

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:57
ANSWERED ON:26.02.2002
REVISION OF INVESTMENT PROMOTION SCHEMES
RATILAL KALIDAS VARMA

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the Government have introduced a revised Investment Promotion Scheme;
- (b) if so, the details thereof;
- (c) the number of project proposals received/ cleared during each of the last three years and till date, State-wise;
- (d) the time by which the remaining proposals are likely to be cleared; and
- (e) the number of farmers benefited under the scheme, State-wise?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI ANNASAHEB M.K.PATIL)

(a) Yes, Sir.

(b) The Central Sector Investment Promotional Scheme (IPS) for development of non-forest wastelands was first launched during 1994-95 to mobilize resources from Financial Institutions, Banks, Corporate Bodies including user industries for the development of non-forest wastelands belonging to Central and State Government, Panchayats, Village Communities and Private farmers. The Scheme has provision for Central Promotional grant/ subsidy as well as promoter's contribution so as to bring about effective participation of the beneficiaries. The Scheme was restructured after a review of its performance during 1996-98. The revised Scheme became operational in August, 1998 and was made more broad based with a focus on benefits to small and marginal farmers including Scheduled Castes/Scheduled Tribes. The details of subsidy and the promoter's contribution are given in the enclosed Statement-I.

(c) to (e) The project proposals received in the Department and fulfilling all the requirements contained in the Guidelines of the Scheme are placed before the Project Sanctioning Committee for sanction. In the case of incomplete project proposals, clarifications/additional information is sought from the promoters. Subsidy is released in sanctioned projects after completion of the necessary requirements. During the last three years, from 1999-2000 to 2001-02 (upto 20th Feb., 2002) 21 projects have been sanctioned benefiting 70 farmers under the Scheme. The State wise details indicating number of projects and subsidy sanctioned including number of farmers benefited are given at Statement-II.

Statement-1 The details of Central Promotional Grant/Subsidy and Promoters' Contribution under Investment Promotional Scheme

A. Details of Promotional Grant/Subsidy :

(i) General Category (Individual/Group): 25% of On-farm development activities or Rs. 25 lakhs, whichever is less.

(ii) Small Farmers (Individual/Group): 30% of On-farm development activities or Rs. 25 lakhs, whichever is less.

(iii) (a) Marginal Farmers (Individual/Group)

(b) SC/ST Farmers without any limit in the : 50% of On-farm development activities or Rs. 25 lakhs, whichever is less. area of holdings (Individual/Group)

B. Details of Promoter's contribution :

(i) For General Category (Individual/Group) At least 25% of the project cost.

(ii) Small Farmers (Individual/Group) At least 10% of the project cost,

(iii) (a) Marginal Farmers (Individual/Group)

(b) SC/ST Farmers without any limit in the area Nil. However, at the time of execution of the projects, the family of holdings

(Individual/Group) labour should be involved to provide self employment, thus ensuring participation.

For the purposg of calculating subsidy, the total cost for On-farm development activities shall not exceed Rs.20,000/- per hectare.

Statement-II

The State-wise details of Number of Projects and Subsidy and Subsidy Sanctioned and Beneficiaries covered under the Investment Promotional Scheme (IPS) during the last.three years i.e.1999-2000 to 2001-02(upto 20.02.2002)

SI.No.	Name of the State	No. of projects 1999-2000	2000-01	2001-02	sanctioned (Rs. in lakhs)	Total Subsidy	Beneficiaries
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1.	Andhra Pradesh	1	-	1	2	13.75	7
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2.	Maharashtra	3	-	-	3	3.014	7
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3.	Tamil Nadu	5	10	1	16	19.6720	56
Total		9	10	2	21	36.4360	70