

[25 August, 2006]

RAJYA  
SABHA

(d) The details of local sales of khadi garments during each of the last three years are given below:

Year	Sale (Rs. crore)	
	Khadi and khadi products (all varieties)	Ready-to-wear khadi khadi garments
2003-04	587.02	152.00
2004-05	617.84	156.36
2005-06	669.00*	165.99*

As per information available with KVIC, khadi and khadi products worth Rs. 59.05 lakh were exported during 2004-05 to countries detailed below:

Varieties of khadi products exported	Value of Export (Rs. lakh)	Destination Country
Spun silk and muslin khadi	1.42	USA and UK
Silk scarf and stole scalping	18.73	Austria, UK, USA, Germany, Japan and Morocco
Silk sarees	0.42	UK
Darri/carpet	1.90	United Arab Emirates
Khadi cloth	36.58	UK
TOTAL.	59.05	

These data do not include exports of khadi products through private channels which do not report the information to KVIC.

#### **Schemes for village artisans**

3060. SHRI MATILAL SARKAR: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether it is a fact that the poor village artisans cannot take the advantage of bank-loans, because they cannot provide security required for such loans:

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\*provisional figures

(b) whether Government propose to introduce the system of grants under the schemes of Khadi and Village Industries in favour of the poor village artisans upto a considerable amount to encourage the manifestation of their skills;

(c) whether Government are going to revive the pattern approach of grants as before under the Khadi and Village Industries Schemes; and

(d) the extra measures Government propose for these small artisans?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHAVIR PRASAD): (a) As per Reserve Bank of India's instructions to banks, collateral security is not required to be furnished by eligible entrepreneurs for securing loan of upto Rs. 5 lakh for setting up small scale units, including village industries (VI) under the rural Employment Generation Programme (REGP). Further, the Credit Guarantee Trust for Small Industries (CGTSI), set up by Government and Small industries Development bank of India, has advised its member lending institutions to cover loans of upto Rs. 25 lakh extended to VI units under REGP under the credit guarantee scheme so that small entrepreneurs, including village artisans, do not face problems relating to collateral security.

(b) No, Sir. However, the Government, through the Khadi and Village Industries Commission (KVIC) has been implementing the REGP, a credit-linked subsidy programme for assisting eligible entrepreneurs in setting up labour-intensive industries in the rural areas and small towns with population up to 20,000. Under this programme, entrepreneurs can establish village industries by availing of margin money assistance (Government grant) from the KVIC and loan from any public sector scheduled commercial bank, for projects upto a maximum cost of Rs. 25 lakh. A total of 2,09,705 projects involving margin money assistance of Rs. 1372 crore have been financed under REGP between April 1995 and March 2005 which have helped generate 28.06 lakh additional employment opportunities for rural entrepreneurs/workers.

(c) No, Sir.

(d) The budget allocation for implementation of REGP has been regularly increased. Further, the Government has recently approved the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) in October 2005 to cover 100 clusters of khadi, village and coir industries over five years beginning 2005-06. The scheme provides assistance for setting up common facility centres (CFC), quality improvement, training and capacity building, development of new products, improved packaging, new design and market promotion.