

## Acknowledgements

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A mere line of appreciation would hardly meet the end of justice in pledging our sincere thanks and grateful acknowledgements to **Dr. H. P. Kumar** CMD, National Small Industries Corporation Ltd (**NSIC**) for assigning the present study to our organization.

Pertinently, we thank **Mr. Ravindra Nath** Director (Finance), **Mr. Gaurang Dixit** General Manager (Finance) and **Mr. Krishan K. Agrawal** Manager (Accounts) for their inestimable support and unstilted guidance without which the work of such scope would not have been accomplished in time.

This study would have been much poorer in its form, subject content and narratives without very specific inputs from **Gurpreet Kaur** who effectively and efficiently owned up responsibilities to carry forward varied tasks stipulated under the study.

Enabling support received from other members of the study team, especially **Amit Panjwani, Nikita Aggarwal, Seema Kohli, Raj, Puneet Sharma, Namita Swain** and **Indrajeet** is truly outstanding. One would dismally fail in its duty for not placing on record their contributions and so also heartfelt thanks due to them.

This study is an outcome of the amalgamation of information gathered through physical visits to **100 rated enterprises**, personal interaction with authorized representatives of **1,518 sampled units, rating agencies** and various **banks** in various regions of the country. In the near impossibility of individual acknowledgement to each of them, fondly and fervently, grateful heartfelt to them is in order. Undoubtedly, they are, and shall always remain, the key protagonists as long as this study retains its professional significance.

**Ambuj Mohapatra**  
Development Facilitators

## List of Abbreviations

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CARE	Credit Analysis & Research Limited
CC	Cash Credit
CII	Confederation of Indian Industry
CRA	Credit Rating Agency
CRISIL	CRISIL Limited
DF	Development Facilitators
DIC	District Industries Centre
D&B	Dun and Bradstreet Information Services India Pvt. Ltd.
EDI	Entrepreneurship Development Institute
FI	Financial Institution
FICCI	Federation of Indian Chambers of Commerce and Industry
GoI	Government of India
IBA	Indian Banks' Association
ICRA	ICRA Ltd.
J&K	Jammu and Kashmir
MSE	Micro and Small Enterprise
MSMED	Micro Small and Medium Enterprise Development
NIESBUD	National Institute for Entrepreneurship and Small Business Development
NER	North Eastern Region
NSIC	National Small Industries Corporation Ltd.
ONICRA	Onicra Credit Rating Agency of India Ltd.
PCR Scheme	Performance & Credit Rating Scheme
RBI	Reserve Bank of India
SIA	Small Industry Association
SIDBI	Small Industries Development Bank of India
SMERA	SME Rating Agency of India Ltd.

## List of Tables & Graphs

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### List of Tables

Table-1:	States covered under the study	10
Table-2:	Perception of enterprises on rating impact in banking channels	16
Table-3:	Impact on performance of the rated enterprises	17
Table-4:	Perception of rating importance on credit	18
Table-5:	Areas of benefit from rating while availing credit facility	18
Table-6:	Rated enterprises benefitted in enhancing customer response	19
Table-7:	Perception of enterprises on rating impact on suppliers and customers	19
Table-8:	Suggestions made under rating process	21
Table-9:	Suggestions made under rating validity	21
Table-10:	Source of awareness on the rating scheme	22
Table-11:	Suggestions to expand the outreach of NSIC rating scheme	22
Table-12:	MSEs rated under PCR scheme in different years	27

### List of Graphs

Graph-1:	Sample coverage under different rating agencies	11
Graph-2:	Sample coverage under different regions	11
Graph-3:	Nature of enterprises	12
Graph-4:	Type of registration	12
Graph-5:	Ownership pattern of studied enterprises	13
Graph-6:	Turnover profile of sample enterprises	13
Graph-7:	Rating of sample enterprises in different years	14
Graph-8:	Wholesale Price Index-Reserve Bank of India	24

## Executive Summary

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The study of the “**Performance & Credit Rating Scheme for Micro & Small Enterprises**” was assigned to **Development Facilitators (DF), Delhi** with specific objectives to assess: (i) impact of the scheme as perceived by banks/financial institutions; (ii) recognitions derived by the enterprises amongst vendors and buyers and (iii) impact accrued in terms of performance parameters including improvement of their access to credit with ease.

The study was also aimed at suggesting interventions, if any, in the areas of: (i) changes/modifications required in the quantum of financial assistance and procedures; and (ii) changes necessary for improving effectiveness of the scheme.

A time frame of three month was allotted for the study under which at least **1,500 rated enterprises** were to be contacted across states representing all regions of the country.

To carry out specific tasks under the study, a dedicated team was put in place that tracked down rated enterprises at random in all regions covering each state; engaged authorized representatives of such enterprises through telephonic conversations and email exchanges to fill-in the customized web enabled survey questionnaire; dispatched the survey formats to enterprises through couriers for expeditious action at their end and touched base with banks and NSIC empanelled rating agencies to gather qualitative insights on the credit rating scheme.

The quantitative data collected through survey method and insights gathered through qualitative consultations were appropriately assimilated and analyzed to develop specific study findings as per the objectives of the study.

Specific key highlights of the study findings are presented below:

- Near two-fold increase in the number of participating MSEs in the rating process over the last three years (5,000 in 2008-09 to 10,000 in 2010-11) suggests that the quantum jump is an outcome of popularity, recognition, relevance and growing acceptance of the rating scheme amongst enterprises across states.
- Popularity of NSIC rating scheme among enterprises has also been validated by banks as a majority of banks (89%) indicated that enterprises approached for credit assistance especially in the category of one crore and above were either rated or were fully aware of the NSIC scheme. 67% banks also stated that enterprises having lesser credit requirements had comprehensive knowledge on the NSIC rating scheme and were positively inclined to get their unit rated.
- 62% of the contacted enterprises showing willingness for renewal in the coming year and almost equal proportion (61%) specifying that subsidy was not a motivating factor for being rated under NSIC rating scheme suggests that enterprises are quite serious about the rating process and view their participation in the rating process with specific purpose.

- Rating process providing key inputs for growth of enterprises has also been evident under the study. An increase of 4% in the highest category of rating (SE1) in the last three years indicates that many of the enterprises have improved their positions from moderate performance capability to high performance capability (from SE 3 to SE 2 or SE1), a shift clearly attributing credit to the rating process.
- The rating mechanism being accorded as a helping instrument in achieving positive growth in the sector can be gauged from the fact that there has been a consistency of rating in the moderately performing category 3 B in the last three years and decrease in numbers of poorly rated units during the same period.
- The fact that, of the 32% enterprises that renewed their ratings in the last three financial years, 67% achieved higher rating in subsequent years and 53% improved their financial performance very strongly presupposes benefits accrued by rated enterprises not only in accessing finance but also in improving their over-all operational efficiency.
- The enabling effect of rating with regard to accessing credit in preferential terms are underlined by the fact that more than 61% rated enterprises termed rating to be highly significant for credit approval and 10% of the enterprises indicated rating as an important parameter in credit processing.
- The banks contacted under the study shared that 44% enterprises who approached for credit were benefitted in terms of reduced rate of interest, 22% in terms of rebate in loan processing fee including folio charges, etc. These healthy perceptions of banks lead to a thought pattern that the rating awarded under NSIC scheme is more or less conclusive for both borrower as well as lender.
- Owing to rating, wider recognitions have been derived by enterprises amongst vendors and buyers, as 57% enterprises indicated that they have been benefitted in terms of customer acceptability and recognition. Out of the enterprises who are in to exports, 53% reported benefits in securing export orders after getting rated.
- The rated enterprises are noted to be benefitted in two specific areas in the performance parameters. One, 58% revealed rating impacted on proper maintenance of financial records and audit reports and two, 50% indicated impact registered in terms of up-gradation of technology.
- Operational impacts accrued by rated enterprises, as indicated by the present study, assume significant importance as many view rating as merely an instrument to help credit access. This has been negated by the fact that 31% enterprises contacted indicated that good rating induced improvement in system and policies; 29% indicated to have impact in terms of incorporating checks, control and governance practices, 23% achieved transparency in operations and 25% registered impact on product quality.
- With regard to impact of rating amongst vendors and buyers, the study notes that rating primarily leveraged benefits in the areas of customer acceptability and recognition (57%),

generating more customer queries (42%) and improvement in business orders and sales volume (20%).

- The fact that 53% exporting enterprises have secured export orders after getting rated and 32% received queries on the rating and its relevance from the overseas associates, signifies the specific impact of rating amongst vendors and buyers and emphasizes the fact that NSIC rating scheme is gaining ground in the international market.
- As noted under the study, 33% enterprises renewed their ratings which is quite encouraging. However, a majority of them (90%) had gone for rating for only two consecutive years during the last three years. This, as one note, has been a consequence of poor understanding of rating implications by the enterprises which need to be remedied by sensitizing them through intensive outreach interventions.
- One of the specific suggestions under the study is that the rating agencies should prioritize focusing on identification of micro enterprises (as only 20% sample enterprises were in this category) in dedicated industrial clusters in each state and consistently engage them ensuring their increased participation in the rating process. The rating agencies are ready to take a plunge as it was shared by the rating agencies with the study team that they would be happy to work out visibility strategy along with NSIC in order to create more awareness in tier-III towns where awareness on rating scheme is minimal.
- The study points out that there has been somewhat a lack of motivation for the poor rated units in the rating mechanism. It is so because, rating agencies hardly provide feedback about their poor rating status. The study notes that it should be prioritized by way forwarding feedback specifics to poor rated units enabling them to analyze their strengths and weaknesses and advice improvements if asked for, so as to chart out a sustainable growth trajectory. Empanelled credit rating agencies should proactively take a call on this.
- Almost one-third (31%) enterprises who did not go for renewal indicated renewal fee to be subsidized and doing away with different rating fee charged by different rating agencies so as to ensure cost-effective rating intervention. The 32% enterprises who continued their ratings in the last three financial years suggested that Government should consider a concessional structure after every three consecutive ratings which would generate positive vibes and enthusiasm among enterprises.
- About 40% enterprises who responded in giving suggestions under the study felt the need for making rating process a tad simpler and easy to comprehend, 28% advocated the process to be made faster, 25% suggested that rating should equally emphasize non-financial aspects and only 13% indicated that a standard procedure should be followed by all rating agencies.
- The study notes that a need is felt to propagate the long term benefits of the rating scheme amongst micro enterprises. Enterprises suggested roping institutions and associations with pan-India presence for promotion of the NSIC rating scheme.

Specific key recommendations emanated from the study findings are presented below:

- There is an ardent need for continuation of the PCR scheme with renewed endeavors in the 12<sup>th</sup> Plan period with assorted expansion in its scope and coverage.
- It would be appropriate to look into the need for increase in the quantum of subsidy under the PCR scheme in due course of time.
- Banks may be included as implementing agencies for the PCR scheme along with NSIC for a fixed timeframe.
- Greenfield units, units that have completed at least six months of operation may be covered under the PCR scheme.
- Subsidy under PCR scheme for MSEs in the NE region and J&K be made in line with the subsidy being given under other centrally sponsored schemes of the Government of India.
- Medium enterprises may be covered under the PCR scheme.
- There is no need to provision subsidy on renewal of ratings under the PCR scheme.

## Introduction

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The MSE sector is a significant contributor to the Indian economy. Based on official figures<sup>1</sup>, this sector employs 60 million people through 26 million units contributing 40% of the country’s total export and 45% of manufacturing output. MSEs, in the last decade, have garnered unprecedented opportunities on one hand, and have faced serious challenges on the other, owing to the opening up of the Indian economy to the world economy.

There is a growing perception that the country's dream of achieving a transformational growth of 9% and above is contingent upon unleashing a wave of entrepreneurship that would not only aid wealth creation but also help create jobs. And these objectives are best accomplished by providing a fillip to MSEs. Over the years, there has been a significant rise in the number of MSEs in the country and it is perceived that the rise in the number of MSEs has led to a substantial growth of employment for the workforce.

The Government of India (GoI), with a bid to support the MSEs, have come up with several measures enabling MSEs to meet challenges and constraints that include implementation of schemes and programmes providing easy access to credit with affordable terms, technology up-gradation, development of clusters and creating awareness on export-related issues, etc.

The GoI introduced the Micro Small and Medium Enterprises Development Act in 2006 that provided the first-ever legal framework to facilitate the promotion and development of MSEs. The Act also provided establishing specific funds for promotion, development and enhancing competitiveness of enterprises, notified schemes/programmes for this purpose, launched progressive credit policies and practices and established effective mechanism for addressing problems of delayed payments.

With necessary legislative and policy level back-up from the GoI, the MSE sector, over the years, has transitioned from an unorganized and loosely controlled sector to an organized sector operating in defined business parameters enabling access to technology, fund and market. The transformational effects are slowly realized in the sector as more and more enterprises are exploring benefits of the schemes of the GoI and thus harnessing competitive potential. Indian MSEs are constantly revisiting their business processes, exploring opportunities for collaborative methods, wider acceptability and to bring in competitiveness in their business practices.

One of the flagship schemes launched with the objective of assisting MSEs in obtaining “performance-cum-credit rating” in 2005 was the “**Performance & Credit Rating Scheme for Micro & Small Enterprises**”. The scheme is being implemented by **National Small Industries Corporation Ltd.** as the nodal agency in conjunction with stakeholders such as empanelled Credit Rating Agencies, Indian Bankers’ Association (IBA) and Small Industry Associations (SIAs). Experience in hand suggests that the scheme has helped the MSEs to achieve higher performance and access better or higher credit from banks/lending institutions.<sup>2</sup>

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<sup>1</sup> Retrieved from [http://www.laghu-udyog.com/ssiindia/MSME\\_OVERVIEW.pdf](http://www.laghu-udyog.com/ssiindia/MSME_OVERVIEW.pdf)

<sup>2</sup> Evaluation Reports conducted on impact of the Scheme by NSIC in various years (2006-2010)



## Study Reference, Methodology and Processes

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The first ever feedback study conducted by the NSIC on the rating scheme was in the year 2006.<sup>3</sup> The study conducted in the very second year of its launch had brought out a host of operational and impact imperatives. The study had very specifically revealed that a good amount of interest was generated among the studied MSEs for the rating scheme primarily for better and cheaper access to credit. The study had also noted that studied MSEs benefited from the ratings primarily in the area of availing higher credit limit for working capital requirement.

The NSIC rating scheme was further evaluated in successive years; the latest was conducted in 2009-10.<sup>4</sup> As per the findings of the latest report, rating exercise had benefited the enterprises not only in accessing finance but also in improving their operational efficiency. The study had also indicated that more MSEs were showing interest in the rating scheme for availing direct benefits in credit approval from the commercial banks and operational efficiency remains the cascading effect of the rating process.

The latest study on the shelf had also provided insights on rating assessments for enterprises located in different regions of the country with sufficient indications of enterprises with higher sales turn over as the early adapters of the rating scheme. It had also highlighted the fact that almost half of the rated enterprises contacted under the study were exporting their products to major developed nations.

Encouraged by the findings and specific interventions suggested under these studies, NSIC also instituted a study on the rating scheme in December, 2011 engaging Development Facilitators (DF) through open bidding system.<sup>5</sup> The study with a timeline of three months was mandated to contact at least 1500 MSEs in different geographic regions of the country gathering information thus assessing the efficacy of the rating scheme in terms of the followings:

- (i) impact of the rating scheme in the eyes of bankers/financial institutions as well as rated MSEs,
- (ii) impact of the scheme on performance of units which have been rated under the Scheme,
- (iii) proposed changes/modifications which may be required in the quantum of ‘financial assistance’, ‘procedures’ or any other such changes necessary for improving efficacy of the scheme,
- (iv) impact of the scheme on improving access to adequate credit with ease,
- (v) impact with respect to increase in recognition amongst vendors and buyers and any other such commercial and non-commercial advantages,
- (vi) suggest ways and means to expand the outreach of the scheme.

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<sup>3</sup> Retrieved from the website [www.developmentf.org](http://www.developmentf.org) Feedback Study on “Performance & Credit Rating Scheme for Micro & Small Enterprises”-2006

<sup>4</sup> Study on “Impact of Performance & Credit Rating Scheme for Micro & Small Enterprises”-2010” assigned by NSIC.

<sup>5</sup> TOR of the NSIC assigned study on on the Performance & Credit Rating Scheme for Micro & Small Enterprises”-(2011-12)

The study had also specified to interview 100 additional MSEs under case-study method to gather specific insights on ground execution of the NSIC performance and credit rating scheme.

As per the study objectives, a comprehensive questionnaire was developed and canvassed with 1518 rated units to gather quantitative information. A question guide was also formulated to have interaction with 100 SMEs. Both quantitative and qualitative data were thus gathered on the studied enterprises.

<b>Table-1</b>			
<b>States covered under the study</b>			
North		West	
Delhi	90	Gujarat	131
Haryana	80	Maharashtra	183
Himachal Pradesh	38	Rajasthan	72
Uttar Pradesh	81	Chhattisgarh	33
Uttarakhand	32	Madhya Pradesh	52
Jammu & Kashmir	26	Dadra & Nagar Haveli	10
Punjab	53	Daman & Diu	1
		Goa	6
East		North East	
West Bengal	70	Assam	23
Bihar	20	Manipur	4
Jharkhand	44	Meghalaya	2
Orissa	45	Tripura	2
South			
Andhra Pradesh	82	Karnataka	128
Kerala	52	Tamil Nadu	149
Pondicherry	9		

The key features of the methodology adopted under the study are: (i) emailing NSIC approved questionnaire to the rated enterprises across regions, (ii) organizing interviews with authorized persons of randomly selected rated enterprises, (iii) providing guidance on the web administration of the questionnaire, (iv) intensive interaction with primary stakeholders of the credit rating scheme and (v) integration of software for automated data sourcing and analysis.

A comprehensive report based on the findings of the survey as well as qualitative consultations was prepared and submitted to NSIC for necessary observation.

The detailed list of 1,518 enterprises covered, 31 enterprises belonging to north eastern region included in the sample 31 enterprises, the list of 100 SMEs contacted under the study are appended to the study report as *Annexure-A* and *Annexure-B* and *Annexure-C*.

