

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 2038
TO BE ANSWERED ON 30.07.2026

REVIVAL OF VILLAGE AND COTTAGE INDUSTRIES

2038. SHRI RAJU BISTA:

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

- (a) the total financial assistance provided to small businesses under the Prime Minister's Employment Generation Programme (PMEGP) and other Credit schemes in Darjeeling and Kalimpong districts during the last five years;
- (b) the steps taken to upgrade the processing, packaging and marketing of local products, including orthodox tea, ginger, cardamom and traditional handicrafts; and
- (c) the steps being taken by the Ministry to revive and modernize traditional village and cottage industries in rural areas to prevent youth migration and generate sustainable local employment?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

- (a): Details on financial assistance provided to small businesses under the Prime Minister's Employment Generation Programme (PMEGP) and other Credit schemes in Darjeeling and Kalimpong districts during the last five years is provided below:
 - i. Under PMEGP, Margin Money (MM) Subsidy amounting to Rs. 6.56 crore in Darjeeling district and Rs. 1.97 crore in Kalimpong district has been disbursed during the last five years.
 - ii. Under National SC-ST Hub scheme of the Ministry of MSME, capital subsidy amounting to Rs. 18.2 lakh has been released in Darjeeling district during the last five years.
 - iii. Under the Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) scheme, subsidy amounting to Rs. 66.49 lakh in Darjeeling district and Rs. 6.61 lakh in Kalimpong district has been provided during the last five years.
- (b): Steps taken for upgradation of processing, packaging and marketing of local products including orthodox tea, ginger, cardamom and traditional handicrafts include the following:
 - i. Under the Procurement and Marketing Support (PMS) Scheme, financial assistance is provided to eligible Micro and Small Enterprises for participation in domestic trade fairs/exhibitions, Vendor Development Programmes, National Workshops/Seminars, barcode registration and adoption of e-commerce platforms i.e. MSME Global Mart to strengthen the marketing and enhance market access of MSE products including orthodox tea, ginger, cardamom and traditional handicrafts.
 - ii. Micro and small enterprises have been registered under the MSME TEAM (Trade Enablement and Marketing) initiative to expand market reach and strengthen digital credibility by onboarding them onto Open Network for Digital Commerce (ONDC).
 - iii. Marketing support is provided to registered producers through Khadi and Village Industries Commission (KVIC) Sales outlets. Furthermore, Exhibitions and Workshops are arranged regularly for participation of beneficiaries of KVI sector.
 - iv. E-commerce portal (<https://www.ekhadiindia.com>) has been developed to provide a digital marketplace for global product sales and to promote Khadi and Village Industries products.

- v. To promote Vocal for Local Initiative in food processing sector, PMFME Scheme primarily adopts One District One Product (ODOP) approach to select, brand, and promote at least One Product from each District of the country for enabling holistic socio economic growth across all regions. The Scheme provides financial, technical and business support for upgradation of micro food processing enterprises engaged in processing of all the products, including orthodox tea, ginger and cardamom and supports technology upgradation, common infrastructure, branding & marketing, packaging, quality standardisation, food safety compliance and market linkages.

(c) Steps being taken by the Ministry through various schemes to revive and modernize traditional village and cottage industries preventing youth migration and generating sustainable local employment opportunities include the following:

I. Under PMEGP:

- i. Around 80% of the total units assisted under PMEGP during the last five years have been assisted in rural areas.
- ii. Enhancement of maximum project cost from Rs. 25 lakh to Rs. 50 lakh for manufacturing sector and from Rs. 10 lakh to Rs. 20 lakh for service sector.
- iii. Inclusion of applicants from Aspirational districts and transgenders under Special Category eligible for higher subsidy.
- iv. Establishment of PMEGP Helpdesks at State Offices to provide real-time assistance and handholding to potential beneficiaries.
- v. A wide range of more than 1,000 Model of Detailed Project Reports prepared on various industries have been made available on the PMEGP portal.
- vi. Disseminating Information, Education and Communication (IEC) material and video clips in regional languages for promotion in remote areas.
- vii. As per RBI Master Directions on lending to MSMEs, no collateral security to be insisted by Banks for projects involving loan up to Rs. 20 lakh. Strict compliance of this provision has been reemphasized to all financing Banks.
- viii. Periodical review meetings by the Ministry with Implementing Agencies i.e. KVIC, State offices of KVIC, State Khadi and Village Industries Boards (KVIBs), State District Industries Centres (DICs) and financial institutions.
- ix. Awareness and outreach programmes in all the States/UTs including backward and under-performing areas, Aspirational districts, NER etc. to identify potential beneficiaries and provide handholding support during the application process.
- x. Financial literacy camps and customer awareness programmes conducted by Banks to educate prospective entrepreneurs about various initiatives of the Government, including PMEGP.

II. The Ministry also provides credit, skilling and toolkit support through PM Vishwakarma scheme to artisans and craftspeople of 18 traditional trades, namely: Carpenter, Boat Maker, Armourer, Metal Artisan, Tool Kit Maker, Locksmith, Goldsmith, Potter, Sculptor/Stone Worker, Cobbler/Footwear Artisan, Mason, Basket/Mat/Broom Maker, Toy Maker (Traditional), Barber, Garland Maker, Washerman, Tailor and Fishing Net Maker.

III. Additionally, KVIC imparts skill development training to unemployed youth under various disciplines i.e. Khadi Spinning and Weaving, bakery product, beauty parlour, decorative items, manufacturing of Soap and Detergents, Bee-keeping, Stitching, embroidery, Agarbatti making, candle making, Teracotta products making, kulhad making, processing of pulses, Achar making, Papad making etc. Selected entrepreneurs and artisans engaged in production of unique and quality products are also provided with financial assistance to participate in international exhibitions.