

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

UNSTARRED QUESTION NO:2354
ANSWERED ON:15.12.2004
ONE INDUSTRY ONE VILLAGE PROGRAMME
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Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a): whether the Government proposes to boost up rural industrialization by starting 'one industry one village programme'; and

(b): if so, the details thereof?

Answer

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

(a)&(b): To promote and assist establishment of village industries, the Government has been implementing the Rural Employment Generation Programme (REGP) through the Khadi and Village Industries Commission (KVIC) in all the States and Union Territories (UTs). Under this programme, an entrepreneur can establish projects by availing of margin money assistance from the KVIC and loans from any public sector scheduled commercial bank, for projects with a maximum cost of Rs. 25 lakh. The permissible margin money assistance is as detailed in the table below:

Margin Money Assistance under REGP

Sl.No.	Category of Beneficiary	Project Cost	Margin money Assistance
1	General	Upto Rs. 10 lakh	25% of project cost
2	SC/ST/Women/Ex-Serviceman/NE Region/Hill Areas	Upto Rs. 10 lakh	30% of project cost
3	General	Rs. 10 lakh and Upto Rs. 25 lakh	Rs. 2.5 lakh + 10% of balance project cost
4	SC/ST/Women/Ex-Serviceman/NE Region/Hill Areas	Rs. 10 lakh and Upto Rs. 25 lakh	Rs. 3 lakh + 10% of balance project cost

Note: SC/ST = Scheduled Caste/Scheduled Tribe;
NE = North Eastern

The Government has set a target of generating additional employment for 5.25 lakh persons under the REGP during 2004-05. The State-wise details of the target for employment generation under REGP are given at Annexure-I enclosed.

Under the Pradhan Mantri Rozgar Yojana (PMRY) of the Government, being implemented through the District Industries Centres (DICs) of the State Government/Union Territories (UTs) and the banks, loans are provided to the educated unemployed to set up self-

employment ventures. Under the PMRY, the Central Government allocates funds for subsidy, entrepreneurial development training (EDT), contingencies, etc., based on the targets of generation of employment opportunities assigned to each State/UT. The Central funds for subsidy are routed through the Reserve Bank of India (RBI) which, in turn, passes them on to the implementing banks for crediting the amounts to the loan account of each beneficiary. Under this Yojana, projects with investment upto Rs. 1.lakh in the business sector and upto Rs. 2 lakh in other sector are eligible for assistance. The subsidy amount is 15 per cent of project cost and subject to a ceiling of Rs. 7,500/-. Eligible persons can join together in a partnership to get assistance for projects with investment upto Rs. 10 lakh. The margin money contribution of the beneficiary varies from 5 per cent to 16.25 per cent of the project cost, so as to make sum of the Government subsidy and beneficiary's own contribution to margin money equal to 20 per cent of the project cost. The State-wise details of the Plan target for setting up new units under the PMRY during 2004-05 are given in Annexure - II enclosed.

Annexure - I

Annexure referred to in reply parts (a) & (b) of Lok Sabha Unstarred Question No. 2354 for answer on 15.12.2004

State-wise targets for Generating Additional Employment under the REGP during 2004-2005.

Sl.No. States/Union Territories Targets for Additional
Employment Generation
(in number of persons)

1 Andhra Pradesh	24884
2 Arunachal Pradesh	1417
3 Assam	28717
4 Bihar	25567
5 Goa	9030
6 Gujarat	13754
7 Haryana	14017
8 Himachal Pradesh	12285
9 J & K	12915
10 Karnataka	25567
11 Kerala	23677
12 Madhya Pradesh	21577
13 Maharashtra	40319
14 Manipur	2535
15 Meghalaya	7980
16 Mizoram	2467
17 Nagaland	4935
18 Orissa	19057
19 Punjab	26197
20 Rajasthan	43627
21 Sikkim	1732
22 Tamil Nadu	23309
23 Tripura	5407
24 Uttar Pradesh	43679
25 West Bengal	50084
26 A & Nicobar	1607
27 Chandigarh	53
28 D & N Haveli	221
29 Delhi	735
30 Lakshadweep	52
31 Pondicherry	210
32 Chhattisgarh	10447
33 Jharkhand	13965
34 Uttaranchal	13125

Total 525150

Annexure - II

Annexure referred to in reply parts (a) & (b) of Lok Sabha Unstarred Question No. 2354 for answer on 15.12.2004

Targets Assigned to States/UTs for New Units under PMRY during 2004-2005.

Sl.No. States/Union Territories Plan Target (Number of New Units)

1	Andhra Pradesh	21500
2	Assam	7500
3	Arunachal Pradesh	200
4	Bihar	16000
5	Delhi	4500
6	Goa	500
7	Gujarat	10000
8	Haryana	5100
9	Himachal Pradesh	3000
10	J & K	2000
11	Karnataka	12000
12	Kerala	17000
13	Madhya Pradesh	14000
14	Maharashtra	26000
15	Manipur	1500
16	Meghalaya	400
17	Mizoram	200
18	Nagaland	400
19	Orissa	7100
20	Punjab	4600
21	Rajasthan	9100
22	Tamil Nadu	20000
23	Tripura	1000
24	Uttar Pradesh	26000
25	West Bengal	24000
26	A & Nicobar	150
27	Chandigarh	300
28	Daman & Diu	50
29	D & Nagar Haveli	50
30	Lakshadweep	50
31	Pondicherry	700
32	Sikkim	100
33	Uttaranchal	2500
34	Jharkhand	6500
35	Chhattisgarh	6000

Total 250000