

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

UNSTARRED QUESTION NO:2812  
ANSWERED ON:12.12.2006  
MODERNISATION OF RURAL INDUSTRIES  
Chakraborty Shri Ajay

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

- (a): whether the Government has taken up a massive programme to develop and modernise the existing rural industrial units in the country;
- (b): if so, the details of the programmes;
- (c): whether the Government is seeking foreign assistance, both financial and technical, for this purpose; and
- (d): if so, the details thereof?

**Answer**

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

(a)&(b): The Government (in the Ministry of Agro and Rural Industries) implements two schemes to modernise the existing rural industrial units in the country, namely, the Product Development, Design Intervention and Packaging (PRODIP) Scheme and Scheme of Fund for Regeneration of Traditional Industries (SFURTI). The PRODIP Scheme, under implementation since 2003-04 through the Khadi & Village Industries Commission (KVIC) aims at improving product quality, developing better designs and improving the packaging of khadi and village industry (KVI) products. Under this scheme assistance is provided as under:

(i) Rs. 2 lakh per project per year or 75 per cent of the project cost, whichever is lower, to eligible institutions; and

(ii) Rs. 1 lakh per project per year or 75 per cent of the project cost, whichever is lower, to eligible individual entrepreneurs. The SFURTI aims at comprehensive development of clusters of khadi, village and coir industries. The Scheme includes measures for improvement in productivity of khadi spinners and weavers, setting up common facility centres(CFCs) to provide such facilities which are necessary but cannot be afforded by individual production units/artisans, development of new designs for fabric and garments, market promotion, exposure visits to other clusters and institutions, need-based training, skill development of workers, capacity building of institutions and workers/artisans, etc. The Scheme provides similar facilities and support for village industry and coir clusters. 29 clusters of khadi, 50 clusters of village industries and 25 clusters of coir have been identified for development under SFURTI.

(c): No, Sir. (d): Does not arise.