

**GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:2550
ANSWERED ON:05.12.2001
REVIVAL OF KVIC
NANDIPAKU VENKATASWAMY

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

- (a) whether there is any proposal to revive Khadi and Village Industries in the country;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) whether any measures have been taken to protect these industries from the impact of globalisation; and
- (e) the details thereof?

Answer

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA)

(a) to (e): The Government of India has announced a package for the promotion of Khadi and Village Industries Sector on 14th May, 2001 with a view to make the sector viable and vibrant in the new era of globalisation. The main features of the package comprise of a rebate policy for five years, option of Rebate or Market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities, measures to promote marketing, brand building and cluster development etc. The package also provides for technology upgradation, quality control, marketing through publicity and advertisement, renovation and modernization of sales outlets. It is expected that these measures will help the industry to become more competitive and gear to face the challenges posed by the globalisation.