

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 134
TO BE ANSWERED ON 20.07.2023

COTTAGE AND SMALL INDUSTRIES

134. SHRI ASHOK MAHADEORAO NETE:

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

- (a) whether the Union Government has taken or proposes to take any steps to encourage cottage and small scale industries and export of manufactured goods to prevent migration from rural areas of the country; and
- (b) if so, the details thereof?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a) & (b): For development and encouragement of the micro industries in the country, the Government, through Khadi and Village Industries Commission (KVIC), has taken following initiatives to prevent migration from rural areas of the country:

1. GramodyogVikasYojana: KVIC imparts skill development training to rural and traditional artisans in various rural /traditional industries and provides advanced tools and equipment and other hand holding support through various verticals like Honey Mission/Beekeeping Programme, Kumbhar Sashaktikaran Programme/ Pottery Programme, Agarbatti Programme, Leather Programme, etc. to develop and promote entrepreneurship among rural people.
2. Capacity Building of unemployed people: KVIC through its Departmental and Non-Departmental training centres conduct Skill Development Programmes (SDP) and Entrepreneurship Awareness Programme (EAP) in the country for unemployed youth to generate self-employment opportunities in traditional industries such as soap and detergent making, Khadi spinning and weaving, baking and cake making, achar and papad making, etc.
3. Prime Minister's Employment Generation Programme (PMEGP): Under PMEGP, General Category beneficiaries can avail 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 Scheduled Castes, Scheduled Tribes, OBCs, Minorities, Women, Ex-servicemen, Differently-abled persons, beneficiaries belonging to North Eastern Region, Hill and Border areas, etc., the Margin Money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of project is Rs.50 lakh in the manufacturing sector and Rs.20 lakh in the service sector. Since 2008-09 till date, 8.89 lakh new units have been set up under PMEGP with Margin Money subsidy of Rs. 22,720 crore generating 72 lakh employments. 80% of the units are set up in rural areas.

: 2 :

4. Marketing of Khadi and Village Industries (KVI) products manufactured by rural artisans:
Khadi and Village Industries (KVI) products manufactured by rural artisans have established a niche among consumers in the domestic as well as overseas market. KVI products, having worldwide demand, are being regularly exported by the manufacturing/trading units, either directly or through intermediaries by the KVI institutions/units.
5. Export initiatives taken by KVIC:
 - (i) KVIC under International Cooperation (IC) scheme of Ministry of MSME takes its KVI units for participation in international exhibitions/trade fairs, etc. in different countries. The exhibition/trade fairs provides an opportunity and strong platform to showcase quality of KVI products.
 - (ii) Besides, Government has issued HS code bracket to Khadi and Village Industries Commission (KVIC) to categorize 11 Khadi products in export.
 - (iii) KVIC also conducts Export workshops and participated in Fashion shows for the benefit of KVI institutions/units.
