

**GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:1396
ANSWERED ON:02.08.2005
ESTABLISHMENT OF AGRO AND RURAL INDUSTRIES
Rawat Shri Kamla Prasad

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

- (a) whether the Government has formulated a scheme for establishment of Agro and Rural industries in rural and tribal areas;
- (b) if so, the details thereof, State-wise, area-wise and product-wise during last three years;
- (c) whether any grant is being provided by the Government to these industries;
- (d) if so, the details thereof;
- (e) the number of foreign agro based industries functioning in the country, State-wise especially in Karnataka; and
- (f) if so, the details thereof?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES(SHRI MAHABIR PRASAD)

(a)to(d): The Government has been implementing the Rural Employment Generation Programme (REGP), through the Khadi and Village Industries Commission (KVIC) with effect from 01 April 1995 to create more employment opportunities in villages and small towns with population up to 20,000, throughout the country, including tribal areas. Under this programme, entrepreneurs can establish village industries by availing of margin money assistance from the KVIC and loans from public sector scheduled commercial banks, selected regional rural banks and cooperative banks, etc., for projects with a maximum cost of Rs. 25 lakh. The permissible margin money assistance is as detailed in the table below :