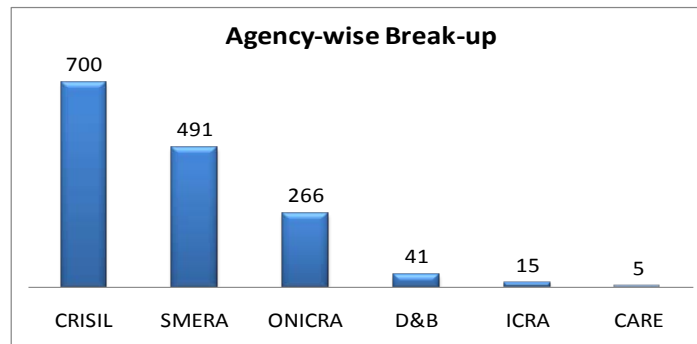
## Key Study Observations

### Section-A General Particulars of Enterprises

#### Sample Coverage

Out of the 24,726 rated MSEs for which NSIC had provided the database for selection of sample under the present study, a total number of 1,518 enterprises were randomly reached out after segregating them rating agency-wise, state-wise and region-wise.

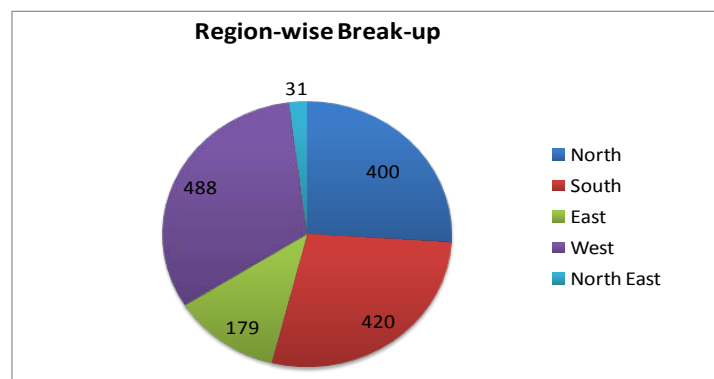
Of the six NSIC empanelled credit rating agencies who had undertaken the rating exercise between 2008-09 and 2010-11, the coverage under the present study has been on pro-rata basis. Enterprises covered under CRISIL top the chart (47%) followed by SMERA (32%), ONICRA (17%), D& B (3%), ICRA (1%) and CARE (0.3%).



Graph-1 Sample coverage under different rating agencies

#### Sample Representation

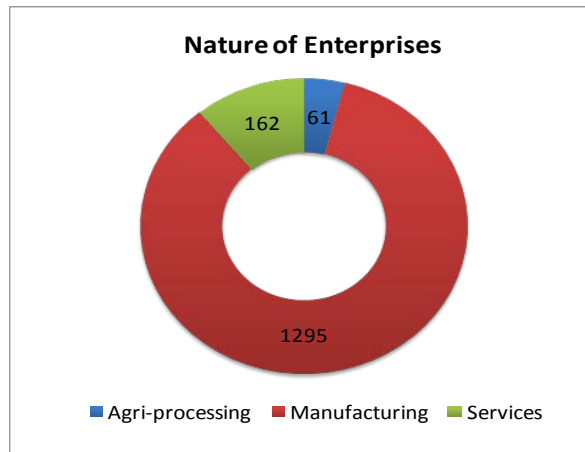
Representative sample was purposively drawn from different regions of the country including the north east. The sample had the representation of 32% rated units from the west, 28% from south, 26% from north, 12% from east and 2% from the north eastern region.



Graph-2 Sample coverage under different regions

### Nature of Enterprises

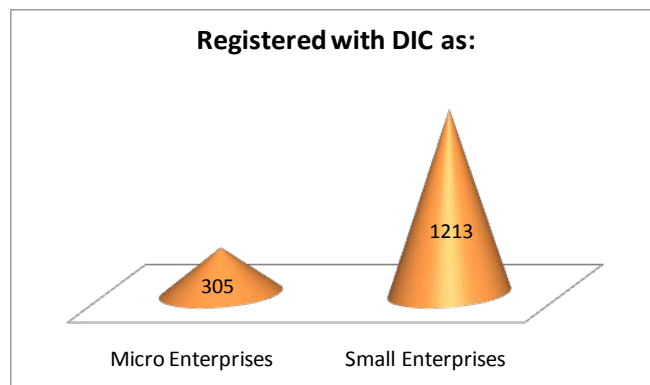
Under the sample, enterprises engaged in different activities were studied. It was noted that a majority of the studied enterprises are engaged in manufacturing activities (85%) followed by activities belonging to services sector (11%) and agricultural processing activities (4%).



Graph-3 Nature of enterprises

### Type of Registration

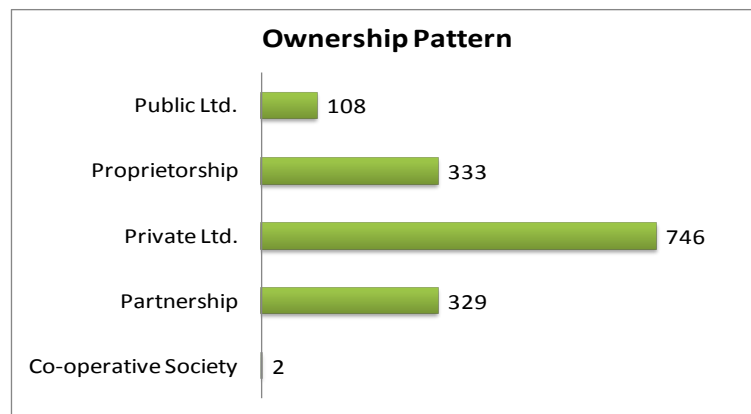
Of the total rated enterprises studied, 80% are registered as small enterprises with the District Industries Centre (DIC) and the rest 20% are micro enterprises.



Graph-4 Type of registration

### Ownership Pattern

In terms of ownership pattern of the rated enterprises, it was noted that almost half (49%) of them are private ltd. companies and 22% each are either partnership firms or run on proprietorship basis. Only 7% enterprises are from the category of public limited company and less than 1% registered as cooperative societies.

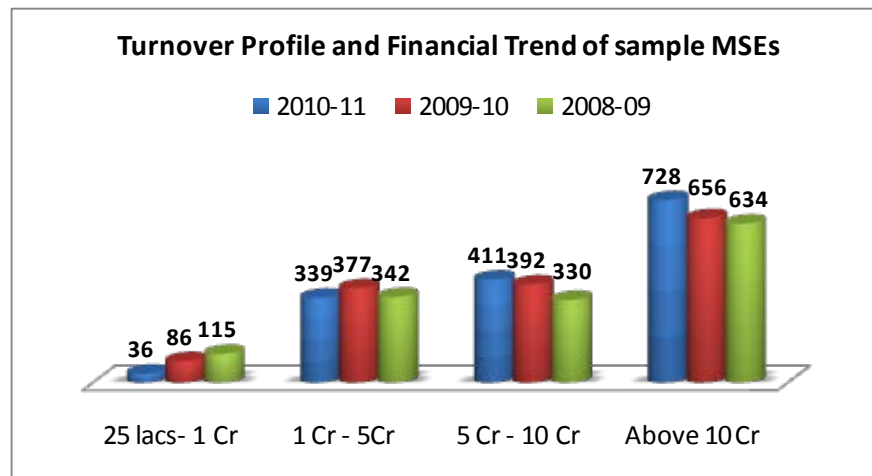


Graph-5 Ownership pattern of studied enterprises

Financial Turnover and Trend

Categorizing enterprises as per financial size of their operation, it is noted that enterprises having larger operation and higher financial turnover have shown more awareness and interest in the performance and credit rating exercise.

Enterprises having turnover above Rs.10 crores are the highest in number in the sample followed by those whose turnover falls in the category of Rs.5 crores to 10 crores, between Rs.1 crore and 5 crores. Enterprises having turnover between Rs 25 lacs and 1 crore are represented at the bottom of the pile. The same trend is visible for all three financial years.



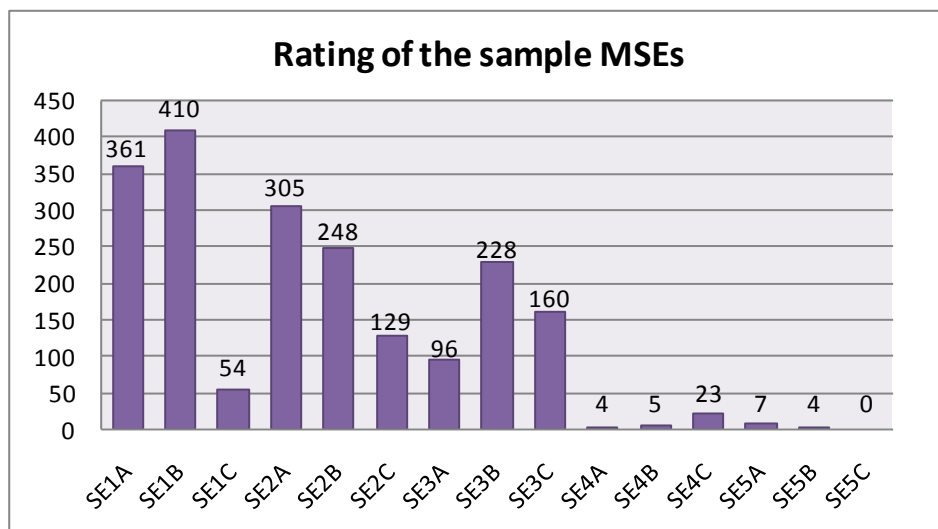
Graph-6 Turnover profile of sample enterprises

The financial trend analysis of the enterprises suggests a positive tilt towards improved financial status of the enterprises. It is noted under the study that more number of rated enterprises who had continued their ratings in the last three financial years have improved their financial performances indicating rating exercise benefitting units not only in accessing finance but also in garnering other benefits by improving operational efficiencies. This is evident in the bar chart where in the turnover category of Rs. 25 lacs to 1 crore, maximum number of studied enterprises are there in the year 2008-09, followed by the year 2009-10 and least in the latest year 2010-11.

Almost similar trend can be seen in the next higher turnover category of Rs. 1 crore to 5 crores. However, the trend has just reversed in the highest turnover category of above Rs. 10 crores and in the turnover category of Rs. 1 crore to 5 crores, where the maximum number of enterprises are there in the year 2010-11 and the least in the year 2008-09. It thus suggests that there is a need for further strengthening of efforts towards reaching out to small enterprises so as to impart long-term benefits under the credit rating scheme.

Rating Scale Distribution of Sample MSEs

Among the sample enterprises, 38% are rated in the category of “highest performance capability and high or moderate financial strength” i.e. in SE1 A and SE1 B. This is followed by SE 2A and SE 2B representing 27% of the enterprises in the category of “highest performance capability and high or moderate financial strength”. In a group of 1518 enterprises, 65% representing high growth potential is an encouraging trend.



Graph-7 Rating of sample enterprises in different years

Out of 493 enterprises (32%) in the sample who renewed their credit rating, 331 enterprises (67%) achieved higher rating in subsequent years, 28% (138) maintained the same rating and only 4% (19) got a lower rating.

These numbers are encouraging and clearly show that enterprises which got their credit rating renewed were able to improve upon their past rating. It thus can be claimed that this shift in rating could be a result of being rated under the NSIC rating process providing key inputs for growth financially and operationally. The trend also suggests that there is a general improvement in the rating of the enterprises who have been consistently rated over the last three years and the numbers of poorly rated units declined. The rating mechanism, thus, may well be a helping instrument in achieving positive growth in the sector.

## **Section-B** **Impact in the eyes of Banks/Financial Institutions**

Access to credit has been central to the rating scheme. The competitiveness of the MSE sector has been seriously hindered owing to limited access to finances through commercial banking channels or sourcing from the open market. This has affected the growth of the small businesses in the country and to ameliorate the situation the GoI has interfaced several measures including making fund available, helping the small businesses access fund and instituting a process for quick disbursement of fund to the units when they need it.

NSIC Performance and Credit Rating Scheme is one such instrument in this direction in which the rating by an independent agency with performance and finance capability parameters help the banks and financial institutions to take a quick decision on the credit request.

Viewed in this perspective, the present study attempted to assess perceptions of both bankers as well as rated enterprise with regard to impact of the NSIC rating scheme, the findings of which are indicated below:

### Perceptions of Banks

Ten different banks including the Small Industries Development Bank of India (SIDBI) were approached for a feedback on the Rating Scheme. While the detailed discussions are elaborated in *Annexure-E*, the specific impact as accrued are reflected below.

While a majority of the banks (67%) indicated that they have tie-ups with 3-4 major credit rating agencies and as a policy matter, they do not recommend enterprises to get their units rated under a particular agency. On the other hand, about 11% of the banks indicated that they recommend enterprises to get their rating done through SMERA. It so because, SMERA focuses primarily on the Indian SME segment with a view to facilitate greater and easier flow of credit from the banking sector to SMEs.

Cent percent banks, however, indicated that ratings awarded by NSIC empanelled rating agencies take into account industry dynamics by factoring in a system through which an enterprise could compare its strengths and weaknesses with those of other companies in the same line of business. This is done through statistically derived industry benchmarks for various ratios. It is therefore that the banks encourage enterprises to get external rating which help them to know the basis of arriving ratings. In turn, it helps enterprises in negotiating better terms from the lenders.

Almost one-third (33%) banks shared their experiences that due to credit rating done by enterprises and its timely presentation to the banks; they have revised their own internal ratings for credit assessment. A majority of banks (56%) also indicated that rating provided the enterprises a competitive advantage.

A high proportion of banks (89%) indicated that those enterprises who approached the banks for credit assistance, especially in the category of one crore and above, were fully aware of the NSIC

scheme. It was also specified by the banks that 67% enterprises having lesser credit requirements too had comprehensive knowledge on the rating scheme.

All the banks contacted also specified that the enterprises who had limited knowledge on NSIC rating scheme shown positive inclination to get their unit rated so as to derive consequential benefits of the rating scheme.

Benefits as perceived by Rated Enterprises

Enterprises contacted under the study were asked to indicate whether they were aware about the NSIC rating scheme when they got their units rated for the first time to which only 39% indicated that they had prior knowledge. On being asked whether they had realized any benefit after being rated, 57% indicated that rating has benefitted their unit in some way or the other.

In a bid to ascertain in which area the enterprises had realized benefits, 46% indicated to have taken advantage of their rating scale in the banking channels by way of applying for credit and of those who had applied for credit, 68% enterprises indicated to have shared their rating status with their banks. Among the enterprises who had applied for loan, 82% indicated that they had experienced rating being helpful in securing credit.

	Yes	No	
Aware of the benefits of credit rating before getting the NSIC rating done for your unit	589	929	39% 61%
Whether NSIC-credit rating scheme has benefitted the unit in any manner	864	654	57% 43%
Ever rated the unit prior to rating under NSIC-credit rating scheme	494	1024	33% 67%
Applied for loan/credit after getting the NSIC rating done for your unit	696	822	46% 54%
If applied for loan, whether information was provided to banker/financial institutions about the unit’s credit rating	473	223	68% 32%
Bank/financial institutions giving due cognizance to credit rating	568	128	82% 18%
Whether NSIC rating helped in securing loan or credit facility	431	265	62% 38%
Whether subsidy provided by NSIC a major motivating factor for getting unit rated	594	924	39% 61%
Willingness to renew credit rating next year	941	577	62% 38%

More than 61% enterprises indicated that subsidy was not a motivating factor for getting rating done under the NSIC scheme. It suggests that enterprises were serious about the rating process and did not view their participation without purpose. Almost equal proportion of respondents indicated that they would go for renewal of rating in the coming year.

The above analysis portrays a very encouraging trend with regard to perception levels of lending/financial institutions on the impact of rating and also indicates that concerted efforts have been undertaken by all stakeholders of the rating scheme to make the scheme more beneficial in terms of accessing credit with ease.



## **Section-C**

### **Impact on Performance Parameters**

The NSIC rating scheme primarily addresses the “performance” and “financial” capabilities of enterprises. A look at the rating process reveals that the rating awarded under NSIC rating scheme are specifically focused on these two critical areas of: (i) financial capabilities and (ii) operational efficiency of the rated enterprises.

In all earlier studies conducted on the subject, it was noted that the rating scheme was widely considered as an instrument to help credit access and many of the enterprises were not aware of the performance capability inputs from the rating process. Thus, the findings under the present study assume significance as it is evident that the rated enterprises are benefitted in two specific areas in the performance parameters.

The major impact has been on proper maintenance of financial records and audit reports, indicated by 58% rated enterprises, followed by registration of impact in terms of up-gradation of technology as revealed by half (50%) of the enterprises contacted under the study.

For proper maintenance of financial records and audit reports	874	58%
Improving quality of product	383	25%
Increasing productivity of unit	321	21%
Incorporating checks, controls and governance practices	445	29%
Attracting better and skilled manpower	220	15%
Improving systems and policies	467	31%
Up-gradation of technology in production process	755	50%
Increasing capacity utilization	303	20%
Achieving transparency in operations, increased information flow etc.	344	23%
Adopting corporate social responsibility (CSR) and social accountability measures	246	16%
Saving energy and minimizing power losses through increase in efficiency	201	13%

There have been a wide range of additional impacts accrued by enterprises by being rated, the study revealed. It enlisted that almost one-third (31%) accrued impact on improvement in system and policies, 29% enterprises feel rating helped incorporating checks, control and governance practices, one-fourth enterprises achieved improved their product quality, 23% indicated rating augmented transparency in operations, and 20% felt the impact in the areas of increased productivity as well as increased capacity utilization. It is extremely satisfying to note that rating helped in adopting corporate social responsibility (CSR) and social accountability measures to 16% of the enterprises contacted under the study.

The above findings sum up with some perspective buildings. That, the fulfillment of the avowed objectives of NSIC rating scheme have been effectively achieved in terms of making enterprises competitive, management process oriented, financially strong and technologically advanced. Second, the rating mechanism offers an apt opportunity to a close examination of operational and financial capabilities which empowers enterprises to a great extent. Last but not the least, the NSIC rating scheme is an inclusive and consultative process which provides feedback on inadequacies and strengths that helps enterprises to improve their bottom lines.

## **Section-D**

### **Impact on improving access to adequate credit**

Under the study, the 696 enterprises who had applied for bank credit were asked to explain their experience with regard to the role of rating during the credit process. More than 60% rated enterprises termed rating to be “highly significant” for credit approval, while 23% stated it to be insignificant. It therefore, asserts the enabling effect of the rating with regard to accessing credit in preferential terms.

