

WHY ENTREPRENEURSHIP ?

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The MSME Day

- Today June 27, 2026 marks Micro-, Small and Medium-Enterprises (MSME) Day
- Recognized annually by the United Nations, this day celebrates the vital role that MSMEs to sustainable development and the global economy
- MSMEs account for approximately 90% of all businesses, provide 60–70% of total employment, and contribute 50% of global GDP
- The day highlights the need to support these enterprises through better access to finance, digital transformation, capacity building

Why Start an Enterprise?



- Financial independence
- Job creation
- Contribution to regional development

Entrepreneurship

- Entrepreneurship is a major driver of economic growth and job creation
- Manufacturing and service enterprises create local employment and regional development and contribute to GDP
- Boost exports
- Entrepreneurs are "job creators" rather than "job seekers"

Entrepreneurship in India

- Registered Large scale industries : **2.6 Lakh Nos** employing **1.95 Cr** people
- In India, MSMEs are widely considered the "backbone" of the economy
- As of 2025-2026, there are over **7.8 Cr MSMEs** in India , generating **35 Cr** jobs .
- Micro , Small and Medium Enterprises (MSMEs) generate approximately **80% of total industrial employment** in India.
- MSMEs contribute nearly **30% to India's GDP** and **45% of the manufacturing output**.
- MSMEs contribute about **40% of the country's total exports**.

Entrepreneurship in Kerala

- **7000** Large scale factories are in operation creating 3.3 Lakh jobs
- **80** major state **PSUs**
- **17 lakh** registered **MSMEs** , creating **85 Lakh** jobs
- **28.5% of the GDP**
- MSME sector is a significant driver of exports **49%** for FY 2024–25

What's MSME

Notification with effect from **01-04-2025**

Composite Criteria: Investment in Plant & Machinery/equipment and Annual Turnover

Classification	Micro	Small	Medium
	Investment in Plant and Machinery or Equipment: Not more than Rs.2.5 Cr and Annual Turnover not more than Rs. 10 Cr	Investment in Plant and Machinery or Equipment: Not more than Rs.25 Cr and Annual Turnover not more than Rs. 100 Cr	Investment in Plant and Machinery or Equipment: Not more than Rs.125 Cr and Annual Turnover ; not more than Rs. 500 Cr

Udyam Registration ...

udyamregistration.gov.in

 सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय
Ministry of Micro, Small Medium Enterprises

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MSME Family is committed to Make Atmanirbhar Bharat...

Entrepreneurs!

Just take few simple steps to make an Enterprise of your dreams...

Udyam Registration

Welcome to Register here

For Now Entrepreneurs who are not Registered yet as MSME

You can Re-Register here

For those already having registration as EM-II or UAM



Our Small Hands to Make you LARGE



Role of Industries Department in Investment Promotion

Role of District Industries Centre

- **Promote Entrepreneurship.**
- **Identify entrepreneurs and motivate them.**
- **Conduct capacity building programmes**
- **Provide project ideas & guidance.**
- **Assist the unit to get necessary licenses & clearances**
- **Act as a liaison with financial institutions.**
- **Act as implementing and promoting agency of various Central & State Government self employment schemes**
- **Support incipient sick and closed down enterprises to revive**
- **In short , act as a mentor and guide to all entrepreneurs to make our an investor friendly destination.**

Industrial Promotional Programmes

- Entrepreneurship Awareness Programmes (EAP)
- Entrepreneurship Development Programme (EDP)
- Technology clinic (TC)
- MSME Clinics
- Bankers Meets
- Investors meet – Taluk level and District level
- Technology Management Development Programme (TMDP)
in collaboration with ILO

Programmes for the Development of Commerce

- **MSME Products expo in 14 districts**
- **Kerala State Machinery Expo**
- **Reverse Buyer Seller Meet**
- **State level Agro Food Exhibition**

ESS (ENTREPRENEUR SUPPORT SCHEME)

- **MANUFACTURING UNITS ONLY**
- **START UP SUPPORT, INVESTMENT SUPPORT, TECHNOLOGY SUPPORT**
- **MINIMUM SUBSIDY 15 % OF FCI**
- **25 % SUBSIDY TO SC/ST, WOMEN, NRK's AND YOUNG ENTREPREUNER.**
- **10 % ADDITIONAL SUBSIDY TO PRIORITY INDUSTRIES.**
- **Maximum Subsidy 35 %**
- **Maximum assistance per unit is limited to 40 Lakhs**

