

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

UNSTARRED QUESTION NO:7330
ANSWERED ON:15.05.2002
AGRO AND RURAL INDUSTRIES DEVELOPMENT PROJECTS IN BIHAR
RAM PRASAD SINGH

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

- (a) the details of ongoing Agro and Rural Industries development projects in the country, particularly in Bihar;
- (b) the details of increase in production and generation of employment in these industries; and
- (c) the details of financial assistance provided by the Government for this purpose during last three years?

Answer

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

(a): The Khadi and Village Industries Commission (KVIC) is implementing the Rural Employment Generation Programme (REGP) for the development of Khadi and Village Industries including agro and rural industries throughout the country including the state of Bihar. Under this scheme, the KVIC provides margin money assistance at the rate of 25% of the project cost upto Rs. 10 lakhs and for the project above Rs. 10 lakhs and upto Rs. 25 lakhs, rate of margin money is 25% of Rs. 10 lakhs plus 10% on remaining cost of the project. In the case of SC/ST/ OBC/Women Physically Handicapped/Ex-Servicemen and Minority Community beneficiary / institution and for hill border and tribal areas, North Eastern Region, Sikkim, Andaman & Nicobar Island, Lakshadweep, the margin money grant is 30% of the project cost upto Rs. 10 lakhs. Under the Scheme, the beneficiary's contribution is at least 10% of the project cost. In case of SC/ST and other weaker sections, beneficiary's contribution is 5% of the project cost. This scheme is being implemented through Public Sector Banks, Regional Rural Banks and on a selective basis through Cooperative Banks and Private Sector Scheduled Commercial Banks. Balance funds for the projects are provided by banks in the form of term loans.

(b): The details of production and employment generated during the last three years under Khadi and Village Industries Sector in respect of Bihar are given as under:

Years Production (Rs. in lakhs) Employment (Persons in lakhs)

1998-1999	18901.19	3.80
1999-2000	19035.43	3.26
2000-2001	18200.21	2.84

(c): The Government does not release funds directly to States for the promotion and development of Khadi and Village Industries. However, the Government provides funds to the Khadi and Village Industries Commission for the promotion and development of such industries. These funds are released on the basis of requirement. The loans and grants disbursed by the KVIC to Bihar for the development of the KVI sector during the last three years are as under:

(Rs. in lakhs)

Year	Loan	Grant
1998-1999	60.85	1230.49
1999-2000	26.37	349.84
2000-2001	112.72	326.28