<b>Table-4</b>		
<b>Perception of rating importance on credit</b>		
Highly significant	425	61%
Insignificant	160	23%
Rating carried minor importance in credit processing	41	6%
Rating was important parameter in credit processing	70	10%

The study further revealed that only 6% of the enterprises acknowledged the recognition aspects of the rating in the credit approval process, but termed it as having minor importance in comparison to other commercial banking parameters. 10% of the enterprises indicated rating as an important parameter in credit processing.

<b>Table-5</b>		
<b>Areas of benefit from rating while availing credit facility</b>		
Acceptability and recognition	779	62%
Quicker processing	38	3%
Higher cash credit or working capital limit	176	14%
Cheaper interest rates	113	9%
Relaxed collateral requirement	13	1%
Relaxation in service charges	25	2%
Reduction in frequency of the unit’s spot inspection by bank officials	50	4%
Simpler documentation	38	3%
Additional loans from the same bank	25	2%

Acceptability and recognition was stated by 62% enterprises to be one of the important advantages derived from the rating scheme at the time of availing credit. About 14% indicated higher cash credit or working capital limit in an existing relationship and a little less than one-tenth enterprises (9%) indicated benefit in securing cheaper interest rate as a result of rating exercise.

The above findings lead to a firm conviction that by being rated, the micro and small enterprises have in a way marginalized the problems of reluctance shown by lending institutions in advancing timely and adequate credit.

The findings also make one strongly believe that NSIC has paved way for its empanelled rating agencies to provide comprehensive, transparent and reliable ratings widely acceptable by lending institutions thereby enabling enterprises to have access to credit effectively, leveraging growth and sustenance in the backdrop of industry dynamics and industry averages.

## **Section-E**

### **Impact with respect to increase in recognition amongst vendors & buyers**

Marketing of products or services is always demand driven. Goods manufactured or services provided by the MSE sector are always needed to be customer relevant in cost and quality. The NSIC rating has been purported to be a good help in benchmarking the product in the quality content. Under the study, therefore, impact of rating amongst vendors and buyers and specific market access has been ascertained through structured and in-depth inquiry.

It was noted that rating has primarily leveraged benefits in two specific areas: (i) in customer acceptability and recognition (57%) and (ii) helped in generating more customer queries (42%). Minor benefits indicated by the enterprises are improvement in business orders and sales volume (20%) and help in better pricing of products (17%).

<b>Table-6</b>		
<b>Rated enterprises benefitted in enhancing customer response</b>		
Customer acceptability and recognition	865	57%
Helped in generating more customer queries	638	42%
Helped improve business orders and sales volume	307	20%
Helped in better pricing of the products	258	17%

Further, it was also noted that 36% enterprises were exporting their products and feedback received indicated that 53% exporting enterprises had secured export orders after getting rated and almost one-third (32%) received queries on the rating and its relevance from the overseas associates.

<b>Table-7</b>			
<b>Perception of enterprises on rating impact on suppliers and customers</b>			
Inclusion of NSIC-Rating in the marketing or corporate information of the enterprises intended for the customers	Yes	978	64%
	No	540	36%
Whether customers and associates are aware of the NSIC-Rating of the enterprise	Yes	880	58%
	No	638	42%
Whether the enterprise into exports	Yes	546	36%
	No	972	64%
If exporting, whether benefitted in securing export orders after getting rated	Yes	289	53%
	No	257	47%
Whether received specific queries on the NSIC rating from overseas clients/associates	Yes	176	32%
	No	370	68%
Whether rating helped the enterprise in getting Government contracts	Yes	242	16%
	No	1276	84%
Whether getting rated under the NSIC scheme helped in availing longer period of credit from suppliers	Yes	136	9%
	No	1382	91%
Whether market credibility of the enterprise improved among suppliers after getting rated under the NSIC scheme	Yes	303	20%
	No	1215	80%
Whether getting rated under NSIC scheme helped in bargaining and reducing the overall cost of purchases	Yes	167	11%
	No	1351	89%
Has rating helped in getting easier access to international markets for imports	Yes	440	29%
	No	1078	71%

The enterprises were also asked to specify whether rating helped them to receive government contracts to which only 16% indicated positively. With regard to improvement in market credibility amongst suppliers, 20% of the sampled enterprises indicated to be privileged on the account. However, proportionally insignificant rated enterprises (9%) indicated that the rating scheme helped them in availing longer period of credit from suppliers and in terms of reducing the over-all cost purchase (11%). However, almost one-third (29%) rated enterprises stated to have easy access to international market for imports.

The above facts indicate two important findings: (i) the rating scheme being an initiative of the GoI has gained much operative ground in international markets and (ii) the MSE sector, over-all, has been credited with customer recognition owing to rating mechanism which is comprehensive, transparent and reliable.

## **Section-F**

### **Changes/modifications for improving the efficacy of rating scheme**

The NSIC feedback and rating scheme has been able to rate about 30,000 enterprises till March, 2011 and 14,000 MSEs are likely to be rated during the year 2011-12. Highly appreciable achievement though, the challenge for NSIC is to empower the rated enterprises for renewal. Therefore, under the study rated enterprises were asked to provide suggestions with regard to rating fee, processes involved in rating and validity period of rating.

#### **Rating Fee/Renewal Fee**

Under the study it is noted that out of the 1,518 units contacted, 32% (493) enterprises had opted renewal of which 90% (444) were rated for two consecutive years during the last three years, thereby indicated that about 1,025 enterprises had gone for one time renewal. Under the study, an attempt was made to understand why the 1,025 enterprises did not go for renewal and whether rating fee has been the stumbling block.

Of the 1,025 enterprises, 31% indicated that rating fee is one of the major hurdles, if not the sole reason, for not going for renewal. They voiced that the rating fee should be subsidized further so that rating becomes a cost effective intervention. They also suggested doing away with different rating fee structure of different rating agencies. On the other hand, of the 493 enterprises who had concurrent renewal at their disposal, 61% (117) indicated that rating fee is reasonable and affordable.

#### **Rating Process**

Out of the 742 responses received, it was noted that 42% (312) suggested that rating process should be simpler and easy to comprehend, 28% (208) stated the process should be made faster, 25% (186) suggested that rating should consider non-financial aspects and only 5% indicated that a standard procedure should be followed by all rating agencies.

<b>Table-8</b>		
<b>Suggestions made under rating process</b>		
Rating process should be made simpler and easy to comprehend	312	42%
Rating process should be made faster	208	28%
Rating should consider non-financial aspects	186	25%
A standard procedure should be followed by all rating agencies	36	5%

#### **Rating Validity**

Out of the 617 responses received in this regard, 23% indicated that the validity period of the credit rating is reasonable or should be as per policy; 35% stated that the rating validity is short, so should be more than one year; 24% suggested the validity period should be extended to 2 years; and 18% of the MSEs said that credit rating should be valid at least for 3 years.

<b>Table-9</b>		
<b>Suggestions made under rating validity</b>		
Period of credit rating is reasonable	142	23%
Rating validity should be more than one year	216	35%
Validity should be for 2 years	148	24%
Rating validity should be for 3 years	111	18%

## **Section-G**

### **Suggested interventions for expanding the outreach of the scheme**

With regard to the source of knowledge of the rating scheme, a majority (38%) of them came to know about it from rating agencies, followed by 26% from banks/financial institutions. Knowledge sourcing from newspaper and workshop/seminars on the rating scheme varied between 13% and 19%, which is not very proportionally significant. Also, a very small fragment of enterprises (9%) indicated to have used the NSIC toll free number.

<b>Table-10</b>		
<b>Source of awareness on the rating scheme</b>		
Banks/financial institutions	395	26%
Newspaper	197	13%
Rating agencies	577	38%
Workshop/seminars/industry associations	273	19%
Others	76	5%

Of the 854 responses received from enterprises with regard to suggestions to expand the outreach of the NSIC rating scheme, almost one-fourth (24%) enterprises suggested that industry associations/confederations should be proactively used to disseminate information about the rating amongst their own members as they frequently interact within themselves. Industrial/trade fairs organized at the national, regional and sub-regional level should also be used for promotion of the scheme as indicated by one-fifth (21%) enterprises. Use of electronic media for propagation of the rating scheme was suggested by 19% enterprises under the study.

<b>Table-11</b>		
<b>Suggestions to expand the outreach of the NSIC rating scheme</b>		
Electronic media should be used on priority basis	162	19%
Advertisements in print media especially in the vernacular press would be useful	94	11%
Prominent personalities in the industry sector should appeal through television for credit rating	77	9%
Promotion of the scheme through industry/trade fairs at national, regional and sub-regional level	179	21%
Industry associations/confederations should be tapped for promotion	205	24%
Regular industry meets and seminars be organized with focus on credit rating	137	16%

Some very interesting suggestions made by enterprises are noted below:

1. Advertisements in print media especially in the vernacular press would be an effective promotion tool.
2. NSIC registered companies should be made aware of the scheme through web enabled e-services.
3. Institutions under the GoI either having its own offices in different states or having network with local institutions should be used for promotion of the scheme.

## **Recommendations**

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Against the background of specific field learning, viewpoints expressed by cross sections of stakeholders of the Performance & Credit Rating (PCR) scheme and observations made by various committees and collectives on inclusive development of MSEs in India, comprehensive suggestions have been worked out and presented below.

### **Continuity of the scheme**

The MSEs primarily rely on bank finance for their operations and therefore, ensuring timely and adequate flow of credit to the sector has been an overriding public policy objective. Over the years, there has been a significant increase in credit extended to this sector by the banks. As per Reserve Bank of India (RBI), at the end of March 2011, the total outstanding credit provided by all Scheduled Commercial Banks to the MSE sector stood at Rs.4785.27 billion as against Rs. 3622.90 billion in March 2010 registering an increase of 32%.

This observation made by RBI at the recently concluded “SME Banking Conclave-2012” makes it compelling to ascertain the role played by the PCR scheme in facilitating the MSEs to access better and higher credit from banks without sweat and help them also to achieve higher operational efficiency and performance.

A snapshot of the study findings with regard to impact of the PCR scheme in the eyes of bank indicated that rating provided the enterprises a competitive advantage and had triggered enabling effects motivating MSEs to approach banks for credit assistance. One-third banks contacted revealed that due to credit rating done by enterprises and its timely presentation to the banks; the banks had revised their own internal ratings for credit assessment. A high proportion of banks (89%) contacted also indicated that those enterprises who had approached banks for credit assistance, especially in the category of one crore and above, were either rated or were fully aware of the PCR scheme. 67% banks also stated that enterprises having lesser credit requirements had comprehensive knowledge on the PCR scheme and were positively inclined to get their unit rated.

The study had also observed that the rated MSEs have, over the years, gained much operative ground in the international market and are currently positioned at the gateway of global growth on the strength of their competitiveness and quality product ranges. Since inception of the scheme in the year 2005, more than 43000 MSEs have already been rated under the scheme and has showed sustained progress in terms of units rated year by year suggesting that the overwhelming popularity of the scheme is an outcome of recognition, relevance and growing acceptance of the rating PCR scheme amongst MSEs.

Very importantly, the recognition of the importance of the scheme can also be ascertained from the fact that, from time to time, the RBI has been informing banks about the PCR scheme while informing about its Policy Package for stepping up credit to MSMEs (vide communication no.RBI/2005-06/131-RPCD.PLNFS/2005-06 dated 19.8.2005) and its reiteration every year through guidelines (contained in the master circular no.RBI/2011-12/83-RPCD.SME & NFS dated 1.7.2011) wherein it has been mentioned that “banks to consider the ratings of MSE units

carried out through reputed credit rating agencies under the Credit Rating Scheme introduced by National Small Industries Corporation”.

The recent recommendations of the Working Group on MSEs constituted under the 12<sup>th</sup> Plan by the Planning Commission to cover 75,000 units under PCR scheme during the plan period also suggests the profound importance of the scheme.

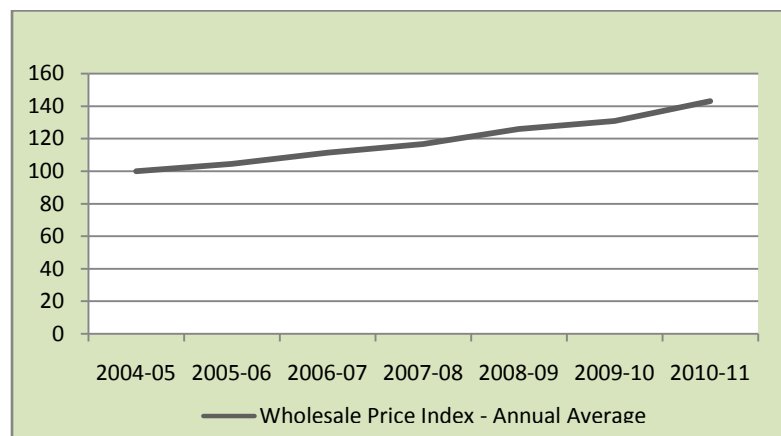
The critical importance of the PCR scheme is also emphasized as by the stipulations made by the Government of India through its Public Procurement Policy that the Central Government Ministries, Departments and Public Sector Undertakings are mandated to procure minimum of 20% of their annual value of goods or services from MSEs. It has also been indicated by the policy to develop appropriate vendors so as to meet the target of fulfilling the 20% requirements of bulk buyers, which can be attained leveraging PCR scheme as it would serve as a tool to help in vendor development.

All the above observations clearly strengthen the fact that there is an ardent need for the continuation of the PCR scheme with renewed endeavors in years ahead. Thus, the scheme needs not only to be merely continued during the 12<sup>th</sup> Plan period but also needs to be expanded in its scope and coverage.

### **Subsidy amount payable under the scheme**

The subsidy amount payable towards fee charged by rating agencies under the PCR scheme has been based on the turnover of the units which has remained the same since the year 2005 the scheme was launched. Presumably, the subsidy stipulation of 75%, across the board, was arrived at factoring prevailing price index with a pre-ordained upper ceiling linked to the turnover of the units to be rated.

As per the RBI, there has been an upward swing of the Wholesale Price Index over the last 6 years (spiraling effect caused up to 1.4 times between these years) as graphically represented below. However, the subsidy under the PCR scheme has not kept pace with the inflation over a period of 6 years with resultant adverse effects on its way forward.



Graph-8 Wholesale Price Index-Reserve Bank of India



This called for ascertaining under the study the sufficiency and need for upward revision of the subsidy amount payable to the rating agencies. It was thus gathered that there has been an increase in the cost of hiring manpower, in creating awareness of the scheme and in delivering services to MSEs who are not only heterogeneous but also spread across the country including hilly and difficult physical terrains. The causal effect has the ignominy of adversely impacting the viability of operations and abilities to scale up by the rating agencies empanelled under the PCR scheme.

Added to the woes for the rating agencies, there has been an increase in the Service Tax from 10.20% in 2005-06 to 12.36% in the year 2012-13, resulting into the reduction of the net amount realized by the rating agencies for each case. The rating agencies are thus disadvantaged and continued on a long term basis, the effect would hold no good for the operationalisation of the PCR scheme.

As a strategized intervention, the rating agencies do offer discounts to the rated units over the fee quoted as observed under the study makes it more compelling to comprehend that there has been a real requirement of thought pattern to form in favour of an increase in the subsidy pattern under the PCR scheme.

The underlying assertion thus aimed at an overhauling of subsidy amount payable to the rating agencies so as to improve the efficiency of implementation, meticulous operational management and effective supervision.

Keeping the above factual assertions, the study recommends that it would be appropriate to look into the need for increase in the quantum of subsidy under the PCR scheme in due course of time.

### **Adding more implementing agencies**

In no uncertain terms, the recognitions placed by the MSEs with regard to the efficacy of PCR scheme can be undermined so also the role of the nodal implementing agency, NSIC in front ranking coordination and synergy in operationalisation. The bottom lines as reflected, with a modest beginning of only 671 units rated during 2005-06, today it boasts of 43,017 rated units under its fold. Achieving success espouses effective governance and stake holding and NSIC truly path breaks the inertia to desired heights.

The perceptible popularity of the PCR scheme as noticed from the fact that a two-fold increase between 2008-09 and 2010-11 (5,011 in 2008-09 to 10,327 in 2010-11) in the number of rated units and the spreading of the culture of credit among the MSEs swifter holds a perspective that a quantum jump in the numbers of rated units in the next plan period is very much in the offing.

The current positioning of 35 numbers of banks/financial institutions entering into MOUs with the rating agencies thereby referring their clients for rating under PCR scheme epitomizes the burden to be shared by the nodal implementing agency in the 12<sup>th</sup> Plan period.

A possible projection of units to be rated during the next few years by the NSIC empanelled rating agencies, compelled the study to look into the proposition for ascertaining the need for

increasing the number of implementing agency under the PCR scheme and its efficacy. The study, through qualitative consultations with cross sections of respondents (rating agencies and contacted rated units) ascertained that the role of commercial banks may be most endearing and critical in furthering the NSIC initiative and thus could share the mandate of implementation of PCR scheme along with the NSIC on an experimental basis.

It was presupposed that when banks themselves become a part of the rating process and advise the MSEs to obtain rating before taking decision on any credit proposals it would have greater impact on their decision making process and would benefit the MSEs in greater degree.

Moreover, as MSEs need credit support from the banks for which the PCR scheme is playing a significant role, there is a need to build greater confidence and efficacy of the scheme in meeting its objectives of easier and smoother credit availability from the banking system. This can only be achieved by building synergies between the implementation of the scheme with the credit flow from the banking system. This synergy can be built by engaging banks in the implementation of the PCR scheme so that their confidence in the acceptance of the rating will improve and accordingly decision making on the credit proposals will be linked to the rating off the applicant MSEs.

It is therefore, suggested that banks may be included as implementing agencies along with NSIC for a fixed timeframe.

#### **Covering green field projects, units not having a complete financial year of its operations**

Under the study, a section of rating agencies (SMERA and CARE) indicated to extend subsidy to Greenfield projects or units having completed 6 months of operation. It was also suggested by these rating agencies that entrepreneurs in the incubator scheme should obtain green field project rating. Due to lack of information on new projects funding from banks for new projects are hard to come by, hence Greenfield units should be covered under the PCR scheme.

One rating agency (ONICRA) further indicated that units having six month audited balance sheet instead of a full year owing to initiated production/manufacturing recently, request the rating agency to get them rated under the PCR scheme. It is in this context, they need the mandate of NSIC to rate such units as they need to be supported at its infancy and help these units to get early advantages of the scheme.

