational productivity and efficiency, thus profitability, SCM workshops will be undertaken most effectively in close proximity with industrial sites and logistical interfaces to complement short classroom sessions. These will comprise sharing of practices in cost assessment, planning, procurement, vendor optimization, due diligence, waste reduction, etc. This series will be forward linked to the Cluster-specific LEAN intervention.
   Target: 15,000 MSME
   Budget: 2,10,00,000/-

c. **Planning and Implementing ESG Measures**: With the ESG compliance system rapidly encompassing the MSME segment, especially through

Extended Producer Responsibility (EPR) and Export Market norms, this series will sensitize enterprises from focus sectors (e.g. plastics, leather, ESDM, ITeS, food processing) regarding the long-term economic implications of ESG, make them aware regarding good practices through case studies and familiarize them with compliance and reporting toolkits.
Target: 15,000 MSME
Budget: 2,10,00,000/-

d. **Dedicated Workshops for Women Entrepreneurs:** It is proposed to conduct a series of workshops for women-owned MSME with the objective of providing awareness regarding significant aspects such as Business modeling, branding and packaging, leveraging digital platforms for marketing and sales, developing business and support networks, labour and vendor management, negotiation and other skills to navigate gender biases, etc.
Target: 20,000 MSME
Budget: INR 2,80,00,000/-

e. **Workshops on Cyber Security Readiness:** As the scope and pace of digitalization continues to increase, with more MSME getting virtually integrated to markets and supply chains in sales, operations and compliance, it is imperative to undertake an upskilling course in essentials (e.g. CERT-In Security Guidelines) and good practices to secure firm, supply chain and regulatory compliance from cyber threats. This will entail a technocratic collaboration with organizations like NASSCOM to absorb global good practices and conduct the trainings. A pre and post – workshop quick assessment of participating MSME will provide the impact assessment output. This can be forward linked to certifications and a subsidy therein.
Target: 10,000 MSME
Budget: INR 1,40,00,000/-

In addition to the offline mode of training, the courses shall be uploaded on Digital Platform for MSME with relevant reading materials. Structured online courses shall be created to reach out to maximum number of participants through digital mediums.

All the participants completing the trainings shall be awarded with certificate of completion

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity (5-Year Total)
1	Financial Discipline Workshops	80	80	80	80	80	400 workshops
2	Supply Chain Management Workshops	60	60	60	60	60	300 workshops
3	ESG Awareness Workshops	60	60	60	60	60	300 workshops
4	Women Entrepreneur Workshops	80	80	80	80	80	400 workshops
5	Cyber Security Workshops	40	40	40	40	40	200 workshops
6	Online course development and digital modules						5 e-modules
7	Certificate distribution	✓	✓	✓	✓	✓	As per units

**1 Capacity of one Workshop: 50 MSME units*

8.3. Delhi MSE Hub and Business Facilitation Network:

A recurrent challenge in ensuring market linkages and effective policy penetration is the lack of industry-driven awareness, analysis, and facilitation systems and processes. Several policy initiatives go unnoticed due to a lack of awareness and initiatives from existing industrial advocacy and facilitation platforms, such as industry associations. Individual entrepreneurs often struggle in an unregulated market of service providers who charge fees for otherwise free services, especially in the absence of regulatory oversight and grievance redress mechanisms. To better organize this, it is proposed to establish a hub-and-spoke MSE facilitation system.

Many Micro, Small & Medium Enterprises (MSME) entrepreneurs are not conversant with the relevant Acts, rules, compliances, application forms, and the locations of government offices where they need to submit applications for approvals, certificates, and licenses to start enterprises or avail government incentives. Entrepreneurs often have to visit various offices to inquire, consult, and finally submit applications. Even after this, multiple visits are required to follow up and collect certificates or licenses. This remains one of the biggest challenges and a disincentive for entrepreneurs who want to start new ventures, diversify, or expand.

To address these challenges, it is essential to establish “Points of Single Contact” through which businesses can obtain information, complete necessary administrative procedures, and receive handholding support to obtain different statutory compliances and relationship officers. This can be achieved by setting up dedicated Business Facilitation Centres (BFCs) to help MSME with various issues and guide them in overcoming challenges. To better organize this, it is proposed to establish a hub and spoke MSE facilitation system.

i. The central hub will be the Delhi MSE Hub, a think tank driving key research and analysis while maintaining a panel of four industry experts as mentors. It will be operated from Central Delhi in a 1,000 sq. ft office space.
   a) Conduct sectoral and geographic surveys to update needs analysis, enabling a Decision Support System for Policy.
   b) House key sectoral experts in areas such as **international trade, product development and management, technology and sustainability**, who will utilize the network of Business Facilitation Cells (BFCs) as mentoring extension centers on rotational basis.

ii. **Business Facilitation Network**: The fieldwork, including outreach, case-specific diagnostics, referrals, and advisory service delivery, will be undertaken by 11 Business Facilitation Cells (BFCs), one per cluster/district. Each BFC will be staffed by a team of professionals with distinct roles to avoid duplication of resources:
   a) **BFC Manager & Policy Expert**: Responsible for overall management of the BFC, policy interpretation, and providing strategic guidance.

   b) **Finance Manager**: Focuses on financial advisory services, helping MSME with funding, loans, and financial planning.

   c) **Supply Chain & Enterprise Development Manager**: Assists MSME in optimizing their supply chains, improving operational efficiency, and fostering enterprise development.

   d) **Marketing Manager:** Provides support in market linkages (including listing on e-commerce platforms), export facilitation, and trade-related advisory services.

In due course post-RAMP, this institutional set up is envisioned to be self-sustaining through industrial membership/ CSR financing and service fees. The budgets proposed are of the nature of establishment and manning viability funding.

The key functions envisaged for the BFC setup are:

a. Conducting research and analysis on the district's / cluster's MSME and industrial ecosystem and maintaining a panel of industry experts as mentors
b. Providing MSME with information related to schemes based on MSME profile
c. Providing guidance on undertaking regulatory compliance
d. Assisting MSME in applying for various quality and sustainability certifications
e. Providing MSME with information about TReDS, ONDC, ODR etc. and handholding them with related onboardings
f. Providing information related to various market access initiatives and facilitating MSME participation in exhibitions and national/ international trade fairs along with eligibility criteria and step-by-step procedure for application
g. Listing MSME specific Tenders on Unified Digital Platform for easy access.
h. Forming linkages with cluster CFCs, industry platforms and service providers for providing niche support required by MSME
i. Supporting as District Export Hub through lead identification, MSME awareness and handholding support to stakeholders and help in strengthening the District Export Action Plan.

A dedicated space will be developed for each BFC with standardized branding, office furnishing and equipment, so as to provide enhanced and uniform beneficiary service and experience.

Outreach Target: 1,00,000 MSME
Service Target: 50,000 MSME

MSE Hub Budget: INR 4,00,00,000/-
BFC Manpower Budget: INR 13,20,00,000/-

MSE Hub Office Development and Operation Budget: INR 2,00,00,000/- (including interiors, IT infrastructure and recurrent costs over 5 years such as AMCs and administration)
MSE Hub Office Rental Budget: INR 1,20,00,000/- (INR 2,00,000/- per month)

BFC Office Development and Operation Budget: INR 8,80,00,000/- (@INR 80 lakh per BFC including interiors, IT infrastructure and recurrent costs over 5 years such as AMCs and administration)
BFC Office Rental Budget: INR 5,00,00,000/- (~INR 75,000 per month per BFC)

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
1	Establishment of Delhi MSE Hub			1			1 hub
2	Panelling sectoral experts and mentors			4			~4 experts
3	Establishment of 11 Business Facilitation Centres			11			11 BFCs
4	Deployment of BFC professionals			44			44 staff
5	Outreach and awareness by BFCs	20,000	20,000	20,000	20,000	20,000	1,00,000 MSMEs
6	Diagnostic and advisory services to MSME	10,000	10,000	10,000	10,000	10,000	50,000 MSMEs
7	Export promotion & trade facilitation	100	100	100	100	100	500 MSMEs

8.4. Cultivating Champion MSME through facilitation of Business Development Services

Champion MSME serve as role models and market leaders within their respective industries, demonstrating how small businesses can overcome existing challenges and achieve scale, productivity, and sustainability. By strategically identifying and supporting high-potential MSME in Delhi NCT, the government can drive industrial growth and economic inclusivity. Champion MSME can be nurtured through targeted policy support, capacity-building initiatives, and prioritized market access. This program aims to enhance the competitiveness of MSME by encouraging technological adoption, improving operational efficiencies, and creating employment opportunities.

Champion MSME can also be linked with larger industries and export markets, thus integrating them into global value chains. This integration will not only open up new business opportunities for MSME but also help them gain access to advanced technologies, best practices, and larger customer bases. To remove existing bottlenecks such as bureaucratic delays and financial inaccessibility, these enterprises should be granted priority access to digital single-window clearance systems and credit facilitation. This will streamline administrative processes, reduce the time and cost associated with regulatory compliance, and improve access to finance, which is often a critical barrier for MSME.

The Champion MSME initiative, coupled with mentorship programs, can foster innovation and help in navigating complex market dynamics. Experienced industry professionals and successful entrepreneurs can provide valuable guidance and support to MSME, helping them develop robust business strategies, improve their market positioning, and enhance their overall competitiveness. Mentorship can also play a crucial role in building the managerial and technical capabilities of MSME, enabling them to better respond to market demands and challenges.

In addition to the direct benefits to MSME, the Champion MSME Program can have a broader positive impact on the economy. By fostering the growth of MSME, the program can contribute to job creation, regional development, and economic diversification. It can also help build a more resilient and competitive industrial base, capable of withstanding global economic shocks and driving sustainable growth.