Margin Money Grant to Nano units

- **New Manufacturing activities/ job-work / Value added Service.**
- **Maximum Project cost up to 10 L.**
- **40 % Margin Money (Front end Subsidy) to SC/ST, women, ex servicemen, Handicapped and Young Entrepreneur (Below 40 age) .**
- **30 % Margin Money (Front end Subsidy) to General Category .**
- **Bank loan minimum 40 %**
- **Own fund -30 % for general category and 20 % special category.**

One Family One Enterprise Scheme (OFOE)

- The scheme provides an interest subvention (subsidy) on term loans and working capital loans for MSME units
- Interest Subsidy to **Manufacturing , Service & Trading units**
- The subsidy is available for loan amounts up to **Rs 10 lakhs**
- **Rate of Subsidy: Up to a maximum of 6%, effectively reducing the interest rate to 4%**
- The interest Subvention will be provided for the **first five year loan** period or the loan closure whichever is earlier.
- Interest Subvention is available only to **new units** for which the the Date of Commencement of Operation is after **01.04.2022** as Udyam Registration Certificate.

Mission 1000 Scheme

Mission to scale up (improve turnover) of 1000 selected MSMEs

- Must be an **MSME** registered in Kerala with valid UDYAM registration
- Must be **operational for at least 3 years**
- Must be involved in **Manufacturing/ Service Activities** (Trade is not eligible)
- **Capital Investment subsidy** for the scale up **40% of FCI**
- Total Capital Investment subsidy over a span of **4 years 2Cr**
- **Working Capital Interest Subvention 50 % of interest paid for 4 years maximum 50L**
- **Assistance to prepare Scale Up DPR maximum 1L**
- One-to-one handholding

MSME INSURANCE



- MSME UNITS with UDYAM REGISTRATION
- MANUFACTURING /SERVICE/TRADE SECTOR
- COVER NATURAL DISASTER, FIRE, THEFT
- 50% OF THE PREMIUM REIMBURSEMENT (LIMITED TO Rs.5000)

PMEGP (PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME)

- For new Manufacturing and Service enterprises
- 15 % subsidy of total project cost in urban area
- 25 % subsidy of total project cost in rural area
- 10% additional subsidy to SC/ST, women, OBC, minority, handicapped, exservice men.
- The maximum cost of the project/unit admissible for Margin Money subsidy under Manufacturing sector is Rs. 50 lakhs.
- The maximum cost of the project/unit admissible for Margin Money subsidy under Service sector is Rs. 20 lakhs.
- If the total project cost exceeds Rs. 50 lakhs or Rs. 20 lakhs for Manufacturing and Service/Business sector respectively, the balance amount may be provided by Banks without any Government subsidy

PMFME (PM Formlisation of Micro Food Processing Enterprises Scheme)

- For Existing and Micro Agro & food processing units.
- Credit linked subsidy @35% of the eligible FCI with a ceiling of Rs.10 Lakh.
- DRPs for Assistance

Private Industrial Estate Scheme

- Enable Private Entities to develop industrial estates in the state
- a minimum of **10 acres** of land for developing an Industrial Park
- a minimum of **5 acres** for constructing a Standard Design Factory
- Individuals , Family , Companies, Cooperatives, Charitable societies, partnerships, Consortium of MSME units can apply
- Proposed land shall not fall in ESA or CRZ or Kerala Conservation of Paddy land and Wet Land Act 2008 or Plantation Area
- Assistance of 30 Lakhs per acre to maximum of 3 Cr for providing basic infrastructure such as electricity, water, roads, drainage, and ETP, laboratories etc .
- Single Window Clearance Board Formation & Declaration as Industrial Area as per SWCB and Industrial Township area development Act -1999.
- All industrial undertakings in industrial areas are exempted from obtaining permit from Municipalities or Grama panchayaths, Town Planning Department
- The SWCB will have the authority to grant the necessary permissions required to start an industry.

