

Zero Effect, Zero Defect Scheme (ZED)

January 12, 2024 • vajiramandravi.com



About Zero Effect, Zero Defect Scheme (ZED)

- Launched in October 2016 and revamped in April 2022, the ZED scheme offers certification for environmentally conscious manufacturing under three certification levels (gold, silver, and bronze) classified according to 20 performance-based parameters such as quality management, timely delivery, process control, waste management, etc.
- The major objectives of the ZED Scheme are:
 - To create proper awareness in MSMEs about ZED manufacturing and motivate them for the assessment of their enterprise for a ZED rating.
 - To drive manufacturing with the adoption of Zero Defect production processes without impacting the environment (Zero Effect).
 - To encourage MSMEs to constantly upgrade their quality standards in products and processes.
 - To support the “Make in India” campaign.

- The scheme provides financial assistance of up to 75 percent of the total cost of certification, with a maximum subsidy ceiling of Rs 50,000, along with up to Rs 2 lakh in support for handholding/consultancy to achieve the next certification level.
 - For technology upgradation, the scheme offers assistance of up to Rs 3 lakhs for moving towards zero effect solutions/pollution control measures/cleaner technology.
 - MSMEs are charged Rs 10,000 for bronze certification, Rs 40,000 for silver certification, and Rs 90,000 for gold certification.
 - In December 2023, the MSME Ministry made the ZED scheme free for women-led MSMEs.
 - In addition, the government will now make guarantee payment of 100 percent financial support for the certification costs under the scheme.
 - The ZED certification is valid for three years, and the MSME units are required to re-apply for the certificate as per the validity of the scheme.
 - Currently, the scheme is applicable for manufacturing MSMEs only.
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Q1) What is the “Make in India” campaign?

‘Make in India’ initiative was launched globally in September 2014 as a part of India’s renewed focus on Manufacturing. The objective of the Initiative is to promote India as the most preferred global manufacturing destination.

Source: [Govt’s ZED scheme for MSMEs hits 1 lakh certification milestone; check scheme’s details](#)

Source: <https://vajiramandravi.com/current-affairs/zed/>

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