

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1030**  
**TO BE ANSWERED ON 27.06.2019**

**AGRO BASED INDUSTRIES IN RURAL AREAS**

1030. SHRI NARANBHAI KACHHADIYA:

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

- (a) whether the Government has set up/planned to set up any agro industries in rural areas of the country;
- (b) if so, the details of the amount allocated for the said industries during the last three years and the current year, State/ UT and year-wise; and
- (c) the other steps taken by the Government to encourage the agro based industries in rural areas?

**ANSWER**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI NITIN GADKARI)

(a)&(b): Ministry of MSME is implementing the following schemes through Khadi and Village Industries Commission (KVIC) and Coir Board to set-up agro industries in rural areas of the country:

**I. Schemes being implemented by the Ministry:**

- i) Scheme of Fund for Regeneration of Traditional Industries (SFURTI) from 2005-06 for making Traditional Industries more productive and competitive by organizing the Traditional Industries and artisans into clusters. The Scheme envisages providing need-based assistance for replacement of production equipment, setting up of common facility centres (CFC), product development, quality improvement, improved marketing, training and capacity building etc.
- ii) A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship (ASPIRE) was launched on 18.3.2015 to promote Innovation and Rural Entrepreneurship through rural Livelihood Business Incubator (LBI), Technology Business Incubator (TBI) and Fund of Funds for start-up creation.

**II. Scheme being implemented by Khadi and Village Industries Commission (KVIC):**

Prime Minister's Employment Generation Programme (PMEGP) is a credit linked subsidy scheme, for setting up of new micro-enterprises and to generate employment opportunities in rural as well as urban areas of the country through KVIC, State Khadi & Village Industries Board (KVIB) and District Industries Centre (DIC). 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 SC/ST/Women/PH/Minorities/Ex-Servicemen/NER, 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.

### **III. Schemes being implemented by Coir Board:**

Coir Board is implementing the Coir Vikas Yojana to cater to the multiple developmental needs of coir industry. Interventions under the following components of the Scheme are taken up during the period from 2017-18 to 2019-20.

1. Skill Upgradation and Mahila Coir Yojana (MCY)
2. Coir Industry Technology Upgradation Scheme (CITUS)
3. Export Market Promotion (EMP)
4. Domestic Market Promotion (DMP)
5. Trade and Industry Related Functional Support Services (TIRFSS)
6. Welfare Measures (Group Personal Accident Insurance Scheme)
7. Plan (Science & Technology)

State-wise details of Margin Money allocated and utilized, job opportunities created and number of units set up under **PMEGP** Scheme during the last three years and current year is placed at **Annexure-I**. State/UT-wise subsidy released and employment generated under Coir Board schemes during the last three years and current year is placed at **Annexure-II**.

(c): The other steps taken by the Government to promote agro-based cottage industries through KVIC is placed at **Annexure-III**.

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**Annexure-I referred to in reply to part (a)&(b) of the Lok Sabha Unstarred Question No. 1030 for answer on 27.06.2019**

Year-wise and State-wise details of Margin Money allocated & utilized, job opportunities (including women) created and number of units set up (including by women) under **PMEGP Scheme** during 2016-17, 2017-18, 2018-19 & 2019-20 (upto 31.5.2019)