After having interaction with other rating agencies, it has been found that the units having completed six months of operation are already eligible for rating under the scheme. As regards Greenfield projects are concerned, it would not be out of place to mention the specific feature of the scheme i.e. ‘Performance’ and ‘Credit’. The rating covers a combination of credit and performance factors including operational, financial, business and management aspects, which enables MSEs to ascertain the strengths and weaknesses of their existing operations and take corrective measures to enhance their organizational strength.

In view of the objective of scheme, the Greenfield projects may be covered under the scheme.

Further, it is also suggested that the applicant unit may be asked to submit at-least two proof of identification (i.e. copy of the PAN card, Adhar card, Election ID card, VAT Registration number or Service Tax Registration number) in addition to the documents presently being required to submit along with its application.

### **Subsidy for units to be rated in North Eastern Region and J&K**

In view of the continuing industrial backwardness of the states in the North East region and special situational disadvantages in the state of Jammu & Kashmir (J&K), promotion of MSMEs has been prioritized in these areas with inclusive industrial policies and governance from time to time.

Viewed as “special category states”, favoured treatment in respect to plan financing and financial devolutions is given to these states on normative parlance to bring them at par with other mainstream states of the country.

The Prime Minister Task Force on MSME and the constitution of special working group under the 12<sup>th</sup> Plan to dwell upon the entire gamut of entrepreneurship development related issues underline the special attention and continued efforts being undertaken with regard to comprehensive development of the MSME sector in the North East region and J&K.

As recognition of special problems of these states, significant levels of central assistance to state plans have always been made and it is noted that the per capita levels of central assistance among the special category states are highest in the country. As per an estimate of the Planning Commission, average per capita central assistance to state plans in the north eastern states taken together was Rs.1,456/- compared to Rs.356/- for the country as a whole. In most of the centrally sponsored scheme, these special category states are provided higher incentives in comparison to other states and regions of the country.

However, under the PCR scheme, the existing fee / subsidy structure follows an uniform pattern of 75% subsidy to SMEs regardless of their location, area and category. A snapshot of units rated under the PCR scheme during the last three years suggests that not much MSEs have taken advantage of the scheme and coverage needs to be expanded.

Special category areas/states	2011-12	2010-11	2009-10
North East	247	65	32
J&K	80	78	60

Rated enterprises contacted under the evaluation study in the north eastern region and in the states of J&K had emphasized the need to recast the Government share towards rating fee and had suggested an incentivized structure so as to ensure more participation of SMEs from the said region and state under the PCR scheme.

The respondent SMEs ardently felt that the proposed rating regimen would stimulate comprehensive development of MSEs in general and disadvantaged segments in particular.

It is therefore, suggested that subsidy under PCR scheme for MSEs in the NE region and J&K be made in line with the subsidy being given under other centrally sponsored schemes of the Government of India.

### **Covering medium scale units under the scheme**

The Government of India has been making concerted efforts for promotion and development of MSE sector which enabled the sectoral growth at a higher pace than the overall industrial sector. To facilitate the development of this sector and also enhance their competitiveness, the Government has enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which is in force from 2nd October, 2006 which is a turning point for the development of Indian industries, as it addresses and streamlines entire frame work along with key governance and operational issues being faced by the micro, small and medium enterprises.

The MSME sector as a whole with an estimated 2.6 crore units employing 6 crore people has the ability to minimize the 11% unemployment rate and can alone power a growth hungry nation like India to achieve 9% growth in GDP. It is in this context, the role of medium enterprises cannot be undermined in the over-all growth trajectory.

Further, the evaluation study has revealed that the PCR scheme has done world of good to the rating units enabling enhanced qualitative operative performance and resiliency other than access to institutional credit without sweat. Assured by the trend and given the contextuality, it would not be illogical to apply the same logic with the expectation that the medium enterprises would also be hugely benefitted under the rating process and thus, be covered under the PCR scheme.

The proportion of working medium enterprises in the country is around 30,000, which is only 0.17% of the total working MSMEs in the country. As represented with such an insignificant proportion, coverage of medium enterprises under the PCR scheme would not be difficult at all and thus shall endeavour to inclusive coverage of the whole sector.

As envisaged under the 12<sup>th</sup> Plan period to build an eco-system for facilitating growth of the MSME sector as a whole, enhancing the operative performance of MSMEs through the rating process would be immensely beneficial. It is therefore, suggested medium enterprises may be covered under the PCR scheme.

### **Subsidy on renewal of rating**

Over the past three years, while non-renewal of rating is no more perceived to be a cause for concern for the rating agencies, the SMEs do perceive it as a deterrent for their value positioning both in terms of access to credit and in expanding business propositions. This positive assertion is derived from the fact that there has been a heady growth noted with regard to number of SMEs opting for renewal of rating under the PCR scheme.

While a rating agency (CRISIL) has pegged the proportion of rating renewal from its SME clients at 40%, almost two-thirds (32%) of the total SMEs contacted under the evaluation study had indicated renewal of their previous ratings and another 62% SMEs showed keenness in renewal of rating in the coming years.

The study not only revealed that merely a culture of “renewal of rating” is comprehensively spreading amongst the Indian MSEs but also had indicated that “renewal” is by and large viewed by the SMEs as a tool for benchmarking their operative and financial strength year-on-year basis and on a larger canvass, “renewal of rating” has ensured them in earning immense credibility not only amongst their present clients with whom they are currently engaged at doing business but also in the eyes of their prospective clients with whom they have just begun their business relationship.

Viewed in this perspective, introducing subsidy on renewal of rating under PCRS would do more harm than good for infusing vitality to the sector in general and sustainable growth of micro enterprises in particular. This initial inertia of SMEs opting for renewal on their own should be kept momentum and all concerned stakeholders of the PCR scheme must recognize the fact that subsidizing the renewal fee would work for cross purposes.

It is, therefore, suggested that there is no need to provision for subsidy on renewal of ratings under the PCR scheme.

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## **Annexures**

**Annex-A**

**List of Rated Enterprise Covered**

1	Kudu Fabrics	2	Shri Sadgurudev Agro Pvt. Ltd.
3	Eastern Bearings Pvt. Ltd.	4	Primex Plastics Pvt. Ltd.
5	Eskag Pharma Pvt. Ltd.	6	SDF Earthmovers
7	VPI Innovative Solutions	8	Aayur Technology Solutions P Ltd
9	NK Paper Tube Industries	10	Himachal Aluminium & Conductors
11	Ikon Moulders Pvt. Ltd.	12	Jupiter Technologies Pvt. Ltd.
13	Rajat Engineering	14	Better Labels Manufacturing Comp.Ltd.
15	Dhansheel Industrial Corporation	16	Hi-Tech Electrification Engineers Pvt. Ltd.
17	Intech Lamp Machinery (P) Ltd.	18	Maple Composite Containers Ltd.
19	Mastan Tin Works	20	Pioneer Electricals
21	Print & Art Services Pvt. Ltd.	22	Varna Printers
23	Ergo Systems & Services Pvt. Ltd.	24	Muziris Softech Pvt. Ltd.
25	Team Frontline Ltd	26	Sujaya Rubber Industries
27	Prime Global Attire Pvt. Ltd.	28	Southern Engineering Erectors
29	Sunshine Enterprises Pvt. Ltd.	30	Sanson Chemical Industries
31	Periyar Polymers Pvt. Ltd.	32	Printers Castle
33	Eben Telecom Pvt. Ltd.	34	Roto Screentech Pvt. Ltd.
35	Sree Lakshmi Narayana Rice Flour & Oil Mills	36	S & T Engineers
37	Kirpekar Engineering Pvt. Ltd.	38	Maruvor Energy Systems Pvt. Ltd.
39	Thee Classic Printers	40	Metals & Metals
41	Varun Enterprises	42	Solan Spinning Mills Pvt. Ltd.
43	Coirfoam (India) Pvt. Ltd.	44	Arpan Enterprises
45	Paltech Cooling Towers Equipments Ltd.	46	Arpan Enterprises
47	Aroma Agrotech Pvt. Ltd.	48	Premier Tea Industries
49	Nalagarh Steel Rolling Mill Pvt. Ltd.	50	Annapurna Mechatronics Pvt. Ltd.
51	Snowpack Polymers Pvt. Ltd.	52	Enzed Chloro Products Pvt. Ltd.
53	Swastika Drugs Pharma	54	Vasishtha CNC Technics
55	Ashoka Scrap Traders Pvt. Ltd.	56	Photon Energy Systems Ltd
57	Elan Auto India Limited	58	Sunbeam Machines India Pvt. Ltd.
59	Sumati Engineering Co. Pvt. Ltd.	60	Sree Srinivasa Engineering Works
61	Bharat Foam Udyog Pvt. Ltd.	62	L M Foods
63	Ganeshom Cereals Pvt. Ltd.	64	Sadbhava Fabricators Pvt. Ltd.
65	Ganpati Foods Pvt. Ltd.	66	Avishkar Technologies
67	Ishvar International	68	Sri Durga Industries
69	Shree Jagdamba Rice & Gen. Mills	70	Marvel Technologies
71	Sarda Alloy Steel Pvt. Ltd.	72	Alfa Flexitubes Pvt. Ltd.
73	Shanthala Power Research Corporation	74	Hard Strips
75	Laxmi Industries	76	S.L. Oberai Minerals Pvt. Ltd.
77	Rupam Impex	78	Girish Paper Packaging Pvt. Ltd.
79	Polysil Pipes	80	Sadguru Screens
81	Fineline Circuit Company	82	PowerOne Micro Systems Pvt. Ltd.
83	Greys Exim Pvt. Ltd.	84	Maruthi Engineering Enterprises
85	Shree Vinayaka Hard Chrome	86	Fine Heat Treaters
87	Balaji Packaging Industries	88	Circuit Technology
89	Precicap Industries	90	Lintas Packaging Pvt. Ltd.
91	Sri Vinayaka Cutting Tools Pvt. Ltd.	92	Plasto Chem Pvt. Ltd.
93	Dynamic Systems	94	Avinash Ispath Pvt. Ltd.
95	Ramesh Electrodes Pvt. Ltd.	96	Rija Steel & Power Pvt. Ltd.
97	Chetan Industries Ltd	98	Atul Polychem
99	Sunrise Industries	100	Tikku Industries

101	Durga Marble & Minerals	102	Smart Enterprises
103	Elite Engineering & Construction	104	Silky Silk Pvt. Ltd
105	Safire Machinery Company P Ltd	106	Gemco Controls Limited
107	Shree Ram Cotton Industries	108	Oriental Polyboard Pvt. Ltd.
109	Kartar Industrial Corporation	110	Vinayak Engineers
111	Crosslink Wheels Electronics Pvt. Ltd.	112	Kashmir Steel Rolling Mills
113	M/s Flowwell Pumps & Meters	114	Nexgen Composite Industries
115	Harvel Agua India Pvt. Ltd.	116	Bombay Amusement Ride (P) Limited
117	IPM Engineering Limited	118	Drytech Engineers
119	Kisco Castings	120	Sitra Infotech Pvt. Limited
121	Griha Software Technologies Pvt. Ltd.	122	Cee Dee Vacuum Equipment Private Ltd.
123	Shende Sales Corporation	124	Sunrays Engineers Pvt. Ltd.
125	Meena Advertisers	126	Ratha Worldwide Leathers Pvt. Ltd.
127	Prathamesh Ispat Engineers Pvt. Ltd.	128	Gee Tech Hooks
129	Albion Infotel Pvt. Ltd.	130	Ramkrishna Electricals Ltd.
131	Pure Petrochem India Pvt. Ltd.	132	Lakhmi Woollen Mills
133	GPR Power Solutions Pvt. Ltd.	134	Stewols India (P) Ltd.
135	Sharda Organics Pvt. Ltd.	136	Energetic Consulting Pvt. Ltd.
137	Chaitanya Packagings Pvt. Ltd.	138	Dots Info Systems India Pvt. Ltd
139	Genus Apparels (Formerly L M Sagar Exports)	140	Venus Industries
141	Kejriwal Metal Industries India	142	Hospitech
143	SourceEdge Software Technologies Pvt. Ltd.	144	Shell-n-Tube Pvt. Ltd.
145	Cyber Futuristics (India) Pvt. Ltd.	146	Shree Durga Wheat Products Pvt. Ltd.
147	Mengi Hi-Tech Pvt. Ltd.	148	Fusion Electronics
149	Arudra Engineers Pvt. Ltd.	150	Amutha Plastix
151	Bhanwardeep Copper Strips Pvt. Ltd.	152	Kalinga Metallics & Power Pvt. Ltd.
153	RST Electricals Pvt. Ltd.	154	Cimotec Hydro Machines Pvt. Ltd.
155	Olive Tex Silk Mills Pvt. Ltd.	156	Kadokia Plastics & Chemicals Pvt. Ltd.
157	Cannanore Ceramics Company Pvt. Ltd.	158	Prem Engineering Industries
159	Balasore Chemicals	160	Himadri Foods Pvt. Ltd
161	Asian Wire Forming & Springs Pvt. Ltd.	162	Saloni Electronics & Controls
163	Assam Electricals	164	Wallace Pharmaceuticals Pvt. Ltd.
165	Deejay Multipacks Pvt. Ltd.	166	Recorders & Medicare Systems (P) Ltd.
167	Srinathji Ispat Limited	168	Motwane Manufacturing Company Pvt. Ltd.
169	Prince Machines Pvt. ltd.	170	Shalimar Cattle Feeds Pvt. Ltd.
171	Kashmir Enterprises	172	Kranti Rubber Products
173	Himachal Environmental Engg. Co. Pvt. Ltd.	174	Maheshwari Woods Pvt. Ltd.
175	Ultima Switchgears Pvt. Ltd.	176	Hi-Tech Plastics
177	Premier Starch Products Private Ltd.	178	Deen Bandhu Industries
179	Technostrength Pvt. Ltd.	180	SH-Haryana Wires Limited
181	Jaipur Bio Tech Pvt. Ltd.	182	Ambika Engineering Works
183	Super Chillers Pvt. Ltd.	184	Sri Laxmi Industries
185	Print Mart India Pvt. Ltd.	186	Nath Peters Hygeian Ltd
187	Anacon Laboratories Pvt. Ltd.	188	K. C. Wollen Mills
189	Shiv Hari Plywood Limited	190	Devika Polyesters Pvt. Ltd.
191	Meerut Packaging Industries	192	Reliable Engineering Services
193	PAC Industries Pvt. Ltd.	194	Adithya Freight Forwarders Pvt. Ltd.
195	VRL Automation Engg. & Projects Pvt. Ltd.	196	Shri Adinath Automotive
197	Mahavir Foods	198	Safeguard Industries
199	Thrissur Wovens (P) Ltd.	200	Kaveri Polymers Pvt. Ltd.



201	Akhandalamani Electricals & Construction	202	Sri Vinayaka Packs
203	Sanfield India Ltd	204	Anand Polyurethanes Pvt. Ltd.
205	Cosmos Media Products Pvt. Ltd.	206	Shingar Limited
207	Pee Aar International Pvt. Ltd.	208	Jolly Enterprise
209	Bhartiya Vehicles & Engineering Co Ltd	210	Progressive Fabricators & Plant Service Engg.
211	Sanghvi Forging & Engineering Ltd	212	Bhowmick Tannery Machine Manf. Pvt. Ltd
213	Shree Radha Krishna Industrial Fabricators	214	Vasant Switchgears Pvt. Ltd.
215	United Engineering Industries	216	V.K.K. Engineering Works
217	NR Switch N Radio Services Pvt. Ltd.	218	NR Switch N Radio Services Pvt. Ltd.
219	Mangturam Gases Pvt. Ltd.	220	Sri Balakumaran Engineering Works
221	Watts Electronics Pvt. Ltd.	222	Watts Electronics Pvt. Ltd.
223	Anushree Textiles Pvt. Ltd.	224	Gayatri Cotton Industries
225	Clay Craft India Pvt. Ltd.	226	Hindustan Creations
227	Fitzol Cadet	228	Gemini Colling Systems Projects Pvt. Ltd.
229	Mercury Laboratories Ltd	230	Mercury Laboratories Ltd
231	Janus Packaging Pvt. Ltd.	232	Fujii Granite
233	PDS Wood Decors Pvt. Ltd.	234	PDS Wood Decors Pvt. Ltd.
235	B.M Advertising & Publicity House	236	B.M Advertising & Publicity House
237	Jaldhara Small Tools Pvt. Ltd.	238	Jaldhara Small Tools Pvt. Ltd.
239	Kwality Foundry Industries	240	G. D. Dyestuff Industries Limited
241	Sri Chandra Ice Factory	242	Sanewal Auto Engineers Pvt. Ltd.
243	Royal Appliances	244	Perfect Equipments
245	Vykat Prints Pvt. Ltd.	246	Oka-Basu’s Metal Technologies Pvt. Ltd.
247	Perfect Rotary Offset Pvt. Ltd.	248	Poddar International
249	RS Kathuria Cycle and Auto Industries	250	R. Sons Pipes and Electricals Pvt. Ltd.
251	Lensel Optics Pvt. Ltd.	252	M. M. Castings Pvt. Ltd.
253	Jaldoot Materials Handling Pvt. Ltd.	254	Jagdamba Liquified Steels Limited
255	Abhilasha Exim Pvt. Ltd.	256	Ashtavaidyan TMV Oushadhasala
257	K P Packaging	258	Five Star Food Export Industries
259	Kay Dee Industries	260	Steelman Industries
261	Sumanglam Impex Pvt. Ltd.	262	K B Zaveri
263	Jakson Enterprises	264	Reliable Refractories Pvt. Ltd.
265	Prayag Polytech Pvt. Ltd.	266	Macruss Engineering
267	Sudhakar Irrigation Systems Pvt. Ltd.	268	Maintec Technologies Pvt. Ltd.
269	Sumax Enterprises Pvt. Ltd.	270	Shree Gowthamee Rice Industries Pvt. Ltd.
271	J S Metal Traverse Company	272	Hyquip Systems Ltd
273	Priti Wears	274	MMT Polypacks Pvt. Ltd.
275	Brijsons Wire Products	276	Machinoo Tech
277	Roots Cooling Systems Pvt. Ltd.	278	Paradigm Engineers & Consultants Pvt. Ltd.
279	Dee Development Engineers Limited	280	Venkateswara Balaji Industries
281	Rollwell Conveyor Components Pvt. Ltd.	282	Suhas Hydrosystems Pvt. Ltd.
283	Mittal Forgings & Components Pvt. Ltd.	284	Radiant Steels and Alloys Pvt. Ltd.
285	Sri Venkateswara Engineering Works	286	Kama Metal & Alloys Pvt. Ltd.
287	Kaizen Measuring Systems Pvt. Ltd.	288	Everest Electrical & Engg. Comp. Pvt. Ltd.
289	Paper Tech Engineers Pvt. Ltd.	290	Lincoln Pharmaceuticals Ltd.
291	Bestochem Formulations (India) Ltd.	292	Gabs Power Controls
293	DRS Infratech Pvt. Ltd.	294	Schon Pharmaceuticals Ltd
295	Major Cement Pvt. Ltd.	296	Flowmore Pvt. Ltd.
297	Mohindra Tubes Pvt. Ltd.	298	Metsys Engineering and Consultancy Pvt. Ltd.
299	Gurukrupa Wire Netting Industries	300	Liv Media Equipments Pvt. Ltd.

