

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

STARRED QUESTION NO:122
ANSWERED ON:14.07.2004
PROMOTION OF AGRO AND RURAL INDUSTRIES
Khaire Shri Chandrakant Bhaurao

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

- (a) whether the Government proposes to formulate a new policy to promote Agro & Rural Industries in the country;
- (b) is so, the details thereof: and
- (c) the total funds required for the purpose and the manner in which funds are proposed to be mobilised?

Answer

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

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) to (c) IN RESPECT OF LOK SABHA STARRED QUESTION NO. 122 FOR REPLY ON 14-07-2004

(a) & (b): Yes, Sir. The National Common Minimum Programme (NCMP) has identified certain important areas for promotion of Agro and Rural Industries in the country. The NCMP, inter alia, states that there would be a revamp of the functioning of Khadi and Village Industries Commission (KVIC) and new programmes would be launched for the modernization of traditional industries like coir, pottery, cottage industries, etc.

Government is already promoting Agro and Rural Industries through Rural Employment Generation Programme(REGP), Prime Minister's Rozgar Yojana(PMRY) in both urban and rural areas, programmes for development of Khadi sector etc. Of these, the largest and most important programme is the Rural Employment Generation Programme, which seeks to generate additional employment in rural areas and small towns through the setting up of labour intensive industries by providing margin money support and the required forward and backward linkages. During the current financial year, Govt. has set a target of creating 5.25 lakh additional jobs under the REGP and 3.75 lakh additional jobs under PMRY,

(c) The allocation for the Ministry of Agro and Rural Industries (ARI) during the 10th Plan period is Rs. 2950 crore. The Plan allocation for the current financial year is Rs. 674 crore. Besides, Finance Minister in his budget speech has provided an additional amount of Rs. 100 crore for setting up of a new fund for regeneration of traditional industries like coir, handloom, handicrafts, sericulture, leather, pottery and other cottage industries. While the above amount will be provided as budgetary assistance by the Government, it is expected that about Rs. 2100 crore will be provided by the banks for supporting the schemes of the Ministry.