

## **ANNEXURE**

<b>Prime Minister Employment Generation Programme (PMEGP) implemented by KVIC</b>				
Description	The Scheme is implemented by Khadi and Village Industries Commission (KVIC), as the nodal agency at the National level. At the State level, the Scheme is implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs) and banks. The Government subsidy under the Scheme is routed by KVIC through the identified Banks for eventual distribution to the beneficiaries / entrepreneurs in their Bank accounts.			
Nature of assistance	The maximum cost of the project/unit admissible under manufacturing sector is Rs.25 lakh and under business/service sector is Rs.10 lakh.			
Who can apply?	Any individual, above 18 years of age. At least VIII standard pass for projects costing above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakh in the business / service sector. Only new projects are considered for sanction under PMEGP. Self Help Groups (including those belonging to BPL provided that they have not availed benefits under any other Scheme), Institutions registered under Societies Registration Act,1860; Production Co-operative Societies, and Charitable Trusts are also eligible. Existing Units (under PMRY, REGP or any other scheme of Government of India or State Government) and the units that have already availed Government Subsidy under any other scheme of Government of India or State Government are NOT eligible.			
Quantum of Margin Money Subsidy is given as follows	Categories of beneficiaries under PMEGP	Beneficiary's own contribution (of project cost)	Rate of Subsidy	
	Area (location of project /unit)		Urban	Rural
	General Category	10%	15%	25%
	Special (including SC/ ST/ OBC/ Minorities/ Women, Physically handicapped, Ex-Servicemen, NER, Hill and Border areas etc.	05%	25%	35%

## **Credit Linked Capital Subsidy Scheme (CLCSS)**

The CLCSS Scheme was launched in October, 2000 and revised w.e.f. September 29, 2005. The revised scheme aims at facilitating Technology Upgradation of Micro and Small Enterprises by providing 15% capital subsidy (12% prior to 2005) on institutional finance availed by them for induction of well-established and improved technology in approved sub-sectors/products. The admissible capital subsidy under the revised scheme is calculated with reference to purchase price of Plant and Machinery. Maximum limit of eligible loan for calculation of subsidy under the revised scheme has also been raised from Rs. 40 lakh to Rs. 100 lakh w.e.f. September 29, 2005.

### **Eligible Borrowers under the CLCSS:**

- Sole Proprietorships
- Partnerships
- Co-operative Societies
- Private and Public Limited Companies in SSI sector

*(Priority shall be given to women entrepreneurs)*

### **Maximum Ceiling of Loan for Support:**

- 15% of the investment in eligible plant & machinery
- Ceiling on Loan- Rs.100 lakh
- Ceiling on subsidy-Rs.15 lakh

### **National Rural Livelihood Mission of Government of India**

- NRLM is the flagship program of Govt. of India for promoting poverty reduction through building strong institutions of the poor, particularly women, and enabling these institutions to access a range of financial services and livelihoods services.
- In 250 identified districts, banks will lend to all the women SHGs @7% up to an aggregated loan amount of Rs 3,00,000/-. The SHGs will also get additional interest subvention of 3% on prompt payment, reducing the effective rate of interest to 4%.
- SHG should be in active existence at least since the last 6 months, should be practicing 'Panchasutras' i.e. Regular meetings; Regular savings; Regular inter-lending; Timely repayment; and Up-to-date books of accounts and qualify as per grading norms fixed by NABARD.

### **Subsidy Schemes administered by NABARD**

- Scheme For Development/ Strengthening Of Agricultural Marketing Infrastructure, Grading and Standardization
- Capital Investment Subsidy for Construction/ Renovation/ Expansion of Rural Godowns
- Dairy Entrepreneurship Development Scheme
- Poultry Venture Capital Fund (Subsidy)
- National Mission for Food processing (Ministry of Food Processing Industries – MoFPI)
- Solar Subsidy Scheme

*Note: Subsidy schemes are subject to availability of funds with NABARD. Details of the scheme are available on [www.nabard.org](http://www.nabard.org)*

### **Kisan Credit Card/Agri Gold Loan Interest Subvention by RBI**

Interest subvention @ 2% per annum will be made available for short-term crop loans up to Rs.3,00,000/- (Rupees Three lakh only) per farmer. Crop loan extended @ 7% per annum will be eligible for 2% interest subvention on the amount of disbursement for a maximum period of 12 months from first disbursement. Subvention (2%) will be calculated on the crop loan amount from the date of its disbursement/drawal in the account up to the date of actual repayment of the crop loan by the farmer or up to the due date of the loan fixed by the banks whichever is earlier, subject to a maximum period of one year (365 day or 366 days for leap year).

Additional interest subvention (Incentive) @ 3% will be available to the farmers repaying the loan promptly within 1 year from the date of disbursement of the loan or the actual date of repayment fixed by the bank, whichever is earlier. This implies that the farmers paying promptly would get short term crop loans effectively @4% per annum.