A dedicated Champion MSME Program is proposed to help MSME boost productivity and sustainability by facilitating access to technical consultation in diagnostics, transformation planning and diligence, availing adequate credit and accessing market opportunities.

This intervention's transformation approach will inter alia focus on certification under ZED (Zero Defect Zero Effect) and LEAN sub-schemes. By achieving ZED and LEAN certifications, MSME can ensure high-quality production standards while minimizing environmental impact, thus making them more attractive to both domestic and international markets.

The goal of the Champion MSME Intervention is to establish 1,000 Champion MSME in 5 years, with 200 Champion MSME being identified and supported each year. This ambitious target can be achieved through a combination of handholding, technical support, and strategic interventions. A minimum of 30% of the beneficiaries of this programme (300 MSME) will be selected amongst women-owned MSME.

The intervention proposes to firstly empanel Business Development Service Providers in critical value chains such as:

- Performance audit
- Process improvement and value addition
- Supply chain management

- Digitalization
- Project management
- Human resource management
- Financial diligence
- Statutory and other certification and licensing

Champion MSME will be assisted to undergo the series of processes from performance audit to improvement planning and implementation, availing credit and certification. BDSPs will be linked at every stage for consultation, DPR preparation, loan diligence documentation and facilitation, upto certification.

Cost benchmarking for each service will help standardize the referral system. The BDSP referral will be decided based on beneficiary ratings of service quality, responsiveness and integrity. It is proposed to provide service cost assistance of 75% upto INR 1.5 lakh to each Champion MSME.

In conclusion, the Champion MSME Program represents a strategic initiative to empower MSME, enhance their competitiveness, and integrate them into global value chains. By providing targeted support, fostering innovation, and addressing key challenges, the program can help MSME achieve scale, productivity, and sustainability, ultimately contributing to the long-term vision of a self-reliant India.

Target	1,000 MSME
Budget	INR 15,00,00,000/-

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
1	Empanelment of BDS Providers	20	20	20	20	20	100 providers
2	Selection of high-potential MSMEs to be declared and cultivated as Champion MSMEs	200	200	200	200	200	1,000 MSMEs
3	Performance audits and planning	200	200	200	200	200	1,000 audits
4	Technical and financial mentorship	200	200	200	200	200	1,000 MSMEs
5	ZED/LEAN Certifications	100	100	100	100	100	500 MSMEs

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
6	Service cost support (75% up to ₹1.5 lakh)	3Cr	3Cr	3Cr	3Cr	3Cr	₹15 crore subsidy

8.5. Enhancing Guarantee Coverage under CGTMSE

The **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)** plays a crucial role in supporting first-time entrepreneurs and micro-businesses that lack collateral for loans. Enhancing guarantee coverage under CGTMSE would encourage financial institutions to lend more freely to MSME in Delhi NCT, especially those struggling with capital constraints.

Currently, risk-averse banking policies prevent many MSME from obtaining working capital. Increasing **credit guarantee limits, reducing interest rates, and ensuring faster loan approvals** can significantly boost entrepreneurship in sectors such as **handicrafts, food processing, and renewable energy**. Additionally, a dedicated MSME Credit Helpdesk shall be set up within **Business Facilitation Centres** to assist entrepreneurs in navigating the loan application process and understanding financial planning. Special provisions shall also be introduced for women-led enterprises, aligning with broader **financial inclusion and entrepreneurship development goals**.

It shall extent an additional 10% coverage to encourage service sector depending upon the depending on the category of the borrower and the loan size. Particularly it shall be beneficial for first-generation entrepreneurs and small businesses that lack the assets or credit history required to secure traditional loans. By reducing the reliance on collateral, CGTMSE shall promote financial inclusion and supports the growth and development of the MSME sector, which is a critical driver of employment and economic growth in India.

Target: 2,000 MSME
Budget: INR 10,00,00,000/-

Implementation Roadmap

#	Activity	Y1	Y2	Y3	Y4	Y5	Quantity
1	Sector-Specific Credit	4	4	4	4	4	20 programs

#	Activity	Y1	Y2	Y3	Y4	Y5	Quantity
	Programs (*loan melas*)						
2	Expansion of Credit Guarantee Coverage	400	400	400	400	400	2,000 MSMEs
4	Sensitization outreach to bank officials	4	4	4	4	4	20
6	Monitor utilization and impact	✓	✓	✓	✓	✓	Continuous

8.6. Brand DL Initiative

To pivot Delhi's industrial and trade brand equity on its MSME, it is proposed to undertake a PPP based initiative to develop ***Brand DL*** which will also comprise advocacy campaigns for each focus sector through track 2 and B2B industry platforms (e.g. Business Councils). The MSE Hub proposed under this SIP is envisaged as the hub for collaborative brand development.

A consultative brand ideation exercise will be undertaken aimed at leveraging the inherent value proposition of top 10 products and services offered by Delhi's MSME. Successive brand layers will focus on themes such as Delhi's industrial efficiency and symbiotic industrial development and the City-State's cultural uniqueness.

The final brand layer will focus on enhancing the brand impression of Delhi's industrial ecosystem through a contest-based narrative themed on sustainability and social impact (shared prosperity of the cosmopolitan ecosystem).

The launched brand will be percolated through localized campaigns for adoption by Industry Associations, MSME clusters, anchor brands, individual entrepreneurs and other players of the ecosystem.

To further promote *Brand DL*, it is proposed to conduct Vendor Development Programmes with not just PSUs but also prominent FDI and Indian Private Sector Anchors. These vendor development meets would be organized with an aim to provide valuable opportunities for MSME to network with potential buyers, learn about raw material procurement, requirements, and quality standards, and showcase their capabilities and strengths. These vendor meets would provide a platform for MSME to showcase their capabilities to Original Equipment

Manufacturers (OEMs) thereby enabling OEMs to identify suitable vendors in the MSME sector.

Further, in collaboration with industry platforms trade bodies, Indian diplomatic corps and trade missions of focus markets, it is proposed to conduct Reverse Buyer Seller Meets for Export-oriented MSME.

Such market access initiatives will be planned to include the participation of Business Development Services and Solution Providers in significant realms such as logistics and supply chain, sustainable packaging, quality certification, etc. so as to help cultivate robust business linkages within the MSME ecosystem.

Target: VDPs: 3,000 MSME
RBSMs: 1,000 MSME

Budgets:
- Brand DL development: INR 1,00,00,000/-
- VDPs: INR 1,50,00,000/-
- RBSMs: INR 3,00,00,000/-

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
1	Brand ideation and design	✓					1 exercise
5	Brand adoption by stakeholders	100	100	100	100	100	500 associations/ entrepreneurs
2	Sectoral branding campaigns	20	20	20	20	20	100 campaigns
3	Vendor Development Programmes	1,000	1,000	1,000	-	-	3,000 MSME
4	Reverse Buyer-Seller Meets	300-350	300-350	300-350	-	-	1,000 MSME

8.7. ESG Compliance Campaign

A large majority of MSME, even those in the organized sector value chains, find it challenging to comprehend and comply with the ESG compliance and reporting obligations under regulations such as SEBI's Business Responsibility and Sustainability Reporting (BRSR), which are steadily being extended by listed firms to MSME vendors through Extended Producer Responsibility (EPR).

As a forward linkage to the *Brand DL* Initiative for enhanced market access, it is proposed to implement an ESG Compliance Campaign as an Acceleration Programme for the entire vendor base of PSUs and Anchor Investor firms which are operating and registered in Delhi. This will help the ecosystem strengthen the Extended Producer Responsibility (EPR) across all scopes/ zones (Primary, Secondary, Tertiary).

This will entail:

a. An incentive for Anchor Firms including Original Equipment Manufacturers (OEMs), Cluster Special Purpose Vehicles (SPVs) or Industry Associations to function as ESG Champions and get MSME to take an ESG Pledge to:
   i. Implement sustainability efforts (through ZED and LEAN, ISO, BIS, etc. or customized initiatives based on the cluster DSR which can be undertaken by the Anchor firm)
   ii. Proactively report ESG compliance with an aim to steadily improve ESG rating.

b. Action point a(ii) will be enabled through cluster level initiatives including provision of tool kits to ease the process of ESG compliance through integrated reporting, monitoring and analytics. Such initiatives should be customizable based on the applicable market regulations. Such initiatives aim to link MSME down from the unit level to zonal managers and CXOs, and further their downstream anchor buyers to collaboratively manage and report ESG compliance.

Target: Anchor Firms/ Cluster SPVs/ Industry Associations: 25
MSME: 2,000 MSME

Budgets:
- Competitive reward in the form of campaign cost reimbursement limited to INR 1 crore per ESG Champion: INR 25,00,00,000/-
- ESG Integration Toolkit provision and handholding: INR 7,50,00,000/-

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
1	Onboarding Anchor Firms/Associations	5	5	5	5	5	25 entities

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
2	ESG Pledge campaigns among MSMEs	400	400	400	400	400	2,000 MSME
3	Development & dissemination of ESG Toolkits	400	400	400	400	400	2,000 MSMEs across 25 anchor ecosystems

8.8. Greening of Delhi's MSME

The environmental sustainability of MSME in Delhi is becoming increasingly critical as the city grapples with significant ecological challenges. MSME are vital to Delhi's economy, contributing to innovation, employment, and growth. However, their operations often result in substantial environmental impacts, including resource inefficiency, waste generation, and pollution. The need for sustainable development has never been more urgent, and integrating green practices into MSME operations is essential for their long-term viability and the well-being of the community.

Greening MSME involves adopting sustainable practices and incorporating environmental considerations into their business models. This approach addresses various aspects, including resource efficiency, waste management, energy conservation, pollution prevention, and the use of renewable energy sources. By implementing green practices, MSME can significantly reduce their environmental impact, enhance their competitiveness, and contribute to a more sustainable economy.

