

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

UNSTARRED QUESTION NO:2464
ANSWERED ON:14.03.2006
STATUS OF COTTAGE INDUSTRIES
Mohite Shri Subodh

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

- (a): the present status of the cottage industries in the State of Maharashtra in comparison to other States;
- (b): whether the Union Government has any action plan or package for development of cottage industries in the country particularly in the Maharashtra;
- (c): if so, the details thereof; and
- (d): the measures taken by the Government to increase production in cottage industries?

Answer

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

(a)to(d): Village industry (VI) units are established by eligible entrepreneurs under the Central Government's Rural Employment Generation Programme (REGP), a credit-linked subsidy programme implemented through the Khadi and Village Industries Commission (KVIC) in collaboration with Khadi and Village Industries Boards (KVIBs) of the respective States/Union Territories (UTs). 2,09,705 VI units have been set up and 28,05,235 employment opportunities have been created under the REGP upto 31 March, 2005 since its inception in April 1995. The VI units set up in Maharashtra account for 10.34 per cent of the total number of the VI units in the country and 7.51 per cent of the total employment generated. Maharashtra ranks second among the States/UTs in respect of the number of VI units set up and fifth in respect of employment generated. Besides, the Government has recently approved the 'Scheme of Fund for Regeneration of Traditional Industries' (SFURTI) for implementation in 50 VI clusters in the country, for holistic development of these clusters. The other steps taken for the promotion and development of village industries throughout the country, including Maharashtra, include :

- (i) Rural Industries Service Centres Scheme (RISC) for setting up of common facility centers (CFCs) to provide infrastructural support and services to such industries
- (ii) Product Development, Design Intervention and Packaging Programme (PRODIP) for improved design and packaging of village industry products; and
- (iii) Providing facilities for quality control of products, financial assistance for participation in national and international exhibitions, assistance for technology upgradation, research and development, etc.