

Guidelines For Capacity Building under the MSME Program

1.0 Soft Interventions

Soft interventions in context to the MSME cluster upgradation relates to a set of activities performed /undertaken to improve/enhance the productivity of the cluster industries and enhance capabilities of the persons working/associated with the industries/units operational in the clusters directly or indirectly. These include entrepreneurs, industry owners, technical and managerial staff, other technical and non technical workforce, skilled and unskilled workers, etc. The soft interventions to be started normally after conduction of the gap analysis study and in line with the recommendations of the study as part of the cluster development action plan. However, they may also be undertaken where the need for soft interventions have been concretely realized.

The set of activities under soft interventions (capacity building) may be classified as:

- i. Seminars/Conferences/Exposure meet/Workshops/Brainstorming/Awareness camps/Sensitization camps
- ii. Trainings for entrepreneurs and managers (on technical subjects and or linked to technology and its management aspects)
- iii. Trainings for skilled and unskilled workforce

The purpose of the above activities to directly address the mandate of the MSME program and the objective of such interventions to be linked to overall technical upgradation of the cluster to enhance the technical capability of manpower/workforce of the cluster. Exposure meets / workshops also to include components for exposure of entrepreneurs, industry owners and technology managers to the latest information about the know how of advanced technologies available at international and national level.

2.0 Partners: Partners in soft interventions may be:

- Knowledge Partner already associated with the technology gap analysis study,
- Any other agency i.e. consultant (belonging to reputed firm), organization (state or central), laboratory, other technical institutions etc

3.0 Categorization of Soft Interventions

Based on venue of soft interventions (own or rented), total participants (upto 50 or upto 100 and more) and others conditions (case to case basis)

- Different support modalities for (i) in house conduction in the premises of knowledge partner (ii) outside the premises in a rented accommodation

- Similarly, for (i) total participants =< 50 (ii) >50 upto 100. More than 100 nos in one batch to be supported in special cases depending on case and to be decided by the MSME Apex Committee if the total support sought are above the prescribed support limits.

*The participants shown above are for particular batch. However, different batches may have intake sum of more than 100.

4.0 Proposals

1. The proposals for such soft interventions to be submitted by the Institutions in standard format (Annexure 1) with complete details as desired.
2. Such proposals to be forwarded/endorsed (**Annexure 2**) by industry associations stating their need and requirement for such interventions and their (industries) commitment towards participation in the capacity building activities.
3. During submission of such capacity building proposals, inputs and suggestions from industry associations /industry representatives also to be taken and be a part of the proposal regarding the training need and content of training (capacity building) exercise and possible trainers to provide such trainings.
4. In case where studies have already been conducted by TIFAC, the proposals to adhere to findings/recommendations and action plan as suggested in the study.
5. In other cases (absence of study) the proponent along with industry association have to clearly mention in the endorsed/forwarded proposal the gap areas and how such interventions can fill up the existing gaps, need and benefits thereof of such capacity building as proposed.

5.0 Total Support Extended

1	Activities	Rupees in Lacs (Max)	Duration
2	Seminars/Conferences/Exposure Meet/ Workshops/Brainstorming / Awareness camps/Sensitization camp etc in the cluster or nearby cluster (without hands on training and mostly based on lectures and or presentations)	2.0	One day
3	Trainings for entrepreneurs/ managers /designers etc (on technical subjects and or linked to technology and its management aspects)	3.0	For two day
4	Trainings for skilled and unskilled workforce with embedded component of hands on training with physical means and or involving training on specialized software etc	3.0	For two day

*The above support is based on 100 participants. In case of less or more participants than 100, the support provided may vary accordingly based on criteria as in point no 7.0.

6.0 For Capacity Building (Trainings) of the duration of 1 week

Duration	Cap on support provided in lacs of Rupees (assuming full day training)
1 week	Not more than 7.0 Lacs

The above support guidelines are for full day trainings of not less than 8 hours Trainings to be framed for a duration of up to 1 week. * If training duration / day is only half a day or quarter a day etc (part of a day) than support to be calculated (reduced accordingly) based 8 hour a day duration * Other cases, if any, to be decided by the MSME Apex Committee based on case to case.

Note: Provisions towards long term capacity building activities/trainings of more than 1 week are under consideration and will be firmed up shortly.

7.0 Break Up of the Support

Sr. No.	Budget Items	Break up of Budget (Rupees)
1	<ul style="list-style-type: none"> ▪ Honorarium to experts from outside institute/agency etc ▪ TA/DA to experts 	<ul style="list-style-type: none"> ▪ Cap of Rs. 2,500 (max) per lecture with lecture duration not less than one hour for a day ▪ Cap of Max. Rs. 10,000 per day ▪ Not more than 4 experts <p>Based on GOI TA/DA norms</p>
2	Honorarium to in house experts/manpower involved	<ul style="list-style-type: none"> ▪ Rs. 2,500 per day (max) ▪ Honorarium to be provided to not more than 3 persons
3	Banner/backdrop/Standy etc	Rs. 15,000 (Max)
3	Local Travel	Not more than 10% of the total support
4	Venue	<ul style="list-style-type: none"> ▪ Cap of Rs. 5,000 per day for in house venue ▪ Cap of Rs. 30,000 per day for outside venue
5	Refreshments/lunch/tea snacks etc to participants	<ul style="list-style-type: none"> ▪ @ Rs. 300 (max.) per participant / day for full day training of participants ▪ For other cases (half day/quarter day etc) @ Rs. 150 (max) per participant
6	Stationary and other distributable items (Reference material etc)	@Rs. 150 (max) per participant for the entire training
7	Institute Overheads	Not more than 15 % of the total support
8	Miscellaneous and contingency	Not more than 5% of the total support
	Total	

8.0 Output: Brief feedback/impact report of the capacity building /trainings imparted to be submitted to TIFAC.

Annexure 1

1. Title
2. Objectives
3. Scope
4. Brief of the cluster (location, no of MSMEs, annual turnover, technical challenges/issues etc)
5. Need
6. Inputs and suggestions from industry associations /industry representatives, if any, regarding the training need and content of training (capacity building) exercise and possible trainers to provide such trainings.
7. Capacity building/training modules and duration
8. Relation of training modules proposed to the conducted study and justification
9. If training modules not related to the study recommendations than justification for such capacity building/trainings
10. Time schedule chart
11. Bio-data of trainers
12. Budget break up
13. Justification of budget
14. Endorsement by related industry association as per Annexure 2
15. Detailed methodology and proforma for collecting feedback from the participants and industries after the capacity building activities and preparation of feedback/impact report to be submitted to TIFAC.
16. Others if any

Annexure 2

(The endorsement by industry association to be given on formal letterhead of industry association)

1. We have seen and fully support the capacity building proposal titled “.....” to be submitted by the (Institute/agency) to TIFAC under the TIFAC’s MSME program for consideration for the benefit of thecluster. We assure TIFAC that(no of participants) will be participating from the industries in the activity if supported by TIFAC. We have also provided our inputs and suggestions regarding the training need and content of training (capacity building) exercise and the possible trainers to provide such capacity building trainings.

Signature

Name

Seal

Date

(To be signed by official authorized signatory of industry association on behalf of the association)