

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

UNSTARRED QUESTION NO:3611
ANSWERED ON:26.04.2012
PRODUCTION IN RURAL INDUSTRIES
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the production in rural industries is going down vis-a-vis overall industrial production in the country;
- (b) if so, the details thereof and the reasons therefor;
- (c) the steps taken/proposed to be taken to boost these industries;
- (d) whether Government have any training programme at district level with regard to these industries;
- (e) if so, the details thereof; and
- (f) if not, the reasons therefor?

Answer

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

(a)&(b): As per the Final Report of 4th Census of registered MSME: 2006-07, the data for which was collected in 2009-10 and the Report published in 2011, the Gross output of MSMEs in rural areas is Rs.2,42,532.80 crore in comparison to Rs.68,289.29 crore reported in the Report of 3rd All India Census of Registered SSIs: 2001-02, published in 2004. The percentage share of gross output of rural industries in the total gross output increased from 33.60% in 2001-02 (3rd Census) to 34.28% in 2006-07 (4th Census).MSME(reference year 2001-02), Registered Sector.

(c): Khadi and Village Industries Commission(KVIC) has been implementing a number of schemes to promote village industries. These include the Prime Minister's Employment Generation Programme (PMEGP) for assisting unemployed youth and artisans to set up micro enterprises in the non-farm sector. General category beneficiaries can avail of margin money subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to special categories such as scheduled caste/scheduled tribe /women the margin money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of projects is Rs.25 lakh in the manufacturing sector and Rs.10 lakh in the service sector. In the period 2008-09 to 2011-12, margin money subsidy of Rs.3131.65 crore has been provided by the Government of India of which Rs.3000.36 crore has been utilised for assisting 1.63 lakh projects and creating employment opportunities for an estimated 15.91 lakh persons.

(d) to (f): KVIC has provided training to over 74,000 persons during 2011-12 in different trades in the khadi and village industries sector, which includes 25,760 persons who have been provided Entrepreneurship Development Programme (EDP) training under PMEGP. EDPs are conducted through various institutions accredited by KVIC for the purpose.