

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

STARRED QUESTION NO:127

ANSWERED ON:01.08.2006

PROMOTION OF AGRO AND RURAL INDUSTRIES

Bose Shri Subrata;Khaire Shri Chandrakant Bhaurao

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

(a): the quantum of the items reserved for production in agro and rural sector produced alongwith the number of persons gainfully employed in this sector during each of the last three years, State-wise;

(b): the details of the schemes existing with the Government for the promotion of agro based industries particularly paper and for the generation of employment alongwith the achievements made under these schemes, State-wise;

(c): whether any scheme is proposed to be framed for further promotion of agro based industry; and

(d): if so, the details thereof?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a)to(d): A statement is placed on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 127 TO BE ANSWERED ON 01.08.2006.

(a): The agro and rural industries within the purview of the government in the Ministry of Agro and Rural Industries consist of khadi, village and coir industries. The Khadi and Village Industries Commission Act, 1956 (as amended) defines village industry as an industry, in rural areas and towns with population up to 20,000 which has fixed capital investment per head of an artisan or a worker not exceeding rupees one lakh (rupees one lakh and fifty thousand in hilly areas). There is no reservation as such of products which can be manufactured only by village industries. The State-wise number of persons employed in the village industry sector during 2002-03, 2003-04 and 2004-05 are given in the enclosed Annexure I.

(b): The Government (Ministry of Agro and Rural Industries) implements two credit-linked subsidy schemes, namely, the Rural Employment Generation Programme (REGP) and the Pradhan Mantri Rozgar Yojana (PMRY) for employment generation through promotion of industries in the rural areas of the country. The REGP is implemented through the Khadi and Village Industries Commission (KVIC) and PMRY is implemented through the Governments of the States and Union Territories. PMRY is, however, implemented in both rural and urban areas. Approximately, fifty per cent of the units established under PMRY are estimated to be in rural areas.

The State-wise details of the employment generated under these two schemes during 2002-03, 2003-04 and 2004-05 are given in the enclosed Annexures II and III respectively.

The other schemes implemented for the promotion and development of village industries include :

(i) Rural Industries Service Centres (RISC) Scheme for setting up common facility centres to provide infrastructural support and services to such industries.

(ii) Product Development, Design Intervention and Packaging (PRODIP) Programme for improving the design and packaging of village industry products.

(iii) Assistance to village industry units to participate in exhibitions at the national, sub-national levels, etc., for improving marketing of products. Hand-made paper is produced primarily as part of village industries and existing schemes of KVIC to promote village industries apply to hand-made paper industry also.

(c)&(d): Government has recently approved implementation of the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) in 100 clusters of khadi, village and coir industries over five years beginning 2005-06. The scheme envisages assistance for setting up of common facility centres (CFC), quality improvement, training and capacity building, development of new products, improved packaging, new design, market promotion, etc.