



## DISTRICT INDUSTRIES CENTER(DIC) SCHEMES

In pursuance of the Industrial Policy-1977, a programme for setting up District Industries Centres (DICs) was launched by the Government of India, to be operational from 1st May 1978. The programme provided for setting up a DIC in each district of the country, in a phased manner in order to make the district headquarters a focal point for the development of small-scale and cottage industries, to shift the emphasis from cities and state capitals to the district headquarters and to provide under a single roof, all services and support needed by small and village entrepreneurs. Accordingly the Government of India issued guidelines to the State Government for setting up DIC in each district of the state. In the State of Maharashtra, District Industries Centre have been set up in the 34 districts. At present 34 districts of Maharashtra DICs have been functioning.

The main objects of the DIC programme are firstly to make available various assistance and clearance required under one roof and secondly to promote rural industries.

**Following are the schemes under District Industries Centre (DIC):**

### 1. Prime Minister's Employment Generation Program (PMEGP)

The objective of this centrally sponsored scheme of Ministry of Micro, Small & Medium Enterprises, Government of India being implemented since October, 2008 is to provide gainful employment and self-employment opportunities to educated unemployed persons through activity of industry, service and business.

The Ministry of Micro, Small & Medium Enterprises (MSME), Government of India, has launched a new scheme called PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP) to empower first generation entrepreneurs in rural and urban areas for setting up micro enterprises by merging Rural

Employment Generation Programme (REGP) and Prime Ministers Rojgar Yojana (PMRY). The scheme is launched on 15th Aug 2008 by Govt. of India. The scheme is implemented through agencies namely Khadi & Village Industries Commission, Khadi & Village Industries Board and District Industries Centre (Directorate of Industries) in the state. KVIC is the nodal agency for implementation of the scheme.

#### Features of the scheme

- ₹ 25 lakhs cost of the project under manufacturing sector and ₹ 10 lakhs under Business/ Service sector. 90 to 95% amount will be given as loan by banks and 5 to 10% will be applicants share
- Scheme is implemented through Nationalized Banks, Regional Rural Banks and IDBI

#### Nature of Financial Assistance

Categories of beneficiaries under PMEGP	Beneficiary's contribution (of project cost)	Rate of Subsidy (of project cost)	
Area (location of project/unit)	--	Urban	Rural
General Category	10%	15%	25%
Special category (including SC / ST / OBC / Minorities/Women, Ex-servicemen, Physically Handicapped, NER, Hill and Border areas etc.)	5%	25%	35%

## 2. Seed Money Scheme

The objective of the scheme is to encourage an unemployed person to take up self-employment ventures through industry, service and business, by providing soft loans to meet part of the margin money to avail institutional finance.

The objective of the scheme is to encourage unemployed person to take up self-employment ventures through industry, service and business, by providing soft loans to meet part of the margin money to avail institutional finance.

#### Scope of the scheme:

As per Govt. G.R. dated 18 May 2007, the Govt. of Maharashtra has made the following changes in the earlier Seed Money Scheme:

- Projects cost increased from ₹ 10 lakhs to ₹ 25 lakhs for industry, service and business activity
- Seed Money assistance at 15 per cent of the project cost approved by financial institutions is offered. In case of projects up to ₹ 10 lakhs, the quantum of assistance is 20% for SC/ST/OBC/NT/VT/Handicapped
- Seed Money component up to ₹ 3.75 lakhs maximum
- Bank loan 75% of the project cost

- The rate of interest on seed money is 6% per annum and if the borrower repays installment regularly and within schedule time, then the borrower will get rebate of 3% in interest. So he has to pay only 3% interest. Hence for regular repayment interest of 3% per annum
- If the installment is not repaid in time, it will attract 1% penal interest

The repayment of loan starts after three years in four yearly installments. However for vehicle cases repayment starts after six months of loan availment.

### 3. DIC Loan Scheme

The objective of the scheme is to generate employment opportunities including self-employment to tiny units located in towns and rural areas having population of less than 1 lakh and with investment in plant & machinery below ₹ 2 Lakhs. Such identified tiny units falling within the purview of the Small Scale Industries Board and Village Industries, handicrafts, handlooms, Silk & Coir Industries are covered for financial assistance in the form of margin/seed money under the Scheme.

The objective of the scheme is to generate employment opportunities including self-employment to tiny units located in towns and rural areas having population of less than ₹ 1 lakh (According to census 1981) and with investment in plant & machinery below ₹ 2 lakhs. Such identified tiny units falling within the purview of the Small Scale Industries Board and Village Industries, handicrafts, handlooms, Silk & Coir Industries are covered for financial assistance in the form of margin/seed money under the Scheme.

In case of entrepreneur belonging to general category, the extent of Margin Money assistance is 20% of the total investment or ₹ 40,000/- whichever is less. Similarly in case of entrepreneur's belonging to scheduled caste & scheduled tribe Margin Money assistance of upto 30% of the total fixed capital investment or upto maximum of ₹ 60,000/- whichever is less is provided.

There is a provision of levying interest on this loan @ of 4% p.a. and 1% penal interest in case of default in repayment schedule. Repayment of the margin money assistance is to be done within 8 years with an initial moratorium of two years. This scheme is particularly useful for rural artisans. The statement showing outlay and expenditure since 2011-12 to 2014-15 is enclosed herewith.