301	Vinflex Products Pvt. Ltd.	302	Salasar Techno Engineering Pvt. Ltd.
303	Saboo Tor Pvt. Ltd.	304	Sri Revana Siddheswara Gears and Sprockets
305	Lesha Impex Pvt. Ltd.	306	Gehlot Enterprises Pvt. Ltd.
307	PICL (India) Pvt. Ltd.	308	Reinforces Komposite Eng. (I) Pvt. Ltd.
309	Aarti Writing Products Pvt. Ltd.	310	Bangalore Safety Glass Works Pvt. Ltd.
311	Safa Enterprises	312	Machinoo Tech
313	Twin -Tech Trading India Pvt. Ltd.	314	Dhillon Stone Crusher Pvt. Ltd.
315	Century Crane Engineers Pvt. Ltd.	316	Indus Smelters Ltd
317	M.I. Industrial Products Pvt. Ltd.	318	Shree Raj Ventech Power Cab Ltd
319	P N Die Castings Pvt. Ltd.	320	Anushri Fashion India Pvt. Ltd.
321	Coral Health Care Pvt. Ltd.	322	M/S Harjai Sons
323	Ramanattukara Wood Industries	324	GLS Polymers Pvt. Ltd.
325	Birson Industries	326	Electrocoating &Insulation Tech. Pvt. Ltd.
327	Bharat Electrical Contractors & Manuf. Pvt. Ltd.	328	Kirtiman Cement & Packaging Ind. Ltd.
329	Indage Software And Services Pvt. Ltd.	330	Rasandik Auto Components Pvt. Ltd.
331	Harshad Thermic Industries Pvt. Ltd.	332	S. S. Udyog
333	SJM Filters Pvt. Ltd.	334	Shree Sita Ispat and Power Pvt. Ltd.
335	Hi -Mount Power Supports	336	ACE Engineering Infratech (India) Pvt. Ltd.
337	Trend Setters	338	Madhu Gupta & Associates Pvt. Ltd.
339	Alind	340	Nirmal Polypack
341	S. M. Lulla Industries Worldwide	342	G. S. Motors
343	Unitech Engineering International	344	Anuradha Timbers International
345	Auto Wires	346	Winjit Technologies Pvt. Ltd.
347	J K Paints & Resins Pvt. Ltd.	348	National Cement Pipe Company
349	Omega Designs	350	Singhal Print Media
351	Microfinish Valves Pvt. Ltd.	352	Nandan Ground Support Equipment Pvt. Ltd.
353	Polymat Industries	354	B. R. Designs
355	T K Steel Rolling Mills Ltd	356	Affine Steels Pvt. Ltd.
357	Vijay Fabricon	358	Contec Airflow Engineers Pvt. Ltd.
359	Asbesco (India) Pvt. Ltd.	360	Ess Ess Engineers
361	S.K.M. Plastics	362	Durga Spinning and Weaving Mills Pvt. Ltd.
363	Vishal Engineers Pvt. Ltd.	364	Modern Communication & Broadcast Systems
365	Satya Beverages & Distillers Pvt. Ltd.	366	Adachi Paste Co.
367	Apollo Construction Equipments Pvt. Ltd.	368	Siddhi Engineers
369	Geo Foundations And Structures Pvt. Ltd.	370	Jayashree Cables and Conductors Pvt. Ltd.
371	Sumadhura Constructions	372	Dual Manufacturing Technologies Pvt. Ltd.
373	Regent Auto Consultants	374	Hiten Fasteners Pvt. Ltd.
375	Karma Steels Pvt. Ltd.	376	Ultra Dimensions
377	Curio Crafts	378	Eastern Foods (P) Limited
379	Kishan Cattle Feed Industries	380	Overseas Health Care Pvt. Ltd.
381	Cell Com Teleservices Pvt. Ltd.	382	Naturals Dairy Pvt. Ltd.
383	VKC Nuts Pvt. Ltd.	384	Universal Speciality Chemicals Pvt. Ltd.
385	Neotech Foundries	386	Sun Glass Works Pvt. Ltd.
387	Mathstraman Manufacturers & Traders Pvt. Ltd.	388	Shree Nandinee Fibre Glass Engineers
389	Bihar Rubber Factory	390	Naathans Medi Devices Pvt. Ltd.
391	Classic Footcare (India) Pvt. Ltd.	392	Kamtress Automation Systems Pvt. Ltd.
393	TM Technique & Comfort India Pvt. Ltd.	394	Raghvendra Cables & Wires Pvt. Ltd.
395	Rushiprabha Engineers Pvt. Ltd.	396	Bird Machines Pvt. Ltd.
397	Tamil Nadu Edible Oils Pvt. Ltd.	398	Good Luck Publishers Limited
399	Dipti Telecom	400	Esses Eltech Systems Pvt. Ltd.

401	Titan Leathers Pvt. Ltd.	402	Atal Coach
403	Meditron	404	J. D. Sons Steels Pvt. Ltd.
405	Screenotex Engineers Pvt. Ltd.	406	Skytone Electricals (India) Limited
407	Kala Auto-Tex	408	Rajasthan Agro & General Industries
409	A. F. Machine Tools & Company	410	Kanha Biogenetic Laboratories
411	Shrimagal International	412	Ganga R K Industries Pvt. Ltd.
413	Harshad Engineering	414	Hi -Tech Resins & Coatings
415	Mona Engineering and Body Builders	416	India International House Limited
417	Kanwal Multilayer	418	Farmax Health & Food Products Pvt. Ltd.
419	S. D. Industries	420	Sita Polycoats
421	BNK Modern Rice Mill Pvt. Ltd.	422	Net Worth Controls
423	Oriental Plants & Equipments Pvt. Ltd.	424	Swan Electric Engineering Company Pvt. Ltd.
425	Pravah Laboratories Pvt. Ltd.	426	Baba Ispat Pvt. Ltd.
427	Perincheril Rubbers	428	Modern Industrial Corporation
429	Durgapur Iron & Steel Company Pvt. Ltd.	430	Dharamshila Belting Pvt. Ltd.
431	GSM Spuntex Pvt. Ltd.	432	Fusion Electronics
433	Luthra Engineering Works	434	Kalpana Handmade Paper Industries
435	Sree Meghala Foundry	436	Ratnagiri Ceramics Pvt. Ltd.
437	Classic Papers	438	Proficons Electronics Mfg. Co. Pvt. Ltd.
439	Metal Shaping & Processing Pvt. Ltd.	440	Parida Workshop
441	Senthil Dyeing	442	Chhinmastika Track Industries
443	Vibha Publication Pvt. Ltd.	444	Padmasree Enterprises
445	Sueeraa Alloys Global Pvt. Ltd.	446	Mode Creations International Pvt. Ltd.
447	AVL Polytech Pvt. Ltd.	448	S Internationals
449	Ratan Engineering Company Pvt. Ltd.	450	Qualitech Precision Industries
451	Auro Flour Mills Pvt. Ltd.	452	Jainson Labs
453	Electro Dip	454	Fine Metal Pressings Pvt. Ltd.
455	Khosla Precisions	456	Chennai Forge Products Pvt. Ltd.
457	Rapid Engineering Company Pvt. Ltd.	458	Gaja Shoes
459	Turnwell Engineers Pvt. Ltd.	460	Surfa Coats Limited
461	Rajadhani Exports	462	Kemit Chemicals Pvt. Ltd.
463	Agarwal Petrochem Pvt. Ltd.	464	New Man Exports
465	Flexible Hose Industries	466	Sumit Enterprises
467	Western Marine Engineering	468	Vijay Industries
469	Garrison Polysacks Pvt. Ltd.	470	Diamond Toys Company Pvt. Ltd.
471	Nirmala Filaments (India) Pvt. Ltd.	472	Sunder Nagar Int. Rural Dev Association
473	Mega Innovative Crops Pvt. Ltd.	474	Raksha Polycoats Pvt. Ltd.
475	Priyanka Chemicals Pvt. Ltd.	476	Dhawan Box Sheet Containers Pvt. Ltd.
477	Chamundi Die Cast Pvt. Ltd.	478	Santech Industries
479	Loom Crafts Furniture (India) Pvt. Ltd.	480	Electro Tech Engineers
481	Unideep Food Processing Pvt. Ltd.	482	Sri Jyothi Industrials
483	Good Tight Fasteners	484	EIP Bulk Controls Pvt. Ltd.
485	Designtech Systems Limited	486	Indo Pump
487	Figure Control Equipment	488	Renny Steels
489	Neo Wires & Allied Products Pvt. Ltd.	490	Vidarbha Auto Components Pvt. Ltd.
491	Calprin Ads Pvt. Ltd.	492	Ganesh Engineering Works
493	Gits Food Products Pvt. Ltd.	494	Bulk Liquid Solutions Pvt. Ltd.
495	Radhe Enterprise	496	Manohar Electrodes Pvt. Ltd.
497	Jayanti Cottex	498	SPM India Ltd.
499	Neumatica Technologies Pvt. Ltd.	500	Sitra Infotech Pvt. Limited

501	Veto Switchgear & Cables P Ltd	502	Sonal Engineering Plastic Fabricators
503	Krishna Engineering Company	504	Electro Flux Equipments Pvt. Ltd.
505	Paliwal Home Furnishings	506	A K Industries
507	Spark Creation	508	Polyols & Polymers
509	SPG Plastics	510	Sun Electro Control Systems Pvt. Ltd.
511	Southfield Paints Ltd	512	Maa Tarini Products
513	Kumarpur Agro Poultries Limited	514	Shree M. L. Castings Pvt. Ltd.
515	OTTO Bushings	516	Devashish Infrastructure Private Ltd.
517	Jindal Agro Processing Pvt. Ltd.	518	Fresco Paints Pvt. Ltd.
519	Coods Agro Pvt. Ltd.	520	Flower Garments
521	Tharaj Castings Pvt. Ltd.	522	Tanishq Wire & Conductors Pvt. Ltd.
523	Maldar Barrels Pvt. Ltd.	524	C.M.S. Balan & Co.
525	New Swan Autocomp Pvt. Ltd.	526	Patni Sheet Griha Pvt. Ltd.
527	Unitek Power Solutions India Limited	528	Taurus Bio Medical Aids Pvt. Ltd.
529	Gerchem Labs (India) Pvt. Ltd	530	Ratnamani Biochemicals & Pharma Pvt. Ltd.
531	Bhavani Industries	532	Steel Art Industries
533	Sinicon Controls Pvt. Ltd.	534	Rams Assorted Cold Storage Ltd
535	Ferrum Extreme Engineering Pvt. Ltd.	536	Mec Shot Blasting Equipments Pvt. Ltd.
537	Rashee Control Equipments Pvt. Ltd.	538	Aditya Power Devices
539	Vig Furniture House Pvt. Ltd.	540	Standard Transformers Pvt. Ltd.
541	Gautam Polymers	542	Ace Hardware Pvt. Ltd.
543	Runa Chemicals Pvt. Ltd.	544	Standard Welds Pvt. Ltd.
545	Milestone Aluminium Company Pvt. Ltd.	546	Real Time Engineering Pvt. Ltd.
547	Max Precision Bearings Pvt. Ltd.	548	Labindia Instruments Pvt. Ltd.
549	Baimish Techno Systems Pvt. Ltd.	550	Srinivasa Engineering Works
551	Gondals Press India Ltd	552	Aagam Food Industries
553	Akry Organics Pvt. Ltd.	554	Shree R N Metals India Pvt. Ltd.
555	Benzy Food and Beverages Pvt. Ltd.	556	Oscar Equipments Pvt. Ltd.
557	K. B. Engineering Works	558	Eppeltone Engineers
559	M Plus CNC Tech Pvt. Ltd.	560	Allied Recycling Limited
561	Badamia Containers	562	Sri Sati Aranjyothi Raw and Boiled Rice Mill
563	Newgen Specialty Plastics Ltd.	564	Gogad Fabrics Pvt. Ltd.
565	Flameproof Equipments Pvt. Ltd.	566	Maksi Consultech Limited
567	Vettoor Construction Engineers	568	Guru Detergents & Chemicals Pvt. Ltd.
569	Geeta Machine Tools Pvt. Ltd.	570	Riddhi Technologies Pvt. Ltd.
571	Goodluck Petroleum Company Pvt. Ltd.	572	Chemi Plant Engineering Company
573	Shri Krishna Sudarshan Urja Pvt. Ltd.	574	Anmol Traders
575	M. B. Bakers Pvt. Ltd.	576	Thapar Hosiery Mills Pvt. Ltd.
577	United Drilling Tools Limited	578	Aiwin Garments
579	Rajshanti Metals Pvt. Ltd.	580	Choudhary Offset Pvt. Ltd.
581	Batra & Batra Pvt. Ltd.	582	Hindustan Rubber Products
583	DVL Auto Alliance Industries	584	Sri Veera Venkata Satyanarayana Rice Mill
585	Vidya Metal Manufacturing Co Pvt. Ltd.	586	P.P. Industries
587	Kasuma Auto Engineering Pvt. Ltd.	588	Jagdamba Ginning Factory
589	Mutual Insulated Cables & Conductors Limited	590	Sunglow Engineering (India) Pvt. Ltd.
591	Vikas Metaliks and Energy Limited	592	Unimet Profiles Pvt. Ltd.
593	Hind Hydraulics and Engineers	594	Suncity Art Exporters
595	Ace Data Prinexcel Pvt. Ltd.	596	Akanksha Automobiles Pvt. Ltd.
597	Rava Engineering Corporation	598	Ideal Textiles
599	S. Thartius Engineering Contractors	600	R.B. Forgings Pvt. Ltd.

601	SMS Scientific Products Pvt. Ltd.	602	Manu International
603	Shree Mahadeo Cotton Mills Limited	604	Eagleman Enterprises
605	Vishivkarma Industries Pvt. Ltd.	606	Somakanth Multi Tech Pvt. Ltd.
607	Sidharth & Gautam Engineers	608	H.L.Traders & Suppliers Pvt. Ltd.
609	Neelay Industries	610	Sri Durga Systems
611	Grand Marine Foods	612	Pan Overseas
613	Ind Fab Engineering	614	Nova Industries Pvt. Ltd.
615	Precimax Engineers Limited	616	Captronic Systems Pvt. Ltd.
617	Nav Bharat Rice Industries	618	Modern Transformers Pvt. Ltd.
619	Kavcon Engineers Pvt. Ltd	620	Sarv Biolabs Pvt. Ltd.
621	Zenith Die Makers Pvt. Ltd.	622	SBS Biotech
623	Saboo Alloys Pvt. Ltd.	624	Nano Kernel Limited
625	Osper Formulations	626	Makar Electronics Pvt. Ltd.
627	Kloride Kem	628	Therelek Engineers Pvt. Ltd.
629	Saboo Ispat Pvt. Ltd.	630	Ace Media Solutions Pvt. Ltd.
631	Raj Ratan Castings Pvt. Ltd.	632	Parshvanath Filaments
633	Udaya Industries	634	Kipps Confectioners (Private) Limited
635	Urs Kar Services Centre Pvt. Ltd.	636	Arun Enterprises
637	Bevel Gears (India) Pvt. Ltd.	638	D. S. Rice & Cold Storage Pvt. Ltd.
639	Maruti Electric Company	640	Bright Star International
641	Precision Granites Pvt. Ltd.	642	Bhoomika Garments Pvt. Ltd.
643	Methods (India) Pvt. Ltd.	644	Arpit Plastics Pvt. Ltd.
645	Harshvardhan's Laboratories Pvt. Ltd.	646	Universal Products Pvt. Ltd.
647	Perfect Acid Wares	648	SH Deco Creations Pvt. Ltd.
649	Pratima Hosiery Vastra Udyog	650	Jepika Paints Pvt. Ltd.
651	VSPN Packing Industries	652	Askas Plastic Pvt. Ltd.
653	Astha Beej Company Pvt. Ltd.	654	Supreme Engineering Works
655	Jai Jagdambey Ceramics	656	Pure Pharma Limited
657	Popsons International	658	Major Footwears Pvt. Ltd.
659	Bajrang Glass Emporium	660	Power Electricals & Electronics
661	Raman Ispat Pvt. Ltd.	662	Industrial Filters and Fabrics Pvt. Ltd.
663	Ons Engineering Works	664	Pro Laboratories Pvt. Ltd.
665	Elecon Conductors Limited	666	H. D. Wires Pvt. Ltd.
667	Rational Engineers Pvt. Ltd.	668	Shilpachem
669	Sri Balaji Forgings Pvt. Ltd.	670	Siddharth Offsets
671	Surya Cables	672	Durrant Packers (India) Pvt. Ltd.
673	Periwal Irrigations Pvt. Ltd.	674	Bajrang Agro Industries Pvt. Ltd.
675	Paragon Autotech Products Pvt. Ltd.	676	Saishiv Boards & Tops Pvt. Ltd.
677	Somex India	678	Pragati Plastic Industries
679	Bhiwadi Cylinders Pvt. Ltd.	680	Chino Corporation India Pvt. Ltd.
681	Shree Hari Products	682	Sree Masarada Ores & Forgings Pvt. Ltd.
683	Murliwala Agrotech Pvt. Ltd.	684	Maheshwari Mining Pvt. Ltd.
685	Bohra Agrifilms Pvt. Ltd.	686	Carnation Industries Limited
687	Shree Ganesh Udhyog	688	Zest Pharma
689	Mittal Chemicals	690	Lordsons Agro Overseas Pvt. Ltd.
691	Krishna Associates	692	Satguru Colour Labs Pvt. Ltd.
693	Maam Arts	694	Smiko Equipments Pvt. Ltd.
695	Vel Tech Engineering Works	696	Ruchi Printers
697	Shree Engineering	698	Raag Exports Pvt. Ltd.
699	Airflow Equipments India Pvt. Ltd.	700	Saurabh Metals Pvt. Ltd.

