

PRESS RELEASE
Boosting Business Opportunities

MSME sector in Tamil Nadu **contributes towards the economic empowerment and has been considered as a tool for economic development**, particularly in the areas of poverty reduction, employment generation, wealth creation and improving welfare and general standard of living in the developing of the State. This sector largely contributes to economic growth through deploying its large unemployed young workforce to utilize the demographic dividend fully.

Tamil Nadu has a strong MSME) base with nearly 49.48 lakh MSME units registered which is third highest in the Country. A number of natural SME clusters have been formed across the state supporting the industrial and service sectors. Though, Government is implementing a slew of programmes that support the sector financially and technically, financial inclusion and social security is the need of the hour.

In this context, a workshop on **“Financial Inclusion and Social Security for MSMEs and Women Entrepreneurs in Tamil Nadu”** was held under the Chairmanship of Thiru C. Ponnaiyan, Hon’ble Vice Chairman, State Development Policy Council (SDPC) (erstwhile State Planning Commission), Tamil Nadu on 19.11.2020 at 11.00 a.m. with Stakeholder departments and domain experts_at the HDV Conference Hall, Ezhilagam, Chennai-5. Thiru. Anil Meshram, IAS., Member Secretary, State Development Policy Council, Tmt. Anu George, IAS., Industries Commissioner and Director of Industries and Commerce,

senior officials from stakeholder departments and domain experts attended the meeting.

The objective of the workshop was to make financial services available, accessible, and affordable to all including economically underprivileged sections and also emphasize was on social security to the disadvantaged, vulnerable and destitute groups to the economic growth and prosperity. The webinar highlighted the significance of financial inclusion backed up by social security measures to all sections of people for holistic development.

Thiru C.Ponnaiyan stated that financial inclusion encourages to take up more employment opportunities and be financially independent especially low-income groups by increasing financial awareness among them. These forms of credit will help them to start up a new small business venture or take up a training course to apply for a new occupation.

In this workshop, Thiru C. Ponnaiyan said that MSME financial inclusion becomes a viable option for nurturing the entrepreneurs to establish more small scale industries with a view to accelerate inclusive growth of developing and emerging State. Social security net exclusively for MSMEs will help to promote MSME entrepreneurs and micro entrepreneurs for attaining better living standards. Government has introduced programmes enabling entrepreneurs to access account usage and to start business and also financial services for investment in education and health and other services. Thus financial inclusion provides financial services without any inequality.

Thiru C. Ponnaiyan highlighted the Covid Relief and Uplift Scheme (CORUS) and Emergency Credit Line Guarantee Scheme introduced in the economic distress caused by the COVID-19 pandemic to aid MSMEs and various other measures implemented to assist MSMEs without any additional collateral security.

In the concluding remarks, he said that banks and financial institutions play a vital role in promoting financial inclusion through their enhanced MSME supporting activities. Hence, substantial efforts are needed from banks and other financial institutions and convergence of action involving all stakeholders and financial institutions to deepen financial inclusion and strengthen social security framework. **He also emphasized that viable and marketable products should be identified and market tie-ups should be created with market giants.** Valuable addition of agro products to be taken up by MSME to improve economy and employment generation. With the expansion of financial inclusion of MSME, there will be a greater scope of work opportunity, and so greater employment to absorb the excessive unemployment pool for holistic and perspective growth.

Vice-Chairman
State Development Policy Council

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