

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:2418
ANSWERED ON:11.03.2010
COTTAGE INDUSTRY IN BIHAR
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Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is considering/launching any special scheme for traditional cottage industries in the country, particularly in Bihar; and

(b) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAACA LAKSHMI)

(a) & (b): At present, there is no proposal to launch any special scheme for handloom and handicraft sector in the country. However, in the handloom and handicraft sector, Ministry of Textiles is implementing following schemes in the country including Bihar.

Handloom Sector:

- i. Integrated Handlooms Development Scheme(IHDS)
- ii. Handloom Weavers' Comprehensive Welfare Scheme(HWCWS)-comprising two components i.e. Health Insurance Scheme and Mahatma Gandhi Bunkar Bima Yojana.
- iii. Marketing and Export Promotion Scheme(MEPS)
- iv. Mill Gate Price Scheme(MGPS)
- v. Diversified Handloom Development Scheme(DHDS).

Handicrafts Sector:

- i) Babasaheb Ambedkar Hastshilp Vikas Yojana.
- ii) Design and Technology Upgradation Scheme
- iii) Marketing Support & Services Scheme.
- iv) Human Resource Development.
- v) Handicrafts Artisans Comprehensive Welfare Scheme.
- vi) Research & Development.

In respect of Ministry of Micro, Small & Medium Enterprises, no proposal for launching any special scheme for traditional cottage industries in the country is under consideration. However, the Ministry of MSME through Khadi and Village Industries Commission (KVIC) has introduced Prime Minister's Employment Generation Programme (PMEGP) with effect from 2008-09 by discontinuing the erstwhile Rural Employment Generation Programme (REGP) and Prime Minister's Rozgar Yojana (PMRY) schemes of this Ministry with a total proposed plan outlay of Rs. 4735 crore including Rs. 250 crore for backward and forward linkages. It is a significant initiative with a higher level of subsidy than PMRY and REGP. Financial assistance is provided for generation of additional employment opportunities by setting up of micro enterprises (including those from cottage sector) throughout the country including Bihar. Under this scheme, margin money subsidy is provided for setting up of projects costing upto Rs. 10 lakh for business/service sector and Rs. 25 lakh for manufacturing sector. The assistance is provided in the form of subsidy upto 35 per cent to beneficiaries belonging to special category viz., SC / ST / OBC / Minorities/Women, Ex-servicemen, differently abled, NER, Hill and Border areas etc. (25 per cent for General category) of the project cost in rural areas while it is 25 per cent (15 per cent for General category) for urban areas. PMEGP is implemented through KVIC as the single nodal agency at the national level. At the State/Union Territories level, the scheme is being implemented through field offices of KVIC, State/Union Territory Khadi and Village Industries Boards and District Industries Centres (DICs) involving Banks. Detailed Guidelines of PMEGP are available in the website of the Ministry, i.e., www.msme.gov.in. In Bihar, 5873 units have been assisted utilizing margin money of Rs. 4201.22 lakhs in 2008-09 under PMEGP which generated employment opportunities for an estimated 58730 persons.'