

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

UNSTARRED QUESTION NO:491
ANSWERED ON:24.02.2011
IMPLEMENTATION OF REGP BY KVIC
Rajaram Shri Wakchaure Bhausahb

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

- (a) whether the Government through the Khadi and Village Industries Commission implementing the Rural Employment Generation Programme throughout the country for promoting agro based industries including vegetable and herbal products based agro industries;
- (b) if so, the details thereof;
- (c) the details of the assistance granted for promoting herbal and vegetables based products during each of the last three years and the current year, State-wise; and
- (d) the details of the employment generated through REGP during the said period; State-wise?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a), (b) & (c) The Government in the Ministry of Micro Small and Medium Enterprises (MSME) had implemented Rural Employment Generation Programme (REGP) through Khadi and Village Industries Commission (KVIC) till 31 March 2008 under which 3.07 lakh projects were assisted with a margin money subsidy of Rs. 2623.21 crore between 1994-95 to 2007-08, generating estimated employment opportunities for 49.44 lakh persons. However, the Government introduced a new credit linked subsidy scheme titled Prime Minister's Employment Generation Programme (PMEGP) in 2008-09 through merger of the erstwhile schemes of Prime Minister's Rozgar Yojana (PMRY) and REGP, implemented through KVIC as the national level nodal agency for generating self-employment opportunities through establishment of micro enterprises by organizing traditional artisans and unemployed youth. At the State/Union Territories level, the scheme is implemented through field offices of KVIC, State/Union Territory Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs) with involvement of Banks. Under this Programme, beneficiaries can establish micro enterprises, including vegetable and herbal based agro units, by availing of margin money assistance through the implementing agencies and loans from Banks, etc., for projects costing up to Rs.25 lakh each in the manufacturing sector and upto Rs.10 lakh each in the service sector. Such units are promoted by KVIC under the agro based industries group comprising, inter alia, processing of cereals, pulses, spices, condiments, masala, fruits and vegetable processing, village oil, gur and khandsari, etc. The details of such units exclusively are not maintained centrally.

(d) The State-wise details of employment created in rural non-farm sector under erstwhile Rural Employment Generation Programme (REGP) and the present Prime Minister's Employment Generation Programme (PMEGP) during the last three years and current year, are given at Annex.