

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 3173
TO BE ANSWERED ON 11.07.2019

SETTING UP OF AGRO BASED COTTAGE AND RURAL INDUSTRIES

3173. DR. SUJAY RADHAKRISHNA VIKHE PATIL:
SHRI ASHOK MAHADEORAO NETE:
SHRI SANTOKH SINGH CHAUDHARY:

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

- (a) the details of various schemes being implemented by the Government for promoting and setting up of agro-based cottage and rural industries in the country especially in Maharashtra;
- (b) the details of job opportunities created by the agro-based cottage industries in the country during the last three years and the current year, State/UT-wise;
- (c) the number of agro-based small and cottage industries being operated by the Government along with the contribution made by the Government thereto;
- (d) whether the Government proposes to set up more agro-based cottage industries in the country and if so, the details thereof along with the funds allocated for the purpose and time by which such industries are likely to be set up, State/UT-wise;
- (e) the other steps taken/proposed to be taken by the Government to encourage the farmers to set up more agro-based cottage industries in the country; and
- (f) the share of agri-business in the MSME sector and the steps taken by the Government to provide infrastructure, marketing and distribution facilities to agri-business industry, especially in Punjab?

ANSWER

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

(a): Ministry of MSME is implementing the following schemes through Khadi and Village Industries Commission (KVIC) and Coir Board to set-up agro-based cottage and rural industries in the country, including the State of Maharashtra:

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. Science & Technology

(b): 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): No such industries are operated by the Government. Agro-based small and cottage industries are operated by Khadi and Village Industries institutions and units.

(d): Yes Sir. State/UT-wise target along with fund allocation for setting up of agro-based cottage industries in the country under PMEGP during the year 2019-20 is placed at **Annexure-III**.

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

(f): Out of the total units set up and margin money subsidy disbursed to the entrepreneurs under PMEGP Scheme, the average share of Agro based food processing industries (ABFPI) is 16.81% in respect to units set up and 20.30% in respect of Margin money subsidy disbursed during the last three years which is as follows:

Year	Total project assisted	No. of projects/ Beneficiaries under ABFPI	% against total Projects	Total Margin Money Subsidy (Rs. in cr)	Margin Money subsidy under ABFPI (Rs. in cr)	% against total MM Subsidy
2016-17	52912	8944	16.90	1280.94	276.82	21.61
2017-18	48398	8386	17.33	1312.40	268.10	20.43
2018-19 (Provisional)	73427	11901	16.21	2070.00	390.48	18.86

Number of units set up and margin money subsidy disbursed under PMEGP in Punjab during last three years is as follows:

Year	Total project assisted	No. of projects/ Beneficiaries set up in Punjab	Total Margin Money Subsidy (Rs. in cr)	Margin money subsidy in Punjab (Rs. in cr)
2016-17	52912	1266	1280.94	31.82
2017-18	48398	1520	1312.40	39.30
2018-19 (P)	73427	1801	2070.00	47.67

To promote marketing of PMEGP units, Khadi and Village Industries Commission organizes exhibitions in India and also assists Khadi & VI institutions and units to participate in various international exhibitions. These entrepreneurs can also sell their products in the sales outlets of Khadi Institutions, State Khadi and Village Industries Boards (KVIBs) and also through Departmental Sales Outlets (DSOs) of KVIC.

Annexure-I referred to in reply to part (b) of the Lok Sabha Unstarred Question No. 3173 for answer on 11.07.2019

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			
		MM subsidy allocated (BE) (Rs.lakh)	MM subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)	MM subsidy allocated (BE) (Rs. lakh)	MM 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
	Total	110000	128093.86	52912	407840	100449	131240.07	48398	387182

including un-utilized balance funds of previous year.

* including Daman & Diu.

** including Dadra & Nagar Haveli

MM-Margin Money

Sl. No.	State/UT	2018-19				2019-20 [upto 31.05.2019]			
		MM subsidy allocated (BE) (Rs. lakh)	MM subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)	MM subsidy allocated (BE) (Rs. lakh)	MM 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
	Total	166064	100129.81	35607	284856	128620.30	102006.33	44340	323362

including un-utilized balance funds of previous year.

* including Daman & Diu.

