

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

UNSTARRED QUESTION NO:4011

ANSWERED ON:06.08.2014

AGRO AND RURAL INDUSTRIES

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

- (a) the details of various schemes run by the Government for the promotion and development of agro and rural industries in the country;
- (b) whether the Government has reviewed or evaluated the schemes implemented by the Government for the purpose;
- (c) the number of agro and industrial units set up in various States of the country and the estimated employment generated as a result thereof during each of the last three years and the current year, State/UT-wise;
- (d) whether some of the agro and rural industries are on the verge of closure and if so, the details thereof and the reasons therefor along with the steps taken in this regard; and
- (e) whether any training or marketing support is provided to the people employed in these units and if so, the details thereof?

**Answer**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI KALRAJ MISHRA)

- (a): Promotion and development of agro and rural industries is primarily the responsibility of State Governments. However, Government in the Ministry of Micro, Small and Medium Enterprises (MSME) supplements the efforts of State Governments by implementing a number of schemes for the development of khadi, village industries and coir through Khadi and Village Industries Commission (KVIC) and Coir Board. These include a major credit-linked subsidy programme named Prime Minister's Employment Generation Programme (PMEGP) being implemented through Banks since 2008-09 with KVIC as nodal agency at the national level for generating employment 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 ` 25 lakh in the manufacturing sector and ` 10 lakh in the service sector.
- (b): KVIC has conducted evaluation study of PMEGP through an independent agency which has highlighted the successful implementation of the scheme and has recommended for continuation of the scheme in the 12th Plan.
- (c): State-wise number of projects assisted and estimated employment generated under PMEGP during the last three years and the current year is given at Annex.
- (d): No significant trend of any agro and rural industries being on the verge of closure has come to the notice of the Ministry.
- (e): Undergoing Entrepreneurship Development Programme (EDP) is also a mandatory requirement, under PMEGP. KVIC has accredited around 558 Training Centres for providing EDP training and has also tied-up with national level entrepreneurship development institutions such as National Institute for Entrepreneurship and Small Business Development (NIESBUD), National Institute for Micro, Small and Medium Enterprises (Ni-MSME) and Indian Institute of Entrepreneurship (IIE). Marketing support is also provided by KVIC through their departmental as well as institutional outlets and it also organizes exhibitions at different level such as district, state, national and international for providing market to the KVI products produced by the beneficiaries of PMEGP.