

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:380

ANSWERED ON:27.07.2010

DEVELOPMENT OF AGRO AND RURAL INDUSTRIES

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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the total number of agro and rural industries established in the country, State-wise including Uttar Pradesh;
- (b) the details of pending/ongoing programmes for development of such industries during each of the last three years, State-wise and scheme-wise, separately;
- (c) the details of the employment generated alongwith the funds granted/ released/utilised and concessions provided for development and setting up of such industries during the said period, State-wise, separately;
- (d) whether the Union Government has received any proposal from various State Governments for development and setting up of more industries including Industrial Training Institutes in the country at district level;
- (e) if so, the details thereof, State-wise; and
- (f) the reaction of the Government in this regard and the time by which such industries are likely to be set up alongwith the funds allocated for the purpose?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA PATEL)

(a) & (b): Agro and Rural Industries in the rural areas of the country, including those of Uttar Pradesh, have been promoted by the Government (in the Ministry of Micro, Small and Medium Enterprises) through three credit-linked subsidy schemes, namely, (i) the Rural Employment Generation Programme (REGP), implemented by the Government from 01-04-1995 to 31-03-2008 through the Khadi and Village Industries Commission (KVIC); (ii) the Pradhan Mantri Rojgar Yojana (PMRY), implemented from 02-10-1993 to 31-03-2008 through the States and Union Territories, and (iii) Prime Minister's Employment Generation Programme (PMEGP), being implemented from 2008-09 through KVIC as the single nodal agency at the national level and through field offices of KVIC, State/Union Territory Khadi and Village Industries Boards and District Industries Centres (DICs) at the State/Union Territories level, with involvement of banks. Approximately, fifty per cent of the units established under PMRY (implemented in both rural and urban areas) are estimated to be in rural areas. The State/UT-wise details of projects set up under REGP and self employment ventures set up under PMRY during the entire period of their implementation, and the 'micro enterprises' assisted under PMEGP during 2008-09 and 2009-10 are given at Annex. I

(c): The State/Union Territory (UT)-wise details of estimated employment opportunities generated under REGP during 2007-08, and PMEGP during 2008-09 & 2009-10, are given at Annex. II

REGP was a Central Sector scheme and the approved grants for the scheme were used to be released to the KVIC which, in turn, released the funds (towards margin money assistance) to the banks against the projects sanctioned in each State/Union Territory (UT). The State/UT - wise details of margin money allocated by KVIC under the REGP as well as those of margin money utilised during 2007-08, are given at Annex. III. Under PMRY, allocation of the subsidy and release of funds were based on the targets for States/UTs. The subsidy amount had been released directly to the Reserve Bank of India (RBI), which, in turn, released the necessary amounts to the implementing banks. Rs. 283.20 crore towards subsidy were released to the RBI during 2007-08 under PMRY.

The State/Union Territory-wise details of funds allocated (released) to the States/UTs for entrepreneurial development and contingencies as well as the funds utilised under the PMRY during 2007-08 are given at Annex. IV.

After 2007-08, no budget provision was made under these two schemes, namely, REGP and PMRY, since they have been merged into a new scheme called "Prime Minister's Employment Generation Programme (PMEGP)", the details of which have been given in the answer to part (a) above. The State/UT - wise details of margin money utilised under PMEGP during 2008-09 and 2009-10, are given at Annex. II.

(d), (e) & (f): Proposals for setting up of units under PMEGP are received by the Implementing Agencies namely, KVIC, State Khadi and Village Industries Boards and District Industries Centres(DICs). These applications are screened by a Task Force headed by the District Magistrate / Collector concerned and recommended to banks. Time to time, requests are being received from the State Governments for enhancing/reducing the targets under this scheme set for a particular year. The proposals for enhancing the targets

are considered keeping in view the past performance, the extent of rural population, backwardness and urban unemployment.