

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

UNSTARRED QUESTION NO:1112
ANSWERED ON:01.03.2000
SCHEMES TO PROMOTE AGRO AND RURAL INDUSTRIES
P.D. ELANGO VAN

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

- (a) whether the Government have special schemes to promote agro and rural industries in the country particularly in Tamil Nadu; and
(b) if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO RURAL INDUSTRIES (SMT. VASUNDHARA RAJE)

(a) & (b): The Margin Money Scheme is being implemented by the Khadi and Village Industries Commission (KVIC) to promote Village Industries which, inter-alia, includes Agro and Rural Industries in the country including Tamil Nadu. Under the Scheme 25% of the project cost for project upto Rs. 10.00 lakhs is provided as 'Margin Money'. For projects above Rs. 10.00 lakhs and upto Rs. 25.00 lakhs, the rate of Margin Money is 25% of Rs. 10.00 lakhs plus 10% of the remaining cost of the project. In the case of beneficiaries belonging to the weaker sections and for Hill, Border and Tribal areas, North Eastern Region, Sikkim, Andaman & Nicobar Islands, Lakshadweep, margin Money grant is given at the rate of 30% of the project cost upto Rs. 10.00 lakhs and for the balance amount (upto Rs. 25.00 lakhs) it is 10%.