

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

UNSTARRED QUESTION NO:3196  
ANSWERED ON:28.07.2009  
EMPLOYMENT TO WIDOWS UNDER PMEGP  
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**Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:**

- (a) the norms laid down for providing employment to widows under the Prime Minister's Employment Generation Programme (PMEGP);
- (b) the number of widows benefited during each of the last three years, State-wise;
- (c) whether there exist any other scheme which provide self-employment to widows; and
- (d) if so, the details thereof?

**Answer**

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

(a): The Prime Minister's Employment Generation Programme (PMEGP), a credit-linked subsidy scheme, implemented by the Government (in the Ministry of Micro, Small and Medium Enterprises) had been approved in August 2008. Under PMEGP entrepreneurs, including widows, can establish 'micro enterprises' as defined in the "Micro, Small and Medium Enterprises Development Act, 2006", i.e., the enterprises engaged in (i) the manufacture or production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, where the investment in plant and machinery does not exceed twenty five lakh rupees; (ii) those providing or rendering of services, where the investment in equipment does not exceed ten lakh rupees, by availing of margin money assistance from the KVIC and loans from any public sector scheduled commercial bank.

Under PMEGP, subsidy levels (in the form of 'margin money') for prospective entrepreneurs belonging to some special categories, like those belonging to the categories of Scheduled Castes (SC), Scheduled Tribes (ST), Other Backward Classes (OBC), physically handicapped, ex-servicemen, women, minorities, etc., have been kept at higher levels as an incentive. Accordingly, margin money (subsidy) at enhanced rates is admissible to the above-mentioned special category entrepreneurs, including widows, [ @ 25 per cent of project cost in urban areas and @35 per cent of project cost in rural areas] in comparison to that admissible to entrepreneurs in the general category [ @ 15 per cent of project cost in urban areas and @25 per cent of project cost in rural areas]. Moreover, the rate of own contribution in case of entrepreneurs belonging to these special categories is only 5 per cent of the project cost as against 10 per cent of project cost in respect of general category entrepreneurs. Women entrepreneurs, including widows, are required to contribute only 5 per cent amount as own contribution (as against 10 per cent for general category).

Before the introduction of PMEGP in 2008-09, the Government (in the Ministry of Micro, Small and Medium Enterprises), through Khadi and Village Industries Commission (KVIC), had been implementing a Central Sector credit-linked subsidy programme, called the Rural Employment Generation Programme (REGP) from 01.04.1995 to 31.03.2008, in the rural areas and small towns with population up to 20,000. Under REGP, eligible entrepreneurs were assisted in establishing village industries, by availing of loans from public sector scheduled commercial banks, selected regional rural banks, cooperative banks, etc., and also margin money assistance (subsidy) from the KVIC, for projects with a maximum cost of Rs. 25 lakh. Under REGP, women entrepreneurs (including war widows) were entitled to margin money assistance @ 30 per cent for projects up to Rs. 10 lakh as compared with @ 25 per cent admissible to applicants of general category. Women entrepreneurs, including widows, were required to contribute only 5 per cent amount as own contribution (as against 10 per cent for general category).

REGP has been discontinued from 2008-09 and a new scheme called PMEGP has been launched during 2008-09 for implementation from 2008-09 to 2011-12 with an estimated outlay of Rs. 4735 crore (Rs. 4485 crore towards margin money and Rs. 250 crore towards backward forward linkages).

(b): No separate data regarding the number of widows benefited under PMEGP or REGP is maintained. The State/Union Territory (UT)-wise details of estimated employment opportunities generated for women (including widows) under REGP in the village industry sector through the Khadi and Village Industries Commission (KVIC), during 2005-06, 2006-07 and 2007-08, are given at Annex. Target for helping establish 61,697 projects and generation of 6,16,937 additional employment opportunities during 2008-09 was set under PMEGP, and implementing agencies were advised by KVIC to earmark 30 per cent of the target for women entrepreneurs. The final State/UT-wise figures of actual employment generated for women (including widows) under PMEGP during 2008-09 will become available only after the data are compiled by KVIC from across the country.

(c): No, Sir.

(d): Does not arise.