

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA  
UNSTARRED QUESTION NO. 3998  
TO BE ANSWERED ON 19.12.2024**

**MSME INDUSTRIES IN KAUSHAMBI**

3998. SHRI PUSHPENDRA SAROJ:

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

- (a) whether the Government has any plans to set up MSME industries in Kaushambi district; and
- (b) the details of loan subsidy given by Government to startups and to promote small and micro companies?

**ANSWER**

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

- (a): The Ministry of Micro, Small and Medium Enterprises (MSME) does not set up MSME Industries in any State/District. The Central Government supplements the efforts of the State/UT Government through various schemes, programmes and policy initiatives.
- (b): The Government has taken a number of initiatives to provide financial support, including loan subsidy, for promoting Startups and Micro and Small MSMEs, including companies. This inter alia includes Prime Minister's Employment Generation Programme (PMEGP), PM Vishwakarma (PMV), PM Formalization of Micro Food Processing Enterprises (PMFME), Startup India Seed Fund Scheme (SISFS) Schemes, etc. The details are given below.
  - (i) Under PMEGP, credit linked subsidy for setting up new micro-enterprises in non-farm sector is provided. Margin Money subsidy ranging from 15% to 35% of project cost, for projects up to Rs. 50 lakh in Manufacturing sector and Rs. 20 lakh in the Service sector, is provided. Under the Scheme, Margin Money subsidy for general category beneficiaries is 15% in urban areas and 25% in rural areas. For beneficiaries belonging to Special categories, including women, Margin Money subsidy is 35% in rural areas and 25% in urban areas.
  - (ii) Under PMV, there is a provision of financial support to the targeted beneficiaries in the form of collateral free "Enterprise Development Loans" upto Rs. 3 lakh, wherein, the beneficiaries can avail the first loan tranche of upto Rs. 1 lakh. On fully repaying it, the beneficiaries are eligible for the second tranche loan of upto Rs. 2 lakh. The loans are at a concessional rate of interest of 5%. The interest subvention to the extent of 8% is provided by the Government of India.
  - (iii) Under the Startup India initiative of the Department for Promotion of Industry and Internal Trade, SISFS supports Startups at various stages of their business cycle. The Seed Fund is provided to Startups for the following:
    - a. Up to Rs. 20 lakhs as grant for validation of Proof of Concept, or prototype development, or product trials.
    - b. Up to Rs. 50 lakhs of investment for market entry, commercialization, or scaling up through convertible debentures or debt or debt-linked instruments.

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