### 4. Entrepreneurship Development Training Program

This scheme was introduced with the objective of training educated unemployed persons to take up self-employment ventures or skilled wage employment. Entrepreneurs are given guidance related to industry/service/business activities & skill upgradation. Entrepreneurs are also guided in respect of choice of activity, necessities of land, project report, obtaining various no objection certificates, licences and marketing strategy.

This scheme was introduced with the objective of training the educated unemployed persons to take up self-employment ventures or skilled wage employment. Entrepreneurs are given

guidance related to industry/service/business activities & skill upgradation. Entrepreneurs are also guided in respect of choice of activity, necessities of land, project report, obtaining various no objection certificates, licences, etc., marketing strategy, etc.. It is necessary that the Entrepreneur undergoes entrepreneurship development training programme which is imparted by MCED, MITCON & other NGOs approved by Directorate of Industries.

Following training programmes are organized-

- Entrepreneurship Introductory Programme (Udyojakata Parichay karyakram) of 1 day - Non-Residential  
In this programme guidance and inputs on selection of activity, Entrepreneurship Personality Development, business management, information about various Government agencies and agencies providing financial assistance in the form of loan, etc. is imparted. Total expenses per programme are limited to ₹ 600/- per trainee.
- Entrepreneurship Development Training Programme (12 days Residential)  
This programme comprises of 12 days residential training programme, which includes food expenses. Candidates identified and selected in Entrepreneurship Introductory Programme are given widespread information on Entrepreneurship Development. The institute imparting the training is given a grant of ₹ 4000/- per trainee.
- Technical Training Programme (15 days to 2 months Non-Residential)  
This training programme comprises of information on latest and enhanced technical knowledge related to Production and Service. Trainees are given a stipend of ₹ 500/- after completion of the 15 days, ₹ 1000/- for 1 month and ₹ 2,000/- for 2 months of training programme. The training institute is given a grant of ₹ 3000/- per trainee.

## 5. District Award Schemes

In order to encourage entrepreneurs establishing small scale ventures and also to acknowledge them for their success and achievements, the State Government has started honouring such entrepreneurs with District Award Scheme at the district level. Proprietors / Partner's / Directors of enterprises who have obtained EM registration with the concerned District Industries Centre at least three years earlier and in production for two continuous years are eligible for the award.

In order to encourage entrepreneurs establishing small scale ventures and also to acknowledge them for their success and achievements, the State Government has started honouring such entrepreneurs with District Award Scheme at the district level. Proprietors / Partners / Directors of enterprises who have obtained EM registration with the concerned District Industries Centre at least three years earlier and in production for continuous two years are eligible for the award. The entrepreneur is selected by the District Advisory Committee at the district level. The factors and parameter upon which the entrepreneurs are selected for the award are pace of development, indigenouseess, self-reliance, use of technology, location of the

unit, quality control, export market, management, etc. Extra marks are awarded to select entrepreneurs from scheduled caste / scheduled tribe category. First award ₹ 15000/- and mementoes and second award ₹ 10000/- and mementoes.

As per the provisions of GR No.SSIP-2013/C.No.202/IND-7, dated 27<sup>th</sup> January, 2015 the District Award function will be held on the occasion of "Vishwakarma Jayanthi Day" and celebrated as Udyog Divas. On this day the function will be organised as follows:

1. The products of the entrepreneur will be displayed for exhibition and for sale.
2. Workshop and discussions will be organised.
3. As per the provisions of GR No. SSIP-2005/(8392)/IND-7, dated 18<sup>th</sup> September, 2006, noteworthy/significant performances of entrepreneurs from MSME sector will hence forth be felicitated every year on "Udyog Divas".

## Doing Business In Maharashtra

Maharashtra Industry Development Association (MIDA) has been functioning for the last 25 years for industrial and economic growth of the State.

### Get In Touch

 Samruddhi Venture Park, Office No. 1, 3rd Floor,  
Marol MIDC Industrial Estate, Andheri (E),  
Mumbai-400 093

 [miedaindia@outlook.com](mailto:miedaindia@outlook.com)

 +91 - 22 - 6951 1111 / 2832 7219 / 20

### Quick Links

- [Home](#)
- [Founder](#)
- [SEZ in Maharashtra](#)
- [Opportunities](#)
- [Policies](#)
- [Contact Us](#)

## Quick Links

- [About Maharashtra](#)
- [Gallery](#)
- [Events](#)
- [Partners](#)
- [FAQs](#)
- [Districts in Maharashtra](#)

The information provided on Doing Business in Maharashtra ([www.doingbusinessinmaharashtra.org](http://www.doingbusinessinmaharashtra.org)) website is intended for general informational purposes only. While we strive to provide accurate and up-to-date information, we cannot guarantee the accuracy, completeness, or reliability of the content. The views and opinions expressed in the articles and posts on this website are those of the authors and do not necessarily reflect the official policy or position of Doing Business in Maharashtra ([www.doingbusinessinmaharashtra.org](http://www.doingbusinessinmaharashtra.org)) website. Readers are advised to independently verify any information found on this website before making decisions based on it. We do not endorse, represent, or warrant the accuracy or reliability of any third-party content linked on this site. Furthermore, Doing Business in Maharashtra ([www.doingbusinessinmaharashtra.org](http://www.doingbusinessinmaharashtra.org)) website shall not be held liable for any errors, omissions, or delays in the information provided, nor for any losses, injuries, or damages arising from its display or use. Please note that the content on Doing Business in Maharashtra ([www.doingbusinessinmaharashtra.org](http://www.doingbusinessinmaharashtra.org)) website may be subject to change without notice.

© [Doing Business In Maharashtra](#). All Rights Reserved.