

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

UNSTARRED QUESTION NO:2614
ANSWERED ON:05.12.2001
AGRO AND RURAL INDUSTRIES IN UTTAR PRADESH
BALIRAM

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

- (a) the details of schemes of the Government for the promotion of agro and rural industries in the country, especially in the States of Uttar Pradesh, Bihar, Maharashtra and Jharkhand;
- (b) the details of assistance being given by the Government under different heads; and
- (c) the steps proposed to be taken in future for the promotion of rural industries in Uttar Pradesh and Jharkhand?

Answer

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

(a): The Khadi and Village Industries Commission (KVIC) promotes agro and rural industries in all the States of the country including Uttar Pradesh, Bihar, Maharashtra and Jharkhand. The main programme for implementing such industries is the Rural employment Generation Programme (REGP). The REGP scheme covers projects upto a size of Rs. 25 lakhs. 25% of the project cost upto Rs. 10 lakhs and additional 10% of the cost of the project above Rs. 10 lakhs but upto Rs. 25 lakhs is provided as margin money by the Government through KVIC. For the weaker sections the 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%.

(b): The details of funds released by the Government to the KVIC under different heads is given at Annexure.

(c): For the development and promotion of Khadi and Village Industries in the country including Uttar Pradesh and Jharkhand, the Government of India announced a package for the Khadi and Village Industries sector on 14.05.2001. The main features of this package consist of a Rebate Policy for five years, option of Rebate and market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities, measures to promote marketing, brand building, cluster development etc. The Government has also decided to continue with the REGP for the 10th Plan period.