

# Business Monitoring & Government Schemes

Prof.S.M.Khot

Dept of Commerce

Shri.S.R.Kanthi Arts, Commerce & Science College, Mudhol

## **What Is Business Monitoring**

Business monitoring is an essential component of how a company can perform its daily activities effectively. It's also common for business stakeholders to require updates on a company's performance and progress, and business monitoring techniques can help professionals provide accurate information. Understanding the importance of business monitoring allows you to better use the techniques to your advantage in the workplace.

What is business monitoring?

Business monitoring involves tracking and analyzing a business' performance over a certain period of time. You usually create goals and objectives for this process to oversee and track progress effectively. It's often necessary for a business to include this process as board members or other stakeholders may require daily, weekly or monthly reports about its performance.

## **Monitoring techniques**

### **Process monitoring**

Process monitoring allows you to check whether you're executing procedures required for a business to operate successfully. This type of business monitoring is typical for companies that share information about policy updates or procedure implementation. You can also use this business monitoring process to inform all business staff about whether the implementation steps were successful.

## **Progress tracking**

Progress tracking focuses on tracking a business' progress toward meeting its goals, allowing executives to stay up-to-date on departmental operations. Many businesses have objectives and milestones to reach during specific periods of time, such as meeting sales quotas or hiring a certain number of people. Using progress tracking can help you maintain efficiency while completing them.

## **Performance monitoring**

Having top performance is important for any type of business. Typically, businesses have performance expectations for their staff, and business monitoring can help ensure all employees are able to meet them in an efficient manner. Performance monitoring provides you with an opportunity to assess performance progress as it occurs, which gives you insight into what to improve for future projects or tasks.

## **Business monitoring importance**

### **Improves efficiency**

Business monitoring processes help you save time and effort. It's common for business monitoring processes to help create business operational standards, providing you with a framework for certain activities. These frameworks usually focus on creating efficiencies, meaning staff members can use the least amount of time and effort possible to accomplish tasks.

For instance, if a company implements a performance monitoring process, it may identify a task that often takes too long to produce quantifiable results. The executives might use data from the process to revise the steps of this task until it becomes more efficient, creating a time efficiency. As a result, the company might implement this new process across every department, standardizing the steps for other essential tasks

### **Saves business costs**

Engaging in business monitoring processes can also help a business operate in a cost-efficient manner. As business monitoring works to identify issues before they become prevalent, you may uncover potential financial risks that could raise costs if they're not resolved over time. You might

also discover ways to reduce a business operation's costs without losing staff productivity. Using a business monitoring process may also help you save on post-production costs.

### **Lets you track resources**

Business monitoring can allow to you track a company's resources effectively. Generating business monitoring reports can give you insight into which materials a business has available for use and indicate what they might require in the future. As a result, business monitoring can help ensure a business has all the tools it needs to reach its goals. For instance, you can use the business monitoring process during a project to observe which resources a company requires for each step, and buy them before each one starts.

### **Increases business operations visibility**

Remaining aware of all business operations, their progress over time and individual processes are important because they help you understand how a business functions. Engaging in business monitoring processes allows you to have increased visibility on all aspects of the business, as you can better track or supervise activities throughout all departments. Having this visibility also allows departments to communicate about business processes more effectively.

### **Keeps you updated**

Engaging in consistent business monitoring ensures that you're constantly aware of how the business performs. You can generate reports of business monitoring findings daily, weekly, monthly or annually, depending on your needs. These reports can include many types of important information, like marketing campaigns launched throughout a year, sales made during a month or project progress achieved every week. You may also share these updates with all staff members so they remain updated on the status of the business and their individual performance.

### **Gives you insight into management practices**

Business monitoring reports can provide helpful insight to help optimize a company's management processes. For example, you can usually find information about business successes, expenses, challenges, growth milestones and opportunities for improvement. Management can take this

information and use it to create new procedures, plans, policies and budgets to better meet company goals or support their staff members.

### **Helps you identify issues and solutions**

Engaging in routine business monitoring can be helpful in identifying any challenges a business may encounter in the future. By generating reports over certain time periods, you can compare project results with standard metrics to identify potential issues. As a result, you can craft effective solutions in a timely manner. For instance, a social media marketing company may use key performance indicators (KPIs) to measure engagement success on its profiles. If executives use a KPI business monitoring process, they might better identify which types of posts generate maximum engagement.

### **Guarantees transparency**

Public companies typically create an annual financial report of their revenue and expenses, as well as ownership data. You share this annual report with the federal government, investors and stockholders to ensure transparency between a company and members of the public. Engaging in business monitoring processes continuously can help you gain detailed data on the company and use it to create accurate, detailed annual reports.

