

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 767
TO BE ANSWERED ON 06.02.2020

SETTING UP OF MSME UNITS

767. SHRI KAUSHALENDRA KUMAR:
SHRI ASHOK MAHADEORAO NETE:
SHRI RAVINDRA KUSHWAHA:
SHRI RAVI KISHAN:
DR. NISHIKANT DUBEY:

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

- (a) whether the Government has any proposal to set up Micro, Small and Medium Enterprises (MSMEs) units in most backward areas in the country and specially in Bihar State to provide permanent employment to the local youths;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government has decided to set up more MSME Units for overall development of the country and if so, the details thereof, State/UT-wise;
- (d) the details of the incentives being provided to enthusiastic entrepreneurs to set up MSMEs in the country; and
- (e) whether the MSME units have been provided with adequate capital investment and funds for their operations as per their demand and if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

(a) to (c): Ministry of Micro, Small and Medium Enterprises (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/units in the non-farm sector by helping traditional artisans and unemployed youth.

State/UT-wise target and achievement under the PMEGP Scheme including Bihar during the year 2019-20 (as on 21.01.2020) are given at Annexure-I.

(d) & (e): Under the scheme, loan is being provided by all Public Sector Banks, selected Private Sector Banks and Co-operative Banks with margin money subsidy by Ministry of MSME through KVIC.

Margin Money subsidy to various categories of beneficiaries is detailed below:

Categories of beneficiaries under PMEGP.	Beneficiaries contributions (of the project cost)	Rate of subsidy. (of the project cost)	
		Urban	Rural
Area (location of the project/ unit)			
General category.	10%	15%	25%
Special (including SC/ST/ OBC/ Minorities/Women, Ex-servicemen, Physically Handicapped, NER, Hill & Border Areas.	05%	25%	35%

Project upto Rs. 25 lakhs in the manufacturing sector and Rs. 10 lakhs in the service sector are supported under PMEGP. Further, Ministry of MSME has also introduced a component of second financial assistance for expansion/upgrading existing PMEGP/MUDRA units with assistance up to Rs.1 crore for manufacturing unit and up to Rs. 25 lakhs for service/ trading unit with 15% subsidy (20% for NER and hilly state) from the year 2018-19.

In addition, incentives are provided to entrepreneurs under the following schemes:

- (i) Under Credit Guarantee Scheme for Micro and Small Enterprises (CGTMSE), collateral free credit facility (term loan and/or working capital) is extended by lending institutions to new and existing micro and small enterprises. The guarantee cover provided is from 75% to 85% for credit up to Rs. 2 crore.
- (ii) Under Credit linked Capital Subsidy Scheme (CLCSS), 15% up front capital subsidy (limited to maximum Rs. 15 lakhs) is provided on finance availed by entrepreneurs for technology upgradation of micro and small enterprises.
- (iii) Under Interest Subvention Scheme, 2% interest subvention on fresh or incremental loans maximum up to Rs. 1 crore are given to MSMEs who have valid GSTN number and Udyog Aadhar number.

Annexure I referred to in reply to part (a) to (c) of the Lok Sabha Unstarred Qn. No. 767 for answer on 06.02.2020

**Target and Achievement under New PMEGP and 2nd dose for existing PMEGP units
During 2019-20 (as on 21.01.2020)**

(Projects & Employment in Nos.)

Sr. No.	State/UT	Target 2019-20		Achievement 2019-20	
		No. of projects	Estimated Employment	No. of projects	Estimated Employment
I. NORTH ZONE					
1	Jammu & Kashmir	2110	16877	2714	21712
2	Him. Pradesh	1181	9449	818	6544
3	Punjab	1983	15860	992	7936
4	U.T. Chandigarh	32	255	10	80
5	Haryana	2008	16061	1190	9520
6	Delhi	96	764	57	456
7	Rajasthan	3398	27184	1619	12952
	Total -I	10808	86450	7400	59200
II CENTRAL ZONE					
8	Uttarakhand	1318	10542	986	7888
9	Uttar Pradesh	8591	70728	2491	19928
10	Chhattisgarh	2778	22228	1385	11080
11	Madhya Pradesh	5215	41716	958	7664
	Total -II	17902	145214	5820	46560
III. N.E.ZONE					
12	Sikkim	76	612	39	312
13	Arunachal Pradesh	191	1529	112	896
14	Nagaland	1330	10638	300	2400
15	Manipur	1098	8781	360	2880
16	Mizoram	815	6517	277	2216
17	Tripura	981	7851	266	2128
18	Meghalaya	1153	9224	153	1224
19	Assam	4382	35059	978	7824
	Total -III	10026	80211	2485	19880
IV. EAST ZONE					
20	Bihar	4943	39540	990	7920
21	West Bengal	2902	23220	1315	10520
22	Jharkhand	2762	22093	663	5304
23	Odisha	3436	27485	1251	10008
24	A & N Islands	96	768	43	344
	Total -IV	14139	113106	4262	34096

V. WEST ZONE					
25	Gujarat*	3367	26937	2938	23504
26	Maharashtra**	3970	31756	2712	21696
27	Goa	96	764	49	392
	TOTAL - V	7433	59457	5699	45592
VI. SOUTH ZONE					
28	Andhra Pradesh	1741	13927	1361	10888
29	Telangana	3211	25686	1195	9560
30	Karnataka	2967	23730	2155	17240
31	Lakshadweep	16	127	0	0
32	Kerala	1634	13231	1384	11072
33	Tamil Nadu	3302	26408	3071	24568
34	Puducherry	48	382	41	328
	TOTAL -VI	12919	103491	9207	73656
	GRAND TOTAL	74276	594208	34873	278984

* including Daman& Diu

** including Dadra & N. Havali