

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

UNSTARRED QUESTION NO:4011
ANSWERED ON:25.08.2004
SETTING UP OF AGRO BASED INDUSTRIES
Gamang Shri Giridhar

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

- (a): whether the Government has received any proposals from the State Governments having Fifth and Sixth Scheduled Areas for setting up Agro based and Rural Oriented Industries for the economic development of Scheduled Tribes;
- (b): if so, the proposals received and processed for clearance, State-wise;
- (c): the names of the special schemes and programmes prepared by the Government; and
- (d): the funds earmarked for these areas?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a)to(c): Though there is no specific area scheme meant for the economic development of Scheduled Tribes in areas coming under Fifth and Sixth Schedule, the Government through the Khadi and Village Industries Commission (KVIC) is implementing the Rural Employment Generation Programme (REGP) for setting up Agro based and Rural Oriented Industries throughout the country including areas under the Fifth and Sixth Schedules of the Constitution of India. Under this scheme, KVIC provides margin Money assistance at the rate of 30% of the project cost upto Rs. 10 lakhs to persons belonging to the Scheduled Tribes whereas the margin money assistance is 25% for general category beneficiaries. Also for Scheduled Tribes, the beneficiary's own contribution is only 5% of the project cost. This scheme is being implemented through Public Sector Banks, Regional Rural Banks and on a selective basis through Cooperative Banks and Private Sector Scheduled Commercial Banks etc.

(d): No separate funds are earmarked exclusively for areas under the Fifth Schedule. However, 10% of the budget allocation is earmarked for the development of the North Eastern Region which includes the entire area covered by the Sixth Schedule of the Constitution of India.