

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 716
TO BE ANSWERED ON 23.07.2018

SELF EMPLOYMENT PROGRAMMES

716. SHRI GODSE HEMANT TUKARAM:

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

- (a) the details of the on-going self-employment programmes being implemented by the Government in the country at present;
- (b) whether the Government proposes to relax the criteria and collateral security for availing loans under the said programmes and if so, the details thereof;
- (c) whether the Government proposes to introduce new women entrepreneur schemes and if so, the details thereof; and
- (d) whether the Government proposes to include more rural cottage industries under the said programmes and if so, the details thereof?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE)
FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a): Self-employment in MSME sector cuts across different Ministries of the Government of India. Various Ministries are implementing Schemes leading to self-employment in their respective verticals. Ministry of MSME is implementing the following Schemes for Self-employment:

(i) **Prime Minister's Employment Generation Programme (PMEGP):** This is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth. Any individual above 18 years of age is eligible. 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 scheduled caste/scheduled tribe/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. The maximum cost of projects is Rs. 25 lakh in the manufacturing sector and Rs. 10 lakh in the service sector. Benefit can be availed under PMEGP for setting up of new units only. The Scheme was launched during 2008-09.

: 2 :

Since its inception, a total of 4.72 lakh micro enterprises have been assisted with a margin money subsidy of Rs 10007.67 crore providing employment to an estimated 39.36 lakh persons, till 2017-18 (up to 31.03.2018).

(ii) **Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE):** The scheme facilitates credit to the MSE units by covering collateral free credit facility (term loan and /or working capital) extended by eligible lending institutions to new and existing micro and small enterprises. The corpus of CGTMSE has been enhanced from **Rs. 2500 crore to 7500 crore**. Since its inception, more than 30 lakh enterprises have been assisted with a total amount of Rs. 5699.90 crore (up to 31.03.2018).

(iii) **Credit linked Capital subsidy Scheme (CLCSS):** CLCSS facilitates technology upgradation of small scale industries, including agro & rural industrial units by providing 15% upfront capital subsidy (limited to maximum of Rs.15.00 lakhs). Since inception and upto 30.06.2018, a total of 51,019 units have been assisted utilizing subsidy of Rs. 3066.18 crore.

Pradhan Mantri MUDRA Yojana (PMMY) and Stand-Up India scheme are being implemented by Department of Financial Services, M/o Finance. PMMY was launched during 2015-16 for providing loans upto 10 lakh to the non-corporate, non-farm small/micro enterprises. Since its inception in 2015, a total of 6,01,713.87 Crore amount has been disbursed providing loan to 13,22,98,434 units. (Up to 13.07.2018). Under Stand-Up India loan between Rs 10 lakh and Rs 1 Crore is provided to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one woman borrower per bank branch for setting up a Greenfield enterprise. This enterprise may be in manufacturing, services or the trading sector.

(b): As per the RBI guidelines no collateral security will be insisted upon by Banks for projects under MSME involving loan up to Rs.10 lakh.

(c) & (d): No Madam. However, under PMEGP scheme women are treated as special category and are entitled to a higher rate of subsidy. Entrepreneurs from rural areas are also entitled to a higher subsidy compared to their counterpart in urban areas.
