Enabling digital inclusion for women-owned collectives: Recommendations for the MSME registration through Udyam portal

> **Summary of Recommendations:**
> - Increase convergence with other government departments
> - Auto-registration on GeM portal needs to be streamlined
> - The process of inputting NIC Codes needs to be simplified
> - Multiple MSME platforms can be integrated with a single login
> - An option to edit primary contact and add secondary users is required
> - Platform navigation and text input can be offered in multiple languages
> - Use data collected during registration for improving user experience
> - Train enterprises to use and increase the visibility of Udyam portal
> - Improve the user-friendliness of the platforms' design

Introduction

Women's collective social enterprises supported by the Self-Employed Women's Association, SEWA, see government linkages as a crucial way of growing their businesses and providing livelihoods to women workers of the informal economy. In line with this, SEWA Bharat and SEWA Cooperative Federation, two organisations of the SEWA Movement, have been working to connect our cooperatives and collective social enterprises with the government, to get them recognised and enable access to a range of resources, schemes and programmes. One way in which this is done is through registration with various ministries, and in this case, specifically the Ministry of Micro, Small and Medium Enterprises (MSMEs).

The Udyam registration portal has been a boon to MSMEs who are now able to register online with the help of PAN/GST numbers and one-time passwords (OTPs). The earlier registration process was complicated and required the submission of physical/scanned documents. The integration with existing government systems like PAN and GSTIN makes a much more convenient user experience than scanning and uploading documents.

This aside, the benefits of streamlining the duplicate registration processes of GeM (Government e-Marketplace) and TReDS (Trade Receivables Discounting System) – with the potential to be replicated with other government platforms – as part of the Udyam registration itself has also been an incentive and benefit for completing the registration for many of our supported enterprises.

Despite these improvements, however, there are a number of challenges that have been faced by our members and their collective enterprises in registering for and using the portal and associated MSME. These have been listed below:

Synergies and Convergence:

1. **Limited synergy with other government departments:** At present, the Udyam portal is largely limited to schemes and offerings of the MSME Ministry. There are limited linkages with other government departments, which limits smaller enterprises' ability to access other necessary government services like finance, visibility and holistic development. Listing all schemes that may be applicable to MSMEs in the [MSME Schemes](#) document in 2015 was a good first step but there hasn't been routine updating of the same.

   Recommendation: As an example, linking grants and subsidies for women's enterprises from the Ministry of Women and Child Development (MWCD) or for rural enterprises from the Ministry of Rural Development (MoRD) on the portal can be applied for directly through the portal. More lateral linkages with other ministries could create more holistic impact. Frequently documenting schemes applicable to MSMEs through other ministries can help spur such convergence.

2. **No clear process for accessing automated GeM accounts:** After registering on the Udyam portal, our collective enterprises aren't able to access the created GeM account and are having difficulty creating a fresh account since an account already exists. There isn't a clear process for accessing these accounts and initiating sales online. From our correspondence with the GeM team, we have understood that the process is presently optimised for individual entrepreneurs and not yet done for collective enterprises.

   Recommendation: Sharing the login credential or clear SOPs for accessing GeM immediately after registering would allow enterprises to start listing their products quickly. Further, it is necessary for the MSME ministry to work with GeM to create a list of preferential categories for procurement by women's enterprises and facilitate auto-registration of their collective enterprises.

3. **Multiplicity of external services/platforms without integration:** There are a number of MSME Ministry platforms (CHAMPIONS, MSME Mart, Samadhan, Databank etc.) to do specific tasks without a single point to integrate and link these together. While MY MSME is a portal that aggregates these platform and service listings on a single page, the actual access to the portal/information is still handled very differently and requires separate registrations for each one.

   Recommendation: Registration through a single platform should enable access to other services provided by the MSME Ministry. After the completion of registration, the Udyami Login could be used as a platform to display programmes to which an enterprise may be eligible. Data collected about composition, production units and turnover can also be used to display relevant schemes to each registered enterprise.

