

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

UNSTARRED QUESTION NO:20  
ANSWERED ON:09.11.2010  
EMPLOYMENT IN SMALL SCALE INDUSTRIES  
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**Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:**

- (a) the total number of persons employed in agro, rural, cottage and small scale industries separately, State-wise;
- (b) whether a downward trend is being observed in the employment opportunities in such industries;
- (c) if so, the details thereof and the reasons therefor;
- (d) the steps taken by the Government to provide incentive and training to people for setting up of more such industries; and
- (e) the other steps taken by the Government to create more employment and setting up of such industries in the country?

**Answer**

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

(a): As per 4th All India Census of micro, small and medium enterprises (MSMEs), around 594.61 lakh persons are employed in the MSME sector, including agro, rural, cottage and small scale industries. The State-wise details of employment created in rural non-farm sector under erstwhile 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) and the present Prime Minister's Employment Generation Programme (PMEGP) during 2008-09 and 2009-10, are given at Annex.

(b) & (c): No, Sir. There has been overall increase in employment under the khadi and village industries. Department of Agriculture and Cooperation, Ministry of Agriculture has reported that employment in agro-industries is growing with increase in agricultural production, processing, etc. With mechanization of agriculture and seed processing / treatment, the agro sector is providing enhanced employment opportunities as reported by Department of Agriculture and Cooperation.

(d) & (e): Government of India imparts training to persons employed or desirous of setting up of micro-enterprises through KVIC, a statutory organisation under this Ministry, through 39 departmental and non-departmental training centres. Under PMEGP, a credit-linked subsidy scheme of the Government, implemented from 2008-09 through KVIC for generation of additional employment opportunities by establishing micro enterprises, 690 Training Centres have been accredited by KVIC for providing Entrepreneurship Development Programme (EDP) training besides tie-up with national level entrepreneurship development institutions such as National Institute for Entrepreneurship and Small Business Development (NIESBUD), Noida; National Institute for Micro, Small and Medium Enterprises (NIMSME), Hyderabad; Indian Institute of Entrepreneurship (IIE), Guwahati, etc..

Under PMEGP, financial assistance in the form of margin money subsidy ranging from 15% to 35% of the project cost is provided to first generation entrepreneurs for setting up new micro-enterprises.