

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

UNSTARRED QUESTION NO:286

ANSWERED ON:21.02.2006

INCENTIVE SCHEMES FOR AGRO AND RURAL INDUSTRIES

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

(a): whether the Government has been implementing any incentive scheme to help Agro and Rural Industries; and

(b): if so, the amount spent in this regard during each of the last three years, till date, State-wise?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES

(a)&(b): The Government (in the Ministry of Agro and Rural Industries) has been implementing two credit-linked subsidy schemes of employment generation, namely, (i) Rural Employment Generation Programme (REGP) by assisting entrepreneurs in setting up village industries in rural areas and small towns, and (ii) Prime Minister's Rozgar Yojana (PMRY) for creating employment opportunities for the educated unemployed youth in the rural as well as urban areas (approximately fifty per cent of the PMRY units established are estimated to be in rural areas). Subsidy admissible to the beneficiaries of both these schemes is released through banks in combination with the loan provided by the banks.

The State/Union Territory (UT)-wise details of margin money assistance provided under the REGP during 2002-03, 2003-04, 2004-05 and 2005-06 (upto December 2005) is given in Annexure I enclosed. Under the PMRY, allocation and release of the funds for subsidy are related to the targets for States/UTs. The subsidy amount is released directly to the Reserve Bank of India (RBI), which in turn releases the necessary amounts to the implementing banks. The amounts of subsidy released to the RBI during 2002-03, 2003-04, 2004-05 and 2005-06 (upto December 2005) are given below :

The amounts of grant released to the States/UTs for entrepreneurial development and contingencies under the PMRY during 2002-03, 2003-04, 2004-05 and 2005-06 (upto December 2005) are given in Annexure II enclosed.