

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:3061
ANSWERED ON:16.03.2010
SCHEMES UNDER TRADITIONAL INDUSTRIES
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the details/names of schemes under the traditional industries to attract the rural youth to traditional professions in the country;
- (b) the details of achievements made and employment generated under the different schemes alongwith the funds granted/utilised during each of the last three years and the current year, State-wise;
- (c) whether the Government has any proposal to give more focus on revival of traditional industries during the Eleventh Five Year Plan; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA PATEL)

(a)to(d): In order to attract rural youth to traditional professions, it is very essential to make such industries more competitive through technology infusion and innovation and provide necessary support in terms of credit and other facilities including appropriate skill development training. Government of India in the Ministry of MSME is making efforts towards this by promoting first generation entrepreneurs under Prime Minister's Employment Generation Programme (PMEGP) introduced in 2008-09 as well as developing traditional industries clusters in khadi, village and coir under the 'Scheme of Fund for Regeneration of Traditional Industries (SFURTI)'. PMEGP is implemented through Khadi and Village Industries Commission (KVIC) as the nodal agency at the national level and through field offices of KVIC, State/Union Territory Khadi and Village Industries Boards and District Industries Centres (DICs) at State level with the involvement of banks while SFURTI is implemented through KVIC and Coir Board.

Detailed guidelines of PMEGP and SFURTI are available on the website of the Ministry at www.msme.gov.in.

A total of 105 clusters (khadi - 28, VI - 50 and coir - 26) are being developed under SFURTI within a period of 5 years (beginning 2005-06) covering around 50,000 traditional artisans families (i.e., around 500 families in each cluster). State-wise list of clusters approved for development is given at Annex. I. As reported, 25507 units have been assisted during 2008-09 involving margin money assistance of Rs. 408.65 crore which is estimated to generate 255070 employment opportunities under PMEGP. State-wise details are given at Annex. II.

The Union Government provides funds to the Nodal Agencies for implementation of the above programmes which are further released by them to their Field Offices and in turn to cluster accounts as per requirement. Funds released by the Government to KVIC and Coir Board for implementation of above programmes are as under:

Scheme	KVIC	Coir Board						
	2006-07	2007-08	2008-09	2009-10	2006-07	2007-08	2008-09	2009-10

PMEGP - - 740.00 543.17 Not operated by Coir Board

SFURTI 19.03 9.04 13.45 12.00 6.50 6.27 3.50 -

Further to strengthen and to promote KVI and coir industries, the Government has taken a number of steps which includes introduction of 'Workshed Scheme for Khadi Artisans' for providing assistance for construction of worksheds for better work environment, 'Scheme for enhancing productivity & competitiveness of Khadi Industries and Artisans' to assist 200 khadi institutions to make khadi industry competitive with more market driven and profitable production by replacement of obsolete old machinery and equipment, 'Strengthening Infrastructure of existing Weak Khadi Institutions and Assistance for Marketing Infrastructure' envisaging renovation of selected 30 khadi sales outlets and providing assistance for strengthening of infrastructure of existing 100 weak selected institutions and 'Rejuvenation, Modernization and Technology Upgradation of the Coir Industry' (REMOT) providing financial assistance to groups of spinners and tiny household workers for replacement of outdated ratts/looms, establishment of worksheds, etc.