

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 2861
TO BE ANSWERED ON 08.08.2024

EXPANSION OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES)

2861. SHRI NALIN SOREN:
SHRI AJAY BHATT:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the Government has formulated any action plan for expansion of Micro, Small and Medium Enterprises and to increase employment opportunities in rural areas of the country including hilly areas;
- (b) if so, the details of the action plan for Jharkhand and Uttarakhand; and
- (c) the blue print and the nature of the action plan and the funds allocated by the Government for the said purpose?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a) to (c): Ministry of MSME, through Khadi and Village Industries Commission (KVIC), is implementing Prime Minister's Employment Generation Programme (PMEGP) for assisting entrepreneurs in setting up of new enterprises in the non-farm sector. It aims to provide employment opportunities to traditional artisans/ rural and urban unemployed youth at their doorstep.

PMEGP being a Central Sector Scheme assists General Category beneficiaries with Margin Money (MM) subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to Special Categories such as Scheduled Castes, Scheduled Tribes, OBCs, Minorities, Women, Ex-servicemen, Physically Handicapped, Transgenders, beneficiaries belonging to Northeastern Region, **Hill and Border areas**, and Aspirational Districts, the Margin Money subsidy is 35% in rural areas and 25% in urban areas.

Also, own contribution of beneficiaries under Special Category including women is 05% and 10% for General Category beneficiaries.

Since 2018-19, existing PMEGP/Rural Employment Generation Programme/MUDRA enterprises are also supported based on past good performances with 2nd loan for upgradation and expansion. Under 2nd Loan, maximum project cost admissible for Margin Money (MM) subsidy under Manufacturing sector is Rs. 1.00 crore and under Service sector is Rs. 25 Lakhs. Eligible subsidy on 2nd loan for all categories is 15% of project cost (**20% for NER & Hill States**).

: 2 :

The details regarding employment opportunities created under PMEGP & funds allocated and utilized under PMEGP during the last three years, is given at **annexure**.

Steps taken by Government to encourage MSME units and employment opportunities in MSME sector across the country including rural areas:

1. Prime Minister's Employment Generation Programme (PMEGP):

- i. Maximum project cost admissible has been enhanced from Rs. 25 lakh to Rs. 50 lakh for manufacturing sector and from Rs. 10 lakh to Rs. 20 lakh for service sector.
 - ii. Relaxations with respect to Animal Husbandry have been provided to include dairy, poultry, aquaculture, sericulture.
 - iii. COVID years i.e., FY2020-21 and FY2021-22 have been exempted while considering profitability of existing PMEGP/ Rural Employment Generation Programme / MUDRA units applying for 2nd Loan under PMEGP.
 - iv. No mandatory EDP for project cost up to Rs. 2 lakh and shorter period of training (up to 5 days) for projects up to Rs. 5 lakh.
 - v. Awareness camps, workshops and exhibitions at all levels are being organized for creating awareness about the scheme among the prospective entrepreneurs.
 - vi. Publicity of PMEGP scheme through print and electronic media.
2. No global tenders for procurement up to Rs. 200 crores.
 3. Credit Guarantee Scheme for MSEs: Under CGSMSE, through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), collateral free loans are provided to MSEs up to a limit of Rs. 500 lakh (since 01.04.2023) with a guarantee coverage up to 85% for various categories of loans.
 4. Launch of Udyam portal, Udyam Assist Platform, for bringing Informal Micro Enterprises in the formal ambit which helped the registered Informal Micro Enterprises to avail the benefits of Priority Sector Lending.
 5. Inclusion of Retail and Wholesale traders as MSMEs with effect from 02.07.2021 for credit purpose.
 6. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
 7. Launch of "PM Vishwakarma" Scheme on 17.09.2023 to provide benefits such as credit support, skill training, marketing support, etc. to artisans and crafts people engaged in 18 traditional trades. The Scheme will onboard the beneficiaries on Udyam Assist Platform as "entrepreneurs" in the formal MSME ecosystem.
 8. Launch of SAMADHAAN Portal for filing of grievances and monitoring of outstanding dues to the MSEs from the buyers of goods and services.
 9. Launch of an online Portal "Champions" in June, 2020 to cover many aspects of e-governance including redressing grievances and handholding of MSMEs.

Annexure: Referred to in Reply to part (a) to (c) of Lok Sabha Unstarred Question no. 2861 for answer on 08.08.2024.

Performance of PMEGP in rural areas during the last 3 years in terms of no of units assisted, margin money subsidy disbursed and estimated employment generated is given below:

Financial Year	All India			All India Rural		
	No. of Units Assisted	MM Subsidy (Rs. Cr)	Estimated Employment Generated	No. of Units Assisted	MM Subsidy (Rs. Cr)	Estimated Employment Generated
2021-22	1,03,219	2,977.66	8,25,752	84,696	2,585.86	677,568
2022-23	85,167	2,722.17	6,81,336	68,470	2,323.48	547,760
2023-24	89,118	3,093.88	7,12,944	68,939	2,546.19	551,512

PMEGP performance in rural areas of Jharkhand during the last 3 years in terms of no. of units assisted, margin money (MM) subsidy disbursed and estimated employment generated is given below:

