

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

UNSTARRED QUESTION NO:1396
ANSWERED ON:14.07.2009
TRADITIONAL INDUSTRIES
Venugopal Shri K. C.

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the condition of the Traditional Industries like coir and cashew sector is in a dismal State; and

(b) if so, steps taken by the Government to strengthen/modernise the Traditional Industries and to improve the condition of its workers?

Answer

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

(a)&(b): Traditional Industries in India have great potential in terms of production, export and generation of employment. Government of India has taken several measures to keep the potential of such industries. The Government of India (in the Ministry of Micro, Small and Medium Enterprises) is implementing the "Scheme of Fund for Regeneration of Traditional Industries (SFURTI)" for regeneration of traditional industries clusters from khadi, village and coir sectors over a period of five years beginning 2005-06. The Scheme envisages need-based assistance for replacement of production equipment, setting up of common facility centres (CFC), product development, quality improvement, improved marketing, training and capacity building, etc. The guidelines of SFURTI are available on the website of the Ministry of Agro and Rural Industries at www.msme.gov.in. 26 coir clusters have been approved from the coir producing States for their development under SFURTI. Details of such clusters are at Annex.

In addition, to develop coir industry a new central sector scheme titled 'Scheme for Rejuvenation, Modernisation and Technological Upgradation of Coir Industry' has been launched in March 2008 to assist spinners and tiny household sector. Under this scheme, assistance is provided to groups of spinners and tiny sector workers for replacement of outdated ratts /looms and for constructing worksheds so as to increase production and earnings of such workers.

To promote the cashew industries sector, the Cashew Export Promotion Council of India (sponsored by the Government of India in the Department of Commerce) is implementing a scheme 'Modernisation and Diversification' under the five year plan schemes of the Government of India to provide assistance to exports for upgrading/modernizing their processing facilities.