



# Chief Minister approves proposal for MSERME policy

## Why in News?

- According to information received from the media on 5 June 2023, the proposal of the MSME (Micro, Small and Medium Enterprises) Policy prepared by the Jharkhand government has been approved by Chief Minister Hemant Soren. Now this proposal has been sent to the Finance & Law Department for approval, after which it will be sent to the Cabinet.

## Key Points:

- According to the information, the Jharkhand government has not only made a policy for MSME but is also going to set up a separate directorate for this. The proposal to set up the directorate will be sent to the administrative cadre committee for approval.
- The government will give a subsidy of up to Rs 10 crore to MSME industries. Also, the government will give an amount of One thousand rupees per month to the MSME industries on depositing the EPF and ESI amount of their employees.
- The Jharkhand government has written in the proposal for MSME policy that there are already 2.33 lakh MSMEs working in Jharkhand. Keeping this in mind, a separate policy has been made for MSMEs, which has been named MSME Policy- 2023.
- Regarding its objectives, the government has said that the main objective of this policy is to develop MSME industries so that the door of employment can be opened. The policy talks about the development of new MSME industries as well as the renovation of old industries.
- It has been written in the proposal that a separate directorate for MSMEs will be formed and district MSME (DMC) centres will also be opened in all districts.
- The Directorate of MSME will provide full support to the entrepreneurs setting up industries for the first time. The directorate will guide and monitor the DMC. Also, the MSME scheme & programs of the state and central government will be implemented in the state. It will promote national and international trade.
- The MSME Directorate shall constitute the necessary corporation, board or authority, provide subsidy & other assistance. On the other hand, DMC will assist entrepreneurs in taking advantage of central and state schemes, from their registration to single window clearance, to overcome technical problems faced by entrepreneurs in setting up industries, to help in the expansion of production & service units in rural & urban areas, to organize regular workshops & training. MSME will help in setting up clusters.
- MSMEs have been divided into three categories - plants costing up to Rs 1 crore will be called micro-enterprises, plants costing up to Rs 10 crore will be called small enterprises, plants costing up to Rs 50 crore with a maximum turnover of Rs 250 crore will be called medium enterprises.
- The Jharkhand MSME Policy- 2023 provides for comprehensive project investment subsidy. Under this, a subsidy of up to Rs 1 crore will be given to micro enterprises, up to Rs 5 crore to small enterprises and up to Rs 10 crore to medium enterprises.
- An additional subsidy of five percent will be given to ST, SC, women and disabled entrepreneurs, as well as a 100 percent exemption in stamp duty & registration.
- The government will also provide assistance of up to Rs 10 lakh in quality certification, a grant of Rs 10 lakh will also be given on patenting.
- Exemption on carrying products abroad: The government will provide assistance of Rs 4 lakh for an exhibition and Rs 50,000 in air fare for participating in an exhibition to sell its products abroad.

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