

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

STARRED QUESTION NO:90
ANSWERED ON:02.03.2015
PRIME MINISTER S EMPLOYMENT GENERATION PROGRAMME
Kher Smt. Kirron;Maganti Shri Murali Mohan

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

- (a) the objectives of the Prime Minister's Employment Generation Programme (PMEGP) including the quantum of financial assistance given under this scheme to the beneficiaries;
- (b) whether the objectives/targets to generate employment under the scheme in rural and urban areas of the country have been achieved;
- (c) if so, the details thereof including the number of MSMEs assisted along with financial assistance given and employment generated under the scheme during each of the last three years and the current year, State/UT-wise;
- (d) the number of women entrepreneurs benefited under the scheme during the above said period, State/UT-wise; and
- (e) the steps taken by the Government for effective implementation of the scheme including hike in the existing ceiling of financial assistance for MSMEs?

Answer

MINISTER FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI KALRAJ MISHRA)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO THE LOK SABHA STARRED QUESTION No. 90 FOR ANSWER ON 02.03.2015

(a): Government in the Ministry of Micro, Small and Medium Enterprises has been implementing a credit-linked subsidy programme named Prime Minister's Employment Generation Programme (PMEGP) since 2008-09 with Khadi and Village Industries Commission (KVIC) as nodal agency at the national level. The main objective of PMEGP is to generate self-employment opportunities in rural as well as urban areas through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth. Under PMEGP, 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 area. The maximum cost of project is Rs. 25 lakh in the manufacturing sector and Rs. 10 lakh in the service sector.

(b)&(c): State-wise release of margin money subsidy which is treated as target as also the achievements in term of the margin money subsidy utilized, the corresponding number of projects assisted and estimated employment generated under PMEGP during the last three years and current year is given at Annex I.

(d): State-wise number of projects assisted to women entrepreneurs under PMEGP during the last three years and current year is given at Annex II.

(e): KVIC has taken various steps for effective implementation of the scheme, which include:

(i) Introduction of e-tracking system to bring in transparency in implementation of PMEGP scheme as well as to create data base of PMEGP beneficiaries,

(ii) One more member added in District Level Task Force to represent urban local bodies of the District such as Municipalities and Nagar Palikas in addition to three Panchayat representatives including SC/ST/Women.

(iii) District Level Advisory Committee under the Chairmanship of Hon'ble M.P. Lok Sabha has been constituted at district level to monitor the implementation of PMEGP scheme.

(iv) 457 model projects including 150 from NSIC incubation centers prepared and put up on PMEGP website for benefit of potential beneficiaries,

(v) KVIC Organises awareness camps, workshops, exhibitions, etc at State and district levels to further popularize the scheme.

Marketing support is given to PMEGP units to market their products organizing District, State and Zonal level exhibitions.

(vi) Instructions have been issued to the concerned agencies for implementation of the concept of one nodal branch of each Public Sector Bank in each State.

(vii) All the nodal branches of the banks under PMEGP have been connected under Central Plan Scheme Management System(CPSMS) to monitor the flow of funds.

(viii) KVIC has signed MoU with RSETIS for skill development/Entrepreneurs Development Programme so that the viable projects are sponsored to Banks.

At present, there is no proposal to increase the ceiling of financial assistance under PMEGP.