



**ABSTRACT**

Micro, Small and Medium Enterprises – To enhance 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 - Orders Issued.

**MICRO, SMALL AND MEDIUM ENTERPRISES (D2) DEPARTMENT**

G.O.(Ms) No.35

Dated:11.11.2016

திருவள்ளூர் ஆண்டு 2047

துன்முகி வருடம் ஐப்பசி 26

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. From the Industries Commissioner and Director of Industries and Commerce, Letter Rc.No.15918 / DIC / 2016, dated 12.08.2016.

**ORDER:**

In G.O first read above, the Government have issued orders to implement Unemployed Youth Employment Generation Programme (UYEGP) with a view to mitigate the unemployment problems of socially and economically weaker sections of the society, particularly among the educated and unemployed to become self employed by setting up Manufacturing / Service / Business enterprises by availing loan upto the maximum of Rs.5.00 lakh, Rs. 3.00 lakh and Rs. 1.00 lakh respectively, with subsidy assistance from the State Government at the rate of 15% of the project cost, from the year 2010-11.

2. In 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. Similarly, the maximum subsidy amount has been enhanced from Rs.75,000/- to Rs.1,25,000/- per beneficiary under Unemployed Youth Employment Generation Programme (UYEGP).

3. The Hon'ble Minister of Rural Industries has made the following announcement in the floor of Assembly on 11.08.2016.

மாண்புமிகு தமிழ்நாடு முதலமைச்சர் இதயதெய்வம் புரட்சித்தலைவி அம்மா அவர்களின் ஆணைப்படி, வேலையில்லா இளைஞர்களுக்கான வேலைவாய்ப்பு உருவாக்கும் திட்டத்தின் கீழ் (UYEGP) உற்பத்தி தொழில்களுக்கான அதிகபட்ச திட்ட மதிப்பீடு ரூ.5.00 இலட்சத்தில் இருந்து ரூ.10.00 இலட்சமாக உயர்த்தப்படும்.

4. Based on the above Announcement, the Additional Chief Secretary/ Industries Commissioner and Director of Industries and Commerce has stated that this Scheme was approved during the year 2010-11 and the the Manufacturing sector is contributing substantially for the economy of the State. In order to cover the cost of escalation from the period of approval , enhancement of the eligible project cost is necessary. Moreover there are opportunities to synergise the Unemployed Youth Employment Generation Programme (UYEGP) with the Prime Minister's Mudra Yojana (PMMY) in which loans upto Rs.10.00 lakh granted without any collateral security by the banks. Moreover under NEED Scheme though the project cost is exceeding the maximum of Rs.1.00 crore, the subsidy component is restricted to Rs.1.00 crore only. In view of that, the Additional Chief Secretary / Industries Commissioner and Director of Industries and Commerce has requested the Government to enhance the maximum eligible project cost under UYEGP to Rs.10.00 lakh for the manufacturing sector subject to the existing maximum subsidy ceiling of Rs.1.25 lakh.

5. After careful consideration, the Government enhance the maximum eligible project cost under UYEGP to Rs.10.00 lakh (Rupees Ten lakh only) for the manufacturing sector subject to retaining the existing maximum subsidy ceiling of Rs.1.25 lakh. This enhancement shall take effect from the date of issue of this order.

6. The other conditions in the G.O first and second 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.58920/DS(B)Ind/2016, dated: 09.11.2016.

(BY ORDER OF THE GOVERNOR)

MANGAT RAM SHARMA  
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Additional Chief Secretary / Industries Commissioner  
and Director of Industries and Commerce,  
Guindy, Chennai-32.

The Accountant General, Chennai-18.

The Pay and Accounts Officer, Chennai - 8

Copy to:

The Finance (Ind) Department, Chennai-9.

Stock file / Spare copy.

// FORWARDED BY ORDER //

*[Signature]*  
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SECTION OFFICER