

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 1823
TO BE ANSWERED ON 01.08.2024

PERFORMANCE OF KVIC

1823. SHRI RAJU BISTA:

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

- (a) the details of the current schemes and initiatives implemented by the Khadi and Village Industries Commission (KVIC) to support MSMEs, highlighting their objectives and targeted beneficiaries;
- (b) the performance metrics of the KVIC schemes during the last fiscal year, including employment generation and financial disbursements;
- (c) the specific measures undertaken by the KVIC under the guidance of the Ministry to enhance the reach and effectiveness of its schemes among rural and marginalized communities particularly in districts of Darjeeling, Kalimpong and North Dinajpur; and
- (d) the future plans and proposed budget allocations for scaling up KVIC's impact on MSME development, particularly in promoting sustainable livelihoods and entrepreneurship?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a): Ministry of MSME, through Khadi and Village Industries Commission (KVIC), is implementing Prime Minister's Employment Generation Programme (PMEGP).

Objectives of PMEGP are to generate employment opportunities in rural as well as urban areas of the country through setting up of new self-employment ventures/projects/micro enterprises in the non-farm sector, to bring together widely dispersed traditional artisans rural and urban unemployed youth and give them self-employment opportunities to the extent possible, at their places, to provide continuous and sustainable employment to a large segment of traditional and prospective artisans and rural and urban unemployed youth in the country, so as to help arrest migration of rural youth to urban areas and to increase the wage-earning capacity of workers and artisans and contribute to increase in the growth rate of rural and urban employment.

PMEGP being a Central Sector Scheme assists General Category beneficiaries with Margin Money (MM) subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to Special Categories such as Scheduled Castes, Scheduled Tribes, OBCs, Minorities, Women, Ex-servicemen, Physically Handicapped, Transgenders, beneficiaries belonging to Northeastern Region, Hill and Border areas, and Aspirational Districts, the Margin Money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of project is Rs. 50 lakhs in the manufacturing sector and Rs. 20 lakhs in the service sector. Also, own contribution of beneficiaries under Special Category is 05% and 10% for General Category beneficiaries.

Since 2018-19, existing PMEGP/REGP/MUDRA enterprises are also supported based on past good performances with 2nd loan for upgradation and expansion. Under 2nd Loan, maximum project cost admissible for Margin Money (MM) subsidy under Manufacturing sector is Rs. 1.00 crore and for Service sector is Rs. 25 Lakhs. Eligible subsidy on 2nd loan for all categories is 15% of project cost (20% for NER & Hill States).

Besides “Gramodyog Vikas Yojana (GVY)” scheme is for promotion and development of village industries, through technological modernization, training and other support and services for promotion of village industries thereby creating Self Employment opportunities. The Gramodyog Vikas Yojana (GVY) has the following components/verticals:

- a) Wellness and Cosmetics Industry (WCI)
- b) Handmade Paper, Leather and Plastic Industry (HPLPI)
- c) Agro Based and Food Processing Industry (ABFPI)
- d) Mineral Based Industry (MBI)
- e) Rural Engineering and New Technology Industry (RENTI)
- f) Service Industry

A list of activities covered under the above verticals of Gramodyog Vikas Yojana (GVY) is **annexed**.

(b): The financial disbursement & employment generation during the financial year 2023-24 is as follows:

- i) Prime Minister Employment Generation Programme (PMEGP): A Margin Money Subsidy to the tune of Rs. 3093.88 crore has been disbursed assisting to 89,118 micro enterprises for providing an estimated employment to 71,12,944 persons.
- ii) Gramodyog Vikas Yojana: During FY 2023-24, an expenditure of Rs.31.34 crore was incurred on training/tool-kit distribution under various components/verticals of GVY. Total 16355 artisans were benefitted .

(c): The following steps have been taken by the Government to reach and enhance the effectiveness of KVI and PMEGP scheme across the country including Darjeeling, Kalimpong and North Dinajpur District:

- i. Maximum project cost admissible has been enhanced from Rs. 25 Lakhs to Rs. 50 Lakhs for Manufacturing sector and from Rs. 10 Lakhs to Rs. 20 Lakhs for Service sector.
- ii. Applicants from Aspirational districts and Transgenders have been included in Special Category.
- iii. Industries related to Animal Husbandry like dairy, poultry, aquaculture, insects (bees, sericulture, etc.) have been allowed under the scheme.

