

# Orissa forms marketing syndicate for SMEs

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The Orissa government has formed a marketing syndicate to promote the sale of goods and services by small and medium enterprises (SMEs) in the state.

The state-owned Orissa Small Industries Corporation (OSIC) has been designated as the market syndicate leader for SME units. The syndicate will be responsible for the overall quality control certification of products made by SMEs and for collecting service charges not exceeding one per cent of the sale value from the units concerned.

The new set-up has been formed in accordance with the provisions (para 24) of the Industrial Policy Resolution (IPR), 2007, sources said. To derive benefits of economies of scale, major bulk orders of the government will be routed through the OSIC, enabling it to act as a consortium leader for all micro and small enterprises.

The OSIC will also form a consortium of MSMEs, enabling them to participate in the procurement of tenders.

“Earlier, small and medium units were unable to participate in purchasing tenders because individually they could not fulfil the turnover and other criterias. The market syndication

scheme is expected to benefit these units significantly,” Hemanta Sharma, director of industries, Orissa government, told *Business Standard*.

He said that at the national level a similar system exists where the National Small Industries Corporation (NSIC) acts as the marketing syndicate leader for MSMEs.

Sources said that departments of the state government and agencies under its control will have to make prompt payments of dues to MSMEs and the OSIC. The directorate of export promotion and marketing will closely monitor the status of timely payment of dues to MSMEs.