

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

UNSTARRED QUESTION NO:603  
ANSWERED ON:07.08.2013  
AGRO BASED INDUSTRIES  
Hussain Shri Syed Shahnawaz;Patle Kamla Devi

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

- (a) the number of agro-based industries set up in the country including Chhattisgarh during each of the last three years and the current year, State-wise;
- (b) the contribution of small scale and cottage industries to the economic development of the country;
- (c) whether the Government has conducted any study/assessment regarding capacity/contribution of cottage industries in terms of income and employment generation in the country;
- (d) if so, the details thereof, State-wise;
- (e) whether there is still a lot of scope for development of agro-based industries in various States including Bihar; and
- (f) if so, the details thereof along with the steps taken by the Government in this regard, State-wise?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIYAPPA)

- (a): State-wise number of agro based industries set up in the country is not maintained centrally in the Ministry.
- (b): The contribution of micro and small enterprises (MSEs) to GDP and to total industrial production was estimated to be 8.72% and 44.86% respectively during the year 2008-09.
- (c): Government in the Ministry of Micro, Small and Medium Enterprises has not conducted any study/assessment regarding capacity/contribution of cottage industries in terms of income and employment generation in the country.
- (d): Does not arise.
- (e) & (f): Yes, Madam. Government in the Ministry of Micro, Small and Medium Enterprises (MSME) has been implementing a credit-linked subsidy programme named Prime Minister's Employment Generation Programme (PMEGP) since 2008-09 through KVIC throughout the country for generating self-employment opportunities through establishment of micro enterprises including agro based industries in the non- farm sector by organizing traditional artisans and unemployed youth. Under the programme, 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 Castes, Scheduled Tribes, OBCs, minorities, women, ex-servicemen, physically handicapped, beneficiaries belonging to NER, hill and border areas, etc., the margin money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of project is Rs 25 lakh in the manufacturing sector and Rs 10 lakh in the service sector. Under PMEGP, a total of 2.21 lakh micro enterprises including agro based industries have been assisted with a margin money subsidy of Rs 4147.95 crore providing employment to an estimated 20.34 lakh persons since its inception till 2012-13. The State-wise number of agro based and food processing units assisted under PMEGP since inception (upto 2011-12) is given in Annex.