

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTIONNO. 901
TO BE ANSWERED ON 23.07.2018

SCHEME FOR FOREST BASED INDUSTRY

901. SHRI SUNIL KUMAR SINGH:

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

- (a) whether the Government is running any scheme aimed at promoting forest produce based industry and if so, the details thereof;
- (b) whether the Government is making any efforts to promote cottage industry to boost the economy in rural areas and if so, the details thereof including any scheme being implemented in this regard;
- (c) whether the Government has any scheme to provide/proposes to provide employment through cottage industries in the backward & tribal dominated areas of Jharkhand; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE)
FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a): Khadi and Village Industries Commission (KVIC) is implementing Honey (Beekeeping) Mission under forest based industry group of Village Industries with the objective of enhancing income to farmers/beekeepers and tribal people. Under this programme, training is given to the persons and after training, 10 bee boxes are provided to each trained artisan.

During the year 2018-19, a provision of Rs. 63.35 crore has been made to train and provide 1,31,000 bee boxes to 13,100 persons.

The unemployed persons can get benefit of Prime Minister's Employment Generation Programme (PMEGP) to establish their own units including units under forest based group of industries viz. Fibre products manufacturing, handmade paper products, cane and bamboo etc.

(b) to (d): To provide employment through cottage industry and to boost the economy in rural areas of the country, including the backward and tribal dominated areas of Jharkhand, Khadi and Village Industries Commission (KVIC) and Coir Board are implementing the following schemes:

i) Prime Minister's Employment Generation Programme (PMEGP) is a credit linked subsidy scheme, for setting up of new micro-enterprises and to generate employment opportunities in rural as well as urban areas of the country through KVIC, State Khadi & Village Industries Board (KVIB) and District Industries Centre (DIC). General category beneficiaries can avail of margin money subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to special categories such as SC/ST/Women/PH/Minorities/Ex-Servicemen/NER, the margin money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of projects is Rs.25 lakh in the manufacturing sector and Rs.10 lakh in the service sector.

ii) Scheme of Fund for Regeneration of Traditional Industries (SFURTI) from 2005-06 for making Traditional Industries more productive and competitive by organizing the Traditional Industries and artisans into clusters. The Scheme envisages providing 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.

iii) A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship (ASPIRE) was launched on 18.3.2015 to promote Innovation and Rural Entrepreneurship through rural Livelihood Business Incubator (LBI), Technology Business Incubator (TBI) and Fund of Funds for start-up creation.

I. Khadi and Village Industries Commission (KVIC):

i) Market Promotion Development Assistance (MPDA) – A unified scheme by merging Market Development Assistance, Publicity, Marketing and Market Promotion. A new component of Infrastructure namely setting up of Marketing Complexes /Khadi Plazas has been added to expand the marketing network of Khadi& VI products. Under the Modified MDA (MMDA) financial assistance at 30% of the Prime Cost, is distributed amongst Producing Institutions (40%), Selling Institutions (20%) and Artisans (40%).

ii) Interest Subsidy Eligibility Certificate (ISEC) Scheme provides credit at concessional rate of interest through Banks as per the requirement of the Khadi institutions. The institutions are required to pay interest of only 4%, any interest charged by banks over 4% will be paid by the Government of India through KVIC to the banks.

iii) Workshed Scheme for Khadi Artisans was introduced in 2008-09 to provide financial assistance for construction of workshed to khadi artisans belonging to BPL category through the khadi institutions with which the khadi artisans are associated. This empowers khadi spinners and weavers to chart out a sustainable path for growth, income generation and better work environment.

iv) Strengthening infrastructure of weak Khadi institutions and assistance for marketing infrastructure: This scheme provides need-based support towards the Khadi sector for nursing the sick/problematic institutions elevated from “D” to “C” category as well as those whose production, sales and employment have been declining while they have potential to attain normalcy and to support creation of marketing infrastructure in other identified outlets. Under this scheme, financial assistance is provided to existing weak Khadi institutions for strengthening of their infrastructure and for renovation of selected khadi sales outlets.

v) Khadi Reform and Development Programme (KRDP) aims to revitalize the khadi sector with enhanced sustainability of khadi, increased incomes and employment for spinners and weavers, increased artisans’ welfare and to achieve synergy with village industries. Under KRDP, restructured amount of US\$ 105 million has been negotiated with Asian Development Bank (ADB) and funds are being provided to the Government of India to be released to KVIC as ‘grants-in-aid’ under budgetary allocation through the Ministry of MSME. Khadi Reform Package envisages reform support in the following areas: (i) Artisan Earnings and Empowerment, (ii) Direct Reform Assistance to 400 Khadi Institutions & (iii) Implementation of a well-knit MIS.

II. Coir Board:

Coir Board is implementing the Coir Vikas Yojana to cater to the multiple developmental needs of coir industry. Interventions under the following components of the Scheme are taken up during the period from 2017-18 to 2019-20.

