

**GOVERNMENT OF INDIA  
MICRO, SMALL AND MEDIUM ENTERPRISES  
LOK SABHA**

UNSTARRED QUESTION NO:89  
ANSWERED ON:17.02.2009  
CLOSURE OF KHADI SALE CENTRES  
Fanthome Shri Francis

**Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:**

- (a) the number of khadi sale centres/ outlets in the country, State-wise;
- (b) the details of the new centres established/centres closed down during each of the last three years and the current year separately, State-wise;
- (c) the reasons for the closure of khadi centres;
- (d) whether any review was made before closure of these centres;
- (e) if so, the details thereof;
- (f) whether the Government has any proposal to provide financial assistance to reopen the closed centres; and
- (g) if so, the details thereof, if not, the reasons therefor?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

- (a): The State/UT - wise number of khadi sale centres/ outlets in the country existing as on 31.03.2008, is given at Annex.
- (b): No new departmental sales centres/outlets have been established by Khadi and Village Industries Commission (KVIC) during the last 3 years. 2 Central Vastragars of KVIC meant for wholesale transaction however, have been closed down during current year, i.e., 2008-09.
- (c): The central vastragars were originally established by KVIC to cater to the needs of the smaller khadi institutions of the States. However, over a period of time, it was observed that the new khadi institutions subsequently formed in the States had started similar type of production and sales activities. As such, purchases by the smaller institutions from KVIC vastragars were not adequate.
- (d) & (c): In view of the decreasing purchase of khadi from KVIC run central vastragars by the small/new khadi institutions, KVIC constituted a committee to assess the utility of the continuation /closure of these vastragars. As per the recommendations of this committee, KVIC decided to close these 2 vastragars.
- (f): No, Sir.
- (g): Due to the reasons given at (e) above, the reopening of 2 closed Central Vastragars of KVIC meant for wholesales transactions, will not serve the purpose for which these were established originally. Hence, there is no question of providing any financial assistance for their reopening.