One of the primary environmental challenges faced by MSME in Delhi is resource inefficiency. Many MSME rely on outdated technologies and processes that consume excessive amounts of energy and raw materials. This not only leads to higher operational costs but also results in significant environmental degradation. By adopting resource-efficient technologies and practices, MSME can reduce their consumption of energy and raw materials, lower their operational costs, and minimize their environmental impact.

Energy conservation is also a key aspect of greening MSME. Many MSME in Delhi rely on non-renewable energy sources, which contribute to greenhouse gas emissions and climate change. By adopting energy-efficient technologies and practices, MSME can reduce their energy consumption and lower their carbon footprint. Additionally, the use of renewable energy sources, such as solar power, can further enhance the sustainability of MSME and reduce their reliance on fossil fuels.

The adoption of green practices also offers significant economic benefits for MSME. By improving resource efficiency, managing waste effectively, conserving energy, and preventing pollution, MSME can reduce their operational costs and enhance their competitiveness. Additionally, adopting sustainable practices can help MSME comply with environmental regulations and standards, access new markets, and attract environmentally conscious customers and investors.

8.8.1. MSME Cluster Transformation towards Sustainability

In line with proposed policies, this intervention is aimed at cluster – level transformation across for eight focus zones:

S.No.	Industrial Area	Pre-existing Clusters
1	Okhla Industrial Area	• Fabrication • ESDM • Garments • Food Processing
2	Narela & Bawana Industrial Clusters	• Chemicals • Small Scale Ancillaries
3	Mayapuri Industrial Area	• Engineering Goods • Auto Components
4	Wazirpur Industrial Cluster	• Steel and other metal products
5	Wazirpur Leather Complex	• Leather Goods
6	Naraina Industrial Area	• Printing • Packaging • Textiles
7	Ranikheda Industrial Area proposed as a Multi-level Manufacturing Hub	• Electronic components • Biotechnology • System Design & Testing
8	Holambi Kala	• E-waste recycling • E-Refurbishing

These clusters significantly involve unorganized sector value chains with disparate levels of productivity, value addition, technology advancement, environmental and social impact. Lack of coordinated practices and broken supply chains prevents these ecosystems from realizing the potential gains in sustainability and value addition from technology upgrade and circular economy. Integrated planning aimed at boosting the productivity and sustainability of these clusters' enterprises and their local supply chain linkages through process and technology transformation will not just help the locally employed community prosper with diversified livelihoods and greater income generation but also help expand the market appeal of their products owing to brand leverage due to sustainability, especially in export markets.

The proposed intervention aims to plan and design an evidence-based sustainability roadmap for each cluster through:

a) Diagnostic Study Report i.e. DSR including Infrastructure and service gap assessments will focus on factors hindering sustainability including environmental impact and social indicators. Each study will incorporate stakeholder surveys at a primary level and comparative research on good practices in sustainability planning and design of clusters at a secondary level. Further, the root cause analysis of each critical factor will be done to enable the next step.
b) Preparation of Detailed Project Reports (DPRs) will aim to plan and budget for cluster transformation in line with principles such as net-zero, water footprint reduction, supply chain circularization, greening, operational safety and health, etc. These DPRs will be proposed for uptake under MSE-CDP. Further, constituent MSME of these clusters will be handheld in a collaborative framework with SIDBI, local industries associations, Technology Centres and Extension Centres to leverage incentives under Green Investment and Financing for Transformation (GIFT) and Scheme for Promotion and Investment in Circular Economy (SPICE). The terms of reference for the transformation roadmap would be oriented towards developing circular economy in each Cluster included in the programme.

Target Eight Clusters

Budget:
- 8 DSR Preparation: INR 80,00,000/-
- 8 DPR Preparation: INR 1,60,00,000/-

8.8.2. Pilot Project to Develop and Implement a Footprint Audit-based Green Credit Model

Delhi, as one of India's most industrially active regions, faces significant environmental challenges due to rapid urbanization and industrialization. MSME in Delhi contribute substantially to the region's economic growth but also to its environmental footprint. High levels of pollution, inefficient resource use, and waste management issues are prevalent, particularly in sectors such as plastics and textiles. These sectors are known for their high carbon and water footprints, which exacerbate environmental degradation.

The need for sustainable practices among MSME is more pressing than ever. Environmental sustainability is not only crucial for mitigating the adverse effects of industrial activities but also for ensuring long-term economic viability. MSME often lack the resources and expertise to independently undertake comprehensive environmental impact assessments and implement necessary improvements. This gap necessitates targeted interventions to these enterprises.

The Footprint Audit-based Green Credit Model intervention is conceived as a strategic response to these challenges. It aims to incentivize MSME to proactively engage in environmental impact audits and adopt sustainable practices. By focusing on high-impact sectors, the intervention will seek to maximize its environmental benefits while also promoting economic resilience. The initiative aligns with global sustainability trends and regulatory requirements, positioning Delhi's MSME to compete more effectively in the international market.

Furthermore, the intervention emphasizes inclusivity by targeting women-owned and SC-ST-owned MSME, ensuring that the benefits of sustainability initiatives are equitably distributed. Recognizing these enterprises as Champion MSME not only highlights their contributions to sustainable development but also serves as a model for others to emulate.

In summary, the Footprint Audit-based Green Credit Model intervention addresses the critical need for sustainable practices among MSME in Delhi. By fostering a culture of environmental responsibility and providing the necessary support, this initiative contributes to the broader goals of the RAMP programme, enhancing the performance and sustainability of MSME and promoting long-term environmental and economic well-being in Delhi.

The beneficiaries – to be recognized among Champion MSME – will be selected through a special challenge curated in partnership with an Institution of National Importance specializing in Sustainability. The intervention will aim to impact at least 25% women/ SC-ST owned MSME.

a. It is proposed to provide assistance of 50% upto INR 50,000 reimbursement of the cost of water, waste and/or energy audit – per MSME.
b. Further, a set of process and technology improvement measures would be recommended (incl. INR 50,000 per advisory report) to each audited MSME through the expertise of a partner institution.

c. Once these recommendations agreed to and implemented by the concerned MSME, its costs of improvement measures (Capital Subsidy) would be subsidized to the extent of 50% upto INR 1.5 lakh per MSME.

Target: 500 MSME

Budgets:
- Audit Incentive: INR 2,50,00,000 (@INR 50,000 per MSME)
- Advisory Report: INR 2,50,00,000 (@INR 50,000 per MSME)
- Capital Subsidy: INR 7,50,00,000 (@INR 1.5L per MSME)

8.8.3. Establishing the Green MSME Initiative

The proposed intervention of Green MSME Initiative under the RAMP programme is a strategic intervention that addresses the critical need for sustainable practices among MSME in Delhi. By promoting the adoption of green practices, the initiative aims to reduce the environmental impact of MSME, enhance their competitiveness, and contribute to a more sustainable economy. This initiative aligns with global sustainability trends and regulatory requirements, positioning Delhi's MSME to compete more effectively in the international market and contribute to the long-term environmental and economic well-being of the region.

Key components of this initiative will include:

- Sensitization workshop for MSME about environmental impacts of industries including public health & safety issues through training, capacity building and awareness programme.
- Workshop on Awareness building environmental regulatory obligations, and compliance requirements.
- **Financial Incentives:** MSME adopting solar power will receive **subsidies covering up to 40% of installation costs** for investing in solar infrastructure. *(estimation)*

Target: 2,000 MSME
Budget: INR 10,00,00,000/- (@INR 50,000 per MSME)

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
1	Cluster Diagnostic Study Reports	4	4				8 DSRs
2	Detailed Project Reports (DPRs)	4	4				8 DPRs
3	Environmental Footprint Audits	100	100	100	100	100	500 MSMEs
4	Green Advisory Reports	100	100	100	100	100	500 reports
5	Capital subsidy for greening improvements	100	100	100	100	100	500 MSMEs
6	Solar Subsidy (up to 40% per MSME)	400	400	400	400	400	2000 MSME

8.9. Delhi MSME Portal

The Delhi MSME Portal is designed to be a comprehensive, single-window platform that addresses the diverse needs of Micro, Small, and Medium Enterprises (MSME) in Delhi. It aims to streamline various processes and provide essential services to enhance the efficiency, productivity, and competitiveness of MSME. The portal will also feature a job portal to facilitate talent acquisition, enabling MSME to find and recruit skilled candidates efficiently. Additionally, the integration of AI-powered solutions will further strengthen the portal. By leveraging these advanced technologies, the Delhi MSME Portal will empower MSME to overcome their unique challenges and drive sustainable growth in the region.

8.9.1. Single Window System for enabling Benefits under Industrial & Economic Development Policy and Referral linkage with Udyami Bharat Portal

The uptake of various Central schemes less due to 2 major reasons:

- Lack of Awareness About the Scheme and Benefits extended by Central and State Governments
- Limited clarity on compliances and procedures to avail that scheme.

