

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:2540
ANSWERED ON:14.03.2006
SETTING UP OF SMALL SCALE INDUSTRIES
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Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a): whether the Government has taken any steps to set up at least one small scale industry in each village to stop the exodus of unemployed to the urban areas; and

(b): if so, the details thereof?

Answer

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

(a)&(b): Small Scale Industries (SSI) are set up by individuals and not by the Government. However, the Central Government assists the States/Union Territories (UTs) in encouraging potential entrepreneurs to set up small scale industries all over the country, including villages. In particular, the Central Government assists the States/UTs in setting up new Integrated Infrastructural Development (IID) Centres (and also upgrading existing Industrial Estates) in which SSI units can be set up. Fifty per cent of these new IID Centre have to be in rural areas. Further, to facilitate setting up village industries, the Central Government implements two credit-linked subsidy schemes for employment generation, namely, the Rural Employment Generation Programme (REGP) in rural areas and small towns, and the Prime Minister's Rozgar Yojana (PMRY) for the educated unemployed youth in the rural as well as urban areas.