

Prime Minister Employment Generation Programme (PMEGP) implemented by KVIC				
Scheme 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	<ul style="list-style-type: none"> - Term Loan and Working Capital - For setting up of new Micro Enterprise units: <ul style="list-style-type: none"> ▪ Maximum cost of the project/ unit admissible under manufacturing sector is Rs.50 lakh and under business/service sector is Rs.20 lakh. - For upgradation of existing Micro Enterprise units: <ul style="list-style-type: none"> ▪ Maximum cost of the project/unit admissible under manufacturing sector for upgradation is Rs.1.00 crores and under business/service sector is Rs.25 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. 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.			
Beneficiary's Own Contribution and Quantum of Margin Money Subsidy	- For setting up of new Micro Enterprise units			
	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.	5%	25%	35%
	- For up-gradation of existing Micro Enterprise units			
	Categories of beneficiaries under PMEGP	Beneficiary's own contribution (of Project Cost)	Rate of subsidy (of Project Cost)	
All Categories	10%	15% (20% in NER and Hill States)		

Special Credit Linked Capital Subsidy Scheme (SCLCSS)

Scheme Description	Special Credit Linked Capital Subsidy Scheme (SCLCSS) was introduced under national SC/ST Hub in 2017 by ministry of MSME for promoting setting up of New enterprises to upgrade existing capacity for participation in the public procurement by the beneficiary belonging to SC/ST category. SC/ST both engaged in both service sector and Manufacturing sector are eligible for 25% subsidy under SCLCSS for procurement of equipment. The loan sanctioned by credit institution with effect from 15-11-2021 shall be eligible under the scheme.
Eligible entities	<ul style="list-style-type: none">➤ Sole Proprietorships➤ Partnerships➤ Co-operative Societies➤ Private and Public Limited Companies in SSI sector <p>(Priority shall be given to women entrepreneurs)</p> <ul style="list-style-type: none">➤ It is mandatory to have Udyam Registration for availing subsidy under SCLCSS
Quantum of Loan Amount and Subsidy amount	<ul style="list-style-type: none">➤ 25% of the loan amount➤ Ceiling on Loan- Rs.100 lakh➤ Ceiling on subsidy-Rs.25 lakh

Subsidy schemes administered by NABARD

Subsidy schemes administered by NABARD are categorized under Farm Sector and Non-Farm Sector

Farm Sector

- Daily Entrepreneurship Development Scheme
- Capital Investment Subsidy Scheme for Commercial Production Units for organic/biological inputs
- Agriclinc and Agribusiness Centres Scheme
- National Livestock Mission
- New Agricultural Marketing Infrastructure etc.

Off Farm Sector

- Credit Linked Capital Subsidy Scheme
- NRLM/NULM (Deendayal Antyodaya Yojana) etc.

Note: Subsidy schemes are subject to availability of funds with NABARD. The subsidy schemes administered by NABARD may undergo change. The subsidy Details of the prevailing scheme are available on www.nabard.org

Kisan Credit Card Interest Subvention by RBI

GOI will provide 1.5 % subvention to banks in respect of Kisan Credit Card loans for short term crop production up to Rs.3.00 lakh and for working capital loan to allied activities up to Rs.2.00 lakh. However, interest subvention benefit for Kisan Credit Card loans (i.e. crop loan + working capital loan for animal husbandry and fisheries) will be available only on an overall limit of ₹ 3 lakh per annum and subject to a maximum limit of ₹ 2 lakh per farmer involved in activities only related to animal husbandry and / or fisheries in respect of loans given by rural and semi-urban branches only. KCC loans extended @ 7% per annum will be eligible for 1.5% interest subvention on the amount of disbursement for a maximum period of 12 months from first disbursement. Subvention (1.5%) 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).

Government of India will also provide additional interest subvention of 3% p.a. in respect of those prompt paying farmers/ borrowers who repay their KCC loan within one year of disbursement/ drawal of such loans. This subvention will be available to such farmers on KCC loan taken for crop production and working capital for allied activities, up to maximum amount of Rs.3.00 lakh availed of by them during the year, from the date of disbursement/drawal of the loan up to the actual date of repayment by borrowers or up to the due date fixed by the bank for repayment of loan, whichever is earlier, subject to a maximum period of one year from the date of disbursement. This additional subvention will be available on the condition that the effective rate of interest on short-term production credit up to Rs.3.00 lakh for such farmers will now be 4% p.a. This benefit would not accrue to those farmers/borrowers who repay after one year of availing such loans.