To address the above 2 challenges, a unified digital system for disseminating information about the schemes and assistance in compliances there is a dire need of digitalization of service dissemination mechanism. A unified digital platform, providing MSME with detailed information of various schemes and detailed guidance mechanism helping them understand the required compliances along with the importance of these compliances, would play a pivotal role in generating awareness among MSME. It is proposed to develop and operationalize a plug-in to Delhi NCT's Single Window System to serve purposes including:

a. Onboarding of Stakeholders and Implementing Agencies, Service Providers and Beneficiary MSME

b. Conducting e-surveys of MSME ecosystem stakeholders for Needs Analysis

c. Digitalizing State-level Scheme Access (including information, application, claims, tracking, redress, etc.)

d. Monitoring and Evaluation of the RAMP Programme and all its plug-ins through an analytics dashboard

e. Enabling scheme referral with Government of India through linkage with the upcoming Udyami Bharat Portal (UBP)

The various modules proposed to be developed are:

1. **Information Module:** This module will provide details of various schemes and policies supporting MSME along with detailed eligibility criteria. This will help MSME understand what all benefits can be availed based on their profile.
2. **Compliance Module:** This module will help MSME in understanding their compliances/ certification required from various departments and agencies. The module will also provide step-by-step procedure for obtaining compliances.
3. **Application Module:** This module will also have the functionality to apply for required compliance if in case the concerned department has functional portal for providing compliance certificate.

4. **RAMP monitoring dashboard:** The suggested module will assist in easy maintenance for MIS for RAMP program and informative dashboard will help in course correction and strategic decision making.
5. **Training Module:** The proposed module will help MSME access video of various training programmes and revisit the lectures in case of any clarity required. Training module will also contain trainings for Line Departments.
6. **Online Dispute Resolution Module:** This module will help MSME in Delhi to file their grievances related to various issues like information on schemes and benefits, challenges in availing scheme benefits, delayed payment, delayed approvals, issues in obtaining licenses/permits etc. The issues filed by MSME will be assigned priority level based on the type of issue and resolution will be provided by concerned departments.

Budget: Development and maintenance: INR 4,00,00,000/-
Integration with other portals and services: INR 1,00,00,000/-

8.9.2. Development & Operation of a MSME Manpower Needs Mapping, Skilling and Matching Platform

Micro, Small, and Medium Enterprises (MSME) in Delhi face a significant challenge with high attrition rates, estimated to be between 25-35%, which is considerably higher than the attrition rates in the IT and ITeS sectors. Our survey of MSME in Delhi confirms that this estimate is accurate. The problem is further exacerbated by the competition from large firms, which often crowd out MSME in the race for reliable and adequately skilled manpower. To address this issue, it is essential to enhance the brand visibility of MSME in Delhi's job market. While the Brand DL Initiative is expected to significantly contribute to this strategic challenge, there remains a critical need for a robust platform that can effectively aggregate the manpower needs of MSME, source eligible candidates from various institutes and employment exchanges, and deploy them after providing basic induction skills.

This initiative aims to develop a comprehensive platform as a subdomain of the Delhi MSME Portal. The platform will serve as a centralized hub for aggregating the manpower needs of MSME, facilitating the recruitment, training, and deployment (RTD) of candidates. Over the programme period, the platform will aim to recruit, train, and deploy 20,000 candidates in MSME across Delhi. The platform will enable MSME to list their manpower requirements, including specific skills and qualifications needed. This will help in creating a detailed database of job openings within the MSME sector. The platform will collaborate with educational institutes, vocational training centers, and employment exchanges to source eligible candidates. By leveraging these partnerships, the platform will ensure a steady supply of potential employees who meet the specific needs of MSME.

Before deployment, candidates will undergo a basic induction course designed to equip them with essential skills required for their roles. This training will cover both technical skills and soft skills, ensuring that candidates are well-prepared to contribute effectively to their respective MSME. After completing the induction training, candidates will be matched with suitable job openings in MSME. The platform will facilitate the entire deployment process, ensuring a smooth transition for both the candidates and the employers. The platform will also provide ongoing support to both MSME and employees. This will include regular feedback mechanisms, performance monitoring, and additional training opportunities to address any skill gaps that may arise.

By providing a steady supply of adequately skilled manpower, the platform aims to reduce the high attrition rates currently faced by MSME in Delhi. With access to a reliable workforce, MSME will be better positioned to compete with larger firms, thereby enhancing their overall competitiveness in the market. The platform will create new employment opportunities for candidates, particularly those from educational institutes and vocational training centers, thereby contributing to the overall economic development of Delhi. By addressing the manpower challenges faced by MSME, the platform will play a crucial role in strengthening the MSME sector, which is a vital component of Delhi's economy. In conclusion, the development and operation of the MSME Manpower Needs Mapping, Skilling, and Matching Platform is a strategic initiative that will significantly benefit both MSME and job seekers in Delhi.

Target:	20,000 Candidates to be placed in MSME in RTD Mode (@INR 2,500 per candidate)
Budgets:	Platform Development & Maintenance: INR 2,00,00,000 RTD Programme: INR 5,00,00,000/-

8.9.3. Empowering Delhi’s MSME with AI Integration

As part of the Strategic Investment Plan (SIP) for Delhi under the RAMP, it is proposed to leverage artificial intelligence (AI) in development of the Delhi MSME Portal to further aid and improve the capabilities of MSME in Delhi. This portal will offer a variety of AI-driven features and support services specifically designed to tackle the distinct challenges that MSME encounter and assist them in enhancing their efficiency, productivity, and competitiveness.

Key Functionalities and Support Services of Delhi Chapter of MissionAI Portal:

- **AI Website Generation:** The portal will offer tools for MSME to create and manage their websites using AI. This will enable businesses to establish a strong online presence quickly and efficiently, without the need for extensive technical knowledge.

- **Market Research:** AI-powered market research tools will provide MSME with valuable insights into market trends, customer preferences, and competitive analysis. This will help businesses make informed decisions and develop effective strategies.

- **Sales Strategy**: The portal will offer AI-driven sales strategy tools, recommend which sales channel to use and further support MSME optimize their sales processes, identify potential leads, and improve conversion rates. These tools will analyze sales data and provide actionable recommendations.

- **Marketing Content for Social Media:** AI tools will assist MSME in creating engaging and relevant marketing content for social media platforms. This includes generating posts, images, and videos tailored to the target audience, helping businesses enhance their digital marketing efforts.

- **Product Descriptions for E-commerce Platforms**: The portal will provide AI tools to generate compelling product descriptions for e-commerce platforms. This will help MSME improve their product listings, attract more customers, and increase sales.

- **Automatic Filing of GST and Other Compliances:** AI-driven compliance tools will automate the filing of GST and other regulatory requirements, reducing the administrative burden on MSME and ensuring timely and accurate submissions.

- **Job Search:** The portal will feature AI-powered job search tools to help MSME find and recruit talent. These tools will match job seekers with relevant opportunities based on their skills and experience, streamlining the hiring process.

- **Detection of Fraud:** AI tools will help MSME detect and prevent fraudulent activities by analyzing transaction data and identifying suspicious patterns. This will enhance the security and integrity of business operations.

- **Toolkit Generation for CRM:** The portal will offer AI-driven tools to generate customer relationship management (CRM) toolkits. These toolkits will help MSME manage customer interactions, improve customer satisfaction, and build long-term relationships.

- **Inventory Management**: AI-powered inventory management tools will assist MSME in optimizing their inventory levels, reducing stockouts and overstock situations, and improving overall supply chain efficiency.

- **Enterprise Resource Planning (ERP)**: The portal will provide AI-driven ERP solutions to help MSME integrate and manage their core business processes, including finance, HR, manufacturing, and supply chain management.

Budget: INR 10,00,00,000/-

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
1	Portal development and rollout	1					1 portal
2	AI Powered portal and BOT enabled	✓	✓	✓	✓	✓	Continuous development
3	Integration with Udyami Bharat, TReDS etc.		2		2		4 integrations
4	Development of functional modules	2	2	2			6 modules
5	Job-matching & Skilling sub-platform	-	5,000	5,000	5,000	5,000	20,000 candidates
6	MIS Dashboard for RAMP M&E	✓	✓	✓	✓	✓	1 system

8.10. Hackathon for AI-Powered Solutions for MSME

To further promote the adoption of AI among MSME, it is proposed to conduct a Hackathon for AI-Powered Solutions for MSME. This hackathon will bring together developers, entrepreneurs, and industry experts to create innovative AI solutions tailored to the needs of MSME. The hackathon will focus on:

- **Encouraging Innovation**: Participants will be challenged to develop AI solutions that address specific pain points faced by MSME, such as improving operational efficiency, enhancing customer engagement, and driving business growth.
- **Building Awareness:** The event will raise awareness about the potential of AI in transforming MSME operations and highlight the benefits of adopting AI technologies.
- **Fostering Collaboration:** The hackathon will provide a platform for collaboration between MSME, technology providers, and industry experts, fostering a community of innovation and knowledge sharing.
- **Providing Support:** Winning teams will receive support in the form of mentorship, funding, and access to resources to help them develop and implement their AI solutions.

Target: 50 ideas (@ 10 ideas per year)
Budget: INR 7,50,00,000/-

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
1	Hackathon planning & outreach	1	1	1	1	1	5 outreach drives
2	AI Hackathon Events	10	10	10	10	10	50 ideas supported
3	Winner mentorship and solution rollout	10	10	10	10	10	50 teams

8.11. Capacity Building of Government Officials through 5-day intensive workshops

To help improve the Government's collective MSME governance capacity, especially in terms of partnering with industry and civil society, delivery of schemes, project conception, planning, monitoring and evaluation, leveraging IT and technology, gender and greening, etc. it is proposed to conduct 5-day intensive capacity building workshops for 50 Government Officials in collaboration with an Institution of National Importance.

The areas of training proposed are:

a. Dovetailing MSME Scheme initiatives with business ecosystem development
b. Easing Regulatory Compliance for MSME – Case study driven approach from top five service and manufacturing sectors
c. Leveraging digital technology and tools for data collection, programme management, monitoring and evaluation
d. Working with financial institutions and service providers to facilitate access to enterprise finance
e. Good practices in greening of industrial Value Chains
f. Enhancing the efficiency of Procurement Processes

Two levels of officials would be batched and trained in a pattern which would encourage the senior officials to articulate a strategic problem statement under the concerns of industrial productivity, skills advancement, technological advancement, sustainability, export competitiveness, ease of doing business, etc. The problem statement would be carried into the training course for junior officers to respond with policy solutions.

