

EXPANSION OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs)

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Ministry of MSME is implementing a major 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 for generating employment opportunities in the country, including Uttarakhand, by setting up of micro- enterprises in the non-farm sector.

PMEGP being a Central Sector Scheme assists General Category beneficiaries with Margin Money (MM) 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, Transgenders, beneficiaries belonging to Northeastern Region, Hill and Border areas, and Aspirational Districts, the Margin Money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of project is Rs. 50 lakhs in the manufacturing sector and Rs. 20 lakhs in the service sector.

Since 2018-19, existing PMEGP /MUDRA enterprises are also supported based on past good performances with 2nd loan for upgradation and expansion. Under 2nd Loan, maximum project cost admissible for Margin Money (MM) subsidy under Manufacturing sector is Rs. 1.00 crore and for Service sector is Rs. 25 Lakhs. Eligible subsidy on 2nd loan for all categories is 15% of project cost (20% for NER & Hill areas).

PMEGP being a Central sector Scheme, no State wise allocation of budget is done. Funds are utilized based on the demand generated and loans sanctioned by the financial institutions.

An outlay of Rs.13,554.42 Crore has been approved for PMEGP for five Financial Years (2021-22 to 2025-26).

430 beneficiaries have received Margin Money subsidy amounting to Rs. 12.01 crore under PMEGP in the state of Uttarakhand in the current Financial Year 2024-25. 77 subsidy claims under PMEGP amounting to Rs. 8.08 crore are pending for the state of Uttarakhand.

This information was given by the Minister of State for Micro, Small and Medium Enterprises,

Smt. Sushri Shobha Karandlaje, in a written reply in the Rajya Sabha today.

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