701	Lord Balaji Enterprises	702	Farm Electronics
703	S J Industries	704	S & G Engineers Pvt. Ltd.
705	Artistic Artforum Pvt. Ltd.	706	IMT Cables Pvt. Ltd.
707	Better Labels Mfg. Co. Pvt. Ltd.	708	Afflatus International
709	Bhilai Engineering Works	710	Web Tech Engg Pvt. Ltd.
711	Accurate Industries	712	Shramanji Fabrics Pvt. Ltd.
713	Softjin Technologies Pvt. Ltd.	714	Ambika Overseas
715	Engineering Plastics	716	Prince Rubber Industries
717	Srishti Software Applications Pvt. Ltd.	718	National Trading Company
719	Krishna Constructions	720	Bansal Iron and Steel Rolling Mills
721	Vatsala Metal Sections	722	Mahashakti Energy Limited
723	Rana Milk Foods Pvt. Ltd.	724	Integra Micro Systems Pvt. Ltd.
725	Prakasa Spectro Cast Pvt. Ltd.	726	Sweans Technologies Pvt. Ltd.
727	Surya Industrial Equipments	728	Sree Venkateswara PVC Pipes
729	INAR Profiles Pvt. Ltd.	730	Sark Cables Pvt. Ltd.
731	Sree Comfortables Pvt. Ltd.	732	Electro Tech Industries
733	Srilakshmi Satyanarayana Raw Boiled Rice Mill	734	South India Gold Refinery Pvt. Ltd.
735	Salicylates and Chemicals Pvt. Ltd.	736	Kelvin Business Forms(P) Ltd.
737	Apollo Computing Laboratories Pvt. Ltd.	738	Pure Petrochem India Pvt. Ltd.
739	Tirupati Veneers Pvt. Ltd.	740	C2C Engineering
741	Finecab Wires and Cables Pvt. Ltd.	742	Dharmaa Tex
743	Sai Bhargavi Solvent Oils Pvt. Ltd.	744	Jayashree Metal Casters Pvt. Ltd
745	Krishna Teja Food Products	746	Sri Balaji Spinning Mills
747	Akhil Fab	748	Sai Sagar Beverages Pvt. Ltd.
749	C. P. Exports	750	Sai Shakthi Infratech Limited
751	Madras Metal Impregnations	752	Dura Puf Silvassa Pvt. Ltd.
753	Shree Jayaganesh Mills	754	Fantasy Enterprises
755	Abhilash Chemicals Pvt. Ltd.	756	Mandovi Drydocks
757	Discovery Overseas	758	Rank Enterprises
759	HI-Tech Bitumen Products	760	Lead Acid Battery Co.Pvt. Ltd.
761	Aargee Equipments Pvt. Ltd.	762	Uluberia Coke Oven Plant
763	S.S.P. Prnt Packs	764	La-Chemico Pvt. Ltd.
765	KPSK Textiles Pvt. Ltd.	766	Shanker Coils Pvt. Ltd.
767	Sri Lakshmi Metal	768	Sar Exports
769	Mahabir Cold Storage Pvt. Ltd.	770	Veejay Impex
771	Mac Power Steels	772	Bright Engineering Works
773	Tristar Formulations Pvt. Ltd.	774	Raj Finoxides Pvt. Ltd.
775	Lotus Knits	776	Yantrique Construction Pvt. Ltd.
777	Aviram Knitters	778	Kheria Industries Pvt. Ltd.
779	KCP Sixvell Power Systems	780	Chiranjilal Rayons Pvt. Ltd.
781	Chillies Export House Limited	782	Vahe Guru Engineering Works
783	Anartex Exports	784	Pinkto Chemicals
785	Karmen International Pvt. Ltd.	786	Frank Chemicals India Pvt. Ltd.
787	Kalpaka Chemicals Pvt. Ltd.	788	Ark Golden India Pvt. Ltd.
789	Nirmal Pumps Pvt. Ltd.	790	SRD Nutrients Pvt. Ltd.
791	Varun Fibre Product	792	D S Polypack Industries
793	R. M. H. Fabrications Pvt. Ltd.	794	Luit Coal Products Pvt. Ltd.
795	V.V.V & Sons Edible Oils Limited	796	Aasray Concept Foods
797	A. R. Dairy Food Pvt. Ltd.	798	Ramgarh Casting
799	Sri Amaravathi Spinning Mills	800	Maihar Alloys Pvt. Ltd.

801	Triumphs	802	Deepshikha Paper Pvt. Ltd.
803	Hydro Products	804	Kritika Enterprises
805	Industrial Rubber Products	806	Amar Engineering Works
807	Stat Coat Systems	808	Sava Enterprises
809	Premier Paper Packaging	810	A P Polyplast Pvt. Ltd
811	Veekay General Industries	812	United Manufacturing Company
813	Kesara Syntex Pvt. Ltd	814	Shriram Offset Printers
815	General Industries	816	Kings Furnishing & Safe co
817	Lunar Rubbers (P) Ltd.	818	R B Enterprises International Pvt. Ltd.
819	Jaimatha Estates	820	Indees Food Industries
821	Victoria Polyform	822	Transal Wires
823	Manasi Initiatives	824	Basith Exporters
825	R M Minerals Pvt. Ltd	826	Age Industries Pvt. Ltd.
827	Sunrise Enterprises	828	KTC Automobiles Pvt. Ltd.
829	Nikko Auto Ltd	830	Herbindus
831	Batra Art Press	832	Labinduss Limited
833	United Gears	834	Con Weigh Systems Pvt. Ltd.
835	Chauhan Papers Pvt. Ltd	836	Rajan Wire Industries
837	A P Processors	838	Jishnu Pharmaceuticals Pvt. Ltd
839	PulseMagnetic & Power Electronic Pvt. Ltd	840	Accurate Auto Products Pvt. Ltd
841	Veeco Earthmovers Pvt. Ltd.	842	ARC Machine Tools Pvt. Ltd
843	Systems & Services	844	APS Engineers
845	Astor Inc.	846	Brawn Laboratories Ltd
847	DEE & SETT	848	Viking Engineers Pvt. Ltd
849	Kaila Engineering Works	850	Eee & Cee Pressings Pvt. Ltd
851	Limitorque India Ltd.	852	Sre Dhanvijay Textile Pvt. Ltd
853	Sai Smaran Foods Limited	854	Hospitech Industries
855	Vinod Rice Mill Pvt. Ltd.	856	Inventa Cleantec Pvt. Ltd.
857	Ram Sarup Sunil Kumar Rice Mill	858	Auto & General Casting Pvt. Ltd
859	Jai Forgings & Stampings Pvt. Ltd	860	Midas Foods India Pvt. Ltd
861	Master Automech Pvt. Ltd	862	Dutta Press
863	P.A.R.K. Non Woven Pvt. Ltd	864	KPC Flexitubes
865	Paramount Forge	866	Meditek Engineers
867	K N S Engineering Works Pvt. Ltd.	868	R. K. Engineering Industries
869	Poornima Printers	870	Natural Capsules Limited
871	KMS Coach Builders Pvt. Ltd.	872	Karthik Toolings
873	Radiant Info Systems Limited	874	Safe Systems India Pvt. Ltd.
875	Ascott Electricals Pvt. Ltd	876	Bright Metal Finishers
877	S. S. Fasteners Pvt. Ltd	878	The Sun Cranes & Hoists
879	Shree Dhanwantri Herbals	880	Dogra Hosiery
881	IEC Fabchem Limited	882	Hitech Lamination Films Pvt. Ltd
883	Motherland Garments Pvt. Ltd	884	Sree Anand Jewellers
885	Siguru Exports	886	SVS Ceramics
887	Bharat Electrotech Pvt. Ltd.	888	Shaanta Udyog
889	Suncity Ceramics	890	Kavan Cotton Industries
891	Siyaram Metals Pvt. Ltd.	892	Galaxy Conveyors Pvt. Ltd.
893	Shivanand Polymers	894	Evershine Metals
895	Shiv Sagar Rice Mill Pvt. Ltd.	896	Hi - Speed Offset
897	Banshi Airgases Pvt. Ltd	898	Rakhi Polymer
899	Noble Gas Limited	900	Pankaj Ferro-Tech Pvt. Ltd.

901	Rourkela Construction Pvt. Ltd	902	Galaxy Medicare Pvt. Ltd
903	Noah Fashions	904	Module Engineering Co.
905	Shreeji Gold Ceramic Pvt. Ltd	906	T G Industries
907	Savera Packers	908	Raksha Cement Pvt. Ltd
909	Pulkitt Steel Rolling Mills	910	Supreme Plasto Containers
911	Sunbeam Generators Pvt. Ltd	912	Pushpit Steels Pvt. Ltd.
913	Gauthami Pipes	914	Hycount Plastics & Chemicals
915	Ranjana Poly Prints Pvt. Ltd.	916	Prakash Engineering Company
917	Famica Press Industries Pvt. Ltd.	918	A. B. Imaging & Prints Pvt. Ltd
919	Kunj Alloys Pvt. Ltd	920	Aeon Medical Pvt. Ltd
921	Kalinga Jute Products Pvt. Ltd.	922	Kalinga Equipments
923	Susama Boards Pvt. Ltd	924	Shivam Chemicals
925	Sadanand Alloy Steel Pvt. Ltd	926	Bhagwati Plastic & Pipe Industries
927	Esha Apparels	928	Manghani Re-Rolling Limited
929	Shantanu Engineering	930	Gopal Feeds
931	Manghani Re-Rolling Limited	932	Laxmi Polytex Pvt. Ltd
933	Neha Enterprises	934	Print-N-Pack Pvt. Ltd
935	Jai Plastech Pvt. Ltd	936	Alufit (India) Pvt. Ltd.
937	Vinyas Innovative Technologies Pvt. Ltd	938	Kamath Transformers Pvt. Ltd.
939	Mangalore Minerals Pvt. Ltd	940	Model Heavy Fabrications Pvt. Ltd.
941	Jayshree Enterprises	942	Rasayan Udyog
943	Darshan Packagings	944	Plus-one Machinefabrik
945	Chak Rader Farm Equipments Pvt. Ltd	946	Sri Lakshmi Venkata Narayana Rice Indus.
947	Abharan Motors Pvt. Ltd	948	Sindhu Plastics
949	Hi-Tech Forgings Pvt. Ltd	950	Jaya Bharat Equipments Pvt. Ltd.
951	Priyanka Refineries Pvt. Ltd.	952	Life Line Feeds (India) Pvt. Ltd.
953	R. N. Pulverisers Pvt. Ltd.	954	D.S. Metals Pvt. Ltd.
955	RKR Gold Pvt. Ltd.	956	V S Engineering
957	Fitz Fashion	958	Jai Raj Industries
959	Luit Refractories Pvt. Ltd.	960	Net Metallics
961	Shree Krishna Wire Products	962	Maruti Battery Industries
963	Annapurna Plastics	964	Jakpod Garments
965	Nigam Food Processor	966	Everassam Tea Pvt. Ltd.
967	B. L. Packaging Pvt. Ltd.	968	Chaika Polymers Pvt. Ltd.
969	Flexi Multi Products and Services Pvt. Ltd.	970	Muva Industries Limited
971	KCS Pvt. Ltd.	972	Seacrafts Industries Pvt. Ltd.
973	Technocrat Enterprisers	974	Dash Engineering Works
975	Shanti Chemical Works	976	Bhawani Polymers
977	Amutham Fabric	978	Ever Bright Products
979	K Venkatraman and Company	980	Prithvi Wood Doors
981	Paru Engineers Pvt. Ltd	982	Sapy Bedding Products
983	Shree Vasavi Exports	984	Adhi Sakthi Projects
985	GRT Enterprises	986	Figure Control Equipment
987	IPA Private Ltd.	988	Shiv Mahima Ispat Pvt. Ltd.
989	Intelux Electronics Pvt. Ltd.	990	Sun Tech
991	M. K. Industries	992	Automation Teknix
993	Thermosystems Pvt. Ltd.	994	Wintech Pharmaceuticals
995	R. S. Factory	996	K L Tech Solution Pvt. Ltd
997	Anuvi Chemicals Limited	998	Sudhamayi Quality Foods Pvt. Ltd.
999	C L Engineering Ltd	1000	Rupam Enterprises



1001	K E C Industries Ltd	1002	Lancer Pharmaceuticals Pvt. Ltd.
1003	Envogue Wood Working Pvt. Ltd.	1004	Tulsi Rubber Products Pvt. Ltd.
1005	VRL Automation Pvt. Ltd.	1006	Wilhelm Textiles India Pvt. Ltd.
1007	L.R. International Pvt. Ltd.	1008	Activ Personal Care Products Pvt. Ltd.
1009	Prompt Industries Pvt. Ltd.	1010	Micro Plastics Pvt.Ltd
1011	GDP Engineering Company	1012	Narayani Coke Pvt. Ltd.
1013	Girnar Corrugators Pvt. Ltd.	1014	Raghavendra Industries
1015	Navkar Industries	1016	National Packaging Company
1017	Excel Plinmoc Industries	1018	Bhagat Industry
1019	S.B. Electronic Industries	1020	Rajvansh Polymers Pvt. Ltd.
1021	Nippy Chemicals	1022	Sapthagiri Power Technologies Pvt. Ltd.
1023	Max International	1024	Sameer Linkages (Exports) Private Ltd
1025	Singhson International Pvt. Ltd.	1026	VSN Plas-Pak
1027	Gujarat Intrux Limited	1028	Singhal Spintex Pvt. Ltd.
1029	Yash Electrical Systems	1030	Foremost International Pvt. Ltd.
1031	Zedex Clothing Pvt. Ltd.	1032	Esdee Paints Ltd
1033	Travancore Cocotuft Pvt. Ltd.	1034	UMA Packaging Co.
1035	A. L. Coldforge Pvt. Ltd.	1036	Apex Overseas
1037	Shree Vardhman Industries	1038	China Herbals
1039	S.P.Solvent Limited	1040	Basu Enterprises
1041	Mehr Cements Pvt.Ltd	1042	Shree Guru Kripa Cement Pvt. Ltd.
1043	Sansar Dall Mills	1044	Shivam Packers
1045	Vibfast Pigments Pvt. Ltd.	1046	Star Industries
1047	Anil Plywoods	1048	S.R. C. Embroideries
1049	Samruddhi Engineering	1050	Bharat Fab Tax
1051	Nutan Dye Chem	1052	GNE Exports Pvt. Ltd.
1053	Kankariya Techno Screens Pvt. Ltd.	1054	Twenty First Century Steels Ltd
1055	G R Soni Metal Industries	1056	Shreyans Oils Ltd.
1057	Santro Ceramics	1058	Brij Rice Mills
1059	Mahadev Manufactures	1060	Euro Forge
1061	Signor Polymers Pvt. Ltd.	1062	Margaret Package Pvt. Ltd.
1063	Tas Foundries Pvt. Ltd.	1064	Srinivasa Plastics
1065	Raj Polymers	1066	Dynagrafix Label Pack Systems
1067	XL Plastics	1068	Bharath Circuits Pvt. Ltd.
1069	Raj Plastic Industries	1070	Laasma Power Pvt. Ltd.
1071	Siddharth Industries	1072	A.V. Engineering
1073	Gopinath Chem Tech Ltd	1074	Bathla Aluminium Pvt. Ltd.
1075	Bengani Udyog Pvt. Ltd.	1076	Buildmet Fibres Pvt. Ltd.
1077	G One Agro Products Ltd	1078	Hydropack India Pvt. Ltd.
1079	Balkrishna Steel Forge Pvt. Ltd.	1080	P. M. Granite Export Pvt. Ltd.
1081	Tulsi Digital Colour Lab Pvt. Ltd.	1082	Modern Flour Mills
1083	Avadat Trading Pvt. Ltd.	1084	North East Kraft Paper Bag Mfg.
1085	Anjalee Jewellers India Pvt. Ltd.	1086	Meria Foods
1087	Khedut Solvexp Pvt. Ltd.	1088	Global Foods
1089	Kody Equipments Pvt. Ltd.	1090	Ken Bag Industries
1091	Amit Conductors	1092	Sparsh Agro -Pro Pvt. Ltd.
1093	EL-Lighting Industry	1094	Bharat Engineering Works
1095	Kshipra Drugs Pvt. Ltd.	1096	Ornate Ispat Pvt. Ltd.
1097	Mahalaxmi Coal Pvt. Ltd.	1098	Sunshine Power Products Pvt. Ltd.
1099	Mangala Engineering Ltd.	1100	Ashirwad Foundries Pvt. Ltd.

