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# MIND STROM

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IMPORTANT TOPICS FOR UPSC CSE.

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**Govt. Support:**

- Regular dialogue is facilitated between various stakeholders through the constitution of specific task forces and inter-ministerial committees.
- The Micro and Small Enterprises-Cluster Development Programme is being implemented by the government for the holistic and integrated development of these enterprises.
- The Credit Linked Capital Subsidy Scheme also assists in the technological upgradation on MSMEs.
- To ensure better flow of credit to SMEs, the Ministry has introduced a Policy Package for Stepping up Credit to Small and Medium Enterprises (SMEs) under which it operates schemes like the Credit Guarantee Fund Scheme and the Performance and Credit Rating Scheme

**Concerns:**

- MSMEs face multiple challenges, ranging from limited budgets to a lack of know-how and expertise required in the adoption of digital technologies, security and trust issues.



## TECHNOLOGY & MSME

- The MSME sector in India continues to demonstrate remarkable resilience in the face of trailing global and domestic economic circumstances.
- The sector has sustained an annual growth rate of over 10% for the past few years.
- The sector has shown admirable innovativeness and adaptability to survive economic shocks, even of the gravest nature.

- MSMEs need to be better integrated into the digital economy to expand their market access, diversify their customer base and solidify their supply chain.
- Digital literacy is the need of the hour.
- There is a high demand for digital and cognitive skills, and MSMEs need to react quickly by becoming digitally enabled.
- Industry and the Indian economy along with MSMEs benefits of leveraging technology that will have positive ripple effects on the nation's GDP and the creation of more jobs.

- More employment generation, low capital and technology requirement.
- Promoting industrial development in rural areas, use of inherited skill, & local resources, mobilization of resources and exportability of products.

**SURVEY:**

- Ministry of MSME, the sector generates around 100 million jobs through over 46 million units situated throughout the geographical expanse of the country.
- 38% contribution to GDP and 40% and 45% share of the overall exports and manufacturing output,
- The sector manufactures over 6,000 products ranging from traditional to hi-tech items.

**Technology:**

- Technology improves all aspects of their business including engagement with stakeholders, customer relations, operations, financial management, marketing, supply chain management, product innovation, skill development, employee engagement and other areas.
- Digital technologies are transforming the way systems and processes work.
- An initiative being led by the CII, Digital Saksham embarks on the beginning of a digital adoption movement.
- The goal is to strengthen over three lakh MSMEs through digital adoption, improved business skills and financial inclusion, thus strengthening their competitiveness through digital know-how and acceptance