

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

UNSTARRED QUESTION NO:1023  
ANSWERED ON:29.11.2005  
EMPLOYMENT OPPORTUNITIES UNDER KVIC  
Ahir Shri Hansraj Gangaram

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

- (a): the adverse affects of non-appointment of the Chairman of Khadi and Village Industries Commission on its smooth functioning;
- (b): the employment opportunities created under the Khadi action plan during the last three years; and
- (c): the difficulties being faced in achieving the targets fixed for employment generation under the KVIC?

**Answer**

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a): While dissolving the Commission in October 2004, the Government established an authority called the `Commissioner for Khadi and Village Industries` to exercise the powers of the Khadi and Village Industries Commission so as to ensure smooth functioning of the Commission.

(b): The details of employment opportunities created in the khadi and village industries sector during the last three years are as under :-

(c): There was no shortfall in achieving the target of employment generation in the village industries sector. In the khadi sector, there was some short fall in achievement of employment targets, due mainly to the following reasons:

(i) The charkhas and looms in use by several khadi institutions have become unserviceable and obsolete, leading to lower productivity. Moreover, the production of many institutions has not kept pace with the demands of the market.

(ii) Several khadi institutions are unable to raise working capital loan under Interest Subsidy Eligibility Certificate (ISEC) Scheme to the extent of certificates issued by the KVIC on account of unsaleable inventory.

(iii) The rebate claims of khadi institutions are not settled promptly by some State Governments.