4. **Unclear Definition of Women Entrepreneur:** Based on our interactions with GeM, it has come up that the MSME ministry's definition of women entrepreneurs is unclear especially when relating to collective enterprises like producer companies and cooperatives.

   Recommendation: It is necessary to clarify the definition of women entrepreneurs and women's enterprises so that eligible enterprises and other government departments are able to provide appropriate support.

Technical Concerns

5. **National Industrial Classification (NIC) codes registration complexity:** The present system of individually inputting each NIC code while registering enterprises is time-consuming and complex. For example, one of our textile-based handicrafts, Abodana, had to manually enter 29 NIC codes because there is no way to collectively select multiple sub-codes within a larger category like the manufacturing of textiles.

   Recommendations: By offering the option of choosing multiple NIC sub-codes under a single category together (maybe through multi-choice tick-boxes) to minimise the time taken in inputting each code individually.

6. **Difficulty in changing primary contact or offering access to additional users:** Access to the MSME portals (including Udyam) is mediated exclusively through an authorised signatory. This poses a challenge for collective enterprises where multiple individuals may require access for different purposes. Further, there isn't a clear process for changing the primary contact of the enterprise on the portal. This challenge is especially visible when the team member whose profile and mobile number is linked to the account unexpectedly leaves the enterprise, which is a relatively common occurrence in many smaller enterprises.

   Recommendation: Creating a generic access point like a password for general team access while limiting access to make major changes only to the authorised signatory/ SPOC could potentially resolve this issue. Also, enabling the transfer of the primary contact will allow enterprises flexibility to not be locked out of their accounts.

Enabling Access for Women's Enterprises in the Informal Sector:

7. **Lack of Awareness and Training around portals:** The visibility around portals like Udyam is very limited at present. It is necessary to make the Udyam platform more mainstream so that there are a larger number of enterprises that can be registered. Training sessions are not readily accessible to members of the general public.

   Recommendation: Conducting public awareness-building campaigns are an excellent means of increasing the visibility of the opportunities by registering with the ministry. Working to reach enterprises and train them in registering on Udyam registration and using other available MSME platforms is a good start as many enterprises require handholding through the early steps.

8. **Availability of the portal in multiple languages:** The portal is currently in English and does not have an option for Hindi or any other regional languages. According to the 2011 census, only over 10% of the Indian population were reported to speak English, let alone informal women workers where the numbers are negligible. Guidelines for government websites issued by the National Informatics Center (NIC) states that all the pages on a website should ideally be translated into Hindi and other official languages.

   Recommendation: The whole portal should offer text input, documentation and basic site navigation in Hindi and other relevant regional languages.

9. **Optimise platform using collected data:** During the Udyam registration, enterprises are required to provide a comprehensive amount of information. Yet, accessing data from the ministry is not a straightforward task. Currently, there is a comprehensive amount of data being collected by the portal without any direct tangible benefit to the enterprises. Additionally, the MSME Databank portal is not accessible unless an enterprise has provided even more data to register on the Databank portal.

   Recommendation: There is a wide scope of using the data collected during registration to improve the user experience of various MSME Ministry platforms. For example, collected NIC codes could be used to match enterprises to schemes they are eligible for within their sector(s) of work.

10. **Udyam portal can be more user-friendly:** The portal has plenty of useful information and schemes. However, the most relevant and regularly used features need to be highlighted better and site navigation is not clear. There could be a focus on an intuitive and optimised user interface. For example, the current process doesn't allow submission of the form without the address of a production unit, even for location-agnostic services. In the case of our housekeeping cooperative, SEWA Homecare, informal sector women workers aren't generally limited to a single workplace. Yet, there isn't an option to skip this step and requires the tedious process of manually inputting an address.

    Recommendation: Udyam portal can be a more user-friendly platform, which includes prioritisation of regularly used features and improved platform navigation support.