Sl. No.	State/UT	2016-17				2017-18			
		Margin money subsidy allocated (Rs.lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)	Margin money subsidy allocated (Rs. lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)
1	Jammu& Kashmir	3541.26	2621.40	1492	11691	3272.84	6913.15	3753	30024
2	Himachal Pradesh	1970.11	2185.27	941	6916	1785.19	2042.5	886	7088
3	Punjab	3504.09	3181.60	1266	9858	3272.84	3930.46	1520	12160
4	UT Chandigarh	100	82.84	47	376	100.00	90.07	45	360
5	Uttarakhand	2140.93	2122.33	1345	9890	1933.95	2880.98	1613	12904
6	Haryana	3371.31	3383.53	1377	11016	3272.84	4167.04	1718	13744
7	Delhi	300	182.41	119	952	300.00	150.65	115	920
8	Rajasthan	5500.99	4641.6	1749	13408	4909.26	4929.04	1577	12614
9	Uttar Pradesh	12981.52	14271.05	4074	36315	11157.41	16866.47	5432	43456
10	Bihar	6909.77	8336.51	3234	25872	5653.09	6558.85	2307	18456
11	Sikkim	200	35.93	27	201	200.00	46.36	37	296
12	Arunachal Pradesh	500	440.34	301	1984	500.00	309.42	209	1672
13	Nagaland	1751.68	2007.48	1018	7783	1728.96	2672.15	930	7440
14	Manipur	1741.7	2162.78	1265	8419	1434.32	1383.87	600	4800
15	Mizoram	1253.49	491.96	425	3400	1245.66	274.05	249	1992
16	Tripura	1578.62	3734.66	2297	17961	1283.75	1892.3	1116	8928
17	Meghalaya	1748.1	407.89	329	2632	1720.32	118.27	75	600
18	Assam	5636.41	4910.38	6028	31498	5351.99	2362.48	2282	18256
19	West Bengal	3680.3	6270.32	3528	26604	2975.31	3891.37	1366	10928
20	Jharkhand	4165.73	2654.35	1300	10400	3570.37	2439.53	1111	8888
21	Odisha	5201.65	6848.96	3029	20392	4462.97	5680.65	2399	19192
22	Chhattisgarh	4493.3	4070.73	1598	12856	4016.67	3398.4	1463	11704
23	Madhya Pradesh	8527.32	8346.06	1940	15520	7587.04	7631.41	1804	14432
24	Gujarat*	5398.45	7561.61	1386	11629	4909.26	12883.63	1876	15008
25	Maharashtra**	6111.29	6001.36	2325	17799	5355.56	8749.73	3329	26632
26	Andhra Pradesh	2336.59	4916.08	1357	14148	1933.95	5336.1	1527	12216
27	Telangana	2004.86	2561.72	664	6445	4611.73	4030.21	1190	9520
28	Karnataka	4941.62	11609.56	3575	30286	4462.97	6477.94	2115	16920
29	Goa	371.62	191.44	90	660	297.53	149.07	50	400
30	Lakshadweep	50	00	00	00	100.00	00	00	00
31	Kerala	2446.06	3350.68	1584	13068	2082.72	2910.44	1347	10776
32	Tamil Nadu	5291.23	8213.92	2941	25764	4760.50	9717.58	4095	32760
33	Puducherry	150	103.65	66	699	100.00	78.95	44	352
34	A&N Islands	100	193.46	195	1398	100.00	276.95	218	1744
	<b>Total</b>	<b>110000</b>	<b>128093.86</b>	<b>52912</b>	<b>407840</b>	<b>100449</b>	<b>131240.07</b>	<b>48398</b>	<b>387182</b>

# including un-utilized balance funds of previous year.

\* including Daman &amp; Diu.

