

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

UNSTARRED QUESTION NO:2322  
ANSWERED ON:21.07.2009  
FINANCIAL ASSISTANCE TO KVIC  
Rawat Shri Ashok Kumar

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

- (a) whether the Government has provided any financial assistance to the Khadi and Village Industries Commission (KVIC);
- (b) if so, the funds allocated, released and utilised during each of the last three years, State-wise; and
- (c) the names of the KVIC units, the production capacity and capacity utilization thereof during the above period?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA PATEL)

(a)&(b): Yes, Sir. Although the Government in the Ministry of Micro, Small and Medium Enterprises (MSME) does not provide fund to the States directly for undertaking khadi and village industries activities, it provides funds to Khadi and Village Industries Commission (KVIC) for undertaking these activities and KVIC further releases funds to the implementing agencies of the States. The details of funds allocated, released and utilised by KVIC during the last three years are as under:

(Rs. crore)

YEAR	Budget Allocation (RE)	Actual Release by the Ministry	Utilised# by KVIC
2006-07	592.93	589.82	586.31
2007-08	650.40	622.99	673.12
2008-09	1104.95	1104.94	1220.95

#Includes opening balance of the previous year/extra budgetary resources, etc. Figure of 2008-09 is provisional

(c): KVIC is a statutory organization engaged in promoting and developing khadi and village industries and does not run any khadi and village industry unit of its own. It implements khadi and village industries programmes through it State Directorates, State/Union Territories (UTs) Khadi and Village Industries Boards (KVIBs), registered institutions, cooperative societies and participating banks/financial institutions. However, it runs six Central Sliver Plants (CSPs) for meeting a part of sliver requirement of khadi institutions. The total annual installed capacity of the six CSPs of KVIC is 36.5 lakh kg. The total sliver production and supply made by these sliver plants are as under:

Quantity: lakh kg

Value : Rs. crore

Year	Production Quantity	Production Value	Supply Quantity	Supply Value
2006-07	24.46	21.32	25.94	22.36
2007-08	29.86	26.91	32.73	27.18
2008-09	(Provisional) 33.96	33.34	30.06	29.51