Campus Industrial Parks

- Educational institutions (such as Arts & Science Colleges, Universities, Professional Colleges, Polytechnics, ITIs, etc.) can apply
- a minimum of **5 acres** of land for developing an Industrial Park
- a minimum of **2 acres** for constructing a Standard Design Factory
- Proposed land shall not fall in ESA or CRZ or Kerala Conservation of Paddy land and Wet Land Act 2008 or Plantation Area
- Developers will receive financial assistance at a rate of **₹20 lakhs per acre**, up to a maximum of **₹1.50 Cr**, for providing basic infrastructure such as electricity, water, roads, drainage, and ETP , laboratories etc
- A **Single Window Clearance Board** will be formed for each Campus Industrial Park. This board will have the authority to grant the necessary permissions required to start an industry.
- All benefits available in a notified industrial area will be applicable to industries started within a Campus Industrial Park.



Ease of Doing Business Initiatives

Single Window Clearance Boards

- As per The Kerala Industrial Single Window Clearance Boards and Industrial Township Area Development Act, 1999
- to provide special provision for speedy issue of various licences, clearances and certificates required for setting up and running of industrial undertakings
- Boards at State, District and Industrial Area level
- The District Collector is the Chairman of the District Single Window Clearance Board, and the General Manager of the District Industries Centre (DIC) is the Convener.
- The members of this board consist of the district-level heads of key departments related to issuing clearances for industries, as well as the presidents of the respective Local Self-Government Institutions.
- Can issue Deemed Licence or Composite Licence .

District Grievance Redressal Committee

- To redress grievance regarding delay in clearances or certificates, licences, permits, consents or renewal
- The District Collector shall be the Chairman and the General Manager, District Industries Centre shall be the Convenor & District Officers of various departments concerned
- Any person aggrieved by denial or delay in providing services can submit application through online or directly to the Convenor DGRC

K-SWIFT (Kerala Single Window Interface for Fast and Transparent Clearance) www.kswift.kerala.gov.in



- Enterprises can apply online for New Clearances & Renewal of Clearances
- Integrated 26 Departments 166 approvals
- Licenses / Clearances required for an enterprise will be displayed upon filing Common Application form (CAF)
- Deemed approval if the licensing authority takes no action within One month

The Kerala Micro Small Medium Enterprises Facilitation Act -2019 & Rules 2020

- According to this act, any person who intends to start a **Micro , Small or Medium enterprise** as mentioned in the MSMED Act 2006 , other than those not included in 'Red category' by the Kerala State Pollution Control Board, seeking acknowledgement certificate , can file **Self-certification through the KSWIFT web portal**.
 - **Certificate of in-principal approval will be generated instantaneously for a period of three years and six months** from the date of issuance
 - Within **three years and six months** period, such enterprise shall obtain required approvals
 - This relaxation is for
 - Issue of Development Permit
 - Issue of Building Permit
 - Layout Approval
 - Permission for construction of factories and installation of machinery
 - Issue of Licence to Enterprises
 - Registration of Private Hospitals, Clinics and Paramedical Institutions
 - License for working lifts and escalators
 - DMO Clearance
 - Registration under the Kerala Shops and Commercial Establishments
- Licences / Clearances required under the Central Act & Law should be obtained by the enterprise*

The Kerala Panchayat Raj Rule 2025 & The Kerala Municipality Rules 2026 for EoDB

➤ **Categorization of Enterprises**

Category 1: Includes factories, industries, workshops

Category 2: Includes service, trade, or commercial establishments

➤ For Category 1, The LSGD must clear manufacturing permission setups within **30 days**. If left unaddressed beyond 30 days, it is considered a deemed approval

➤ For Category 2 applications submitted with full documentation, The LSGD must clear manufacturing permission setups within **5 days**. If left unaddressed beyond 5 days, it is considered a deemed approval

➤ **Same-Day Renewals** : Existing licenses or registrations can be renewed **on the exact same day** of application submission, provided the entrepreneur files a valid self-certification form and clears the required fees

➤ Any industry categorized under the **White or Green categories** by the Kerala State Pollution Control Board is **completely exempt from standard LSGD permissions and operational licensing**. They only require basic registration.

➤ **Nano house hold industries** (capital under ₹10 Lakhs, machinery under 5 HP) falling under the PCB's White or Green categories can be set up in any building with a valid building number **without modifying the "occupancy type"**.

For residential spaces, the business **area must not exceed 50% of the total built-up space**

➤ **Annual license and registration fees** are according to the **enterprise's capital investment**



Thank you ...

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