

# Agro based industries in rural areas

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The Ministry of Micro, Small and Medium Enterprises, through Khadi and Village Industries Commission (KVIC), is implementing Prime Minister's Employment Generation Programme (PMEGP) for assisting entrepreneurs in setting up of new units in non-farm sector including agro-based industries in rural as well as urban areas of the country. Under PMEGP, General Category beneficiaries can avail of Margin Money (MM) 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, Trans-genders, beneficiaries belonging to North-eastern Region, Hill and Border areas, and Aspirational Districts, the Margin Money subsidy is 35% in rural areas and 25% in urban areas. Besides, beneficiaries from General Categories contribute 10% of project cost while beneficiaries from Special Categories contribute 5% of project cost. The maximum cost of project is Rs. 50 lakhs in the manufacturing sector and Rs. 20 lakhs in the service sector.

Since 2018-19, 2nd financial assistance of upto Rs. 1 cr. for upgradation and expansion of well-performing existing PMEGP/REGP/MUDRA units have been introduced with subsidy of 15% (20% for NER and hilly areas).

State/UT-wise details of Margin Money (MM) disbursed and units set up under PMEGP during the last five years and the current year is at *Annexure*.

The following steps have been taken to promote the village industries including agro-based industries in rural areas:

- A two-day free online Entrepreneurship Development Programme (EDP) has been initiated by KVIC for prospective entrepreneurs.
- 1056 model Detailed Project Reports (DPRs) on various industries including agro-based industries have been provided on PMEGP portal.
- Webinars are organized on various activities for setting up of micro-enterprises on every Sunday for the awareness of youth and prospective entrepreneurs.
- KVIC, MoMSME facilitates marketing support, organises exhibitions where the institutions and entrepreneurs can sell and display their products.
- KVIC has started online selling of all KVI products through [www.khadiindia.gov.in](http://www.khadiindia.gov.in).
- Short film of successful entrepreneurs show cased during workshops, awareness camps, etc. to create awareness about the scheme.
- Radio jingles in regional languages have been made to create awareness of the scheme.
- The prospective entrepreneurs and beneficiaries can opt for the mode of training and choose the training center for offline mode of their choice.
- Information in six regional languages has been provided on the PMEGP portal.
- Offline medium for submitting applications has also been allowed for the prospective beneficiaries for rural areas, are not acquainted with the online medium.

## **Annexure**

**Disbursement of Margin money and number of units set up in agro-based industries in the rural areas under PMEGP**

Sr.No.	State/UTs	2018-19		2019-20		2020-21	
		No. of Projects	MM (Rs. in lakh)	No. of Projects	MM (Rs. in lakh)	No. of Projects	MM (Rs. in lakh)
1	ANDAMAN NICOBAR	3	1.92	0	0.00	7	12.10
2	ANDHRA PRADESH	270	1564.81	239	1361.45	316	1562.17
3	ARUNACHAL PRADESH	25	35.81	33	55.77	19	45.75
4	ASSAM	588	756.25	346	587.86	583	1085.78
5	BIHAR	651	2587.64	436	1691.00	568	2089.96
6	CHANDIGARH-UT	2	8.26	0	0.00	0	0.00
7	CHHATTISGARH	232	746.90	201	742.52	289	845.17
8	DADRA NAGAR HAVELI	0	0.00	0	0.00	1	8.75
9	DELHI	2	5.70	0	0.00	0	0.00
10	GOA	9	42.00	5	32.20	8	30.77
11	GUJARAT	142	990.58	184	1275.95	382	2511.17
12	HARYANA	212	810.88	198	702.85	388	1366.57
13	HIMACHAL PRADESH	152	558.76	134	421.76	185	560.96
14	JAMMU KASHMIR	570	1374.93	386	986.40	831	2158.39
15	JHARKHAND	208	641.25	129	406.83	256	724.32
16	KARNATAKA	557	2105.00	498	1830.17	922	3756.44
17	KERALA	415	1126.90	477	1190.86	845	2063.18
18	MADHYA PRADESH	619	3037.57	531	2375.78	827	3504.36
19	MAHARASHTRA	984	3955.95	723	2557.27	724	2833.05
20	MANIPUR	211	367.90	197	384.49	309	1230.18
21	MEGHALAYA	74	125.71	80	139.28	111	194.45
22	MIZORAM	79	113.38	71	106.27	122	223.85
23	NAGALAND	228	450.38	206	545.00	139	388.81
24	ODISHA	336	996.19	245	875.32	464	1400.05
25	PUDUCHERRY	3	13.64	5	16.79	11	39.67
26	PUNJAB	205	890.19	177	661.59	346	1296.29
27	RAJASTHAN	306	1160.99	350	1314.91	494	1731.88
28	SIKKIM	3	7.63	4	21.45	13	42.56
29	TAMIL NADU	1138	2766.54	1394	2501.38	1822	4618.26
30	TELANGANA	170	898.26	145	770.20	239	1077.18
31	TRIPURA	87	247.50	54	146.53	93	278.55
32	UTTAR PRADESH	1232	5021.96	1374	5628.02	3090	11236.75
33	UTTARAKHAND	310	640.90	233	502.94	528	1222.20
34	WEST BENGAL	432	1714.39	449	2146.56	495	2081.47
35	LADAKH	0	0.00	0	0.00	18	119.71
36	LAKSHADWEEP	0	0.00	0	0.00	3	15.36

