

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

UNSTARRED QUESTION NO:275

ANSWERED ON:21.02.2006

CONTRIBUTION OF AGRO PRODUCTS BASED INDUSTRIES

Jatiya Dr. Satyanarayan

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

(a): the details of the contribution made by agro products and agro products based industries including small/very small and cottage industries to the National Income alongwith total industrial Production during each of the last three years till date; and

(b): the details of the incentives given and measures taken to encourage these industries and to provide remunerative price to the farmers during the last three years?

Answer

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

(a): The details of the contribution made by village and small industries (VSI) including small/very small and cottage industries to the total industrial production and Gross Domestic Product (GDP) during the last three years for which data are available, i.e., 2001-02, 2002-03 and 2003-04, are given below :

year	contribution of vsi to total industrial production	contribution of vsi to the gdp
------	--	--------------------------------

2001-02	46.84 percent	7.89 percent
---------	---------------	--------------

2002-03	46.68 percent	8.04 percent
---------	---------------	--------------

2003-04	46.54 percent	7.92 percent
---------	---------------	--------------

(b): The primary responsibility of promoting small scale industries (SSI), including agro and rural industries, rests with the State/UT Governments. The Central Government, however, supports and supplements the efforts of the State/UT Governments by implementing various schemes and programmes throughout the country. Some of the important schemes are :

(i) Rural Employment Generation Programme (REGP) for assisting eligible applicants in setting up village industry units. Under this programme, loans are provided to eligible applicants by banks and subsidy by the Government;

(ii) Prime Minister's Rozgar Yojana (PMRY) for assisting eligible applicants in setting up tiny units. Under this programme, loans are provided to eligible applicants by banks and subsidy by the Government;

(iii) Credit Linked Capital Subsidy Scheme (CLCSS) for technology upgradation and modernisation of production techniques;

(iv) Small Industry Cluster Development Programme (SICDP) for holistic development of SSI clusters;

(v) Credit Guarantee Fund Scheme for Small Industries for providing guarantee cover to banks for collateral-free loans upto Rs. 25 lakh, sanctioned to SSI;

(vi) Rural Industries Service Centres (RISC) Scheme for setting up of common facility centers (CFCs) to provide infrastructural support and services to such industries;

(vii) Product Development, Design Intervention and Packaging (PRODIP) Scheme for improved design and packaging of village

industry products.

(viii) Financial assistance to village industry units for participation in national and international level exhibitions for market development; and

(ix) Interest Subsidy Eligibility Certificate (ISEC) Scheme for providing bank loans to khadi and polyvastra units at subsidised rates of interest.

The mandate of the Government in the Ministry of Agro and Rural Industries is to facilitate creation of additional employment opportunities by providing support to entrepreneurs in setting up labour-intensive agro and rural industries in the non- farm sector. This does not include measures to provide remunerative prices to farmers for agricultural produce.