

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

UNSTARRED QUESTION NO:3877  
ANSWERED ON:19.12.2006  
MODERNISATION OF KHADI AND VILLAGE INDUSTRY  
Scindia Shri Jyotiraditya Madhavrao

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

- (a): whether there is sharp decline in Khadi production and employment over the preceding two decades;
- (b): if so, the details thereof indicating the details of production of Khadi and Employment in this Sector in comparison to 1980`s;
- (c): whether government proposes to redefine the role of the `Charkha` and the relevance of Khadi to the current planned economic growth; and
- (d): the steps taken in this regard and to modernise Khadi and Village Industries?

**Answer**

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

- (a): The performance in terms of quantity and value of production and employment under Khadi increased steadily upto 1996-97 when the employment level reached 14.97 lakh persons with production of khadi at 111.49 lakh square meters worth Rs. 626.40 crore. There was a reduction in quantity to 98.20 million square metres although production value increased upto Rs. 635.89 crore in 1998-99. Meterage of Khadi declined from 98.20 million sq. meters in 1998-99 (valued at Rs. 635.89 crore) to 69.89 million square metres in 2004-05 (valued at Rs. 461.54 crore) followed by a marginal increase upto 69.95 million square metres in quantity and Rs. 468.30 crore in value of khadi, with employment of 8.68 lakh persons, in 2005-06.
- (b): The year-wise details of value of production of khadi and employment from 1980-81 to 2005-06 are given in Annex.
- (c): Yes, Sir
- (d): The steps taken by the Government, through the KVIC, include
  - (i) providing financial assistance under Product Development, Design Intervention and Packaging (PRODIP) Scheme for improved designs and packaging of khadi products,
  - (ii) launching `Mission Khadi` to convert the Khadi fabric into ready-made garments of latest designs, targeted mainly for the urban areas,
  - (iii) launching brand name `Khadi India` for khadi products,
  - (iv) launching the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) for implementation in 25 khadi clusters for their holistic development over five years beginning 2005-06,
  - (v) obtaining deemed Export Promotion Council status for KVIC from the Ministry of Commerce,
  - (vi) revamping of KVIC by reconstituting the Commission by inducting technical and other experts in Rural Development, Technology, Marketing, Engineering, etc.