

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

UNSTARRED QUESTION NO:1962

ANSWERED ON:06.12.2005

INCENTIVES TO THE WORKERS OF AGRO AND RURAL INDUSTRIES

Mandal Shri Sanat Kumar

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

(a): the details of incentives being provided by the Government to the workers of agro and rural industries;

(b): whether the Government proposes to allocate/sanction any assistance to the workers of agro and rural industries who lost their jobs due to various reasons; and

(c): if so, the details thereof alongwith the funds provided for the welfare of such workers?

Answer

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

(a)to(c): The Central Government provides insurance cover to spinners, weavers and other khadi artisans under the `Khadi Karigar Janashree Bima Yojana`. The Government has also assisted in setting up of Artisans Welfare Fund Trusts (AWFTs) by khadi institutions through the Khadi and Village Industries Commission (KVIC) to provide safety net for artisans in times of their need. Besides, the KVIC monitors the functioning of all institutions registered with it and keeps all institutions facing problems under close watch. In the larger interest of providing employment to artisans, the KVIC can appoint an administrator till the institution starts functioning normally.

The Government, through the Coir Board, also implements a scheme titled `Productivity Enhancement Linked Coir Workers Welfare Scheme`, to improve the working conditions of coir workers through provision of infrastructure and accident and medical insurance coverage.

The Central Government provides assistance under the Rural Employment Generation Programme (REGP) and Prime Minister`s Rozgar Yojana (PMRY) for setting up new units/self-employment ventures. Existing units/self-employment ventures, which were set up with credit from banks and margin money assistance from the Government but have now become sick, are eligible for rehabilitation assistance available to sick units in the small scale industries (SSI) sector, as per the guidelines of the Reserve Bank of India (RBI). These measures include, inter alia, waiver of penal interest on cash credit and term loan from the year the unit started making cash losses, segregation of unpaid interest on cash credit and term loan from the total liability and treating the former amount as a separate interest-free loan, reduced rate of interest (reduction of up to 3 per cent for tiny units) to be charged on unpaid term loans, additional working capital loan to be given at a rate of interest not exceeding the prime lending rate, etc.