### **Top 10 Government Schemes to Support Your Startup in India**

Startup India is a flagship initiative of the Government of India with the agenda to actively support startups and entrepreneurs. The primary objective of the program is to create a strong ecosystem that nurtures and protects innovation and startups in India, ultimately generating large-scale employment opportunities and leading to the sustainable economic growth of the country. Subsequently, the Indian government also launched the Aatmanirbhar Bharat mission and the 'Make in India' program, with the aim of transforming India into a global manufacturing and design export hub.

Today, India boasts of being the third-largest startup ecosystem across the globe. The country has over 100 unicorns and more than 60,000 startups operating within the territory. This success can be partly attributed to the active support provided by the Indian government to startups and entrepreneurs through its various schemes and programs. All of the aforementioned programs were

accompanied by various government schemes and resources to provide financial assistance and working capital to startups. For instance, startups are eligible for a variety of benefits under the Startup India Action Plan, including tax incentives and exemptions, loans at reduced interest rates, skill development programs, prioritization of startups in public procurement, etc. This article aims to cover few of the numerous schemes launched by the Indian government.

## **Top 10 Schemes are:**

### **1. ASPIRE – A Scheme for Promotion of Innovation, Rural Industries and Entrepreneurship**

This scheme was introduced to set up a network of technology centers and incubation centers across India with the objective to accelerate entrepreneurship and encouraging innovations for unmet social needs in the agro-business industry. It provides financial aid for setting up livelihood business incubators and/or technology business incubators, by way of one-time grant of 100% (hundred percent) cost of plant & machinery (apart from land and infrastructure) or a sum up to INR 100 (Indian rupee hundred) lakhs, whichever is less.

In India, a large portion of the population is still dependent on agriculture for their livelihood and a substantial number of Indians live in rural areas. As such, this scheme was launched with the purpose of generating employment and establishing enterprises in the agriculture industry. It provides knowledge to entrepreneurs for establishing their own businesses, to emerge as employers, and to ensure their self-sustainability. This program intends to foster district-level economic growth from the ground up.

### **2. Pradhan Mantri Mudra Yojana**

Under this scheme, Micro Units Development and Refinance Agency Ltd. (“MUDRA”) is a non-banking financial company which supports development of micro enterprise sector in India. MUDRA provided refinance support to banks and/or microfinance institution for lending to micro units who have loan requirement up to INR 10 (Indian rupee ten) lakhs. The loans have been divided into categories of Tarun, Kishore, and Shishu, depending on the stage of development, funding needs and age of the business and the amount of loan that can be availed by these businesses. There is no collateral security for these assets and loans up to INR 10 (Indian rupee

ten) lakhs can be provided to small businesses which are non-corporate and non-farm micro or small enterprises. This loan is granted for a variety of activities which provide income generation and employment creation. It is mostly offered to street vendors, store owners, traders, and other service providers. Additionally, working capital, travel vehicle, and working capital loans are offered. Thus, it is a unique scheme that is devised to empower Indian entrepreneurs.

### **3. Support for International Patent Protection in Electronics and Information Technology (SIP-EIT)**

The SIP-EIT scheme was launched by the Department of Electronics and Information Technology (“DeiTY”) with the aim of providing government funding to technology startups and Micro Small and Medium Enterprises (“MSME”) in India for filing international patents. This encourages innovation, builds brand recognition, and recognizes the importance and potential of having global intellectual property protection. The financial assistance is provided to the information communication technologies and electronics sector. The eligible entities can apply for this scheme at any stage of the international patent filing process. The reimbursement limit is set at either 50% (fifty percent) of the total expenses incurred during filing and processing of the application, or INR 15 (Indian rupee fifteen) lakh for every invention, whichever is lesser.

### **4. Multiplier Grants Scheme (MGS)**

This scheme was again launched by DeiTY with the objective of encouraging industries to collaborate with premier academic and government R&D institutions for the development of packages and products. This would strengthen the link between industries and institutes, accelerate the development of indigenous products and packages, and bridge the gap between proof-of-concept and globalization. Under this scheme, if an industry supports the R&D of products that are capable of commercialization, the government would provide funding up to twice the amount provided by that industry. The grant amount for an individual industry is restricted to 2 (two) crores per project and the preferred duration of each project is less than 2 (two) years. For a consortium of industries, the granted limit is 4 (four) crores with the duration of 3 (three) years.