\*\* including Dadra &amp; Nagar Haveli

Sl. No.	State/UT	2018-19				2019-20 [upto 31.05.2019]			
		Margin money subsidy allocated (Rs. lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)	Margin money subsidy allocated (Rs. lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)
1	Jammu & Kashmir	4745.12	6788.34	3469	27752	4006.80	3781.19	2207	12115
2	Himachal Pradesh	2711.4	1875.29	691	5528	1721.57	1767.26	1077	5134
3	Punjab	4617.17	2316.84	911	7288	3026.80	2902.97	966	7762
4	UT Chandigarh	94.32	39.74	16	128	90.00	87.72	43	323
5	Uttarakhand	2975.4	2196.67	1155	9240	1909.93	1740.86	1136	6161
6	Haryana	4664.1	2435.94	1003	8024	3747.40	3112.09	1248	7232
7	Delhi	282.96	69.33	48	384	257.35	254.05	256	2048
8	Rajasthan	7743.65	3701.09	1202	9616	4188.14	4384.07	1988	14537
9	Uttar Pradesh	19171.59	11675.2	3236	25888	17535.32	14456.87	4365	43059
10	Bihar	10869.49	4153.6	1347	10776	7118.59	6588.55	2430	19624
11	Sikkim	188.64	42.94	25	200	227.38	186.11	110	397
12	Arunachal Pradesh	471.6	271.84	187	1496	200.08	38.85	35	104
13	Nagaland	2825.5	776.03	412	3296	1255.83	1392.81	623	4998
14	Manipur	2544.19	961.86	585	4680	2855.92	1213.98	685	2715
15	Mizoram	2045.45	567.68	417	3336	924.99	1026.35	1134	9072
16	Tripura	1965.99	777.43	363	2904	2748.26	945.84	642	5355
17	Meghalaya	2653.7	278.77	184	1472	1250.62	1056.12	603	4824
18	Assam	10507.7	2137.03	2053	16424	4969.87	2869.74	3483	9026
19	West Bengal	6423.74	3866.92	1316	10528	4765.49	3400.65	1873	12746
20	Jharkhand	6193.49	1415.49	559	4472	3462.64	3559.74	1839	12873
21	Odisha	7719.19	3595.65	1476	11808	6282.00	5736.32	2876	17629
22	Chhattisgarh	6339.11	3231.88	1474	11792	4303.80	2829.38	1277	9496
23	Madhya Pradesh	11952.9	4064.38	1005	8040	7729.40	8117.17	1979	16497
24	Gujarat*	7501.95	12828.44	1811	14488	6536.16	6339.73	1419	14960
25	Maharashtra**	8833.6	7146.99	2745	21960	9718.42	5285.03	2497	20161
26	Andhra Pradesh	3742.74	4609.57	1126	9008	4496.85	2262.37	642	7740
27	Telangana	7250.96	3148.38	930	7440	2094.00	2217.57	660	7761
28	Karnataka	6939.66	5560.67	1920	15360	10846.89	5898.01	2140	17284
29	Goa	605.15	84.94	29	232	159.40	165.43	91	500
30	Lakshadweep	47.16	0	0	0	90.00	0.00	0	0
31	Kerala	3667.38	2480.84	1190	9520	2731.60	2720.48	1369	9653
32	Tamil Nadu	7438.88	6757.82	2543	20344	7110.80	5497.54	2463	20836
33	Puducherry	141.48	94.98	46	368	100.00	106.37	65	447
34	A&N Islands	188.64	177.24	133	1064	158.00	65.11	119	293
	<b>Total</b>	<b>166064</b>	<b>100129.81</b>	<b>35607</b>	<b>284856</b>	<b>128620.30</b>	<b>102006.33</b>	<b>44340</b>	<b>323362</b>

# including un-utilized balance funds of previous year.

\* including Daman & Diu.

\*\* including Dadra & Nagar Haveli

**Annexure-II referred to in reply to part (a)&(b) of the Lok Sabha Unstarred Question No. 1030 for answer on 27.06.2019**

**State-wise details of Subsidy released under MCY#**

(Rs. in lakhs)

Sl. No.	State	2016-17	2017-18	2018-19	2019-20* (up to 31.5.2019)
1	Tamil Nadu	-	-	-	-
2	Kerala	2.66	3.19	-	-
3	West Bengal	-	-	-	-
	<b>Total</b>	<b>2.66</b>	<b>3.19</b>	-	-

# MCY has been merged with PMEGP w.e.f. FY 2018-19

**State-wise details of Subsidy released under DPI/CITUS@**

(Rs.in Lakhs)

Sl. No.	State	2016-17	2017-18	2018-19	2019-20* (up to 31.5.2019)
1	Tamil Nadu	72.00	177.45	7.98**	-
2	Karnataka	-	15.73	-	-
3	Gujarat	-	-	-	-
4	AP & Telangana	-	8.36	-	-
5	Odisha	-	5.00	-	-
6	Kerala	-	8.99	-	-
	<b>Total</b>	<b>72.00</b>	<b>215.53</b>	<b>7.98</b>	-