Year	Jharkhand			Jharkhand Rural		
	No. of Units Assisted	MM Subsidy (Rs. Cr)	Estimated Employment Generated	No. of Units Assisted	MM Subsidy (Rs. Cr)	Estimated Employment Generated
FY21-22	1,714	41.87	13,712	1,203	32.23	9,624
FY22-23	1,851	48.37	14,808	1,370	38.62	10,960
FY23-24	2,101	51.23	16,808	1,425	39.38	11,400

PMEGP performance in rural areas of Uttarakhand during the last 3 years in terms of no. of units assisted, margin money (MM) subsidy disbursed and estimated employment generated is given below:

Year	Uttarakhand			Uttarakhand Rural		
	No. of Units Assisted	MM Subsidy (Rs. Cr)	Estimated Employment Generated	No. of Units Assisted	MM Subsidy (Rs. Cr)	Estimated Employment Generated
FY 21-22	1,836	39.82	14,688	1,514	34.40	12,112
FY 22-23	1,803	46.31	14,424	1,387	37.60	11,096
FY 23-24	1,354	41.91	10,832	991	33.20	7,928

State-wise Margin Money (MM) subsidy target and achievement under PMEGP during the last 3 years is given below:

Sr. No.	State / UT	2021-22		2022-23		2023-24	
		Target MM to be Utilized (in Lakh)	Achievement - MM Utilized (in Lakh)	Target MM to be Utilized (in Lakh)	Achievement - MM Utilized (in Lakh)	Target MM to be Utilized (in Lakh)	Achievement - MM Utilized (in Lakh)
1	Andaman Nicobar	324.49	238.69	281.65	202.92	231.00	134.35
2	Andhra Pradesh	9,099.19	10,088.80	8,105.97	12,929.93	10,102.96	17199.84
3	Arunachal Pradesh	671.48	788.88	572.37	701.26	656.80	1764.81
4	Assam	14,794.18	6,659.71	9,585.49	5,954.20	11,162.22	6406.26
5	Bihar	10,426.73	8,169.92	9,203.09	12,123.20	11,085.31	19175.74
6	Chandigarh-UT	98.89	62.08	102.35	44.53	72.00	22.19
7	Chhattisgarh	9,311.88	6,941.44	8,217.28	7,492.77	7,585.24	7625.32
8	Delhi	324.49	315.23	281.65	471.11	345.01	334.32
9	Goa	324.49	298.22	284.64	291.08	275.41	322.7
10	Gujarat*	26,174.71	28,704.84	22,481.52	24,182.62	23,362.62	32124.58
11	Haryana	7,417.41	6,093.33	6,684.98	6,319.98	6,283.11	7325.23
12	Himachal Pradesh	4,520.00	3,550.95	4,236.01	3,149.58	3,340.04	3647.92
13	Jammu Kashmir	10,569.73	46,713.54	9,464.18	23,993.89	11,598.63	28249.88
15	Jharkhand	6,268.01	4,188.27	5,648.03	4,837.65	5,110.88	5123.28
15	Karnataka	14,152.31	15,843.36	12,377.84	16,154.42	15,717.09	15862.49
16	Kerala	6,860.54	6,859.29	6,244.20	7,329.23	7,226.71	7881.81
17	Ladakh-UT	1,081.87	1,182.31	1,337.28	376.09	754.46	584.66
18	Lakshadweep	51.19	17.50	54.53	2.49	41.00	0
19	Madhya Pradesh	21,582.71	20,961.46	18,569.14	18,129.70	18,429.00	18521.49
20	Maharashtra**	13,806.63	13,018.54	12,114.86	13,203.32	11,711.97	12204.7
21	Manipur	6,885.24	3,337.25	4,529.21	1,462.51	4,589.19	810.73
22	Meghalaya	3,903.67	974.17	2,530.68	665.74	2,093.00	725.03
23	Mizoram	2,965.57	1,461.76	1,933.14	1,353.86	2,213.53	1755.33
24	Nagaland	4,425.65	2,494.89	2,906.60	1,535.13	3,036.59	2917.65
25	Odisha	10,239.53	11,335.95	9,113.79	10,731.75	9,067.16	9354.84
26	Puducherry	177.90	144.30	192.01	65.56	127.00	97.44
27	Punjab	7,294.71	6,017.86	6,562.46	7,250.62	6,194.55	9087.81
28	Rajasthan	10,874.64	9,025.60	9,659.16	11,418.57	11,481.26	12406.43
29	Sikkim	239.02	214.27	164.96	131.46	240.00	449.19
30	Tamil Nadu	16,785.63	16,445.76	15,145.08	17,891.66	17,625.08	19871.81
31	Telangana	8,845.96	9,846.14	7,866.14	10,225.11	9,851.76	10811.78
32	Tripura	3,477.42	2,083.70	2,277.56	1,689.01	2,668.73	1444.21
33	Uttar Pradesh	34,657.47	41,165.07	30,038.33	37,865.82	38,222.29	43528.99
34	Uttarakhand	5,348.30	3,983.20	4,936.80	4,631.73	4,291.67	4191.69
35	West Bengal	11,018.36	8,539.63	9,698.02	7,408.96	8,207.74	7423.17
Grand Total		285,000.0	297,765.91	243,401.0	272,217.46	265,001.01	309,387.67

* Including Daman and Diu ** Including Dadra Nagar and Haveli