### **5. Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)**

To implement the Credit Guarantee Fund Scheme for Micro and Small Enterprises (“MSE”), the Ministry of MSME, the Government of India, and the Small Industries Development Bank of India

(“SIDBI”), established the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). This scheme strengthens the credit delivery system and facilitates flow of credit in the MSE sector. It provides loans at highly subsidized rates and with zero collateral to startups, small-scale industries, and micro-level businesses. The scheme covers fund and non-fund-based credit facilities up to Rs. 200 lakhs for every eligible borrower and the funds are dispersed by the SIDBI. The scheme is primarily for service or manufacturing businesses and the loan can be availed in the form of a term loan or working capital.

### **6. Single Point Registration Scheme (SPRS)**

SPRS is a developmental scheme managed by the National Small Industries Corporation (NSIC) for supporting MSE. Undoubtedly, the Indian government is the single largest purchaser of a large array of goods. The objective behind this scheme was to increase the number of purchases from the small-scale sector. By opting for this scheme, NSIC registers the eligible MSEs for participation in government purchases without any Earnest Money Deposit (EMD), which is the money taken from bidders before they place any bid, as a security deposit for ensuring their seriousness in the project. Thus, under SPRS, MSEs having an NSIC registration will be exempt from paying the EMD.. Further benefits include advantages in tender participation, free of cost tender, and procurement from MSEs. As an additional benefit, 358 (three hundred and fifty-eight) categories of goods are reserved for being purchased exclusively from the MSEs and the government has also prescribed a minimum limit of 25% of the total yearly purchases made by central ministries, departments, and public sector undertakings from MSEs only.

### **7. Extra Mural Research or Core Research Grant (CRG)**

CRG was originally named Extramural Research funding scheme. It was launched more than four decades ago, after the establishment of the Science and Engineering Research Board (“SERB”) but continues to be one of the most relevant and useful schemes. The objective of CRG is to help research labs, academic institutions and other R&D organizations carry out research in all frontier fields of science and engineering. Thus, it encourages upcoming and eminent scientists for an individual-centric competitive method of research funding.

### **8. High Risk and High Reward Research**

This scheme aims to support and invite new ideas and proposals which carry the potential to have a broad impact in the domains of science and technology. It lays emphasis on proposals that are new and risky, but if successful, can be highly rewarding for the field of science. Such proposals may include theoretical and experimental advances, challenges to existing hypotheses, scientific breakthroughs, an ‘out of the box’ solution for an important problem, or the formulation of a new hypothesis that brings about new technologies. There is no prescribed budget limitation for these projects and the research grant shall cover consumables, contingencies, equipment, and travelling costs apart from the overhead grants. The funding is provided for 3 (three) years which may be extended to 5 (five) years in exceptional cases.

### **9. Design Clinic Scheme**

The Indian government has recognized the importance of innovation and design in the growth of any brand and decided that every MSME and startup should build a design-centric approach for fueling their startup. In order to encourage small businesses to experiment with new and innovative designs for their goods, the Ministry of MSME established the **Design Clinic scheme** to create a sustainable design eco system through ongoing training and skill development. Under this scheme, the government shall extend up to INR 60,000 (Indian rupee sixty thousand) for attending seminars on design and up to INR 3.75 lakhs or 75% (seventy-five percent) of the seminar’s cost, where the seminar is conducted by the startup or MSME. By virtue of this program, it is expected that entrepreneurs and leaders would get an opportunity to learn about the latest practices and trends pertaining to designs, network with other innovators and designers, learn design theories and increase the local competitiveness of their products using designs.

### **10. Zero Defect Zero Effect (ZED) scheme**

This mission seeks to motivate manufacturers to create better products, have zero defects and high quality, as the name suggests. It is a handholding scheme that provides an opportunity to MSMEs to embrace world-class manufacturing processes, use new technology and consistently improve their products. The scheme provides tools, technology as well as financial assistance to startups and MSMEs for ensuring zero defects in their goods. ZED also offers a holistic certification, assesses enterprises for ZED, and supports startups in climbing up the maturity assessment model of the scheme.



## **Other Schemes**

### **1. CHUNAUTI Challenge**

Chunauti is a government initiative scheme that stands for Challenge Hunt Under NGIS for Advanced Uninhibited Technology Intervention. It was a pandemic-influenced scheme that was launched in the year August 2020. This online challenge was introduced with the aim of encouraging startups to come up with solutions related to pandemic-related problems. This NextGen Startup Challenge Contest under the Next Generation Incubation Scheme (NGIS) is to find startups that are working towards solutions or software products to help solve futuristic, emerging technology, or societal problems.

Indian startups that are working in domains related to software product development and startups registered with DPIIT under the Startup India Program are eligible as well. The Chunauti program is conducted on time-to-time basis. The last date for the CHUNAUTI 5.0 Challenge application process was closed on the 31st of May, 2023.