Target: 50 officials from Department of Industries and other Line Departments
Budget: INR 12,50,000/-

Implementation Roadmap

#	Activities	D1	D2	D3	D4	D5	Quantity
1	Identification of participants from line departments	✓	✓				50 officials (list to be provided by the department before the training)
2	Customization of curriculum with training partners	✓	✓				Interaction with 10 Subject Matter Experts
3	Training Batch 1 (Senior Officials) – Strategic Problem Statements	✓					1 batch (25 officials)

4	Training Batch 2 (Junior Officials) – Solution Formulation		✓				1 batch (25 officials)
5	Use of case-based learning approach	5	5				10 case studies
6	Post-training report and feedback analysis	✓	✓				2 reports

8.12. Initiative for onboarding of MSME on TReDS, ODR, ONDC, GeM, Amazon, Flipkart etc.

8.12.1. Onboarding on Trade Receivable Discounting System (TReDS), Online Dispute Resolution (ODR) etc.

Delayed payments can have a significant impact on businesses, especially MSME. These businesses are often more vulnerable to delayed payments than large scale businesses, as they have fewer financial reserves to withstand cash flow disruptions and they often operate on limited working capital and rely on prompt payments to meet their operational expenses. Recognizing the adverse effects of delayed payments on MSME. The implications of delayed payments include:

- **Cash flow problems:** Delayed payments can jeopardize the cash flow of MSME, making it difficult for them to pay their own bills and meet their financial obligations This can lead to a cycle of debt and financial difficulty.
- **Increased costs:** Delayed payments can lead to higher interest rates for MSME. This is because banks and other lenders may charge higher interest rates to MSME that have a history of delayed payments. This can increase the overall costs of doing business for MSME, making it more difficult for them to compete with larger businesses that have better credit ratings.
- **Damage to relationships and loss of trust**: Delayed payments can erode the trust between MSME and their buyers. This can make it difficult to do business in the future and can lead to lost sales.
- **Legal risks:** In some cases, MSME may be able to seek legal recourse against buyers who fail to make payments on time. However, this can be a lengthy and expensive process.

To address the issue of delayed payments, workshops will be organized to increase awareness and onboard MSME to the Online Dispute Resolution (ODR) and Trade Receivables Discounting System (TReDS) platforms.

Online Dispute Resolution (ODR) *initiative by the Ministry of Micro, Small, and Medium Enterprises (MSME) is a significant step towards providing a* *streamlined and efficient mechanism for resolving disputes involving MSME. This initiative addresses the challenges faced by MSME, particularly in dealing with delayed payments and other contractual disputes, which can severely impact their operations and financial stability. The ODR platform leverages digital technology to facilitate the resolution of disputes, allowing MSME to file complaints, track the status of their cases, and receive resolutions online. This reduces the need for physical presence and lengthy legal processes, making it a more accessible and user-friendly option for all MSME, regardless of their size or location.*

Trade Receivables Discounting System (TReDS) *- An RBI regulated online platform TReDS, has been established to facilitate financing/discounting of trade receivables of MSME through multiple financiers. It envisages to reduce the time taken for sellers to receive payments which is one of the bottlenecks faced by the MSME. TReDS enables MSME sellers to use an auction mechanism by a pool of financiers to discount bills of the platform against corporates, government departments and public sector entities thereby assuring the prompt realization of trade receivables and conversion of receivables into cash at extremely competitive market rates. Three TReDS exchanges have been registered with RBI comprising of M1 Exchange, Invoicemart and Receivable Exchange of India. The use of digital platforms such as TReDS makes the financing process more transparent, efficient, cost effective and accessible and has great potential to help meet the liquidity and financing needs of MSME*

These workshops will aim to educate, mentor and support MSME to facilitate seamless onboarding on various platforms designed for betterment of MSME such as Trade Receivables Discounting System (TReDS), Online Dispute Resolution (ODR) platform etc.

a) Workshops would be organized to train the enterprises with regards to know-how of various platforms, in coordination with the MSME and respective departments / nodal agencies / SPOC responsible for managing the platforms / portal.

b) The enterprises will be provided handholding support for onboarding through the business facilitation centers set up in the Delhi.

c) MSME will be sensitized regarding various benefits of onboarding on each of the above-mentioned platforms.

d) The above platforms will also promote transparency in dealing / transaction for MSME and other stakeholders.

Target: 10,000 MSME
Budget: INR 1,40,00,000/-

8.12.2. Onboarding of MSME on Open Network for Digital Commerce (ONDC), GeM, Amazon, Flipkart etc.

ONDC, Amazon, Flipkart etc. offers a range of features and tools that MSME can leverage to enhance their digital presence and customer experience. By creating compelling product listings, including detailed descriptions and high-quality images, businesses can attract and engage potential customers.

Additionally, ONDC provides secure payment gateways, enabling smooth and hassle-free transactions. It also offers logistics support, ensuring efficient order fulfilment and timely delivery. By taking full advantage of these features, MSME can provide a seamless and convenient shopping experience, thereby building customer trust and loyalty.

MSME should be made aware about the benefits of onboarding on ONDC platform through awareness / capacity building sessions.

Onboarding workshops with an aim to create awareness and sensitize MSME about these platforms.

- The workshop on ONDC will focus on onboarding of MSME onto ONDC through existing seller apps of ONDC and will sensitize the MSME on the impact ONDC is generating, especially for non-digitized sellers The workshop would cover a series of panel discussions across a broad spectrum of topics, including digital commerce, e-commerce cross border exports, financial services, logistics, agriculture, and B2B and B2C opportunities, etc.
- The workshop on GeM would aim at enlightening and creating awareness for MSME about the GeM portal and its benefits. The workshop would cover a series of topics, including registration, procurement, benefits, virtual tour of the portal, etc.
- Workshops for onboarding on digital e-commerce marketplaces will help MSME understand the nuances of online selling and develop skills and capabilities necessary to grow their business on these e-marketplaces. These drives will comprise of training sessions on the listing of products, imaging & cataloguing, packaging, and shipping, inventory and account management, and customer servicing.

Target: 1,000 MSME (ONDC)

2,000 MSME (GeM)
20,000 MSME (E-commerce)

Budget: INR 3,22,00,000/-

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
1	Onboarding of Training partner/agency and Subject Matter Experts (SMEs)	10		10			20 Training partner/agency and SMEs
2	Awareness and onboarding workshops	140	140	140	140	140	700 workshops
3	MSME onboarding to TReDS & ODR	2,000	2,000	2,000	2,000	2,000	10,000 MSMEs
4	MSME onboarding to ONDC	1,000					1,000 MSMEs
5	MSME onboarding to GeM	1,000	1,000				2,000 MSMEs
6	Onboarding to Amazon, Flipkart	4,000	4,000	4,000	4,000	4,000	20,000 MSMEs

8.13. Monitoring and Evaluation + Impact Assessment Surveys

It is proposed to conduct regular physical and virtual Monitoring of all RAMP initiatives including workshops, cluster interventions, etc. through taskforces comprising State Project Implementing Unit (SPIU) members, DSIIDC and Industries Department Officials. Over and above, it is proposed to conduct surveys of RAMP Programme beneficiaries including baseline, mid-terms and post-programme surveys to ascertain the impact of the various interventions, especially market access and cluster-level improvement programmes. The impact parameters would include:

a. Micro-parameters including financial health and profitability, credit rating, additional finance availed, ESG rating, employment, especially of the Champion MSME.
b. New business generated through Market Access interventions such as VDPs and RBSMs

c. New Clusters formed and approved for augmentation under MSE-CDP and similar Schemes, new investment in CFCs and technology, etc.
d. Additional beneficiaries for every Scheme linked to RAMP Programme (including Champions, etc.)

Target: 20,000 MSME beneficiaries to be surveyed
Budget: INR 2,00,00,000/-

Implementation Roadmap

#	Activities	Y1	Y2	Y3	Y4	Y5	Quantity
1	Research Methodology and Parameter selection	✓					1st quarter of 1st Year for defining the study parameters
2	Baseline Survey	✓					1 survey (5,000 MSME)
3	Mid-Term Evaluation			✓			1 survey (5,000 MSME)
4	Final Impact Evaluation					✓	1 survey (10,000 MSME)
5	Periodic Monitoring by SPIU	4	4	4	4	4	20 rounds

8.14. Formulation of Industrial and MSME Policy for Delhi under SIP for RAMP Programme

Micro, Small, and Medium Enterprises (MSMEs) are a vital component of Delhi's industrial and economic fabric, contributing significantly to employment generation, innovation, and inclusive growth. Alongside MSMEs, larger industries also play a pivotal role in shaping the capital's economic trajectory and in supporting the development of the MSME sector. They create demand for goods and services, foster supply chain linkages, and facilitate the transfer of technology and skills, thereby enabling MSMEs to scale, innovate, and integrate into broader industrial networks. However, both MSMEs and larger industrial units in Delhi face a range of persistent and emerging challenges that constrain their growth, competitiveness, and long-term sustainability. These include limited access to markets, inadequate technological adoption, restricted access to finance, and growing pressure to adopt sustainable and environmentally responsible practices.

Many enterprises in Delhi struggle to expand their market reach due to weak market linkages, insufficient marketing strategies, and limited participation in trade fairs and export promotion initiatives. This restricts their ability to scale and compete in national and global markets. Technological advancement, which is essential for enhancing productivity and competitiveness, remains out of reach for many due to a lack of awareness, technical know-how, and financial resources. Access to finance continues to be a major barrier, with enterprises often unable to meet stringent lending criteria or provide adequate collateral, thereby limiting their ability to invest in growth and innovation. Furthermore, as sustainability becomes a global imperative, industries in Delhi must transition towards greener practices. However, the adoption of sustainable production methods and green technologies is slow, largely due to limited incentives, support mechanisms, and awareness.

