

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO.1514
TO BE ANSWERED ON 10.02.2022

EXPANSION OF MSME

1514. SHRI DILESHWAR KAMAIT:

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

- (a) whether the Government has formulated any action plan for the expansion of Small and Medium enterprises to augment the employment opportunities in rural areas of the country;
- (b) if so, the action plan for Supaul, district in Bihar; and
- (c) the nature of the action plan along with the funds allocated by the Union Government in this regard?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NARAYAN RANE)

(a) to (c): Ministry of MSME is implementing a major credit-linked subsidy programme named Prime Minister's Employment Generation Programme (PMEGP) since 2008-09 with Khadi and Village Industries Commission (KVIC) as nodal agency at the national level for generating employment opportunities in the country, including Supaul district in Bihar, by setting up of micro-enterprises in the non-farm sector.

Under PMEGP, General Category beneficiaries can avail Margin Money subsidy of 25% of the project cost in rural areas and 15% in urban areas. For 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. Maximum project cost for manufacturing sector is Rs. 25 lakh and for service sector is Rs. 10 lakh. Since its inception up to 31.01.2022, about 7.48 lakh new micro units have been assisted utilizing Margin Money subsidy of Rs. 18121 cr. generating estimated employment opportunities for about 61 lakh persons. Around 80% of the PMEGP units have been set up in rural areas.

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

The performance of PMEGP in the Supaul district of Bihar during 2021-22 (as on 25.01.2022) is given below:

(Project and Employment: In numbers and Margin Money: Rs In Lakhs)				
Sr. No	Name of District	Project	Margin Money	Employment
1	Supaul	25	59.35	300
