

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

UNSTARRED QUESTION NO:4075

ANSWERED ON:20.12.2005

MODERNISATION OF COTTAGE INDUSTRIES

Badiga Shri Ramakrishna;Patel Shri Kishanbhai Vestabhai;Tripathy Shri Braja Kishore

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

- (a): whether the Government has launched a new programme to revamp the functioning of Khadi and Village Industries Commission;
- (b): if so, the details thereof;
- (c): whether the Government proposes to modernise various cottage industries;
- (d): if so, the details thereof;
- (e): whether there is decline in employment generation in agro/cottage and Khadi industries;
- (f): if so, the reasons therefor; and
- (g): the steps taken/to be taken by the Government in this regard?

Answer

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

(a)&(b): In the National Common Minimum Programme, the Government has declared to revamp the Khadi and Village Industries Commission

(KVIC). Towards this objective, the Government appointed a ten- member Expert Committee. On the basis of the recommendations of the Expert Committee, 'The Khadi and Village Industries Commission

(Amendment) Bill, 2005', to amend the Khadi and Village Industries Commission Act, 1956, was introduced in the Lok Sabha on 22 August 2005. Further action on the Bill has also been initiated based on the recommendations of the Department-related Parliamentary Standing Committee on Industry on this Bill.

(c)&(d): The Central Government has approved the Scheme of Fund for Regeneration of Traditional Industries (SFURTI). This Scheme envisages the development of 100 clusters in the khadi, coir and village industries sector over five years beginning 2005-06. The guidelines of SFURTI are available on the website of the Ministry of Agro and Rural Industries at <http://ari.nic.in>.

(e): Employment in the khadi and village industries sector has shown some growth over the last 3 years, as detailed below:

(f)&(g): Do not arise.