### **2. SAMRIDH Scheme**

Startup Accelerator of MeitY for Product Innovation, Development and Growth (SAMRIDH) Scheme was introduced by the Minister of Electronics Information and Technology (MeitY) in August 2021. One of the main objectives of this scheme is to provide funding support and fiscal incentives to startups. The idea behind this initiative is to lend support to startups that have proof of concept for their products. The amount provided by the government to the entrepreneurs is INR 40 Lakh. Under this scheme, the government will provide funding to the accelerators after evaluating the startup and its growth.

To be eligible to start a startup, the entrepreneur must be Indian. It is critical that the accelerator has supported at least 50 startups to be eligible and has done the incubation business only in the last 3 years.

### **3. Digital India BHASHINI**

Digital India BHASHINI is an initiative that was introduced by the Prime Minister, Narendra Modi, during the Digital India Week in 2022. This initiative allows Indian citizens to easily access the Internet and digital services in their native language. This form of digital inclusion will encourage the participation of startups. Digital India BHASHINI (Bhasha Interface of India) aims to make AI and NLP resources available to MSMEs, Startups, and Individual Innovators in the public domain.

### **4. MSME Market Development Assistance (MDA)**

The MSME Market Development Assistance Scheme (MDA) is a sub-component of the MSME International Cooperation Scheme (IC), and was implemented by the Ministry of Micro, Small, and Medium Enterprises. The scheme aims to help MSMEs grow internationally by providing them financial support for participating in international trade fairs, exhibitions, organising summits in India, and more. So, how to get funding for startup from Government? The scheme offers up to 75% of the funding to support the participants' to-and-fro air fares. MSMEs that are registered and recognized by the Government of India are eligible to apply for this scheme.

### **5. NIDHI Scheme (National Initiative for Development and Harnessing Innovations)**

The NIDHI Scheme (National Initiative for Development and Harnessing Innovations), introduced by the Department of Science & Technology (DST), Government of India, is an umbrella programme. It was developed to nurture and grow ideas, and knowledge- and technology-based innovations into startups. The various NIDHI programmes include – NIDHI-EIR, NIDHI-PRAYAS, NIDHI-SSS, NIDHI- CoE, NIDHI- GCC and NIDHI- Accelerator. These programmes are implemented through Technology Business Incubators (TBIs) around the country.

The objective of this scheme is to promote student startups and help young entrepreneurs accelerate their startup journeys by providing initial funding. They will financially support the selected startups with Rs 10 Lakhs. It is important to note that the NIDHI startup scheme aims to help out 20 student startups every year. These startups must be student startups of IEDC/NewGenIEDC (Innovation and Entrepreneurship Development Centers).

## **6. Credit Linked Subsidy Scheme (CLCSS)**

The Credit Linked Subsidy Scheme, also known as CLCSS is an initiative that was launched in the year 2000 by the Government of India and aimed to help MSMEs upgrade their technology so they could maximise their revenue generation. Due to the shortage of funds, MSMEs are often forced to work with outdated technology, causing delays in their work. But, with the CLCSS initiative, MSMEs located in rural and semi-urban parts of India can drastically upgrade their existing equipment and technology.

This scheme allows businesses to receive up to a 15% subsidy on their investment in certain machinery. The CLCSS initiative is available to any industry that has upgraded from Small Scale to Medium Scale.

The documents required for this scheme include KYC Documents, Business proof, Address proof, an Aadhaar card, Pan or voter ID card, and your recent photograph.

## **7. Digital India GENESIS**

Digital India GENESIS (Gen-next Support for Innovative Startups) is a deep-tech startup platform initiative launched by the Ministry of Electronic and Information Technology (MeitY). It was introduced in the year 2015 and aims to help tech startups from mostly Tier II and Tier III cities scale up their operations. The selected ten thousand startups will get their help for five years, and will be provided with the right tools to scale up. The PM of India wanted to sustain the tech ecosystem, transform India, and empower society.

## **8. MSME Sustainable (ZED) Certification**

The ZED Certification Scheme was launched with the aim of creating awareness amongst MSMEs about Zero Defect and Zero Effect (ZED). It includes three levels of certification: Bronze, Silver and Gold, and is primarily based on the parameters of Quality, Safety, Production, Cleanliness and more.

With this scheme, the PM of India wanted to encourage MSMEs to manufacture products while keeping in mind the impact these products will have on the environment. Under this government scheme, both startups and MSMEs will get financial and technological support to ensure zero defects in the goods. Currently, under this scheme, the government has provided around INR 7.43 crore in financial support.

