

**GOVERNMENT OF INDIA  
AGRO AND RURAL INDUSTRIES  
LOK SABHA**

UNSTARRED QUESTION NO:1830  
ANSWERED ON:07.03.2006  
SETTING UP OF AGRO AND RURAL INDUSTRIES  
Adhalrao Patil Shri Shivaji;Verma Shri Ravi Prakash

**Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:**

- (a): whether the Government has drawn up any plan to set up Agro and Rural Industries in the rural and tribal regions;
- (b): if so, the details of the plan with regard to the remaining period of Tenth Five Year Plan, State-wise, area-wise and product-wise;
- (c): whether the Union Government has prepared any scheme and spent any amount to encourage agro and rural industries to open new units in the hinterland of the country particularly in the border areas of Uttar Pradesh in order to save the perishable food items (vegetables and fruits) from getting rotten; and
- (d): if so, the details thereof?

**Answer**

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a)&(b): The Government, has no plans to set up any agro or rural industry by itself, which are set up by individual entrepreneurs. However, the Government has been implementing the rural Employment Generation Programme (REGP), through the Khadi and Village Industries Commission (KVIC), to help eligible entrepreneurs to set up village industry units and thus create employment opportunities in village and small towns with population up to 20,000, throughout the country, including tribal areas. Under this programme, entrepreneurs can establish village industries by availing of margin money assistance from the KVIC and loans from public sector scheduled commercial banks, selected regional rural banks, cooperative banks, etc., for projects with a maximum cost of Rs. 25 lakh. State/Union Territory (UT)-wise targets of village industry units to be assisted during the remaining period of Tenth Five Year Plan, i.e., 2005-06 and 2006-07 under the REGP are given in the enclosed Annexure. Product-wise plan is not drawn up under the REGP.

(c) The Central Government (in the Ministry of Agro and Rural Industries) has not prepared any such scheme. However, eligible entrepreneurs in the country, including the border areas of Uttar Pradesh, are encouraged to set up village industry units (including units for processing perishable agricultural produce) under the REGP.

(d): Does not arise.