Title: Non-payment of Margin Money to beneficiaries under the Rural Employment Generation Programme.

SHRIMATI P. SATHEEDEVI (BADAGARA): Sir, I would like to draw the kind attention of this House regarding non-payment of margin money to beneficiaries under the Rural Employment Generation Programme of the Khadi and Village Industries Board. The Rural Transport Project under the Rural Employment Generation Programme is formulated by the Commissioner for Khadi and Village Industries, established under Section 4 of the Khadi and Village Industries Commission Act of 1996[R80].

It was implemented through Kerala Khadi and Village Industries Board. The funds sanctioned for releasing financial assistance to beneficiaries is regulated and controlled by the Commissioner for Khadi and Village Industries. The margin money will be given to the beneficiaries under this Scheme after watching the utilisation of the bank loan including the contribution of the beneficiaries.

It is reliably understood that the Commissioner has instructed the Board to discourage financing under the rural transport saying that such projects do not fulfil the criteria of employment investment proportion in rural employment. Hence, the Khadi and Village Industries Board is not releasing the eligible margin money and subsidy to the beneficiaries. In Kerala, a large number of self-employed youths, who have taken loan under this scheme are denied the eligible margin money. As the unemployment rate is growing in rural areas, the decision of the Commissioner of Khadi and Village Industries has very drastically affected the rural development.

Hence, I would like to request the Ministry of Agro and Rural Industries to kindly look into the matter and take immediate action to provide the financial assistance and subsidy, which the unemployed youths are entitled.