

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

UNSTARRED QUESTION NO:627
ANSWERED ON:21.11.2001
SPECIAL SCHEMES FOR AGRO AND RURAL INDUSTRIES
P.D. ELANGO VAN

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

- (a) the details of special schemes and Programmes to improve Agro and Rural Industries in the country
- (b) the funds allocated/disbursed for various schemes in each of the last three years; and
- (c) the details of the projects implemented in Tamil Nadu?

Answer

THE MINISTER OF AGRO & RURAL INDUSTRIES (SHRI KARIYA MUNDA)

a) to c): The Government through the Khadi and Village Industries Commission (KVIC) gives support to Khadi and Village Industries including agro and rural industries in the form of financial, technical and managerial assistance. The Rural Employment Generation Programme of the KVIC is applicable throughout the country. Under this scheme 25% of the project cost is provided as margin money. For project cost above Rs.10 lakhs and upto Rs.25 lakhs, the rate of margin money is 25% of Rs.10 lakhs plus 10% of the balance cost of the project. For weaker sections, (SC/ST and women) margin money is given at the rate of 30% of the project cost upto Rs.10 lakhs and for the balance amount (upto Rs.25 lakhs) it is 10%.

Moreover, the Government of India has announced a package for the promotion of Khadi and Village Industries Sector on 14th May, 2001 with the prime objective of creating more jobs in rural areas and empowering the women and SC/ST and economically backward classes. The main features of this package comprises a Rebate Policy for five years, option of Rebate and Market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities, measures to promote marketing, brand building, cluster development.

- b): The funds released to the KVIC during last three years is attached at Annexure.
- c): 2853 projects have been financed under REGP in Tamil Nadu as on 31.3.2001.