** including Dadra & Nagar Haveli

MM-Margin Money

Annexure-II referred to in reply to part (b) of the Lok Sabha Unstarred Question No. 3173 for answer on 11.07.2019

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	-	-	-	-
	Total	2.66	3.19	-	-

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	-	-
	Total	72.00	215.53	7.98	-

@DPI has been replaced with CITUSw.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	-
	Total	12.84	7.01	5.75	0.61

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
	Total	4779	3632	3411	597

*Provisional

**Annexure-III referred to in reply to part (d) of the Lok Sabha Unstarred Question No. 3173
for answer on 11.07.2019**

State/UT-wise tentative target and fund allocation for setting up of PMEGP micro units, including agro-based cottage industries, in the country during the year 2019-20*

Sr. No.	State/UT	Target for PMEGP existing scheme			Target for 2 nd loan for up gradation of existing PMEGP unit			Total		
		MM (Rs. in lakh)	Projects	Emp.	MM (Rs. in lakh)	Projects	Emp.	MM (Rs. in lakh)	Projects	Emp.
1	Chandigarh	95.55	32	255	4.45	1	8	100.00	33	263
2	Delhi	286.65	96	764	13.35	1	11	300.00	97	776
3	Haryana	6022.70	2008	16061	280.51	30	239	6303.21	2037	16300
4	Him. Pradesh	3543.48	1181	9449	165.03	18	141	3708.51	1199	9590
5	Jammu & Kashmir	6328.90	2110	16877	294.81	31	251	6623.71	2141	17129
6	Punjab	5947.56	1983	15860	276.99	30	236	6224.55	2012	16096
7	Rajasthan	10194.20	3398	27185	474.88	51	408	10669.08	3449	27593
8	A & N Islands	286.65	96	768	13.35	1	11	300.00	97	779
9	Bihar	14827.50	4943	39540	690.60	74	589	15518.10	5016	40129
10	Jharkhand	8285.02	2762	22093	386.02	41	329	8671.04	2803	22423
11	Orissa	10307.06	3436	27485	480.03	51	409	10787.09	3487	27895
12	West Bengal	8707.40	2902	23220	405.52	43	346	9112.92	2946	23566
13	Andhra Pradesh	5222.75	1741	13928	243.24	26	208	5465.99	1767	14136
14	Telangana	9632.33	3211	25686	448.66	48	383	10080.99	3259	26069
15	Karnataka	8901.13	2967	23736	414.54	44	352	9315.67	3011	24088
16	Kerala	4961.79	1654	13231	231.08	25	197	5192.87	1679	13429
17	Lakshadweep	47.78	16	127	2.22	0	2	50.00	16	129
18	Pondicherry	143.33	48	382	6.67	1	6	150.00	48	388
19	Tamil Nadu	9902.03	3301	26408	461.16	49	392	10363.19	3350	26800
20	Goa	286.65	96	764	13.35	1	11	300.00	97	776
21	Gujarat	10081.10	3360	26883	469.50	50	400	10550.60	3410	27283
22	Daman & Diu	20.07	7	54	0.93	0	1	21.00	7	54
23	Dadra & N.H.	20.07	7	54	0.93	0	1	21.00	7	54
24	Maharashtra	11888.35	3963	31704	553.67	59	472	12442.02	4022	32176
25	Chhattisgarh	8335.37	2778	22228	388.20	41	331	8723.57	2820	22559
26	Madhya Pradesh	15643.66	5215	41716	728.56	78	621	16372.22	5292	42338
27	Uttarakhand	3953.19	1318	10542	184.11	20	157	4137.30	1337	10699
28	Uttar Pradesh	25772.10	8591	68728	1200.27	128	1024	26972.37	8719	69752
29	Aru. Pradesh	477.75	191	1529	22.25	2	16	500.00	193	1545
30	Assam	10956.08	4382	35059	510.25	41	328	11466.33	4423	35387
31	Manipur	2743.94	1098	8781	127.79	10	80	2871.73	1108	8861
32	Meghalaya	2882.58	1153	9224	134.25	11	88	3016.83	1164	9312
33	Mizoram	2036.60	815	6517	94.85	8	64	2131.45	822	6581
34	Nagaland	3324.25	1330	10638	154.82	12	96	3479.07	1342	10734
35	Tripura	2453.33	981	7851	114.26	9	72	2567.59	990	7923
36	Sikkim	191.10	76	612	8.90	1	8	200.00	77	620
	Total	214710.00	73246	585939	10000.00	1036	8288	224710.00	74277	594232

*Provisional

MM-Margin Money

Emp.-Employment

Annexure-IV referred to in reply to part (e) of the Lok Sabha Unstarred Question No. 3173 for answer on 11.07.2019

To promote agro-based cottage industries in 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.