Note – **The guidelines issued by RBI from time to time on KCC interest subvention are implemented at the time of processing interest subvention claims**

Interest Subvention Scheme under DAY – NULM

It may be noted that as per the communication from the Ministry of Housing & Urban Affairs (MoHUA), Government of India, dated March 07, 2024, the DAY-NULM scheme was extended up to September 30, 2024.

Accordingly, the IDBI DAY NULM scheme stands discontinued with effect from October 01, 2024.

Please note that the subsidy claims for account opened under this scheme on or before September 30, 2024, will continue to be processed as per the existing interest subvention guidelines as mention below:

- DAY-NULM has a provision for interest subvention, to cover the difference between the Lending Rate of the banks and 7%, on all credit from the bank availed by SEP-I, SEP-G, SEP-SHG and SEP-WSHG category on prompt repayment of loan.
- Women SHGs will be eligible for additional 3 per cent interest subvention on account of prompt repayment.
- After disbursement of loan to the beneficiaries, branch to send details of disbursed loan cases to ULB along with details of interest subsidy amount.

Interest subvention: SULM through ULBs will transfer the interest subsidy directly to the accounts of DAY-NULM beneficiaries. In case the loan account is already closed, the subvention amount to be transferred to corresponding savings account of the concerned SHG/Individual.

For the purpose of interest subvention, an account will be considered as prompt payee if it satisfies the following criterion:

a. For Cash Credit Limit:

- 1) Outstanding balance shall not have remained in excess of the sanctioned limit/drawing power continuously for more than 30 days
- 2) There should be regular credit and debits in the accounts. In any case there shall be at least one customer induced credit during the month.
- 3) Customer induced credit should be sufficient to cover the interest debited during the month.

b. For the Term Loans:

A term loan account where all the interest payments and/or installments of principal were paid within 30 days of the due date during the tenure of the loan, would be considered as on account having prompt payment

- Branches to send the details of disbursed loan cases to ULBs.
- The interest subvention is credited to beneficiary account on quarterly basis. However, bank to upload the claim on monthly basis.

Interest Subvention Scheme under DAY - NRLM

Interest subvention scheme on credit to Women SHG during the year 2023-24 for all Public Sector Banks, Private Sector Banks and Small Finance Banks in all districts:

- a. The scheme is limited to Women Self Help Groups under DAY-NRLM in rural areas only.
- b. For loans up to Rs.3.00 lakh under the scheme, banks to extend credit at a concessional interest rate of 7% p.a. For outstanding credit balance upto Rs.3.00 lakh, banks will be subvented at a uniform rate of 4.50% p.a. during FY 2023-24.
- c. For loans above Rs.3.00 lakh and up to Rs.5.00 lakh under the scheme, banks to extend credit at interest rate equivalent to their 1 year MCLR or 10% p.a., whichever is lower. For outstanding credit balance above Rs.3.00 lakh and Rs.5.00 lakh, banks will be subvented at a uniform rate of 5% p.a. during FY 2023-24.
- d. Interest Subvention will be payable only for the period during which an account remains standard category.
- e. Women SHG promoted by other agencies and following the DAY-NRLM protocols will also be eligible for benefit of subvented loans subject to prior submission of the details of such SHGs on the DAY-NRLM SHG database.
- f. The interest subvention scheme shall be implemented for banks through a Nodal Bank selected by the Ministry of Rural Development (MoRD). The Nodal Bank will operationalize the scheme through a web based platform, as advised by MoRD. For the year 2023-24, Indian Bank has been nominated as the Nodal bank by MoRD.
- g. In order to avail the interest the interest subvention on credit extended to the women SHGs, banks to ensure that the accounts of SHGs (both savings and loans) under DAY-NRLM are appropriately identified in their CBS with unique codes assigned by DAY-NRLM/SRLMs

PMFME subsidy

The PMFME (Pradhan Mantri Formalisation of Micro Food Processing Enterprises) scheme offers credit linked capital subsidy. Individual micro food processing units would be extended credit linked capital subsidy @35% of the eligible project cost for expansion /technology upgradation with a maximum ceiling of ₹10 lakh per unit. The beneficiary contribution should be minimum 10% of the project cost and the balance being loan from Bank.