

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

UNSTARRED QUESTION NO:1055
ANSWERED ON:28.11.2006
KVIC ASSISTANCE TO SELF HELP GROUPS
Barman Shri Ranen

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

- (a): whether the Self Help Groups (SHGs) are receiving assistance from Khadi and Village Industries Commission (KVIC);
- (b): if so, the details thereof;
- (c): whether these SHGs are facing difficulties in the implementation of the responsibilities assigned to them;
- (d): if so, whether the Government has assessed the nature of difficulties being faced by these SHGs; and
- (e): if so, the action taken by the Government in this regard?

Answer

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

(a)&(b): The Ministry of Agro & Rural Industries has been implementing the Rural Employment Generation Programme (REGP), a credit-linked subsidy programme, through the Khadi and Village Industries Commission (KVIC), throughout the country, to assist eligible applicants in setting up labour-intensive industries in the rural areas and small towns with population upto 20,000 and thus generate additional employment. Under this programme, entrepreneurs can establish village industries, by availing of margin money assistance from KVIC and loans from any public sector scheduled commercial bank, for projects with a maximum cost of Rs. 25 lakh. Under REGP, self-help groups (SHGs) have been assisted, with effect from 01 April 2002, in setting up village industries by providing margin money assistance through the KVIC and loans through public sector commercial banks, etc. 136 projects have been sanctioned to SHGs under the REGP till September 2006. KVIC also provides marketing support to such SHGs by way of assistance to participate in exhibitions and in the sale of their products through outlets set up in the KVIC fold. In addition, KVIC provides training through its network of training centres to such SHGs, which are established under other programmes of the State and Central Governments.

(c): No, Sir.

(d)&(e): Do not arise.