

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:710
ANSWERED ON:02.03.2010
SELF EMPLOYMENT SCHEME UNDER KVIC
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the Khadi and Village Industries Commission (KVIC) has launched a scheme to provide self-employment to the disabled, Scheduled Castes, Scheduled Tribes, other Backward classes, Minorities and persons living Below the Poverty Line in the country;
- (b) if so, the details thereof;
- (c) the total number of such persons benefited during each of the last three years and the current year State-wise and category-wise and the target laid down to create more employment opportunities, if any;
- (d) whether the KVIC proposes to formulate a new comprehensive scheme for such persons; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA PATEL)

(a) to (e): Khadi and Village Industries Commission (KVIC), a statutory body under the administrative control of the Ministry of Micro, Small and Medium Enterprises, had been implementing Rural Employment Generation Programme (REGP) a credit-linked subsidy programme since 1994, for creation of new job opportunities by providing assistance in setting up village industries units. The said programme has been discontinued on 31 March 2008 and a new scheme titled Prime Minister's Employment Generation Programme (PMEGP) has been introduced in 2008-09 for creation of employment opportunities through setting up of micro enterprises with more attractive levels of subsidy than REGP. Under both the programmes, special provisions were made for weaker sections like Scheduled Castes, Scheduled Tribes, Other Backward Classes, Minorities, physically handicapped, women, beneficiaries from North Eastern States, hilly areas, etc. Under PMEGP, financial assistance is provided for setting up of micro-enterprises costing upto Rs. 10 lakh in service sector and Rs. 25 lakh in manufacturing sector. The assistance is provided in the form of margin money subsidy upto 35 per cent for the beneficiaries belonging to weaker sections (25 per cent in the case of general category) of the project cost in rural areas while it is 25 per cent (15 per cent in the case of general category) for urban areas. The own contribution of the beneficiary belonging to weaker sections is 5% of the project cost while it is 10% in the case of general category.

The state-wise number of persons belonging to Scheduled Castes, Scheduled Tribes, Other Backward Classes, Minorities and physically handicapped category during last three years under REGP and PMEGP is given in Annex. Although no rigid targets as has been kept, however, on the basis of availability of margin money subsidy within the budget, the PMEGP target for 2009-10 was worked out to assist around 61,697 units generating estimated 616937 employment opportunities.

KVIC is also implementing a scheme namely 'Workshed Scheme for Khadi Artisans' providing assistance to individual and groups of Below Poverty Line khadi artisans for construction of worksheds for better work environment.