

Niti Moots Convergence of Similar MSME Schemes

Says flagship programmes must remain independent; aims for smoother implementation and greater efficiency

Our Bureau

New Delhi: NITI Aayog has proposed convergence of similar schemes, spread across ministries, for the micro, small and medium enterprises (MSMEs) through a well-coordinated governance structure to enable smoother implementation and greater efficiency in the sector.

In its report Achieving Efficiencies in MSME Sector through Convergence of Schemes, prepared by the Administrative Staff College of India (ASCI), Hyderabad, the Aayog said such convergence can be strengthened by fostering collaboration among ministries and implementing agencies through workshops, joint trainings, and targeted outreach, which would enhance scheme impact and im-

Cut the Overlap

NITI lays out road map for greater efficiency in MSME sector



Proposes convergence of schemes with overlapping objectives

Convergence of info & process needed for smooth implementation

Proposes setting up centralised portal for greater access to info

SAYS FLAGSHIP SCHEMES SHOULD BE KEPT AS IT IS TO PREVENT DILUTION OF IMPACT

prove beneficiary mobilisation.

The ministry of MSME has introduced multiple schemes to provide financial aid, skill development, infrastructure support, marketing aid, and technological upgradation.

The Aayog, however, feels that the presence of overlapping objectives and fragmented implementation across various ministries and departments might increase inefficiencies, affecting the effectiveness of these schemes.

As per the report, the government should set up a centralised portal for micro, small and medium enterprises (MSMEs) to enhance information convergence and streamline access to MSME support.

Further, it has suggested convergence of Scheme of Fund for Regeneration of Traditional Industries (SFURTI) with the Micro and

Small Enterprises - Cluster Development Programme (MSE-CDP) to streamline cluster development efforts and optimise resources.

"A coordinated skill development framework will ensure a more structured and responsive training approach for MSMEs," it said, suggesting the need for convergence of skill development programmes across multiple ministries as they have overlapping objectives.

The report further proposes convergence of Procurement and Marketing Scheme (PMS) and International Cooperation (IC) Schemes to simplify access to marketing support for MSMEs and enhance their domestic and international market reach.

In addition, it has also proposed convergence of A Scheme for Promoting Innovation, Rural Industri-

es & Entrepreneurship (ASPIRE) with MSME Innovative to streamline innovation support for the sector.

However, it suggests the government to exercise caution while converging specific schemes.

"Convergence efforts must be approached with caution for schemes designed for specific beneficiary groups, such as the National Scheduled Caste or Scheduled Tribe (SC/ST) Hub or the North Eastern Region (NER) MSME Promotion Programme, to prevent dilution of their intended impact," it said.

"Similarly, large flagship programmes like the Prime Minister's Employment Generation Programme (PMEGP) and PM Vishwakarma should remain independent due to their substantial scale, distinct objectives, and focused economic benefits," it added.