

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

UNSTARRED QUESTION NO:3460

ANSWERED ON:12.02.2014

EMPLOYMENT GENERATION BY KVIC

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

- (a) the details of employment opportunities generated by the Khadi and Village Industries Commission (KVIC) in the rural and urban areas in the country during each of the last three years and the current year;
- (b) the quantum of funds spent for the purpose by KVIC during the said period, year-wise;
- (c) the contribution of Mahatma Gandhi Institute for Rural Industrialization (MGIRI) in regard to training and capacity building in rural industries;
- (d) whether the KVIC has prepared a new scheme for employment generation for various categories of persons including war widows, ex-servicemen and their dependent in rural areas and if so, the details thereof; and
- (e) the extent to which this new scheme will help to provide employment to these sections of people?

**Answer**

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI K. H. MUNYAPPA)

(a) Estimated employment opportunities generated by the Khadi and Village Industries Commission (KVIC) in the rural and urban areas in the country during the last three years and the current year is given below:

Year      Estimated employment generated(cumulative)    (in lakh persons)

Khadi    Village Industries    Total

2010-11      10.15    103.65    113.80

2011-12      10.45    108.65    119.10

2012-13      10.71    114.05    124.76

2013-14 (upto 31 January 2014)    10.89    129.40    140.29

Figures are provisional

(b) KVIC has been implementing a number of schemes for the holistic development and promotion of khadi and village industries in the country, inter alia, for creation of employment in the non-farm sector. Funds released and utilized by KVIC for implementation of various schemes during the last three years and the current year is given below:

(Rs. crore)

Year	Funds released to KVIC	Funds utilized by KVIC
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2010-11	1450.46	1326.99
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2011-12	1258.47	1444.59
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2012-13	1466.20	1426.43
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2013-14 (upto 31 January 2014)	929.88	504.41
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including balance funds of previous year

(c) Mahatma Gandhi Institute for Rural Industrialization (MGIRI) is a national- level institute for research, design and extension activities in the rural industries sector including training of stakeholders. MGIRI has provided training to a total of 602 persons during last 3 years (2010-11 to 2012-13).

(d)&(e) Government in the Ministry of Micro, Small and Medium Enterprises (MSME) has already been implementing a credit- linked subsidy programme named Prime Minister's Employment Generation Programme (PMEGP) with KVIC as nodal agency at the national level for generating employment for various categories of persons including war widows, ex-servicemen and their dependent in rural areas in the Country by setting up of micro-enterprises in the non-farm sector. Under PMEGP, 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 North Eastern Region, hill and border areas, etc., the margin money subsidy is 35% in rural areas and 25% in urban area. The maximum cost of project is rs 25 lakh in the manufacturing sector and rs 10 lakh in the service sector.

Under PMEGP, 2.30 lakh projects have been assisted till 31.12.2013 creating employment opportunities for an estimated 20.90 lakh persons utilizing margin money subsidy of rs 4331.92 crore.