

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 2975
TO BE ANSWERED ON 12.12.2024

MSMEs AND FPO SCHEMES

2975. SHRI DARSHAN SINGH CHOUDHARY:

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

- (a) the number of women and marginalized communities benefitted by Micro, Small and Medium Enterprises (MSMEs) and Farmer Producer Organisation (FPO) schemes and the special initiatives taken to support them;
- (b) the progress made in establishing a strong supply chain connectivity between MSME and FPO ensuring fair prices and sustainable business models; and
- (c) the measures taken by the Government to attract FDI in FPO along with the total FDI received by FPO during the last two years?

ANSWER

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

- (a): The number of women and marginalized communities benefitted by the schemes of the Ministry of Micro, Small and Medium Enterprises (M/oMSME) and the Ministry of Agriculture and Farmers Welfare, for Farmer Producer Organizations (FPOs) and the special initiatives taken to support them is provided in Annexure I.
- (b): The Ministry of Agriculture and Farmers Welfare supports FPOs in getting seed, pesticides and fertilizer licenses, and helps in providing dealership through Agri Input companies. With this assistance, FPOs are able to work as dealers/distributors and generate income. The Ministry also supports FPOs by linking them to Institutional buyers and through e-commerce platforms like ONDC, e-NAM etc.
- (c): There has been no FDI received in FPOs formed under “Formation and Promotion of 10,000 FPOs scheme”.

Annexure-I

Annexure referred to in reply to part (a) of the Lok Sabha Unstarred Question No. 2975 for answer on 12.12.2024.

The Ministry of MSME implements many schemes for promoting entrepreneurship among women and marginalized communities. The Ministry's flagship programme "Prime Minister's Employment Generation Programme (PMEGP)" provides assistance to entrepreneurs for setting up new enterprises in the non-farm sector. It aims at providing employment opportunities to traditional artisans/ rural and urban unemployed youth at their doorstep by providing margin money subsidy of 25% of project cost in rural areas and 15% in urban areas(max project cost is Rs. 50 lakhs in manufacturing sector and Rs. 20 lakhs in service sector). However, for beneficiaries belonging to categories such as Scheduled Caste, Scheduled Tribes, OBCs, Minorities and women, ex-servicemen, physically handicapped, transgender, NER and Hilly and border areas, and aspiration districts, the margin money subsidy is higher at 35% in rural areas and 25% in urban areas.

The Ministry of MSME also implements the Credit Guarantee Scheme for Micro and Small Enterprises through the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). Credit Guarantee is provided to the member lending institutions for credit facilities extended by them to MSEs without any collateral security and third-party guarantee for all eligible activities.

The number of enterprises owned by women and marginalized communities benefited by these schemes is given below:

Scheme	Year	Number of entrepreneurs benefitted		
		Women	SC	ST
PMEGP	FY 2022-23	3,2626	9,142	4,850
	FY 2023-24	36,806	10,364	4,681
	FY 2024-25	10,703	5,001	2,798
CGTMSE	FY 2022-23	3,65,582	70,812	21,849
	FY 2023-24	4,25,865	1,01,863	27,926
	FY 2024-25	3,01,164	68,198	19,936

Under the Scheme 'Formation and Promotion of 10,000 FPOs' of the Ministry of Agriculture and Farmers Welfare, 9,411 FPOs have been formed which involve 26.17 lakh beneficiary farmers. Of these, 9.72 lakh are women farmers, 3.72 lakh are ST farmers, 2.89 lakh are SC farmers and 11.79 are OBC farmers. The FPOs get access to funds in the form of FPO management cost, equity grant and credit guarantee facility apart from capacity building trainings, market and credit linkages.