

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

UNSTARRED QUESTION NO:1950
ANSWERED ON:01.12.2009
AGRO AND RURAL INDUSTRIES IN JHARKHAND
Munda Shri Arjun

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

- (a) whether Jharkhand has vast potential for the growth of agro and rural industries like herbal products, traditional items made out of clay, bamboo etc.;
- (b) if so, the details thereof;
- (c) whether any action plan for the removal of rural unemployment by developing these industries has been chalked out by the Government;
- (d) if so, the details thereof;
- (e) whether the Government has issued any guidelines for providing training financial and technical support and marketing to the people employed in these industries; and
- (f) if so, the details thereof?

Answer

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

(a)to(d): For the growth of agro and rural industries and to create new employment opportunities, the Union Government in the Ministry of Micro, Small and Medium Enterprises has introduced 'Prime Minister's Employment Generation Programme (PMEGP)' during 2008-09 which is a significant initiative for setting up micro enterprises (including units manufacturing herbal and traditional items made out of clay, bamboo, etc) with attractive levels of subsidy. Under this programme, financial assistance is provided for setting up of micro-enterprises costing upto Rs. 10 lakh in service sector and Rs. 25 lakh in manufacturing sector. The assistance is provided in the form of subsidy upto 25 per cent (35 per cent for weaker sections) of the project cost in rural areas while it is 15 per cent (25 per cent for weaker sections) for urban areas. It is implemented through KVIC as the single nodal agency at the national level.

At the State/Union Territories level, the scheme is being implemented through field offices of KVIC, State/Union Territory Khadi and Village Industries Boards and District Industries Centres (DICs) with involvement of banks. 498 units have been assisted under PMEGP during 2008-09 and 1972 units are targeted to be assisted in 2009-10 in Jharkhand.

Further, the Government is implementing the "Scheme of Fund for Regeneration of Traditional Industries (SFURTI)" for regeneration of around 100 traditional industries clusters in khadi, village industries and coir sectors covering all the states including Jharkhand. 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. Details of clusters approved under SFURTI in the State of Jharkhand are given below:

Sl. No	Sectors	Name of Cluster	Name of Agency	Activities	Proposed Plan
1	Khadi	Palamu	Chhotanagpur	Production of khadi	122.00
		Khadi	Khadi Gramodyog		
		Cluster	Sansthan, Ranchi		
2	VI Cluster	Singhbhum	Singhbhum	Honey production	88.00
		Bee-keeping	Gramodyog Vikas		
		cluster	Sansthan		

(e)&(f): The guidelines of PMEGP also envisage 2 to 3 weeks Entrepreneurship Development Programme (EDP) training for the beneficiaries. However, the beneficiaries who have undergone EDP earlier of duration not less than two weeks through KVIC/KVIB or reputed training centers are exempted from undergoing fresh EDP. For marketing KVI products several steps have been taken by KVIC which include operationalisation of 12 Department Bhawans/ sales outlets, organization of exhibitions at the national and sub-

national levels, convergence with Confederation of Indian Industries (CII) for providing marketing support to KVI institutions and units, quality improvement, etc. Further, a new scheme titled 'Strengthening of Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure' has been introduced in July 2009 which also envisages renovation of selected 30 khadi sales outlets to boost the sale of KVI products.