1101	Rishabh Cotton Processors Pvt. Ltd.	1102	Devikripa Trading Pvt. Ltd.
1103	Energy Equipments	1104	Megacity Cement Pvt. Ltd.
1105	Reliable Transformers	1106	OGN Industries
1107	Patna Offset Press	1108	Max-Grip Fasteners Pvt. Ltd.
1109	Bihar Cylinders	1110	Vitarich Agro Food (India) Limited
1111	DSK Polymer	1112	Samrudh Pharmaceuticals Pvt. Ltd.
1113	Sri Pachiyamman Textiles	1114	Prasol Chemicals Limited
1115	Matha Timber Industry	1116	Mahacot Textiles Pvt. Ltd.
1117	Jai Bharath Tanners	1118	Radhey Forgings Pvt. Ltd.
1119	Newtech Industries	1120	Fyaro Transformers
1121	Thrinethra Engineering Industries	1122	Amrit Frozen Foods Pvt. Ltd.
1123	Legend Technologies (I) Pvt. Ltd.	1124	Ayurlabs Herbals Pvt. Ltd.
1125	K. S. Motors Pvt. Ltd.	1126	Shashaank Apparels
1127	Biogenetic Drugs Pvt. Ltd.	1128	Kalpaka Plastics Pvt. Ltd.
1129	Kwality Tubes and Capillaries	1130	Mangala Ispat Limited
1131	Precision Metals	1132	Jainsons Industries
1133	Danish Pvt. Ltd.	1134	Cold Steel Corporation
1135	Panchal Machinery	1136	WMW Metal Fabrics Limited
1137	Technofab Engineers	1138	Supriya Chemicals
1139	Agrawal Industries	1140	Neelesh Engineers
1141	Ridhi Sidhi Glasses (India) Pvt. Ltd.	1142	S R Forms
1143	Dynasty Modular Furnitures Pvt. Ltd.	1144	Gyro Laboratories Pvt. Ltd.
1145	M P K Steels I Pvt. Ltd.	1146	M P Shah Bright Bars Pvt. Ltd.
1147	Kairav Chemofarbe Industries Ltd	1148	H R M Chemicals Pvt. Ltd.
1149	Ajay Industries	1150	Bhilai Auxiliary Industries
1151	ADK Corporation	1152	Jaiswal Equipment and Holdings Pvt. Ltd.
1153	S K Nabi & Co	1154	Shree B. R. Steels
1155	Universal Hoist O Fabrik	1156	Jai Ambey Metal Works Pvt. Ltd.
1157	Emkay Tools Taps & Cutting Tools Pvt. Ltd.	1158	Dutta Engineering Works
1159	Span Engineers	1160	Atharva Infrastructure
1161	Savitri Automation	1162	Chhattisgarh Ferro Trades (Unit II)
1163	Amarnath Ispat Pvt. Ltd.	1164	Ashpra Textiles Pvt. Ltd.
1165	Cosmos Ispat Pvt. Ltd.	1166	Dev-Shesha Auto Industries
1167	Precision Engineering Corporation	1168	Innova Plastic Technologies Pvt. Ltd.
1169	Shri Dhaniram Laminates Pvt. Ltd.	1170	Geecy Industrial Service Pvt. Ltd.
1171	J. S. Strips Pvt. Ltd.	1172	Charmi Enterprises
1173	Thermocare Rockwool India Pvt. Ltd.	1174	Century Engineers
1175	Nandani Medical Laboratories Pvt. Ltd.	1176	Kiran Floorings Pvt. Ltd.
1177	Signet Rubber (India) Pvt. Ltd.	1178	Sterling Inflow Tech Pvt. Ltd.
1179	Dee Tee Industries Limited	1180	Siddhartha Logistics Co Pvt. Ltd.
1181	Engipress Industries Limited	1182	Praveen Wires Pvt. Ltd.
1183	Kakda Rolling Mills	1184	Calcutta Electrodes Pvt. Ltd.
1185	Anupam Enterprises	1186	Lupin Gases Pvt. Ltd.
1187	Mittal Iron Foundry Ltd.	1188	Krishna Iron Strips & Tubes Pvt. Ltd.
1189	Sri Sowbarnika Tex	1190	G M Enterprises
1191	Safetab Life Science	1192	Unix Biotech
1193	Vertex Laminate Pvt. Ltd.	1194	Hanuchem Laboratories
1195	Rajhans Impex Pvt. Ltd.	1196	Maja Health Care Division
1197	Miles Motors Pvt. Ltd.	1198	Associated Biotech
1199	Kishan Autoparts Limited	1200	Navdeep Bioceuticals

1201	Kishan Forge Pvt. Ltd.	1202	Iftex Oil & Chemicals Ltd
1203	Parts & Spares	1204	Ping Telematics Pvt. Ltd.
1205	Venus Fibers Pvt. Ltd.	1206	Tirubala Exports
1207	Confisec Printers	1208	Tara Art Printers Pvt. Ltd.
1209	Asian Food Industries	1210	Sunder Silk Mills Pvt. Ltd.
1211	Gold Star Battery Pvt. Ltd.	1212	Asian Timber Estates
1213	Infab Infrastructure Pvt. Ltd.	1214	Sunbeam Industries
1215	Shree Chlochem Ltd	1216	Jay Tee Fastners
1217	Friends Forgings Pvt. Ltd.	1218	S B Electrical Enterprises
1219	Industrial Forge & Engg Co Ltd	1220	Marion Biotech Pvt. Ltd.
1221	Jharkhand Grind Chem Pvt. Ltd.	1222	Horological Components Pvt. Ltd.
1223	Highco Engineers Pvt. Ltd.	1224	Uniline Energy System Pvt. Ltd.
1225	Pumps & Valves	1226	Effective Marketing Pvt. Ltd.
1227	Unitherm Inductoweld (India) Pvt. Ltd.	1228	Murarka Biscuits Pvt. Ltd.
1229	Alert India Pvt. Ltd.	1230	Dillip Constructions Pvt. Ltd.
1231	Design Quest	1232	Ani Engineers
1233	M B Rubber Pvt. Ltd.	1234	Perfect Print & Graphics Pvt. Ltd.
1235	Skylark Dyeing Pvt. Ltd.	1236	Tara Glass & Silicate Work
1237	Gateway Papers Pvt. Ltd.	1238	Shree Om Metals Ltd
1239	H B Rubber Pvt. Ltd.	1240	Gupta Plastics
1241	Bonny Polyplast Pvt. Ltd.	1242	Swastika Oil Mill
1243	Himachal Polymers Pvt. Ltd.	1244	Chirag Sanitary Products
1245	Shree Vardhman Knityarn Pvt. Ltd.	1246	Bangal Cable Industries
1247	Ghaziabad Ispat Udyog Ltd	1248	Perteek Engineering Works
1249	Dev Pharmacy Pvt. Ltd.	1250	Jhunsons Chemicals
1251	Suruchi Foods Pvt. Ltd.	1252	Kay Tent Industries
1253	Eskag Pharma Pvt. Ltd.	1254	B.N. Forging
1255	Gitanshi Polychem Pvt. Ltd.	1256	S. S. Safety Products
1257	Pooja Metal Processors Pvt. Ltd.	1258	Industrial & Farm Equipment Co
1259	Prem Industries	1260	Navyug Industries
1261	Kanicka	1262	Excel Pack Ltd
1263	Synthetic Silica Products	1264	Rukmini Iron Pvt. Ltd.
1265	Indo Mech Engineers	1266	D R Johns Lab Pvt. Ltd.
1267	Sunder Industries	1268	R V International
1269	Shree Jee Ispat	1270	Ishan Textile Mills Ltd
1271	Laxmi Packaging Company	1272	JTG Alloys Pvt. Ltd.
1273	B. P. Agro Chemicals	1274	Charisma Goldwheels Pvt. Ltd.
1275	Royal Engineering Enterprises	1276	Sona Woollen Mills Pvt. Ltd.
1277	North East Products	1278	Gurucharan Fastners
1279	Lloyds Pharmaceuticals	1280	Ram Lal & Sons
1281	Indian Pharmaceuticals	1282	Jain Shawls
1283	Jyoti Cero Technocrats Pvt. Ltd.	1284	Hazaribag Rice Mills Pvt. Ltd.
1285	Shiv Forging	1286	Sankat Mochan Rice mills Pvt. Ltd.
1287	Madonna Industries	1288	Shruti Filters
1289	Anglo Cycles Pvt. Ltd.	1290	Lalit Constructions
1291	Maxpro Networking Pvt. Ltd.	1292	Billwin Industries
1293	Sara Industries	1294	Supreme Dye Chem
1295	Sanjay Technical Services Pvt. Ltd.	1296	Nasik Metaldust Pvt. Ltd.
1297	Sanghavi Engineering	1298	Lighting Engineers
1299	Thiru Pharmaceuticals	1300	Asian Controls & Equipments

1301	Midas Biotek Pvt. Ltd.	1302	N. K. Engineers & Contractors
1303	Bhavika Plastek Pvt. Ltd.	1304	Our's Studio & Production
1305	Discovery Intermediates Pvt. Ltd.	1306	Kritika Vegetable Oils Pvt. Ltd.
1307	Industrial Metal Powders (India) Pvt. Ltd.	1308	Rajshree Instruments Pvt. Ltd.
1309	Innotech Auto India Pvt. Ltd.	1310	Rasika Fabricators
1311	Gnat Foundry Pvt. Ltd.	1312	Colour Tex
1313	Nitiraj Engineers Pvt. Ltd.	1314	Euroline International
1315	Zeemag Industries	1316	Sree Sundara Mills
1317	Aquachem Enviro Engineers Pvt. Ltd.	1318	Arasan Company Firm
1319	Shrikrishna Khandsari Sugar Mills	1320	Vigneshwari Textiles
1321	Abigail Enterprises	1322	Laxmi Plastic Industries
1323	Permeshwar Fashions Impex Pvt. Ltd.	1324	Valsons Fabricators
1325	Hassan Brothers	1326	S. S. B. Metal Works
1327	Arihant Polysacks	1328	Accutech Engineering Pvt. Ltd.
1329	Metal Moulding & Pressing Works	1330	RICO Industries
1331	Rainbow Plastics India Ltd	1332	Parason Machinery (India) Pvt. Ltd.
1333	RsJ Ispat Pvt. Ltd.	1334	Castall Industries
1335	ABNM Restaurant Pvt. Ltd.	1336	Process Masters Equipment (I) Pvt. Ltd.
1337	Bengal Tools Ltd	1338	Rainproof Exports Pvt. Ltd.
1339	Bally Exports Pvt. Ltd.	1340	Maa Ashish Textiles Industries Pvt. Ltd
1341	Sentinel Chemical Industries	1342	Super Engineers
1343	Promis Industries	1344	Mega Engineering Pvt. Ltd.
1345	Grind Chem	1346	Maximum Synthetics Pvt. Ltd.
1347	Hindustan Forge	1348	Latiyal Handicrafts Pvt. Ltd.
1349	Shri Nursingh Paper and Oil Mill Pvt. Ltd.	1350	Shivam Coke Pvt. Ltd.
1351	Perfect Boring Pvt. Ltd.	1352	Skipper Electricals (India) Limited
1353	Shyam Industries	1354	Jain Enterprises Pvt. Ltd.
1355	Milin Tubes	1356	Bhawani Silicate Industries
1357	Ikon Multipack	1358	B S Tar Pvt. Ltd.
1359	Devson Insulators Pvt. Ltd.	1360	Rasi Electrodes Limited
1361	Ultramax Hydrojet Pvt. Ltd.	1362	Mahavir Construction Company
1363	Sri Balamurugan Modern Rice Mill	1364	Suddha Engineers
1365	Prakash Woven Pvt. Ltd.	1366	Bharat Cattlefeed Industries
1367	Sai Lakshmi Milk Products	1368	Hayward Synthetics Pvt. Ltd.
1369	Sunshine Fasteners Pvt. Ltd.	1370	Hetpan Overseas
1371	Solus Software & Systems Pvt. Ltd.	1372	Cal Lite Foods (India) Pvt. Ltd.
1373	Transpower India Electronics Pvt. Ltd.	1374	Srinivasa Hair Industries
1375	Abhishek Enterprises	1376	Visakha Wire Ropes Limited
1377	Moraya Global Ltd.	1378	Vineet Laboratories Pvt. Ltd.
1379	Techweld Industries	1380	Maruthi Ceramics Pvt. Ltd.
1381	C. N. Fabricators	1382	Wisdom Steeltech Pvt. Ltd.
1383	Power Electronics	1384	Satya Surya Aluminium Industries Limited
1385	Western Engineering Co.	1386	Lakshmi Srinivasa Rice Mills Pvt. Ltd.
1387	Leak Proof Engineering (India) Pvt. Ltd.	1388	Sukhsagar Ceramics Pvt. Ltd.
1389	Power Cable Industries	1390	Sri Vijaya Lakshmi Rice Industries
1391	Homa Engineering Works	1392	R.C. Das Engineering Pvt. Ltd.
1393	Manik Machinery Mfgs. P. Ltd.	1394	Alok Textile Mills Pvt. Ltd.
1395	Sree Siddarameshwara Agro Industries	1396	Maruti Interior Products Pvt. Ltd.
1397	Metallurgy Collaboration	1398	Laksh Venture Pvt. Ltd.
1399	Western Metaflux Pvt. Ltd.	1400	Alliance Fibres Limited

1401	Bharatiya Plastic Products	1402	Sadguru Cotton Pvt. Ltd.
1403	Perfex Impex Pvt. Ltd.	1404	S.C Engineering Co. Pvt. Ltd.
1405	Pavai Alloys and Steels Pvt. Ltd.	1406	Woodstock Laminates Limited
1407	Vasu Yarn Mills India Pvt. Ltd.	1408	Renny Steels
1409	Suryabala Autos Pvt. Ltd.	1410	Maxtar Bio - Genics
1411	United Polyfab Pvt. Ltd.	1412	Tirupati Aluminium Limited
1413	Vinod Fabrics Pvt. Ltd.	1414	Wincare Remedies
1415	New Kishan Cement Pvt. Ltd.	1416	Garg Gas Appliances Pvt. Ltd.
1417	Jaydeep Cotton Fibres Pvt. Ltd.	1418	Surya Home Appliances
1419	Anmol Chemicals (Gujarat) Pvt. Ltd.	1420	Care Office Equipment Limited
1421	Adamant Packers Pvt. Ltd.	1422	Samanjas Udyog Pvt. Ltd.
1423	Advancetek India	1424	Essen Multipack Ltd
1425	Shashwat Cables Pvt. Ltd.	1426	Fieldman Engineers Pvt. Ltd.
1427	Uttaranchal Industries Pvt. Ltd.	1428	Vinayak Ginning & Pressing Factory
1429	Dynamic Power Services	1430	Shamal & Shamal Pvt. Ltd.
1431	Sign+ Printing and Packaging	1432	Bright Metasteel Pvt. Ltd.
1433	Wood Spot	1434	Vimal Agro Products Pvt. Ltd.
1435	Kaveri Tubes	1436	Nelco Ceramics
1437	Hipro Moulding Industries	1438	Shree Patel Industries
1439	Hiral Labs Limited	1440	Shree Patel Industries Unit-III
1441	Jhelum Industries	1442	Synwave Industries
1443	Shiva Steel Rolling Mills	1444	Rama Overseas Ltd
1445	Sviss Labss Limited	1446	Solid Ply Pvt. Ltd.
1447	MBG Rice Mills	1448	S. S. Engineering Works
1449	Aadhaar Seeds Pvt. Ltd.	1450	Vikas Industrial Corporation
1451	Gaviranga Engineering Works	1452	Vijaya Energy Equipments
1453	Chandra Engineering Works	1454	Shyam Dhani Industries
1455	Gupta Electrical Industries	1456	Goel Rice Mills
1457	Sheeyal Engineering Services	1458	Balaji Cement Industries
1459	Zade Rice Mill	1460	Standard Seeds Company
1461	Sanyog Engineers	1462	Golden Global Furniture
1463	Sanjit Moulds Pvt. Ltd.	1464	Rajpura Tin Manufacturing Company
1465	Shekhani Engineering Works	1466	Saroj Enterprises Pvt. Ltd.
1467	Industrial Glass Company	1468	Necta Fresh Agro Foods
1469	Aruna Trading Company	1470	Bhojpur Rice Mills Pvt. Ltd.
1471	North East Rolling Mill Pvt. Ltd.	1472	Reform Tools Pvt. Ltd.
1473	Kangleipak Spices Industry	1474	Roger Industries Limited
1475	Anand Coir Foam Jammu Pvt. Ltd.	1476	Ashutosh Metal Pvt. Ltd.
1477	Ethicare Laboratories	1478	Silver Proteins Pvt. Ltd.
1479	Tawi Chemicals Industries	1480	United Heat Transfers Pvt. Ltd.
1481	Gee's Industries	1482	Parag Gases & Chemicals Pvt. Ltd.
1483	Kaushik Udyog Ltd.	1484	Jaks Plast Products Pvt. Ltd.
1485	Silverton Metals Pvt. Ltd.	1486	Scope T & M Pvt. Ltd.
1487	Auropol India Pvt. Ltd.	1488	Super Packers
1489	Bhagatjee Steels Pvt. Ltd.	1490	Eric Apparel Pvt. Ltd.
1491	Teletronic Products Pvt. Ltd.	1492	JMD Engineering
1493	House Bricks	1494	Graham Blowpack Pvt. Ltd.
1495	Creative Engineering Industries	1496	Sankh Care Craft
1497	Kaushal Industries	1498	Circles & Components
1499	Mechatronics	1500	Delton Industries

1501	Mahajan Wire Products	1502	Noble Industries
1503	Modern Whiteners Pvt. Ltd.	1504	Command Polymers Pvt. Ltd.
1505	J K Card Board Industries	1506	Megacity Iron Pvt. Ltd.
1507	Gulati Metal & Alloys	1508	Avon Tubetech Pvt. Ltd.
1509	East Coast Acetylene Pvt. Ltd.	1510	M/s Anand Metals (India)
1511	MMT Polypacks Pvt. Ltd.	1512	Sudhakaran Nair & Company Private Ltd
1513	Galaxy Conveyors Pvt. Ltd.	1514	Rollform Equipment Pvt. Ltd.
1515	Amko Exports	1516	Sumax Enterprises Pvt. Ltd.
1517	United Engineering Services	1518	Multiplast Polymer Pvt. Ltd.

**Annex-B**

**List of 31 Rated Enterprise covered in North Eastern Region\***

1	Jakpod Garments	2	Anushri Fashion India Pvt. Ltd.
3	B. L. Packaging Pvt. Ltd.	4	T G Industries
5	Assam Electricals	6	Jai Plastech Pvt Ltd
7	Everassam Tea Pvt. Ltd.	8	Mahabir Cold Storage Pvt. Ltd.
9	Luit Refractories Pvt. Ltd.	10	P.P. Industries
11	Net Metallics	12	Mac Power Steels
13	North East Rolling Mill Pvt. Ltd.	14	North East Products
15	Premier Tea Industries	16	Lloyds Pharmaceuticals
17	SRD Nutrients Pvt. Ltd	18	Modern Flour Mills
19	Guru Detergents & Chemicals Pvt. Ltd	20	North East Kraft Paper Bag Manufacturers
21	Polymat Industries	22	Meria Foods
23	D S Polypack Industries	24	Global Foods
25	Luit Coal Products Pvt. Ltd	26	Ken Bag Industries
27	Aasray Concept Foods	28	Kangleipak Spices Industry
29	Raksha Cement Pvt. Ltd	30	New Man Exports
31	Savera Packers		

\* These 31 enterprises are included in the sample of 1,518 enterprises covered under the study.

