

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

UNSTARRED QUESTION NO:875  
ANSWERED ON:04.08.2011  
ALLOCATION UNDER SFURTI  
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**Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:**

- (a) the present status of the Scheme of Fund for Regeneration of Traditional Industries (SFURTI);
- (b) the allocation made for the scheme during each of the last three years and the mechanism for optimal utilisation of the fund;
- (c) the details of main traditional industries which fall under the purview of the Scheme; and
- (d) the extent to which the traditional industries have been benefited by the said Scheme particularly in Maharashtra State wise and Union Territory-wise?

**Answer**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a) The Government of India introduced Scheme of Fund for Re-generation of Traditional Industries (SFURTI) in 2005-06 for re-generation of traditional industry clusters in khadi, village industries and coir sector. A total of 105 clusters (khadi-29, VI-50 and coir-26) have been taken up under SFURTI.

(b) Funds released under SFURTI during the last three years to the Nodal Agencies namely Khadi and Village Industries Commission (KVIC) as well as Coir Board are as under:

(Rs. in crore)

Year    KVIC    COIR    BOARD    Total

2008-09	13.45	3.50		16.95
2009-10	12.00		12.00	
2010-11	8.30	2.50		10.80

SFURTI is implemented through experienced and reputed institutions including Government and Non-Governmental Organizations selected by the Nodal Agencies on the basis of criteria approved by the Scheme Steering Committee. For effective utilization of funds under SFURTI, cluster-wise Diagnostic Study Report containing Cluster Action Plan is prepared with the help of Cluster Development Executive engaged for the cluster and active involvement of designated Technical Agency of repute. The funds are released by the Nodal Agencies cluster-wise and the progress is closely monitored by them with the involvement of the concerned Cluster Development Coordination Group at cluster level. Funds released to the cluster are kept in an escrow account and utilized as per plan. The progress of utilization is monitored at KVIC Headquarter level quarterly. Installments are released on the basis of utilization of earlier releases and after ascertaining satisfactory progress.

(c) The main traditional industries that fall under the purview of the scheme include khadi and village industries such as cane and bamboo crafts, embroidery, leather, pottery, handmade paper, wooden handicrafts, bee-keeping, agarbatti, herbal products, brass metal products, carpentry, beads making, palm gur, Coir, etc.

(d) As per a recent evaluation study conducted by KVIC through an independent agency, the scheme has been found to be very effective and has led to significantly higher earnings for the artisans besides increasing production through expansion of business, diversification of products, upgradation of skills and improvement in productivity through better tools and machinery. In Maharashtra, four SFURTI clusters have been taken up. The State-wise details of clusters taken up for development under SFURTI are shown in Annex-I.