

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

UNSTARRED QUESTION NO:3780

ANSWERED ON:25.08.2011

MARKETING OF KHADI PRODUCTS

Kumar Shri P.;Majumdar Shri Prasanta Kumar;Sivasami Shri C.;Tirkey Shri Manohar

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

- (a) whether the Khadi and Village Industries Corporation (KVIC) has entered into joint venture reputed marketing firms to set up 20 new khadi plazas in some of the commercial centres of the country;
- (b) if so, the locations identified;
- (c) whether this move will bail out the loss-making khadi units to self-sufficient units;
- (d) if so, the details thereof; and
- (e) the other steps proposed by the Government to have a better market opportunities for khadi products in the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a) No, Madam.

(b) to (d) Do not arise.

(e) However, Government in the Ministry of Micro, Small and Medium Enterprises has been implementing a comprehensive 'Khadi Reforms and Development Programme(KRDP)' through KVIC with assistance to the tune of US \$ 150 million from Asian Development Bank (ADB) in 300 selected khadi institutions over a period of three years from 2009-10, which inter alia, provides for opening of 20 new sales outlets in metropolitan cities and state capitals and for assisting renovation and modernization of around 1200 institutional sales outlets, besides setting up of a Marketing Organization under joint venture with professional support in facilitating marketing, product development, rejuvenating sales outlets etc. KVIC has already invited Expression of Interest for selection of a suitable private partner to establish the Marketing Organization as a joint venture.