

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

UNSTARRED QUESTION NO:5960

ANSWERED ON:10.04.2017

Promotion of Agro-based Rural Industries

Ninama Shri Manshankar; Sawant Shri Arvind Ganpat; Shetti Shri Raju alias Devappa Anna; Shetty Shri Gopal Chinayya; Singh Shri Abhishek; Tumane Shri Krupal Balaji; Vasava Shri Parbhubhai Nagarbhai

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

(a) whether the Government has implemented any scheme/provided any package for setting up of agro-based rural industries in the country;

(b) if so, the details thereof including the funds allocated/released for the purpose and the number of persons benefited therefrom during each of the last three years and the current year, State/UT-wise; and

(c) the other steps taken by the Government to promote the agro-based rural industries in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a) to (c) : Ministry of MSME through Khadi and Village Industries Commission (KVIC) and Coir Board is implementing the following schemes to promote agro-based rural industries:

1. 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. Since inception and up to 2016-17, 4.23 lakh micro enterprises have been set up by utilizing margin money amounting to Rs.8695.27 crore. 35.48 lakh jobs have been created from these units.

For the Financial Year 2016-17, a provision of Rs.1139.00 crore has been made for PMEGP in the Budget Estimates. State-wise Margin Money subsidy target of Rs.1100 crore has been fixed, Rs.39 crore are kept for Backward-Forward Linkage (BFL). During 2016-17, Rs.1280.93 crore have been disbursed by the Banks for setting up of 52912 projects generating an estimated employment for 407840 persons.

The year-wise and state-wise details of job opportunities created and number of units set up under PMEGP Scheme is given in Annexure-I.

2. Scheme of Fund for Regeneration of Traditional Industries (SFURTI) was launched in 2005-06 for making Traditional Industries more productive and competitive by organizing the Traditional Industries and artisans into clusters. A total of 69 DPRs have been approved benefiting 58904 artisans. Against this, funds involving Rs.97.08 crore have been released by the Ministry till 31.3.2017. Details of clusters setup in various states with job opportunities created under the SFURTI Scheme is given in Annexure-II.

3. A Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship (ASPIRE) was launched from March 2015. The focus of the scheme is for setting up of Livelihood Business Incubators (LBI), Technology Business Incubators (TBI) and Fund of Funds (FoF) for enterprise creation under Small Industries Development Bank of India (SIDBI). Till 31.3.2017, 50 LBIs and 5 TBIs have been sanctioned and out of which 22 LBIs have started functioning. Till 31.3.2017, Rs.84.42 crore has been released for setting up of LBIs and TBIs, Rs.60 crore has been released to SIDBI for setting up of Fund of Funds.

4. Coir Udyami Yojana (CUY) (formerly known as REMOT Scheme) is a credit linked subsidy scheme, which provides assistance for setting up of coir units with a maximum cost of project upto Rs.10 lakhs plus working capital, which shall not exceed 25% of the project cost. The pattern of assistance is 40% as Govt. subsidy, 55% as loan from Banks and 5% as beneficiary contribution. Scheme is open to all individuals, companies, SHGs, NGOs, Institutes, etc. During the FY 2016-17, 586 units have been set up by utilizing subsidy amounting to around Rs.12.84 crore. Upto 31.3.2017, 7023 units have been set up by utilizing subsidy amounting to around Rs.96.74 crore. The year-wise and state-wise details of fund allocated and utilized under CUY Scheme is given in Annexure-III.

5. Mahila Coir Yojana (MCY) (a component of Coir Vikas Yojana-CVY) is an exclusive skill development programme for rural women artisans in coir sector. Training is provided in spinning of coir yarn/various coir processing activities. The scheme envisages

distribution of motorized ratts/motorized traditional ratts and other coir processing equipments at 75% subsidy subject to a maximum amount of Rs.7500/- on successful completion of the training programme. During the training period, the women artisans are given a stipend amounting to Rs.1000/- per month. Coir Vikas Yojana also includes Skill Development & Training Programme in coir sector, Domestic & Export Market Promotion and Development of Production Infrastructure. Under CVY, Rs.21.67 crore has been released during 2015-16 and Rs.15.00 crore has been released during 2016-17. The year-wise and state-wise details of fund allocated and utilized under MCY Scheme is given in Annexure-III.