

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

UNSTARRED QUESTION NO:1862
ANSWERED ON:11.08.2011
ALLOCATION TO KVIC
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the allocation made to Khadi and Village Industries Commission (KVIC) during each of the last three years and the current year;
- (b) whether allocation made to KVIC has remained unutilised;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether the number of Khadi institutions has steadily declined; and
- (e) if so, the steps taken by the Government to promote Khadi institutions in the country?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a) The year-wise release of Plan funds by Ministry of Micro, Small and Medium Enterprises (MSME) to Khadi and Village Industries Commission (KVIC) during last three years and the current year is shown below :-

Year	Funds released to KVIC (in Rs. crore)
2008-09	1118.39
2009-10	836.06
2010-11	1452.46
2011-12	606.50

(as on 05.08.2011)

(b) & (c) Funds released to KVIC are utilized over a period of time on the approved schemes.

However, recently KVIC has refunded an amount of ` 40.35 crore out of khadi grant released in the past for utilization in the North Eastern Region (NER). According to KVIC, this grant could not be utilized due to low absorption capacity on account of limited production by small number of khadi institutions in the NER.

(d) & (e) The number of khadi institutions in the country, as per KVIC, has increased from 1891 in the year 2005-06 to 2065 in the year 2009-10. A number of steps have been taken to promote Khadi activities and Institutions in the country.