To address these multifaceted challenges and unlock the full potential of Delhi's industrial ecosystem, it is proposed to formulate a comprehensive Industrial and MSME Policy under the State Implementation Plan (SIP) for the Raising and Accelerating MSME Performance (RAMP) programme. This policy will serve as a strategic framework to support enterprises across all critical dimensions—market access, technology adoption, financial inclusion, infrastructure development, and environmental sustainability. It will be grounded in the consultative assessment, ensuring that it reflects the region's unique economic context and development priorities.

A policy formulation exercise is proposed to develop and finalize this policy, with a dedicated budget to support stakeholder consultations, expert inputs, and policy drafting. The resulting policy will aim to create an enabling environment for industrial growth, with MSME development at its core. By fostering innovation, competitiveness, and sustainability, this initiative will contribute to the long-term economic and environmental well-being of Delhi, ensuring that its industrial and MSME sectors continue to thrive and drive inclusive development.

Budget: INR 51 lakh

8.15. Information, Education and Communication (IEC) Strategy

For successful implementation of the RAMP programme, a robust 360º IEC strategy would be essential to create awareness about various schemes and initiatives undertaken by Central/ State government. Moreover, efficient IEC will help in following:

a) Motivate MSME to take advantage of facilities related to technological upgradation, modernization, quality improvement and infrastructure.

b) Create awareness and motivate MSME for developing their employees through training and skill upgradation.

c) Create awareness demographically as well as geographically among SC/ST, Women, and other weaker sections for obtaining benefits of the schemes being run by Ministry of MSME. The various activities that can be undertaken under IEC are as follows:

Activities	Details
Electronic Media Campaigns	• Audio Visual Spots, short films and other related broadcast activities that can be showcased on TV and social media. • Jingles to be broadcasted through Radio. • Panel discussions and expert sessions on local / regional channels
Print Media Campaigns	• Advertisement in local / regional newspapers and magazines • Promoting success stories, coverage of events related to MSME in newspapers. • Publication of brochures, pamphlets, leaflets, newsletters etc. highlighting the initiatives undertaken by government mentioning various schemes, latest technology etc. • FAQs booklet
Outdoor publicity	• Dissemination of information through digital display boards, hoardings, banners at public places viz. railway stations, bus stops, post offices, bus stops, post offices etc. • Road shows, Bus Wraps etc.

Activities	Details
Publicity campaigns on internet websites and mobile	• Publicity through internet and mobile appliances • Mobile messages (SMS)

Table: Details of activities under IEC Interventions

8.16. Mapping of RAMP Programme's Disbursement Linked Indicators (DLIs) with Proposed Interventions

With reference to the introduction in Sections 2.4 and 2.5 of this document, this section maps out each of the proposed interventions to set DLIs for outcome monitoring through the RAMP Programme's Results Framework.

No.	DLI	Justification for DLI Selection
1.	Implementing Central Government MSME Institutional Reform	Supports evidence-based MSME programmes and policies with a coordinated approach to MSME development
2.	Accelerating MSME Sector Center State collaboration	Supports development and implementation of a comprehensive, integrated MSME support architecture across State-Center levels
3.	Enhancing Effectiveness of Firm Capabilities Schemes	Capacity Building, Services and Certification, etc. for firm level productivity improvements
4.	Strengthening the Receivable Financing Market for MSME	Improves access to finance, particularly for working capital requirements
5.	Enhancing Effectiveness of CGTMSE and "GG" (Greening and Gender) delivery	Addresses gender gaps in access to finance and facilitates greening investments
6.	Reducing the incidence of delayed payments.	Improves the current dispute resolution mechanism through private sector provision of services and through platforms for scale

Sl.	Proposed Intervention/ Component	DLIs					
		DLI 1	DLI 2	DLI 3	DLI 4	DLI 5	DLI 6
1	**Capacity Building Workshops**						
1a	Financial Diligence and Discipline			✓	✓	✓	✓
1b	Supply Chain Management			✓		✓	
1c	Planning and Implementing ESG Measures			✓		✓	
1d	Dedicated Workshops for Women Entrepreneurs			✓		✓	
1e	Workshops on Cyber Security Readiness			✓			
2	**Delhi MSE Hub and Business Facilitation Network**						
2a	Delhi MSE Hub (with 4 Industry Experts cum Mentors)	✓	✓	✓			
2b	Business Facilitation Network of 11 Cells (4 Resources in each BFC)	✓	✓	✓		✓	✓
3	**Cultivating Champion MSME through facilitation of Business Development Services**		✓	✓		✓	
4	**Enhancing Credit Guarantee Cover under CGTMSE**			✓		✓	

Sl.	Proposed Intervention/ Component	DLIs					
		DLI 1	DLI 2	DLI 3	DLI 4	DLI 5	DLI 6
5	**Brand DL Initiative**						
5a	Brand DL Development		✓	✓		✓	
5b	Vendor Development Programmes	✓		✓	✓	✓	✓
5c	Reverse Buyer Seller Meets for Export Oriented MSME (@INR 1 cr per RBSM for 300-350 MSME sellers & 30-50 Buyers)	✓		✓		✓	
6	**ESG Compliance Campaign**						
6a	Incentivizing Anchor Firms/ Industry Associations/ Cluster SPVs to get MSME to implement ESG Compliance Measures		✓	✓		✓	
6b	ESG Integration Toolkit for MSME to ease ESG Compliance and Reporting	✓	✓	✓		✓	
7	**Greening of Delhi's MSME**						
7a	**Efforts towards Transformation of MSME Clusters**						
7a(i)	Preparing Diagnostic Study Reports (DSRs)	✓		✓		✓	

<table>
<tr><th rowspan="2">Sl.</th><th rowspan="2">Proposed Intervention/ Component</th><th colspan="6">DLIs</th></tr>
<tr><th>DLI 1</th><th>DLI 2</th><th>DLI 3</th><th>DLI 4</th><th>DLI 5</th><th>DLI 6</th></tr>
<tr><td>7a(ii)</td><td>Preparing Detailed Project Reports (DPRs)</td><td>✓</td><td>✓</td><td>✓</td><td></td><td>✓</td><td></td></tr>
<tr><td>7b</td><td>Pilot Project to Develop and Implement a Footprint Audit-based Green Credit Model</td><td>✓</td><td></td><td>✓</td><td></td><td>✓</td><td></td></tr>
<tr><td>7c</td><td>The Green MSME Initiative</td><td>✓</td><td></td><td>✓</td><td></td><td>✓</td><td></td></tr>
<tr><td>8</td><td colspan="7">Delhi MSME Portal</td></tr>
<tr><td>8a</td><td>Development & Maintenance of Single Window System for enabling Benefits under Industrial & Economic Development Policy and Referral linkage with Udyami Bharat Portal</td><td rowspan="2">✓</td><td rowspan="2">✓</td><td rowspan="2">✓</td><td rowspan="2">✓</td><td rowspan="2">✓</td><td rowspan="2">✓</td></tr>
<tr><td>8b</td><td>Integration with other portals and services</td></tr>
<tr><td>8c (i)</td><td>Development & Operation of a MSME Manpower Needs Mapping and Matching Platform (target in number of candidates)</td><td>✓</td><td>✓</td><td>✓</td><td></td><td></td><td></td></tr>
<tr><td>8c (ii)</td><td>RTD Programme for placing eligible candidates in MSME</td><td>✓</td><td>✓</td><td>✓</td><td></td><td></td><td></td></tr>
<tr><td>8d</td><td>Empowering Delhi’s MSME with AI Integration</td><td></td><td>✓</td><td>✓</td><td></td><td>✓</td><td></td></tr>
</table>

Sl.	Proposed Intervention/ Component	DLIs					
		DLI 1	DLI 2	DLI 3	DLI 4	DLI 5	DLI 6
9	**Hackathon for AI-Powered Solutions for MSME**		✓	✓		✓	
10	**Capacity Building of Government Officials through 5-day intensive workshops**	✓	✓	✓	✓	✓	✓
11	**Initiative for Onboarding MSME onto platforms**						
11a	Onboarding Workshops on Trade Receivable Discounting System (TReDS), Online Dispute Resolution (ODR)	✓			✓		✓
11b	Onboarding Workshops on Open Network for Digital Commerce (ONDC)	✓	✓	✓	✓	✓	
11c	Onboarding Workshops on GeM	✓	✓	✓		✓	
11d	Onboarding Workshops on other E-Commerce Platforms	✓	✓	✓		✓	
12	**Monitoring & Evaluation + Impact Assessment Surveys**	✓	✓	✓	✓	✓	✓
13	**Formulation of Delhi Industrial and MSME Policy**	✓	✓	✓		✓	

8.17. Summary of Proposed Interventions with Budgets

A total SIP implementation budget of **INR 177.16 crore** is proposed for Delhi NCT. Intervention-wise details are provided in the table below.

