

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 34
TO BE ANSWERED ON 17.07.2017

SETTING UP OF MSMES

34. SHRI M. RAJA MOHAN REDDY:

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

- (a) whether the Government proposes to set up new Micro, Small and Medium Enterprises (MSMEs) sector in various States of the country including Andhra Pradesh during the current year and in near future; and
- (b) if so, the details thereof, State/UT-wise?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a) & (b): Government of India does not set up MSME units in the States. However, Ministry of MSME is implementing Prime Minister's Employment Generation Programme (PMEGP) which is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector. The maximum cost of projects is Rs. 25 lakh in the manufacturing sector and Rs. 10 lakh in the service sector. General category beneficiaries can avail of margin money subsidy of 25 % of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to special categories such as SC/ST/OBC/ minorities/women, ex-serviceman, physically handicapped, NER, Hill and Border areas etc. the margin money subsidy is 35% in rural areas and 25% in urban areas. Khadi and Village Industries Commission (KVIC) is the nodal implementing agency at the national level. KVIC, Khadi & Village Industry Boards (KVIB) and District Industry Centres (DIC) are the implementing agencies in the States. Financial assistance/loans is provided through Banks, Government pays margin money subsidy to the beneficiaries through KVIC at the above mentioned rates for different categories.

Government of India has fixed target under the PMEGP Scheme for various States of the country including Andhra Pradesh for the current year to set up new projects by entrepreneurs is placed at **Annexure-I**.

Ministry of MSME through **Coir Board** is also implementing various Schemes/programmes through its field level offices to assist entrepreneurs to set up new Micro, Small and Medium Enterprises (MSMEs) in all coconut producing states including Andhra Pradesh. The details of schemes being implemented by the Board are as follows:

1. Mahila Coir Yojana (MCY) is an exclusive scheme for rural women artisans, training is given in spinning of coir yarn/various coir processing activities to rural women in regions producing coir fibre in the country, through all training centres of the Coir Board. The scheme envisages distribution of motorized ratts/motorized traditional ratts and other coir processing equipments at 75% subsidy subject to a maximum of Rs. 7500/- to set up their coir unit which can be operated by women after completion of the 2 months training programme. During the training period, the women artisans are given stipend amounting Rs. 1000 per month.

2. Scheme for the Development of Production Infrastructure (DPI) - The Scheme envisages provision of financial assistance for the development of infrastructure and setting up new coir units and modernization of existing units for the sustainable growth of the coir sector. The quantum of assistance eligible to the unit is at the rate of 25% of the cost of equipment and infrastructure facilities, subject to a maximum of Rs.6,00,000/- for setting up of new unit and Rs. 2,00,000/- for modernization of existing unit. In the case of units producing multiple items the maximum amount of subsidy admissible is Rs. 9,00,000/-.

3. Coir Udyami Yojana (CUY) is a credit linked subsidy scheme providing assistance for setting up of any type of coir units with a maximum admissible cost of project upto Rs.10 lakhs plus working capital, which shall not exceed 25% of the project cost. The pattern of assistance under the scheme is 40% of the project cost as Government of India subsidy, 55% as loan from Banks and 5% as beneficiary contribution.

Number of beneficiaries/units benefited by financial assistance under **MCY, DPI** and **CUY** schemes for commencement of enterprises during the last three years is placed at **Annexure-II**.

Annexure-I

Annexure-I referred to in reply to part (a)to(b) of the Lok Sabha Unstarred Question No.34 for answer on 17.07.2017**Target of Projects, Margin Money and employment under PMEGP for the year 2017-18**

(Rs. in lakh)

Sl. No	State/UT	Projects	Margin Money	Employment
1	Jammu & Kashmir	1650	3272.84	13200
2	Himachal Pradesh	900	1785.19	7200
3	Punjab	1650	3272.84	13200
4	Chandigarh	100	100.00	800
5	Haryana	1650	3272.84	13200
6	Delhi	151	300.00	1208
7	Rajasthan	2475	4909.26	18000
8	Uttarakhand	975	1933.95	7800
9	Uttar Pradesh	5625	11157.41	45000
10	Chhattisgarh	2025	4016.67	16200
11	Madhya Pradesh	3825	7587.04	30600
12	Sikkim	100	200.00	800
13	Arunachal Pradesh	250	500.00	2000
14	Nagaland	865	1728.96	6920
15	Manipur	717	1434.32	5736
16	Mizoram	623	1245.66	4984
17	Tripura	642	1283.75	5136
18	Meghalaya	860	1720.32	6880
19	Assam	2676	5351.99	21408
20	Bihar	2850	5653.09	22800
21	West Bengal	1500	2975.31	12000
22	Jharkhand	1800	3570.37	14400
23	Odisha	2250	4462.97	18000
24	A & N Islands	100	100.00	800
25	Gujarat	2475	4909.26	19800
26	Maharashtra	2700	5355.56	21600
27	Goa	150	297.53	1200
28	Andhra Pradesh	975	1933.95	7800
29	Telangana	2325	4611.73	18600
30	Karnataka	2250	4462.97	18000
31	Lakshadweep	100	100.00	800
32	Kerala	1050	2082.72	8400
33	Tamil Nadu	2400	4760.50	19200
34	Puducherry	100	100.00	800
	Total	50784	100449	404472

Annexure-II

Annexure-II referred to in reply to part (a)to(b) of the Lok Sabha Unstarred Question No.34 for answer on 17.07.2017

Number of beneficiaries/units benefited by financial assistance under Mahila Coir Yojana (MCY), Development of Production Infrastructure (DPI) and Coir Udyami Yojana (CUY) Schemes for commencement enterprises in Coir Industry during the last three years:

(Figure in numbers)

State	2014-15			2015-16			2016-17		
	MCY	DPI	CUY	MCY	DPI	CUY	MCY	DPI	CUY
Kerala	188	02	86	531	2	291	137	-	243
Tamil Nadu	38	33	95	-	22	159	-	17	136
West Bengal	128	-	-	65	-	8	-	-	12
Odisha	-	-	21	-	1	65	-	-	42
Andhra Pradesh	-	02	28	-	-	74	-	-	77
Karnataka	-	06	38	-	-	1	-	-	42
Maharashtra	-	-	-	-	-	-	-	-	5
Andaman & Nicobar Islands	-	-	-	-	-	-	-	-	2
Gujarat	-	01	-	-	-	-	-	-	4
Assam	-	-	-	-	-	13	-	-	23
TOTAL	354	44	268	596	25	611	137	17	586