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ABSTRACT

Micro, Small and Medium Enterprises Department- Announcement made by the Hon'ble Deputy Chief Minister during the Budget Speech in the Tamil Nadu Legislative Assembly for the year 2020-2021 - Unemployed Youth Employment Generation Programme (UYEGP)-Enhancement of Project cost for Manufacturing sector from Rs.10.00 lakhs to Rs. 15.00 lakhs – Enhancement of eligible subsidy amount to Rs.2.50 lakhs - Orders Issued.

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

G.O.(Ms) No.66

Dated : 21.10.2020

திருவள்ளூர் ஆண்டு 2051
சார்வரி வருடம், ஐப்பசி - 5

Read:

1. G.O. (Ms). No.80, Micro, Small and Medium Enterprises (D2) Department, dated 30.07.2010.
2. G.O. (Ms). No.50, Micro, Small and Medium Enterprises (D2) Department, dated 09.10.2014.
3. G.O. (Ms). No.35, Micro, Small and Medium Enterprises (D2) Department, dated 11.11.2016.
4. From the Industries Commissioner and Director of Industries and Commerce letter Rc. No.10368 / DIC4 / 2019, dated 19.02.2020.

ORDER:

During the Budget Speech, the Hon'ble Deputy Chief Minister has made the following Announcement in the Assembly on 14.02.2020.

“Tamil Nadu is effectively implementing the Prime Minister's Employment Generation Programme (PMEGP) and the Unemployed Youth Employment Generation Programme (UYEGP). To expand the benefits available under UYEGP, the existing project size limit of Rs.10 lakh will be enhanced to Rs.15 lakh and the eligible subsidy under the scheme will be enhanced from Rs.1.25 lakh to Rs.2.50 lakh. This will encourage thousands of budding entrepreneurs. The provision for this scheme has been enhanced to Rs.33 crore in the Budget Estimates 2020-21”.

2. In G.O. (Ms) No.80, Micro, Small and Medium Enterprises (D2) Department, dated 30.07.2010, the Government have approved the Unemployed Youth Employment Generation Programme (UYEGP) and issued orders to implement the scheme from the year 2010-11 onwards.

3. In G.O. (Ms) No.50, Micro, Small and Medium Enterprises (D2) Department, dated 09.10.2014, 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. Similarly the maximum subsidy amount has been enhanced from Rs.75000/- to Rs.1,25,000/- per beneficiary under Unemployed Youth Employment Generation Programme (UYEGP).

4. With reference to the above Announcement, the Industries Commissioner and Director of Industries and Commerce has submitted the proposal as follows:-

- i) The Micro enterprises which are promoted under this scheme, plays a vital role in ensuring equitable growth across the State, it needs to be nurtured for sustainability.
- ii) Micro Enterprises are the most deserving category of enterprises as they mostly use local recourses and provide employment to rural persons. As the Micro Enterprises employs local persons, migration of labours from rural to urban areas is curtailed.
- iii) While enhancing 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 in G.O. (Ms) No.35, Micro, Small and Medium Enterprises (D2) Department, dated 11.11.2016, the subsidy has not been increased proportionately. The Maximum subsidy amount is restricted to Rs.1.25 lakh. Hence, it is appropriate to increase the quantum of subsidy proportionately.

5. In view of the above, the Industries Commissioner and Director of Industries and Commerce has requested the Government to issue necessary orders enhancing the project cost for manufacturing sector from Rs. 10.00 lakh to Rs.15.00 lakh and the maximum subsidy eligible from Rs.1.25 lakh to Rs.2.50 lakh under Unemployed Youth Employment Generation Programme (UYEGP) with effect from 14.02.2020, the date on which the Announcement was made by the Hon'ble Deputy Chief Minister in the Assembly.

6. The Government after careful examination decided to accept the above proposal and accordingly issue orders for enhancing the project cost for manufacturing sector from Rs. 10.00 lakh to Rs.15.00 lakh and the maximum subsidy eligible from Rs.1.25 lakh to Rs.2.50 lakh under Unemployed Youth Employment Generation Programme (UYEGP) with effect from 14.02.2020,

7. This order issue with the concurrence of Finance Department vide its U.O. No.36864 / Finance (Ind) / 2020, dated 19.10.2020.

(BY ORDER OF THE GOVERNOR)

**Dr. K.GOPAL
PRINCIPAL SECRETARY TO GOVERNMENT (FAC)**

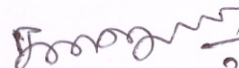
To

✓ The Industries Commissioner and
Director of Industries and Commerce,
Guindy, Chennai-32.
The Accountant General (A&E), Chennai-18.
The Pay and Accounts Officer, Chennai - 8.

Copy to:

Hon'ble Chief Minister's Office, Chennai-9.
The Special Personal Assistant to Deputy Chief Minister, Chennai-9.
The Special Personal Assistant to Minister for Rural Industries,
Chennai-9.
The Senior Private Secretary to Principal Secretary to Government (FAC),
Micro, Small and Medium Enterprises Department, Chennai-9.
The Finance (Ind / BG.I / BG.II) Department, Chennai-9.
The Micro, Small and Medium Enterprises (B / OP) Department, Chennai-9.
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21/10/2020

SECTION OFFICER

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