SN	Intervention/ Component	Target	Proposed Spend (INR cr)				
			2025-26	2026-27	2027-28	2028-29	2029-30
1	**Capacity Building Workshops**						
1a	Financial Diligence and Discipline	20,000	0.56	0.56	0.56	0.56	0.56
1b	Supply Chain Management	15,000	0.42	0.42	0.42	0.42	0.42
1c	Planning and Implementing ESG Measures	15,000	0.42	0.42	0.42	0.42	0.42
1d	Dedicated Workshops for Women Entrepreneurs	20,000	0.56	0.56	0.56	0.56	0.56
1e	Workshops on Cyber Security Readiness	10,000	0.28	0.28	0.28	0.28	0.28
2	**Delhi MSE Hub and Business Facilitation Network**						
2a	Delhi MSE Hub (4 Industry Experts cum Mentors @INR 20L p.a.)		0.80	0.80	0.80	0.80	0.80
2b	MSE Hub Office Development Cost	Outreach: 1,00,000 MSME Mentoring &	0.70				
2c	MSE Hub Recurring Operating Costs		0.26	0.26	0.26	0.26	0.26

SN	Intervention/ Component	Target	Proposed Spend (INR cr)				
			2025-26	2026-27	2027-28	2028-29	2029-30
2d	MSE Hub Office Rental Costs (@INR 2L per month	Handholding: 50,000 MSME	0.24	0.24	0.24	0.24	0.24
2e	Business Facilitation Network of 11 Cells (4 Resources in each BFC @INR 6L p.a.)		2.64	2.64	2.64	2.64	2.64
2f	BFC Office Development cost		2.75				
2g	BFC Recurring Operating Costs excl. space rental cost		1.21	1.21	1.21	1.21	1.21
2h	BFC Office Rental Costs		1.00	1.00	1.00	1.00	1.00
3	**Cultivating Champion MSME through facilitation of Business Development Services**	1,000	3.00	3.00	3.00	3.00	3.00
4	**Enhancing Credit Guarantee Cover under CGTMSE**	2,000	2.00	2.00	2.00	2.00	2.00
5	**Brand DL Initiative**						
5a	Brand DL Development		1.00				
5b	Vendor Development Programmes	3,000	0.50	0.50	0.50		
5c	Reverse Buyer Seller Meets for Export Oriented MSME (@INR 1 cr per RBSM for 300-350 MSME sellers & 30-50 Buyers)	1,000	1.00	1.00	1.00		

SN	Intervention/ Component	Target	Proposed Spend (INR cr)				
			2025-26	2026-27	2027-28	2028-29	2029-30
6	**ESG Compliance Campaign**						
6a	Incentivizing Anchor Firms to get their vendors to implement ESG Compliance	25	5.00	5.00	5.00	5.00	5.00
6b	ESG Integration Toolkit for MSME to ease ESG Compliance	2,000		2.50	2.50	2.50	
7	**Greening of Delhi's MSME**						
7a	**Efforts towards Transformation of MSME Clusters**						
7a(i)	Preparing Diagnostic Study Reports (DSRs)	8	0.40	0.40			
7a(ii)	Preparing Detailed Project Reports (DPRs)	8	0.80	0.80			
7b	Pilot Project to Develop and Implement a Footprint Audit-based Green Credit Model	500	2.50	2.50	2.50	2.50	2.50
7c	The Green MSME Initiative	2,000	2.00	2.00	2.00	2.00	2.00
8	**Delhi MSME Portal**						
8a	Development & Maintenance		2.00	0.50	0.50	0.50	0.50
8b	Integration with other portals and services			0.50		0.50	

SN	Intervention/ Component	Target	Proposed Spend (INR cr)				
			2025-26	2026-27	2027-28	2028-29	2029-30
8c(i)	Development & Operation of a MSME Manpower Needs Mapping and Matching Platform (target in number of candidates)		1.00	0.25	0.25	0.25	0.25
8c(ii)	RTD Programme for placing eligible candidates in MSME	20,000		1.25	1.25	1.25	1.25
8d	Empowering Delhi's MSME with AI Integration		2.80	1.80	1.80	1.80	1.80
9	**Hackathon for AI-Powered Solutions for MSME**	50 ideas	1.50	1.50	1.50	1.50	1.50
10	**Capacity Building of Government Officials through 5-day intensive workshops**	50	0.06	0.06			
11	**Initiative for Onboarding MSME onto platforms**						
11a	Onboarding Workshops on Trade Receivable Discounting System (TReDS), Online Dispute Resolution (ODR)	10,000	0.28	0.28	0.28	0.28	0.28
11b	Onboarding Workshops on Open Network for Digital Commerce (ONDC)	1,000	0.07	0.07			
11c	Onboarding Workshops on GeM	2,000	0.14	0.14			
11d	Onboarding of MSME on other E-Commerce Platforms	20,000	0.56	0.56	0.56	0.56	0.56

SN	Intervention/ Component	Target	Proposed Spend (INR cr)				
			2025-26	2026-27	2027-28	2028-29	2029-30
12	**Monitoring & Evaluation + Impact Assessment Surveys**	20,000			1.00		1.00
13	**Formulation of Delhi Industrial and MSME Policy**		0.21	0.30			
14	**Total Implementation Budget**		**38.66**	**35.30**	**34.03**	**32.03**	**30.03**
15	**IEC Campaign Cost (@5% of Implementation Budget)**		**1.70**	**1.35**	**1.35**	**1.35**	**1.35**
Total Delhi RAMP SIP Budget proposed (INR crore)			**40.36**	**36.65**	**35.38**	**33.38**	**31.38**

8.18. Intervention wise Budget Estimates

8.18.1. Capacity Building Workshops

#	Course Name	Workshop Duration (Days)	Total Workshops in 5 years	Total beneficiaries	Person/ Day cost (INR)	Year Wise Cost Breakup (In INR crore)					
						Y1	Y2	Y3	Y4	Y5	Total
1	Financial Diligence and Discipline	1	400	20,000	1,400	0.56	0.56	0.56	0.56	0.56	**2.80**
2	Supply Chain Management	1	200	10,000	1,400	0.42	0.42	0.42	0.42	0.42	**2.10**
3	Planning and Implementing ESG Measures	1	200	10,000	1,400	0.42	0.42	0.42	0.42	0.42	**2.10**
4	Dedicated Workshops for Women Entrepreneurs	1	200	10,000	1,400	0.56	0.56	0.56	0.56	0.56	**2.80**
5	Workshops on Cyber Security Readiness	1	100	5,000	1,400	0.28	0.28	0.28	0.28	0.28	**1.4**
Total		**1**	**1,100**	**55,000**	**1,400**	**2.24**	**2.24**	**2.24**	**2.24**	**2.24**	**11.20**

8.18.2. Delhi MSE Hub and Business Facilitation Network

#	Particulars	Fixed Cost (INR cr)	Monthly Cost (INR cr)	Number	Year Wise Cost Breakup (In INR crore)					
					Y1	Y2	Y3	Y4	Y5	Total
1	MSE Hub Office Development	0.70		1	0.70					**0.70**
2	MSE Hub Office Rental Costs		0.02	1	0.24	0.24	0.24	0.24	0.24	**1.20**
3	MSE Hub Operation Costs (including housekeeping, administration, Annual Maintenance Contracts, utilities and security)			1	0.26	0.26	0.26	0.26	0.26	**1.30**
4	Delhi MSE Hub (Manpower costs of 4 Industry Experts cum Mentors @ INR 20 lakh per year each)		0.067	1	0.80	0.80	0.80	0.80	0.80	**4.00**
5	BFC Office Development	0.25	-	11	2.75	-	-	-	-	**2.75**
6	BFC Office Rental Costs		0.0075	11	1.00	1.00	1.00	1.00	1.00	**5.00**

#	Particulars	Fixed Cost (INR cr)	Monthly Cost (INR cr)	Number	Year Wise Cost Breakup (In INR crore)					
					Y1	Y2	Y3	Y4	Y5	Total
7	BFC Operation Costs (including housekeeping, administration, Annual Maintenance Contracts, utilities and security)		0.0092	11	1.21	1.21	1.21	1.21	1.21	**6.05**
8	Manpower costs of Business Facilitation Cells (4 Resources in each BFC @INR 6L p.a.)		0.02	11	2.64	2.64	2.64	2.64	2.64	**13.20**
Total				**11**	**9.60**	**6.15**	**6.15**	**6.15**	**6.15**	**34.2**

8.18.3. Cultivating Champion MSME through facilitation of Business Development Services

#	Particulars	Assistance on BDS cost (INR cr)	Total beneficiaries	Year Wise Cost Breakup (In INR crore)					
				Y1	Y2	Y3	Y4	Y5	Total
1	Business Development Service Cost Assistance	0.015	1,000	3.00	3.00	3.00	3.00	3.00	**15.00**
Total		**0.015**	**1,000**	**3.00**	**3.00**	**3.00**	**3.00**	**3.00**	**15.00**

8.18.4. Enhancing Credit Guarantee Cover under CGTMSE

#	Particulars	Max. Additional Cover (INR cr)	Total beneficiaries	Year Wise Cost Breakup (In INR crore)					
				Y1	Y2	Y3	Y4	Y5	Total
1	Additional 10% Credit Guarantee Cover limited to INR 50,000 per beneficiary	0.005	2,000	2.00	2.00	2.00	2.00	2.00	**10.00**
Total		**0.005**	**2,000**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**10.00**

8.18.5. Brand DL Initiative

#	Particulars	Project Cost (INR crore)	Total beneficiaries	Total Programmes	Per programme cost (INR crore)	Year Wise Cost Breakup (In INR crore)					
						Y1	Y2	Y3	Y4	Y5	Total
1	Brand designing initiative	1.00	-	-	-	1.00	-	-	-	-	**1.00**
2	Vendor Development Programmes		3,000	60	0.025	0.50	0.50	0.50	-	-	**1.50**
3	Reverse Buyer Seller Meets for Export oriented MSMEs (300-350 exporters and 30-50 buyers per RBSM)		1,000	3	1.00	1.00	1.00	1.00	-	-	**3.00**
Total			**4,000**			**2.50**	**1.50**	**1.50**	**-**	**-**	**5.50**

