

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

UNSTARRED QUESTION NO:4928

ANSWERED ON:13.08.2014

DEVELOPMENT OF COTTAGE INDUSTRY

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

- (a) whether the Government is aware that there is no clear cut policy for the development of cottage industry in the country;
- (b) if so, the details thereof and the reasons therefor;
- (c) the details of production and export of coir and coir products during each of the last three years and the current year and the details of incentives proposed to be given to the industry to boost exports of these products;
- (d) the action plan of the Government to help various States particularly Southern States to exploit this sector; and
- (e) the steps taken/proposed to be taken by the Government to develop small and tiny industries or ancillary units of major industries in the villages and remote localities?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI KALRAJ MISHRA)

(a)&(b): Development of cottage industries is mainly the responsibility of the State Governments. However, Government in the ministry of Micro, Small and Medium Enterprises (MSME) supplements the efforts of State Governments for promotion of khadi, village industries and coir through a number of schemes implemented by Khadi and Village Industries Commission (KVIC) and Coir Board.

(c): The details of production and export of coir and coir products during each of the last three years and the current year are given at Annexure I.

In order to boost the export of Coir Products Government, through Coir Board's Plan Programme of Export Market Promotion, is implementing programmes like Market study/survey, Participation in international fairs/exhibitions/seminars/ conferences and Publicity abroad. In addition to the above, incentives like Duty drawback, Duty scrip, Duty credit Scrip, Interest subvention and Zero duty Export Promotion Capital Goods (EPCG) Scheme are also extended to Coir Products.

(d) & (e): The Government through Coir Board is implementing various schemes/programmes for sustainable development of Coir industry in the country including the Southern States such as Coir Plan General scheme which includes Skill Upgradation and Quality Improvement Scheme & Mahila Coir Yojana, Development of Production Infrastructure, Export Market Promotion, Domestic Market Promotion, Trade and Industry Related Functional Support Services, Welfare Measures(Group personal accident insurance scheme for coir workers). The Coir Board is also implementing the Plan scheme Science and Technology(S&T), Rejuvenation, Modernization and Technology Upgradation (REMOT) of Coir Industries and Scheme of Funds for Regeneration of Traditional Industries (SFRUTI).

In Khadi and Village Industry Sector; the Government through KVIC is implementing various central sector schemes for development of micro industries. KVIC as nodal agency at national level is implementing Prime Minister's Employment Generation Programme(PMEGP) for generating employment in the Country by setting up of micro-enterprises in the non-farm sector.