@DPI has been replaced with CITUS w.e.f. FY 2018-19    \*\*under DPI

**State-wise details of Subsidy released under CUY**

(Rs.in crores)

Sl.No.	State/UT	2016-17	2017-18	2018-19	2019-20* (up to 31.5.2019)
1	Kerala	1.79	1.45	0.57	0.22
2	Tamil Nadu	5.40	3.61	4.05	0.19
3	A&N Islands	0.08	0.00	0.00	-
4	Karnataka	1.64	0.94	0.20	-
5	Maharashtra	0.15	0.14	0.02	0.10
6	Gujarat	0.16	0.00	0.00	-
7	Andhra Pradesh	2.29	0.33	0.62	0.10
8	Odisha	0.92	0.31	0.22	-
9	West Bengal	0.31	0.23	0.07	-
10	N.E Region	0.10	0.00	0.00	-
	<b>Total</b>	<b>12.84</b>	<b>7.01</b>	<b>5.75</b>	<b>0.61</b>

**Number of employment opportunities generated in coir industry**

Sl. No.	State	2016-17	2017-18	2018-19	2019-20* (up to 31.5.2019)
1.	Kerala	861	1629	487	231
2.	Tamil Nadu	2383	1059	1581	310
3.	Karnataka	432	287	206	0
4.	Andhra Pradesh	652	193	785	21
5.	Odisha	225	375	286	0
6.	Others	226	89	66	35
	<b>Total</b>	<b>4779</b>	<b>3632</b>	<b>3411</b>	<b>597</b>

\*Provisional

**Annexure-III referred to in reply to part (c) of the Lok Sabha Unstarred Question No. 1030 for answer on 27.06.2019**

To promote agro industries in rural areas of the country, following steps have also been taken by the Government through KVIC:

- i) The handholding support is being provided to the Khadi Institutions and Village Industries Units for availing financial assistance from the Banks under the Scheme namely Prime Minister's Employment Generation Programme (PMEGP) and SFURTI.
- ii) To overcome the marketing challenges of Khadi and Village Industries Units, KVIC organize exhibitions at District level, State level and National level and invites beneficiaries to exhibit and sale their products.KVI Units are also supported by the KVIC with the financial assistance to participate in International Exhibitions.
- iii) Financial assistance being provided for the renovation/modernization of Sales Outlets of institutions and State Khadi and Village Industries Boards under the scheme of "Assistance for Marketing Infrastructure".
- iv) To start Khadi Programme by new entrepreneurs, an online portal for obtaining "Khadi Certificate" has been launched. One can apply online for obtaining Khadi Certificate.
- v) In addition, the Ministry aims to promote the cottage industries in the country by encouraging and providing the artisans a platform to showcase their products in various forums such as District level, State level and National level exhibitions and fairs. The best products and processes are also being supported to be performed outside the country through schemes such as Market Promotion and Development Assistance (MPDA). Ministry through KVIC also provides different skill training to the potential entrepreneurs through the 39 Multi-Disciplinary Training Centres (MDTC) of KVIC and RSETIs. The enterprises can also avail benefits of other schemes of the Ministry such as assistance for ISO Certification, Bar Codes, etc.

In addition to the above, the following steps have also been taken under the PMEGP:

- (a) To boost the marketing of KVI products, 10% of financial allocations for trading activities i.e. business/trading activities in the form of sales outlets will be permitted in NER, LWE – affected districts and A&N Island.
- (b) Retail outlets/business: Selling Khadi and Village Industry (KVI) products procured from KVI Institutions certified by KVIC and products manufactured by PMEGP/SFURTI units only permitted under PMEGP across the country.
- (c) Relaxation in per capita investment from Rs.1.00 lakh to Rs.4.50 lakh has been given to A&N Islands and Lakshadweep.
- (d) Inclusive of Farm/Farm Linked activities and serving/selling non-vegetarian food at Hotels/Dhabas and Coir activities.
- (e) Beneficiary may opt for covering the project under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) Scheme by paying requisite CGTMSE fees.