

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:6024
ANSWERED ON:03.05.2010
VISHESH KRISHI GRAM UDYOG YOJANA
Gaddigoudar Shri P.C.;Sivasami Shri C.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the textile floor covering of Jute, Coir and Cotton are included in Vishesh Krishi Gram Udyog Yojana (VKGUY) as per the Public Notice No. 65 dated 19 August, 2008;
- (b) if so, the details thereof;
- (c) whether the Government proposes to include handmade products in the VKGUY instead of restricting the scheme to only handmade carpets and other textile floor covering; and
- (d) if so, the details in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) Yes, Madam. The details as contained in the said Public Notice are at Annexure 'A'.

(c) & (d) The Government had not restricted the incentives under VKGUY scheme to only handmade carpets and other textile floor coverings. Other handmade products like handicraft items were also incentivised under VKGUY initially, which were later shifted to Focus Product Scheme for exports made w.e.f. 27.8.2009. The details of incentives for some handmade items under Chapter 3 of Foreign Trade Policy 2009-14, announced on 27.8.2009, are as under:

1. All Handmade Carpets and other Under Focus Product Scheme as Special Textile Floor Coverings, covered Focus Products, with incentive under chapter 57 of ITC (HS) code in the form of Duty Credit Scrip Book, whether or not made ups. equivalent to 5% of FOB value of exports.
2. All handicraft items Under Focus Product Scheme as Special Focus Products, with incentive in the form of Duty Credit Scrip equivalent to 5% of FOB value of exports.
3. Handloom Products (List as per) Under Focus Product Scheme, with incentive Annexure B. in the form of Duty Credit Scrip equivalent to 2% of FOB value of exports.