## Annex-C

### List of 100 Rated Enterprise Interviewed

1	Concept Clothing	2	Grandlay Electricals
3	H V Equipments Pvt. Ltd.	4	Shree HDM Industries Pvt. Ltd.
5	Bhiwadi Metal Rollwell Pvt. Ltd.	6	Oriental Collection
7	Palak Tapes Pvt. Ltd.	8	Shakumbhri Pulp and Paper Mills Limited
9	Nucor Weld Pvt. Ltd.	10	Radha Krishna Ply and Board Industries
11	Vilwam Interiors & Projects P Ltd	12	Sukhia Plast Pvt. Ltd.
13	Machine Tool Auto	14	Ajanta Dairy
15	Kay Bee Engineering Enterprises	16	Ajit Singh Om Parkash Limited
17	Palsons Drugs Pvt. Ltd.	18	Meet Pvt. Ltd.
19	Wool Spuns ltd	20	Katyayini Paper Mills Pvt. Ltd.
21	Oriental Polyboard Pvt. Ltd.	22	Agra Belting Works
23	LTC Infrastructure Pvt. Ltd.	24	Reva Industries Limited
25	Sovereign Exports	26	SAM Gas Projects Pvt. Ltd.
27	S M Cement Industries	28	Britomatics Tapes & Filters India Pvt. Ltd.
29	Laxman Roller Flour Mill Pvt. Ltd.	30	Cosmos Engine Components Pvt. Ltd.
31	Meghalaya Oxygen Pvt. Ltd.	32	Cenlub Systems
33	Homtek India Agro Foods	34	Dustech Engineers Pvt. Ltd.
35	A A Nutritions	36	Perfect Print & Graphics Pvt. Ltd.
37	Shree Ram Cattle Feed	38	Neumann Engineering Works
39	Polymat Industries	40	Graphix Mega Times Ltd
41	Jai Commercial Pvt. Ltd.	42	KDR Bright Steels Pvt. Ltd.
43	Kama Metal & Alloys Pvt. Ltd.	44	De Bono Flexcom India Ltd
45	Tapasi Rice Mill	46	VGS Industries
47	Lopan Metal Treatment Pvt. Ltd.	48	Agrahan Engineers Pvt. Ltd.
49	Adhunik Yantra Udyog Pvt. Ltd.	50	D.K.Industries
51	Crescent Tanners Pvt. Ltd.	52	Excel Engineers
53	Vimlesh Industries Pvt. Ltd.	54	Kamal Envirotech Pvt. Ltd.
55	Suri Shoes Pvt. Ltd.	56	Lace India Company
57	Teekay Foams Pvt.Ltd	58	Creative Clothex
59	Mekaster Engineering & Equipments Pvt. Ltd.	60	Puri Electronics Pvt. Ltd.
61	N. P. Enterprises	62	R. S. Organics Pvt. Ltd.
63	Pentagon Rubber Pvt. Ltd.	64	B. S. Enterprises
65	Pramod Telecom Pvt. Ltd.	66	DNV Industries
67	Lucky Engineering Works	68	Garg Plastics
69	Manisha Engineering	70	PDRV Enterprises Pvt. Ltd.
71	Multi Max Engineering Works Pvt. Ltd.	72	Spark Abrasives Pvt. Ltd.
73	ABS Refractories Pvt. Ltd.	74	Bholanath Industries Ltd.
75	D. P. Garg & Co. Pvt. Ltd.	76	Barnala Stone Crussher
77	Applied Electro Magnetics Pvt. Ltd.	78	Ashoka Industries
79	Yamodima Storage Systems Limited	80	Himgiri Enterprises Pvt. Ltd.
81	Micron Precision Screws Ltd.	82	Mahadev Forging & Components
83	Ozone Biotech	84	Goyal Gas Services
85	Gigabyte Security Industries	86	Jappan Auto Industries
87	K6 Telecom & Security Systems	88	Ratan Engineering Company Pvt. Ltd.
89	Jakson Enterprises	90	Shree Krishna Steels
91	Ganpati Foods	92	Prime International
93	R. K. S. International	94	Alka Forgings
95	Maheshwari Wires Pvt. Ltd.	96	Rani Electrodes Limited
97	Aman Technologies Pvt. Ltd.	98	Tulsi Ispat Pvt. Ltd.
99	Mahadev Cold Storage and Ice Plant	100	Amar Brothers



**Annex-D**

**List of Banks Contacted under the study**

1	Syndicate Bank	Mr. Narasimha Rao Assistant General Manager B-117, 1st Floor, Sector -18, Noida 201301, UP.	0120-2515040, 9868394321
2	Corporation Bank	Mr. P. Shivram Bhatt Deputy General Manager HT house, 10th Floor, KG Marg, Connaught Place, New Delhi-110001.	011-23753964, 9818342888 psbhat@corpbank.co.in
3	Canara Bank	Mr. Hradayesh Varshneya Chief Manager Jeevan Prakash Building, Sanjay Place, Agra 282002, UP.	0562-2521572, 9897414455 hvarshaneya@canarabank.com
4	Syndicate Bank	Mr. B. Anant Rao Assistant General Manager 43/2, Manisha Block, Sanjay Place, Agra 282002, UP.	0562-2524752, 9412751085 up.8813agraro@syndicatebank.co.in
5	Bank of Maharashtra	Mr. S.P. Singh Chief Manager 11, Raghu Shopping Arcade, MG Rd., Agra 282002, UP.	0562-2525531, 9319393093 bom594@mahabank.co.in
6	Punjab National Bank	Mr. Pallab Kumar Mukherjee Chief Manager Kolkata, West Bengal.	033-24337029, 9433896142 bo6929@pnb.co.in
7	Indian Overseas Bank	Mr. Dilip Ghosh Branch Manager Kolkata, West Bengal.	033-23633761, 9432326444 phulbaganbr@calmsco.iob.net.co.in
8	Bank Of India	Mr. D S Bhadhoria Manager Geeta Nagar, Kanpur, UP.	0512-2503666, 9838797070 kanpur@bankofindia.co.in
9	State Bank of India	Mr. N. Balasubramanian Branch Manager Jawaharlal Nehru Road, Ekkaduthangal, Chennai 600032, TN.	044-22250732, 9445861040 sbi.04033@sbi.co.in
10	SIDBI Small Industries Development Bank of India	Mr. B. Kiran Kumar Deputy General Manager C-60, Sector 2, Noida 201301, UP.	0120-2545789 bkirankr@sidbi.in

## Annex-E Bankers Write-up

Ten banks were approached for a feedback on the NSIC Credit Rating Scheme. While all are nationalized banks, we were also able to gather important feedback from SIDBI (Small Industries Development Bank of India). After a thorough discussion on the impact and effectiveness of the scheme, the following aspects were highlighted:

1. **General Observations:** Banks get loan applications from micro and small enterprises which have been rated under the NSIC scheme. Usually, banks recommend clients to get rated and thus avail benefits under the scheme, such as interest rate reduction. Most of the banks have tie-ups with 3 or 4 major credit rating agencies, while they also accept rating of 1 or 2 other agencies. On the other hand, some bank’s official said that they accept rating done by SMERA only, as it is a bank policy.
2. **Benefits offered by banks:** Based on their credit rating, banks offer MSEs a discount in interest rate. Other rebate is also given in loan processing fee, etc. on case to case basis and it is charged according to bank norms. While most of the banks offer a discount of 0.25% to 0.5% in interest rate, few banks give discount according to the head office guidelines for rated companies. “The interest rate concession is decided on corporate level. Although it is given if rating is high, but it depends on corporate policy,” said one of the banks’ official. Notably, one bank said that it used to give concession in interest rate till 6 months earlier, but does not give it now.
3. **Awareness among MSEs:** When asked about the awareness of the scheme among MSEs, few banks said that almost all MSEs that come for credit assistance are aware of the NSIC scheme, particularly those which have a requirement of a loan amount of Rs 1 crore and above. Majority number of banks pointed out that there is now much awareness of the scheme in the MSE sector. We quote one of the banks’ official over here: “Proper education about the scheme is not there. People do not know how to deal with all the issues, they do the bare minimum and are interested in running the business alone. Since the loan requirement of MSEs is not very high, they do not bother about savings in interest charges due to credit rating. Big companies do everything to save costs as the loan amount is big and so a small percentage reduction in interest rate saves more money.”
4. **Willingness to get rated:** While seven banks said that MSEs are willing to get rated as it is in their benefit, another one pointed out that parties are not that interested in getting rated under the scheme as they consider it an unnecessary expenditure. In such a case, the bank educates customers to go for rating.

5. **Suggestions:** When asked for suggestions, one bank said that it is a good scheme which has been going on well without any practical problems and requested to give names of parties which have been rated under the scheme and are interested in taking finance. Another bank said that customers need to be made more aware about the benefits of this scheme. Further, a bank suggested conducting seminars of bankers and SME sector to increase the awareness of the scheme. Quoting from one of the bank officials: “Some propaganda of the scheme should be there. More marketing work should be done by rating agencies as small enterprises do not know about them. The scheme should be well advertised. The bank does tell the MSEs about the scheme but education from NSIC side is required.” Another banker said, “Three things are very important: popularizing your product, creating awareness among the people, and demonstrating any benefit achieved by a MSE out of the rating to others.”

## **Annex-F**

### **Feedback from 100 MSEs Interviewed**

**To assess the impact of the scheme in the eyes of bankers/financial institutions as well as MSEs who have got their units rated.**

The NSIC Credit Rating Scheme has a positive impact in the eyes of a majority of interviewed MSEs who have got their units rated under the scheme. Many MSEs pointed out that a third party survey is very important and that the credit rating has helped their unit a lot. Few also said that they have been benefitted from the scheme as they had to give less rating fee due to the subsidy provided by NSIC. Some MSEs told that their bank told them to get their unit rated or that rating was a mandatory requirement for credit by their bank. Thus, the scheme has a strong impact in the eyes of bankers/financial institutions as well as banks require an external credit rating to be done before extending credit/loan to MSEs. While most of the MSEs reported that they have benefitted from the scheme, few MSEs said that they did not get any immediate and direct benefit from their credit rating. One particular MSE said that it did not get any benefit of rating because of lower base rate of interest. “Canara Bank’s Dispur branch said that rating will make interest rate go up because base rate has been revised, so after the rating we will get no interest benefit and hence we are not willing to get rated again after getting rated twice,” said the unit’s Director. Another MSE which got itself rated 2 years earlier from CRISIL said that being an exporter subvention owing to exports is already given to it by Government and hence it is already getting subsidized loan. So, it did not renew its rating.

**To assess the impact of the scheme on the performance of the units which have been rated under the scheme.**

Many MSEs pointed out that they had a positive impact on the performance of their unit after getting rated under the scheme. One of the MSEs said that its credit rating helped to make changes in the system and the unit has improved in past 2 years after the rating. Another MSE reported that it has undergone performance improvement through rectification of weak points after getting rated. Yet another said that it got weak rating earlier and is trying to improve its rating by improvement of the unit. While some MSEs believe that credit rating is very helpful for management to get actual status of the unit, some told that report submitted by rating agency has summary of financial data and hence it gives a picture of the financial status of the enterprise. While one MSE said that it witnessed moderate improvement in performance after the rating, another MSE which got a discount in interest rate after getting rated under the scheme said that no other benefit from rating comes into notice and that it did not get any advantage in terms of performance improvement.

**Proposed changes/modifications which may be required in the quantum of ‘financial assistance’, ‘procedures’ or any other such changes necessary for improving the efficacy of the scheme.**

While some of the interviewed MSEs directly told us the changes/modifications they wish to propose for improving the efficacy of the scheme, others shared their problems and complaints with us which give important cues for necessary changes required in the quantum of ‘financial

assistance’, ‘procedures’, etc. When asked for suggestions, an MSE said, “Rating agencies should have a separate methodology for SMEs and some preferential treatment should be given to small industry. A practical approach should be followed for rating rather than the financial ratios and other bookish methods.” Some MSEs suggested that the credit rating validity should be 2 years instead of 1 year. One particular MSE said that it has no suggestion as it has least knowledge about the scheme. This points out towards the promotion of the scheme. An MSE said that the rating agencies should take less time to complete the rating process as it took 2 months to get their unit rated. Some MSEs said that they do not have money for further rating, suggesting that the renewal fee be reduced. One MSE said that once the agency got its rating fee, their representatives did not tell the weak points of the unit because of which it got negative rating. It suggested that the rating agencies should give feedback for rectification of the rating given to the MSE. While some MSEs reported that they are happy with the rating process, few said that they are not satisfied with the process of rating and the report submitted by rating agencies. There were some specific complaints regarding the rating procedure used by agencies. For instance, the Director of a unit said, “Rating agency people see financials and they have no knowledge about manufacturing industry. They send sub-contractors from 3rd party. Few MSEs believe that they did not receive much benefit from rating because their unit was not properly rated by the agency. One MSE said that it did not file the rating because it was not satisfied from the rating. Another MSE said that the rating was not done in a proper manner. “People who wrote the report were different from people who did the analysis and there was a communication gap between them. First one representative came and then another, we had to repeat the same things again. Analysis was not done properly. We were not happy with the rating and hence did not avail any facility from bank. We used own finance,” said its Proprietor.

#### **Assessment of the impact of the scheme on improving the access to adequate credit with ease.**

Majority of the interviewed rated MSEs got their unit rated for gaining improved access to adequate credit with ease. While 21 MSEs got a rebate of 2% in interest rate from bank owing to its credit rating, 31 received a discount of 0.25% from the same bank. Another 11 MSEs got benefit of 1% reduction in interest rate because of its credit rating. One of the MSEs said that it takes loan from NSIC and rating was used to show them. On the other hand, an MSE said that it got negative rating and hence did not receive any benefit out of it.

#### **Assessment of the impact with respect to increase in recognition amongst vendors and buyers and any other such commercial and non-commercial advantages.**

Almost half of the interviewed MSEs said that they either did not or are yet to receive benefits with respect to increase in recognition amongst vendors and buyers after getting their unit rated under the scheme. One of the MSEs said that it did not get any benefit in terms of customers or suppliers and that it got credit rating done only for loan purpose. Another MSE said that rating did not benefit the unit in terms of reputation among customers, as it gets customers through personal links. On the other hand, one of the MSEs said that it has a tender based business and a good credit rating has a positive impact on it. Another MSE reported likewise saying that rating helps in tenders and EMD (earnest money deposit) is also not required. While one MSE said that it does not show its rating to customers as there are no such customers, another said that it shares

its credit rating with its customers. Yet another MSE, which got rated 3 years back, said that it has displayed the rating certificate in its office and it also shows its rating to customers and suppliers.

**To suggest ways and means to expand the outreach of the scheme.**

When asked about the ways and means to expand the outreach of the scheme various answers were received from the interviewed MSEs. Some MSEs said that NSIC should use print and electronic media such as newspapers, television advertisements, emails, etc. to popularize the scheme and spread awareness about the benefits of credit rating. One of the MSEs said that all industries associations should be pursued to promote this scheme to their respective members. Another said, “The credit rating agencies should conduct seminars to educate people about the scheme.” When asked that how did you come to know about the NSIC Scheme, most of the MSEs either said that credit rating agency representatives told them about the scheme and the benefits of rating, or that their bank recommended them to get their unit rated under the scheme.

## Annex-G Feedback from Rating Agencies

### SMERA

This scheme has started becoming popular amongst banks. Many banks are offering interest rate concession to well rated borrowers. Some banks, enthused with the external ratings ability to manage risk and provide credit worthy borrowers, one bank has also started providing 50% discount on processing fees. The culture of credit rating is spreading amongst SMEs as increasingly they are applying for renewal of their ratings, thus exhibiting the potential of rating as tool to avail monetary as well as non-monetary benefits.

#### Suggestions:

1. Upward revision in the subsidy amount considering inflationary pressures on rating agencies’ cost of providing service
2. Due to lack of sufficient information on new projects funding from banks for new projects are hard to come by, hence subsidy for Greenfield unit can be considered.
3. Renewals are key to any rating services, as it enables the rating agencies, as well as the unit, to monitor progress of the unit every year. A consistent rating renewal from unit also improves confidence of the lenders in the unit who is able to review ratings of the borrower every year. Hence some subsidy can be linked to renewal of rating.

### CARE

1. **Subsidy for renewals:** As there is minimal percentage of rated companies which obtain renewals, in order to encourage the entrepreneurs to make credit rating as a part of their process the Government can consider extending subsidy for renewals.
2. **Rating of Greenfield projects:** Under the scheme it is suggested to extend subsidy to Greenfield projects too or at least the units having completed 6 months of operation. Entrepreneurs in the incubator scheme should obtain Greenfield project rating.
3. **Awareness in the tier III towns:** We have experienced awareness about the various schemes of NSIC including Performance & Credit Rating scheme is minimal in tier III towns, we would be happy to work out visibility strategy along with NSIC in order to create more awareness in those locations.

## ONICRA

The scheme is a well thought out scheme and is being diligently implemented which has given a huge boost to the MSME sector. In the initial few years, the scheme was slow to take off because of lack of awareness. Now the awareness of the scheme is increasing day by day and subsidy budget was also substantially increased. Moreover, a more focused impetus has been placed on reaching out to the MSME sector. This will help in identifying and assessing more units. As a perspective, ONICRA therefore, has signed MOU with 20 banks and financial institutions.

1. The independent risk evaluation of SMEs by an unbiased third party has lent credibility to them and opens doors for them while dealing with MNCs and corporates.
2. Better ratings have helped the SMEs retain customers and suppliers, and negotiate better terms with them in terms of pricing their products.
3. SMEs can submit credit rating report for tenders and make themselves more credible to get bigger orders
4. SME rating is used by MSME units to obtain financing from banks and possibly negotiate a lower interest rate.
5. It also provides easier access to other sources of finance such as private equity
6. Another advantage of rating is that the highlighting of strengths and weaknesses acts as a trigger for self-correction. A regular renewal of ratings not only helps improve a firm's performance but also builds confidence within the lender fraternity and trading channel.

## ICRA

Having rated more than 300 MSE ratings since the inception of the scheme, below are the points that have been gathered from interactions with SME clients.

1. Educate the SMEs on what benefits they may acquire when an external source rates them.
2. Educate the SMEs on how to use the reports they receive from the rating agencies for improving their performance.
3. Educate the bankers on the real need for SMEs to be rated (apart from just the interest cost benefit). Since bankers work closely with the SMEs, bankers can help SMEs understand the importance of performance evaluation that is being done by rating agencies before arriving at the rating.

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