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Development Commissioner
सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय
Ministry of Micro, Small and Medium Entreprises

Workshop on Cost and Competitiveness of MSMEs in India

Background Note

Background

MSME sector is the backbone of the Indian Economy as it contributes to approximately 30% of India's GDP, 45% of global exports, and is the second highest employment generator after agriculture. Realising the vision of a "Viksit Bharat - aspiring to become a developed economy by 2047", necessitates strengthening the MSME sector and making it resilient.

Despite MSMEs' immense economic potential, these enterprises face challenges with respect to their cost and competitiveness. To create an enabling environment, the Ministry of MSME has planned to undertake a comprehensive initiative to gather grassroot level challenges and formulate interventions to reduce cost and enhance competitiveness of Indian MSMEs. The aim is to make MSMEs adapt and resilient to external fluctuations and place them at par with the global standards.

In order to put this vision into action, a three-tier programme with a bottom-up approach from Cluster to Zonal, and National Level, has been planned. This bottom-up approach will capture grassroots challenges, consolidate sector specific insights, and translate them into targeted policies, schemes and regulatory interventions.

Three-Tier Programme for Reducing Cost and Enhancing Competitiveness:

Tier	Programme Level	Objective
I	**Cluster - Level Workshops**	Generation of actionable recommendations grounded in local operational realities to address the challenges at grassroot level.
II.	**Zonal Conferences**	Consolidation of clusters level insights into product/sector specific trend & priorities
III.	**National Summit**	Culmination of regional/sectoral recommendations into Policy/Programmes/Schemes/Regulatory Support

Tier I : Cluster Level Workshops

The Ministry of MSME is conducting Cluster Level Workshops to carry out consultation with MSMEs and various stakeholders, to understand challenges and solicit recommendations.

These workshops are being conducted across identified locations in consultation with the stakeholders across the country. The objectives and envisaged outcomes of these workshops are as follows:

Objective

- Obtain feedback from MSMEs on issues related to cost and competitiveness.

- Seek grassroot recommendations to make MSMEs resilient and embark on high growth path

- To increase GVA in manufacturing for MSMEs

Outcome

- Actionable recommendations and feedback from MSMEs on policies, programmes, schemes, and regulatory support

Following the Cluster-level Workshops at selected locations, Zonal Conferences will be held with State Government Bodies, Sector Associations, Nationalised Banks, Export Promotion Councils, and other stakeholders. Insights gathered from both the workshops and conferences will serve as foundational inputs for the National Summit

Support Required from the Participants/Representatives

In order to ensure the successful execution of this programme, the Ministry of MSME seeks the pro-active participation of all the stakeholders. Your engagement will be instrumental in shaping workshop deliberations, generating actionable recommendations, and enhancing the overall impact of this initiative.

Participants are encouraged to actively share cluster-specific insights, provide feedback on key cost and competitiveness factors, support in identifying practical solutions to

address challenges faced by MSMEs, and collaborate with fellow participants to promote constructive dialogue and exchange of ideas.

Please scan the QR code or click the url below to access the Consultation Note.

https://dashboard.msme.gov.in/clusterworkshop/SignIn.aspx

Participants are requested to fill out the **Consultation Note** provided along with this **Background Note** prior to the workshop. The information shared will help the Ministry prepare effectively, tailor discussions to cluster-specific needs, address key challenges, and plan the way forward efficiently.