	<b>Total</b>	<b>10455</b>	<b>35766.64</b>	<b>9504</b>	<b>31979.41</b>	<b>15448</b>	<b>52356.13</b>
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**Disbursement of Margin money and number of units set up in agro-based industries in the rural areas under PMEGP**

Sr. No.	State/UTs	2021-22		2022-23		2023-24 (as on 01.02.2024)	
		No. of Projects	MM (Rs. in lakh)	No. of Projects	MM (Rs. in lakh)	No. of Projects	MM (Rs. in lakh)
1	ANDAMAN NICOBAR	4	17.03	3	15.94	1	3.81
2	ANDHRA PRADESH	433	2388.24	670	3140.51	1253	3943.52
3	A R U N A C H A L PRADESH	19	72.29	29	102.94	16	162.58
4	ASSAM	765	1411.26	545	1204.99	388	1270.38
5	BIHAR	675	2446.82	1086	3412.80	1252	4469.04
6	CHANDIGARH-UT	0	0.00	0	0.00	0	0.00
7	CHHATTISGARH	341	937.04	310	1430.38	167	680.91
8	D A D R A N A G A R HAVELI	2	8.82	1	8.75	0	0.00
9	DELHI	3	16.18	0	0.00	0	0.00
10	GOA	24	101.95	14	89.64	15	98.62
11	GUJARAT	443	2810.82	353	2947.54	267	2933.07
12	HARYANA	381	1511.58	341	1533.03	298	1735.62
13	HIMACHAL PRADESH	211	690.60	139	603.62	89	373.50
14	JAMMU KASHMIR	2017	5089.32	924	2254.55	888	2332.76
15	JHARKHAND	276	836.94	322	988.44	241	983.74
16	KARNATAKA	1192	4038.44	1148	3979.65	756	2801.05
17	KERALA	919	2425.24	752	1963.46	435	1069.42
18	MADHYA PRADESH	1186	4385.66	948	4025.11	447	2287.98
19	MAHARASHTRA	1002	3771.20	882	3674.87	561	2825.40
20	MANIPUR	194	667.39	109	333.48	80	187.45
21	MEGHALAYA	162	237.91	60	111.91	34	81.85
22	MIZORAM	114	260.03	68	207.11	65	229.25
23	NAGALAND	256	557.66	124	469.45	74	267.99
24	ODISHA	687	2119.29	612	2052.80	373	1410.18
25	PUDUCHERRY	16	36.59	4	8.79	1	5.16
26	PUNJAB	361	1451.52	353	2197.66	374	2889.87
27	RAJASTHAN	498	1943.27	392	2186.95	261	1658.03
28	SIKKIM	9	30.61	1	3.50	18	51.92
29	TAMIL NADU	1617	4730.97	1622	5065.56	1764	4918.67

30	TELANGANA	320	1453.83	449	2625.26	515	3146.35
31	TRIPURA	109	282.51	92	258.82	67	167.43
32	UTTAR PRADESH	3554	12748.58	3406	12020.81	2666	10617.95
33	UTTARAKHAND	361	922.96	323	964.96	171	648.63
34	WEST BENGAL	577	2801.93	479	1992.63	331	1490.15
35	LADAKH	29	161.00	5	22.40	17	115.85
36	LAKSHADWEEP	3	11.51	0	0.00	0	0.00
	<b>Total</b>	<b>18760</b>	<b>63376.98</b>	<b>16566</b>	<b>61898.31</b>	<b>13885</b>	<b>55858.11</b>

This information was given by the Minister of State for Micro Small and Medium Enterprises, Shri Bhanu Pratap Singh Verma in a written reply to the Rajya Sabha today.

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**MJPS/NSK**

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