



ABSTRACT

Micro, Small and Medium Enterprises – Unemployed Youth Employment Generation Programme (UYEGP) - To enhance the maximum project cost under Business category from Rs.1 lakh to Rs.5 lakh and under Services category from Rs.3 lakh to Rs.5 lakh and to enhance the eligibility criteria of family annual income limit from Rs.1.50 lakh to Rs.5 lakh - Orders issued.

MICRO, SMALL AND MEDIUM ENTERPRISES [D(2)] DEPARTMENT

G.O.(Ms) No.69

Dated: 11.10.2019

திருவள்ளூர் ஆண்டு 2050
விகாரி வருடம், புரட்டாசி 24.

Read:

1. G.O. (Ms) No.80, Micro, Small and Medium Enterprises [D(2)] Department, dated 30.07.2010.
2. G.O. (Ms) No.50, Micro, Small and Medium Enterprises [D(2)] Department, dated 09.10.2014.
3. G.O. (Ms) No.35, Micro, Small and Medium Enterprises [D(2)] Department, dated 11.11.2016.
4. From the Principal Secretary / Industries Commissioner and Director of Industries and Commerce Rc.No. 1901/DIC3/18, dated 25.04.19.

Order:

In the G.O. first read above, the Government approved the Unemployed Youth Employment Generation Programme and issued orders to implement the scheme from the year 2010-11 onwards with maximum ceiling project cost of Rs.5 lakh for manufacturing sector, Rs. 3 lakh for service sector and Rs.1 lakh for business sector.

2. In the G.O. second read above, the Government have enhanced the rate of Subsidy from 15% to 25% of the project cost from the year 2014-15 with effect from 01.04.2014 and the maximum subsidy amount has been enhanced from Rs.75000/- to Rs.1,25,000/- per beneficiary under Unemployed Youth Employment Generation Programme (UYEGP).

3. In the G.O. third read above, the Government have enhanced the Maximum eligible project cost from Rs.5.00 lakh to Rs.10.00 lakh under Unemployed Youth Employment Generation Programme (UYEGP) for the Manufacturing Sector with restriction on the Maximum subsidy amount to Rs 1.25 lakh.

4. In his proposal fourth read above, the Principal Secretary / Industries Commissioner and Director of Industries and Commerce has stated that the representations are received from the Micro, Small and Medium Enterprises associations and General Managers, District Industries Centres and many projects above Rs.1 lakh under Business Category and above Rs.3 lakh under Service Category could not be considered, due to the reason that the guidelines did not permit. The above issue has been discussed with the Micro, Small and Medium Enterprises Associations and General Managers, District Industries Centres and the following amendments are suggested.

- i) Enhancing the Maximum project cost under business and service category to Rs.5.00 lakh from the existing limit of Rs.1.00 Lakh and Rs.3.00 lakh respectively.
- ii) Extending the subsidy @ 25% of the project cost without any restrictions on the upper ceiling.
- iii) Enhancing the eligibility criteria of family annual income limit from Rs.1.50 lakh to Rs.5.00 lakh.

Further the justification for enhancing the project cost is as follows:-

- i) The scheme was approved by Government in 2010-11. Due to cost escalation, the projects cannot be setup with the same amount at the present rates.
- ii) To cover more beneficiaries under Prime Minister's Employment Generation Programme (PMEGP).
- iii) To increase the employment generation if the average project cost is increased.
- iv) To increase the employment generation in rural and urban areas since Business and Service activities normally flourished in these areas and thereby restricting the migration of people from rural to urban areas.

5. The Government after careful examination of the above proposal of the Principal Secretary / Industries Commissioner and Director of Industries and Commerce has decided to accept it and accordingly issue the following orders:-

- i) The maximum project cost is enhanced under Business category to Rs.5 lakh from Rs.1 lakh and under Services category to Rs.5 lakh from Rs.3 lakh.
- ii) The eligibility criteria of family annual income limit is enhanced to Rs.5 lakh from Rs.1.50 lakh.

6. The other conditions in the G.Os first, second and third read above, regarding sanction of subsidy under Unemployed Youth Employment Generation Programme (UYEGP) shall remain unchanged.

7. This order issues with the concurrence of Finance Department vide its U.O. No.49385/Ind/2019, dated: 04.10.2019.

(BY ORDER OF THE GOVERNOR)

**RAJENDRA KUMAR
PRINCIPAL SECRETARY TO GOVERNMENT**

To
The Industries Commissioner
and Director of Industries and Commerce,
Guindy, Chennai-32.
The Accountant General, Chennai-18.
1 The Pay and Accounts Officer, Chennai - 8

Copy to:

The Finance (Ind) Department, Chennai-9.
The Micro, Small and Medium Enterprises (OP / B) Department,
Chennai-9.
Stock file / Spare copy.

// FORWARDED BY ORDER //

J. S. S.
11/10/19.

SECTION OFFICER

J.S.S.
11/10/19.