1. Skill Upgradation and Mahila Coir Yojana (MCY): Development of skilled manpower in coir industry in different facets of coir production and processing through appropriate training programmes, seminars, workshops, awareness programmes, exposure visits etc. is the major objective under Skill Upgradation and Mahila Coir Yojana (MCY). Only trainings to the unemployed women will be provided under Mahila Coir Yojana. EDP, National Seminar, Awareness programme, Workshop, Exposure Tour may also be provided under Mahila Coir Yojana. The financial assistance for procurement of equipments/machineries may be obtained under the PMEGP scheme by the trained women for setting up coir units. Priority will be given to the trained women under PMEGP. Under skill upgradation and Mahila Coir Yojana honorarium shall be kept as Rs.15, 000/-p.m. for trainer and Rs.3000/- p.m. for trainee subject to the norms of NSQF compliance.

2. Export Market Promotion (EMP): This programme is aimed towards developing and improving the export performance of Indian Coir Sector through various export market promotion activities such as participation in Buyer Seller Meet, sponsoring delegations, participation in seminars and conferences abroad, organising participation in international fairs, extending financial assistance to micro, small and medium enterprises and exporters, presenting Coir Industry Awards on an annual basis to recognize the outstanding performance in the areas of export, domestic trade, R&D, best performing units and co-operatives etc.

3. Domestic Market Promotion (DMP): This plan programme envisages the development of domestic market for coir and coir products through appropriate measures for popularization including publicity and propaganda. Participation in fairs/exhibitions organized by other agencies and organizing exclusive fairs for coir and coir goods within the country are also taken up as steps to popularize the technologies, schemes and services and to increase the awareness of coir products and to enhance its consumption inside the country. The grant provided under Market Development Assistance to State supported organizations and co-operatives to the tune of 10% of their average annual sales turnover of coir products for enlarging marketing network, improving the quality standards, product development / diversification, innovative marketing etc. The grant of MDA which is shared on 1:1 basis by the Central Government through Coir Board and the States / UTs concerned is a major activity under this component of the Scheme.

Apart from the above, national level exhibitions are organized and the Khadi and V.I. Institutions and entrepreneurs can sell their products through approximately 8058 sales outlets run by Khadi Institutions spread all over the country. The products can also be sold through 7 Departmental Sales Outlets (DSOs) of KVIC located at Mumbai, Kolkata, Ernakulum, Bhopal, Goa, Patna and Delhi.

During the year 2017-18, under Prime Minister's Employment Generation Programme (PMEGP), 1111 beneficiaries benefitted in Jharkhand State. PMEGP Scheme targets for the year 2018-19 is placed at **Annexure-I**.

Annexure-I referred to in reply to part (b)to(d) of the Lok Sabha Unstarred Question No. 901 for answer on 23.07.2018**Target under PMEGP for the year 2018-19**

(Rs. in lakhs)

Sr. No.	State/UT	TARGET		
		Projects	Margin Money	Employment
1	Jammu & Kashmir	1898	4745.12	15184
2	Himachal Pradesh	1085	2711.40	8676
3	Punjab	1847	4617.17	14775
4	U.T. Chandigarh	94	94.32	755
5	Haryana	1866	4664.10	14925
6	Delhi	113	282.96	905
7	Rajasthan	3097	7743.65	24776
8	Uttarakhand	1190	2975.40	9521
9	Uttar Pradesh	7669	19171.59	61352
10	Chhattisgarh	2536	6339.11	20285
11	Madhya Pradesh	4781	11952.90	38249
12	Sikkim	75	188.64	604
13	Arunachal Pradesh	189	471.60	1509
14	Nagaland	1130	2825.50	9042
15	Manipur	1018	2544.19	8141
16	Mizoram	818	2045.45	6545
17	Tripura	786	1965.99	6291
18	Meghalaya	1061	2653.70	8492
19	Assam	4203	10507.70	33624
20	Bihar	4348	10869.49	34782
21	West Bengal	2569	6423.74	20556
22	Jharkhand	2477	6193.49	19819
23	Odisha	3088	7719.19	24701
24	A & N Islands	189	188.64	1509
25	Gujarat*	2993	7501.95	24006
26	Maharashtra**	3543	8833.60	28274
27	Goa	242	605.15	1936
28	Andhra Pradesh	1497	3742.74	11974
29	Telangana	2900	7250.96	23203
30	Karnataka	2776	6939.66	22207
31	Lakshadweep	47	47.16	377
32	Kerala	1467	3667.38	11736
33	Tamil Nadu	2976	7438.88	23808
34	Puducherry	141	141.48	1132
	TOTAL	66709	166064.00	533671

* including Daman & Diu.

** including Dadra & Nagar Haveli