### **9. The Multiplier Grants Scheme (MGS)**

The Multiplier Grants Scheme (MGS) was launched by the Department of Electronics and Information Technology (DeitY) with the aim of bringing together industry and academic institutions. They wanted to encourage R&D collaboration for the development of products and packages. This process would strengthen the relationship between industries and institutes and help drive the development of indigenous products and packages faster.

The proposal to get financial support from the government must be submitted jointly by both the industry and the institution. Under this scheme, the government will provide double the financial aid than the one provided by industry, but only if the R & D for the development of products and packages supported by industry can be commercialized at the institutional level.

### **10. Startup Leadership Program (SLP)**

The Startup Leadership Program (SLP) is a renowned global training program for innovators, leaders, and founders of today's world who want to become startup CEOs. It is a non-profit educational program that not only provides classes to the next generation of leaders and entrepreneurs but also works as a professional network for them. Initially founded in Boston in 2006 and launched in India in 2016, SLP in India is a six-month-long program with 10 classes in total.

They don't have a specific age limit, hence, anyone with a dream and interest in becoming a leader or entrepreneur can join it. This startup initiative has educated over 3,900 people in over 14 countries and helped over 2000 startups.

## **11. Atal Innovation Mission**

This scheme belongs to a category of government schemes for startups with a mandate to promote entrepreneurship and innovation countrywide. The core focus of this scheme is on tier-2 and tier-3 cities.

Also known as AIM, this scheme provides a platform for promoting world-class innovation hubs, sectoral focus, grand challenges, and talent initiatives. Some key programs under this scheme are innovation centers, Atal tinkering labs, community incubation centers, and innovation centers.

Besides providing financial support and resources to startups, the scheme offers easy access to information and resources.

## **12. Credit Guarantee Trust Fund**

The Credit Guarantee Trust Fund For Micro & Small Enterprises (CGTMSE) provides collateral-free loans for MSMEs and selected startups. The amount of these loans can range up to INR 1 crore. It helps retailers, self-help groups, educational institutes, SMEs, and farmers.

This scheme facilitates the flow of credit in the startup sector and strengthens the credit delivery system. The CGTMSE is primarily for service and manufacturing businesses. Loans under this scheme can be claimed as working capital or term loan.

## **13. Venture Capital Assistance Scheme**

It is one of the most sought-after government schemes for startups in the agricultural sector. Under this scheme, entrepreneurs can receive interest-free debt and OD. It allows them to cover up their working capital.

The core focus of this scheme is on the development of the Agro-industry. A fund of INR 10,000 crores was fixed by the government under this scheme. This fund provides INR 2500 crore as interest-free debt financing to small and marginal farmers.

The benefits of this scheme include:

- Overdraft facility and term loan
- Facilitate Agri-based venture setup
- Longer repayment period of up to 5 years.
- Helps startups set up an Agro business by arranging meets, visits, and training.
- Interest-free debt financing from financial institutes.

#### **14. The Standup India Scheme**

This scheme is one of the few government schemes for startups that encourage entrepreneurship among scheduled tribes (STs), scheduled castes (SCs), and women by offering financial help as loans.

The SIC, launched by the Prime Minister in 2016, aims to promote employment generation for backward castes and women and entrepreneurial spirit in this section.

Banks will provide loans of up to INR 1 crore to at least one SC or ST borrower and a woman borrower. There's a flexible loan repayment time of seven years under this scheme. However, only first-time entrepreneurs can apply for this scheme.

#### **15. Design Clinic Scheme**

The government of India wants every startup and MSME to build a design-centric approach for fueling their business. In order to boost experimentation with new designs, the MSME Ministry established this scheme.

It aims to encourage an ecosystem of sustainable design through ongoing skill development and training. The government shall extend up to INR 60,000 for attending design seminars and up to INR 3.75 lakhs to the startup for conducting the seminar under this scheme.

The hope behind this scheme is that entrepreneurs would learn the latest trends and practices about designs and network with like-minded individuals.

## **16. Raw Material Assistance Scheme**

This government scheme for startups in India was launched by National Small Industries Corporation (NSIC). It aims to assist manufacturers and startups with procuring raw materials. Under this scheme, applicants can claim low-interest loans and financial help to get raw materials.

## **17. Single Point Registration Scheme**

This government startup scheme offers a single-window system for filing tenders to startups and MSMEs. It is administered by the National Small Industries Corporation.

The goal of this scheme is to ease restrictions for startups applying for government tenders. SRPS reduces the time, cost, and requirements with participation in government tenders. However, it's essential that the startup shouldn't have completed a year of incorporation if they want to apply for this scheme.

SRKC Mutual