

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

UNSTARRED QUESTION NO:2077
ANSWERED ON:06.12.2012
PROMOTION OF MICRO INDUSTRIES
Bajwa Shri Partap Singh

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

- (a) whether the Government has taken steps to promote first generation entrepreneurs in micro industries in the North Eastern Region;
- (b) if so, the details thereof;
- (c) whether facilities have been established to help promote local crafts;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H.MUNIYAPPA)

(a)to(d): Madam, Government in the Ministry of Micro, Small and Medium Enterprises (MSME) through the Khadi and Village Industries Commission (KVIC) is implementing a credit-linked subsidy programme named Prime Minister's Employment Generation Programme (PMEGP) from 2008-09 for generating self-employment through establishment of micro-enterprises in the non-farm sector in the country including North Eastern Region. General category beneficiaries can avail of margin money 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, beneficiaries belonging to North Eastern Region, hill and border areas, etc., the margin money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of project is Rs 25 lakh in the manufacturing sector and Rs. 10 lakh in the service sector. The state-wise margin money subsidy provided and number of units assisted under PMEGP during each of the last three years and the current year is given at Annex I.

KVIC and Coir Board are implementing a cluster-based scheme named Scheme of Fund for Regeneration of Traditional Industries (SFURTI) since 2005-06 for inter alia promotion of local crafts, under which 29 khadi, 47 village industries and 20 coir clusters have been strengthened by providing them with improved equipment, common facilities centres, business development services, training, capacity building and design and marketing support, etc.

(e) Does not arise.