

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

UNSTARRED QUESTION NO:536

ANSWERED ON:24.02.2011

PROMOTION OF RURAL INDUSTRIES

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

- (a) whether the Government is implementing any scheme for the promotion of rural industries;
- (b) if so, the details thereof;
- (c) the details of industries earmarked for rural industries;
- (d) the central assistance disbursed for implementation of rural industries during each of the last three years and the current year, State-wise;
- (e) the number of micro enterprises in KBK region of Orissa received central assistance during the said period; and
- (f) the number of people benefited due to implementation of schemes during the said period; State-wise?

Answer

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

(a),(b)&(c) For promotion of rural industries especially in non-farm sector, the Government in the Ministry of MSME is implementing Prime Minister's Employment Generation Programme (PMEGP), a credit-linked subsidy programme since 2008-09 through Khadi and Village Industries Commission(KVIC)for generating self-employment opportunities through establishment of micro enterprises by organizing traditional artisans and unemployed youth, helping in preventing their migration besides increasing their earning capacity. 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 inter alia, under Mineral Based Industry; Forest Based Industry; Agro Based and Food Processing Industry, Polymer and Chemical Based Industry, Rural Engineering and Bio-Technology Industry, Hand Made Paper & Fibre Industry and Service Industry, by availing of margin money subsidy of 25 percent of project cost for units in rural areas to be set up by beneficiaries belonging to general category which will be 35 percent for beneficiaries belonging to special categories such as scheduled cast/scheduled tribe /Women and others 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.

(d) The State-wise details of margin money subsidy provided under REGP and PMEGP during the last three years and current year are given at Annex. I.

(e) The number of units setup under REGP/PMEGP in Orissa including the KBK region during last three years and current year are as under:

Years Number of projects assisted under
REGP/ PMEGP in Orissa

2007-08	1105
2008-09	1654
2009-10	1908
2010-11#	7480

upto 10.02.2011

(f) The State-wise number of persons benefited by REGP/PMEGP during last three years and the current year are given at Annex. II.