8.18.6. ESG Compliance Campaign: Incentives to Anchor Firms, OEMs, Cluster SPVs and Industry Associations to get member/ vendor MSMEs to undertake ESG Compliance

#	Particulars	Total beneficiaries	Per compliant beneficiary cost (INR crore)	Year Wise Cost Breakup (In INR crore)					
				Y1	Y2	Y3	Y4	Y5	Total
1	Competitive reward in the form of campaign cost reimbursement limited to INR 1 crore per ESG Champion	25 ESG Champions (Anchors) 5,000 MSMEs	0.005	5.00	5.00	5.00	5.00	5.00	**25.00**
2	ESG Integration toolkit provisioning and handholding		Per ESG Champion: 0.30	-	2.50	2.50	2.50	-	**7.50**
Total				**5.00**	**7.50**	**7.50**	**7.50**	**5.00**	**32.50**

8.18.7. Greening of Delhi's MSMEs

8.18.7.1. Efforts towards Transformation of MSME Clusters

#	Particulars	Total beneficiaries	Per beneficiary cost (INR crore)	Year Wise Cost Breakup (In INR crore)					
				Y1	Y2	Y3	Y4	Y5	Total
1	Assistance towards preparation of Diagnostic Study Reports (DSRs)	8 Clusters	0.10	0.40	0.40	-	-	-	**0.80**
2	Assistance towards preparation of Detailed Project Reports (DPRs)		0.20	0.80	0.80	-	-	-	**1.60**
Total		**8 clusters**	**0.30**	**1.20**	**1.20**	**-**	**-**	**-**	**2.40**

8.18.7.2. Pilot Project to Develop and Implement a Footprint Audit-based Green Credit Model

#	Particulars	Total beneficiaries	Per beneficiary cost (INR crore)	Year Wise Cost Breakup (In INR crore)					
				Y1	Y2	Y3	Y4	Y5	Total
1	Reimbursement of 50% cost of water, waste and/ or energy audit	500	0.005	0.50	0.50	0.50	0.50	0.50	**2.50**
2	Cost of reimbursement of Process and Technology Improvement Advisory Report		0.005	0.50	0.50	0.50	0.50	0.50	**2.50**
3	Capital Subsidy for implementation of advised improvement measures		0.015	1.50	1.50	1.50	1.50	1.50	**7.50**
Total		**500**	**0.025**	**2.50**	**2.50**	**2.50**	**2.50**	**2.50**	**12.50**

8.18.7.3. The Green MSME Initiative

#	Particulars	Total beneficiaries	Per beneficiary cost (INR crore)	Year Wise Cost Breakup (In INR crore)					
				Y1	Y2	Y3	Y4	Y5	Total
1	Subsidy on adoption of solar power (installation cost) of 40%	2,000	0.005	2.00	2.00	2.00	2.00	2.00	**10.00**
Total		**2,000**	**0.005**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**10.00**

8.18.8. Delhi MSME Portal

8.18.8.1. Single Window System for enabling Benefits under Industrial & Economic Development Policy and Referral linkage with Udyami Bharat Portal and a MSME Manpower Needs Mapping and Matching Platform

#	Particular	Man-month Rate (INR)	Team Size	Timeline (months)	Year Wise Cost Breakup (In INR crore)					
					Y1	Y2	Y3	Y4	Y5	Total
1	Manpower cost for Preparation of FRS and SRS	3,00,000	5	3	0.45	-	-	-	-	**0.45**
2	Manpower cost for Design & Development	3,00,000	8	6	1.44	-	-	-	-	**1.44**
3	Manpower cost for Operation & Maintenance	1,50,000	3	54	0.27	0.54	0.54	0.54	0.54	**2.43**
4	Manpower cost for Integration with other portals	3,00,000	4	4		0.24	0.24			**0.48**
5	Licensing and Hosting Costs	-	-	54	0.20	0.50	0.50	0.50	0.50	**2.20**
Total					**2.36**	**1.28**	**1.28**	**1.04**	**1.04**	**7.00**

8.18.8.2. Skilling of Candidates matched with MSMEs through the Manpower Mapping Platform in RTD Mode

#	Course Name	Workshop Duration (Days)	Total Workshops in 5 years	Total beneficiaries	Per Beneficiary cost (INR)	Year Wise Cost Breakup (In INR crore)					
						Y1	Y2	Y3	Y4	Y5	Total
1	Skilling Workshops	3	400	20,000 candidates	2,500	-	1.25	1.25	1.25	1.25	**5.00**
Total		3	400	20,000 candidates	2,500	-	1.25	1.25	1.25	1.25	**5.00**

8.18.9. Empowering Delhi's MSMEs with AI Integration

#	Particular	Man-month Rate (INR)	Team Size	Timeline (months)	Year Wise Cost Breakup (In INR crore)					
					Y1	Y2	Y3	Y4	Y5	Total
1	Manpower cost for Preparation of FRS and SRS	4,00,000	5	3	0.60	-	-	-	-	**0.60**
2	Manpower cost for Design & Development	3,00,000	7	6	1.30	-	-	-	-	**1.30**
3	Manpower cost for Operation & Maintenance, improvement and capability advancement	2,00,000	5	54	0.60	1.2	1.2	1.2	1.2	**5.40**
4	Licensing and Hosting Costs	-	-	54	0.30	0.60	0.60	0.60	0.60	**2.70**
Total					**2.80**	**1.80**	**1.80**	**1.80**	**1.80**	**10.00**

8.18.10. Hackathon for AI-powered Solutions for MSMEs

#	Particulars	Total beneficiaries	Per beneficiary cost (INR crore)	Year Wise Cost Breakup (In INR crore)					
				Y1	Y2	Y3	Y4	Y5	Total
1	Hackathon based recognition and rewarding of AI-solutions	50 ideas @10 per year (innovators offering unique solutions)	0.15	1.50	1.50	1.50	1.50	1.50	**7.50**
Total		**50 ideas @10 per year (innovators offering unique solutions)**	**0.15**	**1.50**	**1.50**	**1.50**	**1.50**	**1.50**	**7.50**

8.18.11. Capacity Building of Government Officials through 5-day intensive workshops

#	Course Name	Workshop Duration (Days)	Total Workshops in 5 years	Total beneficiaries	Person/ Day cost (INR)	Year Wise Cost Breakup (In INR crore)					
						Y1	Y2	Y3	Y4	Y5	Total
1	5-Day Capacity Building Workshops for DSIIDC, Delhi Government and other line department officials	5	2	50	5,000	0.0625	0.0625	-	-	-	**0.125**
Total			**2**	**50**	**5,000**	**0.0625**	**0.0625**	**-**	**-**	**-**	**0.125**

8.18.12. Initiative for onboarding of MSMEs onto various Platforms

8.18.12.1. Onboarding on Trade Receivable Discounting System (TReDS), Online Dispute Resolution (ODR) etc.

#	Course Name	Workshop Duration (Days)	Total Workshops in 5 years	Total beneficiaries	Person/ Day cost (INR)	Year Wise Cost Breakup (In INR crore)					
						Y1	Y2	Y3	Y4	Y5	Total
1	Conducting sensitization and onboarding workshops	1	200	10,000	1,400	0.28	0.28	0.28	0.28	0.28	**1.40**
Total			**200**	**10,000**	**1,400**	**0.28**	**0.28**	**0.28**	**0.28**	**0.28**	**1.40**

8.18.12.2. Onboarding of MSME on Open Network for Digital Commerce (ONDC), GeM, Amazon, Flipkart etc.

#	Course Name	Workshop Duration (Days)	Total Workshops in 5 years	Total beneficiaries	Person/ Day cost (INR)	Year Wise Cost Breakup (In INR crore)					
						Y1	Y2	Y3	Y4	Y5	Total
1	Conducting sensitization and onboarding workshops on ONDC	1	20	1,000	1,400	0.07	0.07				**0.14**
2	Conducting sensitization and onboarding workshops on GeM	1	40	2,000	1,400	0.14	0.14				**0.28**
3	Conducting sensitization and onboarding workshops on e-Commerce	1	400	20,000	1,400	0.56	0.56	0.56	0.56	0.56	**2.80**
Total			**460**	**23,000**	**1,400**	**0.77**	**0.77**	**0.56**	**0.56**	**0.56**	**3.22**

8.18.13 Monitoring and Evaluation + Impact Assessment Surveys

#	Particulars	Number of MSMEs to be surveyed	Cost per MSME (INR)	Year Wise Cost Breakup (In INR crore)					
				Y1	Y2	Y3	Y4	Y5	Total
1	Baseline telephonic/ in-person surveys (subject to viable geographical proximity) of beneficiaries	5,000	1,000	0.10	0.10	0.10	0.10	0.10	**0.50**
2	Mid-term telephonic/ in-person surveys (subject to viable geographical proximity) of beneficiaries	5,000		0.10	0.10	0.10	0.10	0.10	**0.50**
3	Final Impact Evaluation telephonic/ in-person surveys (subject to viable geographical proximity) of beneficiaries	10,000		0.20	0.20	0.20	0.20	0.20	**1.00**
Total		**20,000**		**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	**2.00**

8.18.14. Formulation of Industrial and MSME Policy for Delhi under SIP for RAMP Programme

#	Particular	Man-month Rate (INR)	Team Size	Timeline (months)	Year Wise Cost Breakup (In INR crore)					
					Y1	Y2	Y3	Y4	Y5	Total
1	Manpower cost for research, stakeholder consultation, benchmarking and formulation	3,50,000	4	3	0.21	0.21	-	-	-	0.42
2	Stakeholder Consultations and associated coordination	-	-	3		0.09	-	-	-	0.09
Total					**0.21**	**0.30**	**-**	**-**	**-**	**0.51**

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