- iv. COVID years i.e., FY2020-21 and FY2021-22 have been exempted while considering profitability of existing PMEGP/ REGP/ MUDRA units applying for 2nd Loan under PMEGP.
- v. No mandatory EDP for project cost up to Rs. 2 lakh and shorter period of training (up to 5 days) for projects up to Rs. 5 lakh.
- vi. Awareness camps, workshops and exhibitions at all levels are being organized for creating awareness about the scheme among the prospective entrepreneurs.
- vii. Publicity of PMEGP scheme through print and electronic media.
- viii. The performance on PMEGP, in the Darjeeling, Kalimpong and North Dinajpur districts of West Bengal during the FY 2023-24 is as follows:

Performance on PMEGP for FY 2023-24

Sr. No.	District	Achievement (Provisional)		
		No. of Projects	MM (Rs. in lakh)	Employment (No. of Person)
1	Darjeeling	37	140.84	296
2	Kalimpong	21	55.50	168
3	North Dinajpur	06	25.35	48
	Total	64	221.69	512

- ix. KVIC has conducted training programmes during the FY 2023-24 and trained 60 candidates under various trades such as Tailoring & Embroidery, Beautician, Bee Keeping and Fruit & Vegetables Processing and 20 artisans from BPL category for turn wood programme under GVY in the North Dinajpur district. Besides, 80 artisans were trained under 10 days Skill Development Training Programme on Pottery in Siliguri, Darjeeling district.
- (d): Khadi and Village Industries Commission (KVIC) has been focusing on the following initiative to promote sustainable livelihoods and entrepreneurship:
- i) Adoption of Modern Technologies/processes.
 - ii) Specialized training programmes to nurture micro enterprises/self-employment at rural level.
 - iii) Every year, targets under PMEGP are fixed based on past years performance and overall budget allocation for the scheme. However, the targets fixed for no. of units to be assisted are tentative. Budget Availability under Margin Money component of PMEGP for FY 2024-25 is Rs. 2,250 crore (including Rs. 100 Crore for 2nd loan).
 - iv) New activities viz. AC repairing, Mobile repairing, Sewing Machines Operation & Popcorn making and training alongwith toolkits/machines have been included in GVY scheme for the benefit of unemployed youths.

Annexure referred to in reply to part (a) of the Lok Sabha Unstarred Question No. 1823 for answer on 01.08.2024

List of activities covered under various verticals of Gramodyog Vikas Yojana (GVY)

Sr. No.	Industry Vertical	Activities
1	Wellness and Cosmetics Industry (WCI)	<ul style="list-style-type: none">• Wellness and Cosmetics including Soap and Oil Industry• Cosmetic and Beauty Products Industry• Hair Oil and Shampoos, Toiletries Industry• Bathing Soap Industry• Agarbatti Industry
2	Handmade Paper, Leather and Plastic Industry (HPL and PI)	<ul style="list-style-type: none">• Hand Made Paper and Paper Products Industry• Paper Conversion Industry• Leather Industry• Natural Fibre other than Coir Industry
3	Agro Based and Food Processing Industry (ABFPI)	<ul style="list-style-type: none">• Village Oil Industry.• Honey and Beekeeping.• Palm Gur and other Palm Products.• Fruit and Vegetable Processing Industry• Pulses and Cereals Processing Industry• Spices and Condiments Processing Industry.• Bamboo, Cane and Reed Industry
4	Mineral Based Industry (MBI)	<ul style="list-style-type: none">• Hand Made Pottery, Glazed and Ceramic Pottery, Pottery as Home Décor, Pottery for Food Industry
5	Rural Engineering and New Technology Industry (RENTI)	<ul style="list-style-type: none">• Bio-Gas, Non-Conventional Energy, Bio-Manure• Carpentry Industry• Electric and Electronic Products Industry
6	Service Industry	<ul style="list-style-type: none">• Maintenance and Servicing of Electrical and Electronic Goods• AC repairing, Mobile repairing and Sewing Machines Operation.