



ACCA



**MSME:  
THE AGENT OF  
ECONOMIC  
GROWTH AND  
DEVELOPMENT  
IN INDIA**  
(Checklist for MSMEs)

Think Ahead

# Checklist for MSMEs:

Stay updated on available MSME financing opportunities and growth prospects.

## MSME Financing: Gaps, Opportunities and the Changing Landscape

Understand the critical challenges of MSME financing and analyze the available resources to obtain easy credit in India.

### Checklist

- Register for GST to enable cashflow based financing
- Leverage TReDS
- Opt for NBFC Financing including Fintech NBFCs
- Explore asset-based financing, alternative debt, hybrid instruments and equity infusions
- Assess the available financial products for MSMEs for potential benefits as well as drawbacks

## MSME Reforms: Government and Regulations

Assess various government initiatives undertaken to promote sustainable growth for the MSME sector in India.

### Checklist

- Register your enterprise as an MSME under the MSMED Act
- Register your enterprise on the Government e-Marketplace (GeM) portal that provides a single platform for procurement of goods, services, and works
- Assess various government initiatives that ensure timely provision of funds
- Understand the various measures undertaken by the government to ease the tax and regulatory burdens on MSMEs
- Stay up-to-date on various schemes that encourage MSMEs to adopt more efficient technology and procure more tech-related licenses
- Sign up for a ZED certification to benefit from zero defect and zero effect (ZED) practices in the manufacturing sector, and ensure continuous improvement of MSME quality standards
- Sign up for various training initiatives provided by national-level institutions namely the National Institute of Micro, Small and Medium Enterprises (NIMSME), Khadi and Village Industries Commission (KVIC), Coir Board, Tool Rooms, National Small Industries Corporation (NSIC) & Mahatma Gandhi Institute for Rural Industrialization (MGIRI)
- Study the impact of cluster development program adopted by the Ministry of MSME, Government of India (GoI) to improve the efficiency of MSMEs

## MSME – Global Responses and Resources for India

There are many global resources available to support MSMEs by boosting cashflow into the liquidity-starved sector and promoting ease of doing business. It's imperative to know these resources that

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- Learn about the reforms and stimulus packages introduced by governments around the world to boost the MSME industry and help the COVID-19 hit sector in their respective countries
- Identify global forums established to fund and support MSMEs
- Know more about new-age funding resources available in India and review their pros and cons

can help a small business scale up and reach its potential.

### MSME Growth: Prospects and Opportunities

The MSME sector in India is ripe with growth opportunities, provided the businesses leverage the existing resources and introduce key changes in the way they function, to unlock and achieve their true potential.

### Checklist

- ❑ Tap into the power of collective focus by exploring the cooperative method or leveraging the potential of cluster models or the 'One Village One Product' movement
- ❑ Adopt digital transformation and leverage the internet to build a significant online presence
- ❑ Identify and build on your niche
- ❑ Use your size as a small business to your advantage by being agile and nimble
- ❑ Form strategic partnerships and tap into the power of collaboration with other MSMEs
- ❑ Encourage the sharing of ideas, research, and information
- ❑ Develop a culture of innovation
- ❑ Think about how to adapt to support short-term resilience in light of your strategy
- ❑ Recognise the needs of your customers and other stakeholders



