

Project prepared by SIDBI for setting up Rural Industries

1072. SHRI SANJAY DALMIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Small Industries Development Bank of India has prepared any project for setting up rural industries in the country; and

(b) if so, the details thereof. State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.R. VEERENDRA KUMAR): (a) and (b) Small Industries Development Bank of India (SIDBI) has reported that it has been implementing four special schemes viz.. Rural Industries Programme (RIP), Micro Credit Scheme (MCS), Mahila Vikas Nidhi (MN) Scheme and Rural Entrepreneurship Development Programme (REDP) in the rural areas of the country, apart from providing assistance to units in small scale industries/tiny sector located in rural and semi-urban areas for their term loan/-working capital and seed capital requirements under SIDBI's composite loan scheme (CLS), Single Window Scheme (SWS) and National Equity Fund Scheme (NEF). The salient features of the four special schemes mentioned above are as follows:

(i) The objective of RIP is to promote viable enterprises leading to employment generation in rural areas by identifying and motivating rural entrepreneurs in setting up industrial ventures. RIP aims at better commercial exploitation of local resources. The scheme is currently in operation in 11 States having the largest concentration of rural poor.

(ii) The objective of MCS is to meet perceptible gap in financing genuine credit needs of the poor in rural areas. Under the Scheme, assistance upto a maximum of Rs. 10,000/- per borrower is extended at concessional rate. As at the end of November, 1996, 57 voluntary organisations/non-Governmental organisations have been supported under MCS in 16 state with an aggregate assistance of Rs. 636 lakhs

(iii) The objective of MVN is to bring about economic empowerment of women especially

the rural poor by providing them avenues for training and employment opportunities by facilitating creation of infrastructural facilities. As at the end of November, 1996, 104 non-Governmental organisations have been assisted in 43 States with an aggregate assistance of Rs. 417 lakhs.

(iv) The objective of REDP is to train various target groups in entrepreneurial traits so that they obtain adequate information motivation and guidance in setting up of their own enterprises, As on November 30, 1996, 269 programmes were conducted in different regions of the country.

Targets for Lending to Agriculture Sector by Public Sector Banks

1073, SHRI SANJAY DALMIA: Will the Minister of FINANCE be pleased to state;

(a) whether Government's attention has been drawn to the news-item appearing in the 'Business Standard' dated November 14, 1996 under the caption 'Increase lending to Farm Sector, Banks Told';

(b) if so, the details thereof;

(c) whether the percentage of lending by the public sector banks to agriculture sector during the previous years was quite low in comparison to the target fixed for it;

(d) if so, the details of the target fixed and lending to agriculture sector during the last three years; and

(e) the quantum of funds proposed to be made available to agriculture sector during 1996-97 and the estimated requirement assessed therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Yes, Sir.

(b) to (d) Public Sector Banks (PSBs) are required to lend 18 percent of their net bank credit to agriculture. However, as per information made available by Reserve Bank of India (RBI)/ National Bank of Agriculture and Rural Development (NABARD), during