

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

UNSTARRED QUESTION NO:1539
ANSWERED ON:02.08.2000
EMPLOYMENT FOR POOR FARMERS
BHAL CHANDRA YADAV

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

- (a) whether the Government are formulating any plan to ensure availability of employment to poor farmers at the village level so as to check their migration from the rural areas to the urban belts;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRICULTURE AND RURAL INDUSTRIES (SMT. VASUNDHARA RAJE)

(a) to (c): The Khadi and Village Industries Commission (KVIC) is implementing a programme Rural Employment Generation Programme (REGP) for generating employment opportunities in Khadi and Village Industries sector in the rural areas. Khadi loans are provided by the banking institutions however, the beneficiary pays rate of interest @ 4% and the balance between the bank rate and 4% is borne by the Government as interest subsidy.

For village industries, the Margin Money Scheme under the REGP envisages providing 25% margin money for project costing upto Rs. 10 lakhs and an additional 10% for projects costing above Rs. 10 lakhs but upto Rs. 25 lakhs. For the beneficiaries belonging to weaker sections viz. SCs/STs/Women/Physically handicapped /Ex-servicemen, Minorities/ OBCs and for Hill Border and Tribal areas, North East areas, Andaman Nicobar islands and Lakshadweep, the margin money assistance is provided @ 30% of the project costing upto Rs. 10 lakhs.