

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION No. 880**  
**TO BE ANSWERED ON 24.07.2025**

**PROMOTION OF TRADITIONAL INDUSTRIES**

880. SHRI VIRENDRA SINGH:

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

- (a) the details of schemes that have been implemented so far to promote MSME units in the aspirational district of Chandauli and the outcomes achieved thereunder;
- (b) the number of persons who have been provided financial assistance under the Prime Minister's Employment Generation Programme (PMEGP) in Chandauli district and the number of units that are operating successfully;
- (c) whether the traditional industries such as cottage industries, handlooms, handicrafts, etc., in Chandauli district have not been provided with adequate funds and training, if so, the details thereof and the corrective steps taken in this regard; and
- (d) whether the Government has established a district-level hub in the aspirational district of Chandauli, if not, the reasons therefor and the timeline proposed for the same?

**ANSWER**

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

(a) and (b): Government implements various Central Sector and demand driven schemes/programmes for MSMEs in the country including aspirational district of Chandauli. Details of the schemes/programmes i.e. Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Micro and Small Enterprises - Cluster Development Programme (MSE-CDP), Khadi Vikas Yojana, Gramodyog Vikas Yojana are provided as under:

- (i) Prime Minister's Employment Generation Programme (PMEGP): The Scheme assists entrepreneurs in setting up of new micro-enterprises in the non-farm sector. It aims to provide employment opportunities to traditional artisans/ rural and urban unemployed youth. Beneficiaries belonging to Aspirational Districts, including aspirational district of Chandauli, are included in the Special category of PMEGP and eligible for higher rate of subsidy and lower rate of own contribution. Beneficiaries under Special category are provided with higher subsidy of 25% and 35% of the project cost in urban and rural areas respectively as compared to 15% and 25% of the project cost for General Category beneficiaries. Contribution of beneficiaries under Special Category is 05% as compared to 10% for General Category beneficiaries.

Number of units assisted, Margin Money subsidy disbursed and estimated employment generated in aspirational district of Chandauli under PMEGP for the period from FY 2022-23 to FY 2025-26 (upto 22.07.2025) is given below:

<b>Financial Year</b>	<b>No. of Units Assisted</b>	<b>Margin Money Subsidy (Rs. Lakh)</b>
2022-23	162	786.12
2023-24	90	598.99
2024-25	50	323.19
2025-26 (up to 22.07.2025)	24	119.34

- (ii) **Credit Guarantee Scheme for Micro and Small Enterprises:** The Ministry of Micro, Small and Medium Enterprises and Small Industries Development Bank of India (SIDBI) jointly instituted Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE) in the year 2000, to provide credit guarantees for loans upto Rs. 10 crore, extended by Member Lending Institutions (MLIs) to Micro and Small Enterprises (MSEs), without requiring collateral security or third-party guarantees.

Special provisions under the Scheme for MSEs situated in Aspirational Districts, including Chandauli district are given as follows:

- The extent of guarantee coverage is 85% viz-a-viz 75% for general.
- Concession in guarantee fee by 10% to MSEs situated in Aspirational Districts

The detail of guarantees approved under CGS in the Chandauli District is given below:

<b>No. of Guarantees Approved (upto 30.06.2025)</b>	<b>Amount Approved (in Rs. Crore)</b>
16,464	713

- (iii) **Micro and Small Enterprises Cluster Development Programme (MSE-CDP):** MSE-CDP is a central sector scheme for development of clusters. It enhances the productivity and competitiveness of micro and small enterprises (MSEs) by extending financial assistance as Government of India (GoI) grant for establishment of Common Facility Centers (CFCs) in the existing clusters. There is one approved project in Chandauli district of Uttar Pradesh under MSE-CDP which is ongoing. The details of the same are given below:

**Common Facility Centre (CFC):**

<b>Name of the Cluster</b>	<b>Date of approval</b>	<b>Project Cost (Rs. in lakh)</b>	<b>GoI grant Approved (Rs. in lakh)</b>
<b>CFC in Rice Mill Cluster, Chandauli</b>	<b>07.12.2021</b>	<b>1500.00</b>	<b>1200.00</b>

- iv) **Khadi Vikas Yojana (KVY):** KVY is a sub-scheme of Khadi Gramodyog Vikas Yojana for the promotion and development of Khadi. Under KVY, 08 Khadi Institutions are registered and implementing Khadi activities and providing employment to the Khadi artisans in Chandauli district.

- v) Gramodyog Vikas Yojana (GVY): GVY is a scheme for promotion and development of village industries through common facilities, technological modernization, training etc. & other support and services for promotion of village Industries. GVY has various components/verticals from the activities under Village Industries: Agro Based & Food Processing Industry (ABFPI), Mineral Based Industry (MBI), Wellness & Cosmetics Industry (WCI), Handmade Paper, Leather & Plastic Industry (HPLPI), Rural Engineering & New Technology Industry (RENTI), and Service Industry. 70 beneficiaries have benefitted under GVY during the last three years in the Chandauli district.

(c): In Chandauli district, traditional industries such as handlooms and handicrafts have been provided with financial assistance in the form of Margin Money (MM) subsidy under PMEGP. +

In Chandauli district, 21 number of handloom industries and 17 number of handicraft industries have been assisted with MM subsidy disbursement of Rs. 104.47 lakh and Rs. 138.75 lakh respectively since FY 2022-23 to FY 2025-26 (upto 22.07.2025).

Under PMEGP, Entrepreneurship Development Programme (EDP) training is provided to potential beneficiaries with the objective to provide orientation and awareness pertaining to various managerial and operational functions such as finance, production, marketing, enterprise management, banking formalities, book-keeping, statutory compliances etc. to run their business effectively.

In Chandauli district, 449 number of EDP have undergone since FY 2022-23 to FY 2025-26 (upto 22.07.2025).

(d): Under the Districts as Export Hubs (DEH) initiative of Directorate General of Foreign Trade (DGFT), Government has taken measures to promote exports from districts nationwide. Export potential products and services have been identified in 734 districts, covering key sectors such as agriculture, toys, and Geographical Indications (GI) products. In the DEH established in Chandauli district, the products identified are Plastic products, Zari Zardozi, and Fruits.

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