

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

UNSTARRED QUESTION NO:620
ANSWERED ON:21.11.2001
SCHEMES TO HELP AGRO AND RURAL INDUSTRIES
P.C. THOMAS

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

- (a) whether the Government have implemented schemes to help Agro and Rural Industries;
- (b) if so, the details thereof;
- (c) the details of money spent in this regard, State-wise, during the last three years;
- (d) whether the number of industries in Kerala have received aid during the above period with details and location thereof; and
- (e) the details of norms for financial and other assistance being given in this regard.

Answer

THE MINISTER OF AGRO & RURAL INDUSTRIES (SHRI KARIYA MUNDA)

a) & b): The Government through the Khadi and Village Industries Commission (KVIC) gives support to Khadi and Village Industries including agro and rural industries in the form of financial, technical and managerial assistance. The Margin Money Scheme of the KVIC, which was launched with effect from 1.4.1995, is applicable throughout the country. Under this scheme 25% of the project cost is provided as margin money. For a project cost above Rs.10 lakhs and upto Rs.25 lakhs, the rate of margin money is 25% of Rs.10 lakhs plus 10% of the balance cost of the project. For weaker sections margin money is given at the rate of 30% of the project cost upto Rs.10 lakhs and for the balance amount (upto Rs.25 lakhs) it is 10%.

c) & d): Funds, for the Plan and Non-Plan activities of the Khadi and Village Industries Commission (KVIC), are provided by the Central Government. These funds are provided in the form of grants and loans and the Commission re-allocate them to its implementing agencies, namely State KVI Boards, Cooperative Societies, Nationalized Banks etc. The details of disbursement of Loans and Grants to various States/Union Territories (including Kerala) made by the KVIC during 1997-98 to 1999-2000 are attached at Annexure-I and Annexure-II, respectively.

e) Under the Rural Employment Generation Programme, 25% of the project cost is provided as margin money. For project cost above Rs.10 lakhs and upto Rs.25 lakhs, the rate of margin money is 25% of Rs.10 lakhs plus 10% of the balance cost of the project. For weaker sections margin money is given at the rate of 30% of the project cost upto Rs.10 lakhs and for the balance amount (upto Rs.25 lakhs) it is 10%.