

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1511
TO BE ANSWERED ON 15.12.2022

COTTAGE AND SMALL INDUSTRIES

1511. SHRI VIVEK NARAYAN SHEJWALKAR:

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

- (a) the details of schemes being run by the Government for improvement of cottage and small industries; and
- (b) the details of facilities provided by the Government for establishing cottage industries in the backward and tribal areas?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a) & (b): The 'Cottage Industry' has not been defined under the Khadi and Village Industries Commission Act, 1956. However, the broad contours of 'Cottage Industry' are covered under the 'Village Industry' vertical under the purview of the Khadi and Village Industries Commission (KVIC) and are broadly classified under six groups for the purpose of implementation of its programmes which are as follows:

1. Agro Based & Food Processing Industry (ABFPI)
2. Mineral Based Industry (MBI)
3. Wellness & Cosmetics Industry
4. Handmade Paper, Leather & Plastic Industry (HPLPI)
5. Rural Engineering and New Technology Industry (RENTI)
6. Service Industry

Ministry of MSME is implementing Prime Minister's Employment Generation Programme (PMEGP) scheme, a credit-linked subsidy programme since 2008-09 with KVIC as nodal agency at the national level for generating self-employment opportunities through establishment of micro enterprises, including village industries, throughout the country.

The number of micro units assisted under PMEGP scheme during last three years and current year is as follows:

Year	Projects (in nos.)	Margin Money (Rs. in crore)	Employment (in nos.)
2019-20	66653	1950.82	533224
2020-21	74415	2188.80	595320
2021-22	103219	2977.66	825752
2022-23 (up to 31.10.2022)	34476	1111.10	275808

KVIC also imparts training to rural and traditional artisans in various rural industries. It provides tools and equipment and hand holding support through implementation of various schemes/ programmes like Honey Mission for beekeeping industries, Kumbhar Sashaktikaran Programme for Pottery artisans, Leather Craft Programme for leather artisans etc.

Entrepreneurs Development Programme (EDP) training is imparted to beneficiaries who have established new micro enterprises under PMEGP, through KVIC, Khadi and Village Industries Boards (KVIBs) Training Centers as well as Accredited Training Centers run by Central Government, National Small Industries Corporation Limited (NSIC), National Institute for Entrepreneurship and Small Business Development (NIESBUD), National Institute for Micro, Small and Medium Enterprises (NIMSME), Indian Institute of Entrepreneurship (IIE), and their partner institutions under the administrative control of Ministry of MSME. State Governments, Banks, Rural Development and Self Employment Training Institutes (RUDSETI) reputed NGOs, and other organizations/institutions, identified by the Government from time to time also impart such training.

In addition to the above, Ministry of MSME launched 'National Scheduled Caste Scheduled Tribe Hub' (NSSH) scheme in 2016, with an aim at capacity enhancement of SC-ST entrepreneurs and promoting "entrepreneurship culture" amongst the SC-ST population. The scheme is empowering the SC/ST population to participate in the public procurement process and fulfill the mandated target of 4% procurement from SC/ST enterprises under Public Procurement Policy by the Ministries, Departments and CPSEs.

Since inception of the NSSH scheme, several interventions/sub-schemes have been introduced in consultation with various stakeholders for capacity building, financial assistance, and market linkage of the SC-ST entrepreneurs is placed at **Annexure**.

To help SC-ST aspiring and existing entrepreneurs increase their capabilities, skill and enhance their participation in the public procurement, various skill and entrepreneurship development training programs are organized under National SC-ST Hub across the country through different institutions like Tool Rooms of Ministry of MSME, Rural Self Employment Training Institutes (RSETIs), Entrepreneurship Development Institute of India (EDII)-Ahmedabad, Central Institute of Petrochemicals Engineering & Technology (CIPET)-Chennai, Institute of Rural Management-Anand (IRMA), National Institute for Micro, Small and Medium Enterprises (NIMSME)-Hyderabad, Indian Institute of Technology (IIT)-Patna, etc. The primary objective of these training programs is to bridge the existing skill gap, increase the technical as well as managerial capabilities of the entrepreneurs and develop entrepreneurship among target beneficiaries.

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Annexure referred to in reply to part (a)&(b) of the Lok Sabha Unstarred Question No.1511 for answer on 15.12.2022

The details of the interventions/sub-schemes introduced under National Scheduled Caste Scheduled Tribe Hub (NSSH) for capacity building, financial assistance, and market linkage of the SC-ST entrepreneurs.

1. Special Credit Linked Capital Subsidy Scheme: 25% capital subsidy to SC-ST owned MSEs for procurement of Plant & Machinery / Equipment through institutional finance (i.e. a subsidy cap of Rs.25 Lacs) without any sector specific restrictions.
2. Special Marketing Assistance Scheme (SMAS): Marketing support to the SC-ST enterprises by way of facilitating their participation in domestic and international exhibitions/trade fairs in a financial year.
3. Single Point Registration Scheme (SPRS): There is 100% subsidy for registration under Single Point Registration Scheme of National Small Industries Corporation (NSIC) and the applicant unit has to pay token amount of Rs.100 plus GST.
4. Reimbursement of Bank Loan Processing Fee: 80% or Rs. 1,00,000/-, whichever is less, on Bank loan processing charges paid by SC-ST MSEs.
5. Reimbursement of Bank charges on Performance Bank Guarantee: 80% or Rs. 1,00,000/-, whichever is less, on Performance Bank guarantee charges paid by SC-ST MSEs.
6. Reimbursement of Testing Fee: 80% or Rs 1,00,000/- on testing charges, whichever is less for availing testing services from Government laboratories or National Accreditation Board for Testing and Calibration Laboratories (NABL)/Bureau of Indian Standards (BIS) accredited laboratories & license or certification fee from BIS, in a financial year.
7. Reimbursement of annual membership fee of Export Promotion Council: 80% of the annual Membership fee of various Export Promotion Councils with ceiling of Rs.20,000/-.
8. Reimbursement of annual membership / subscription fee of Government promoted e-commerce portals: 80% or maximum of Rs. 25,000/- whichever is less, on annual membership fee of Government promoted e-commerce portals such as GeM, e-Khadi, The Tribal Cooperative Marketing Development Federation of India Ltd. (TRIFED), Tribes India, MSME Mart, etc. to SC-ST MSEs.
9. Top 50 National Institutional Ranking Framework (NIRF) Ranked Management Institution's Short-Term Training Program Fee Reimbursement Scheme: Reimbursement of 90% up to Rs 1,00,000/- for attending up to 2 short term training courses from top 50 NIRF ranked Management Institutes.