

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

UNSTARRED QUESTION NO:6879
ANSWERED ON:17.05.2012
GROWTH OF KHADI AND VILLAGE INDUSTRIES
Swamygowda Shri N Cheluvarya Swamy

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

- (a) whether enhancement in budget of Khadi and Village Industries Corporation (KVIC) has helped in exploring market of Khadi and other related products;
- (b) if so, the details thereof;
- (c) the details of growth rate of Khadi and Village Industries during each of the last three years, sector-wise; and
- (d) the steps taken by the Government to increase the growth rate of Khadi and Village Industries?

Answer

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

(a) to (d): Government in the Ministry of Micro, Small and Medium Enterprises (MSME) through Khadi and Village Industries Commission (KVIC) has been undertaking various steps for the holistic development and promotion of the khadi and village industries (KVI) sector.

Budgetary allocations are essential to achieve the scheme objectives.

In particular the Government through KVIC has been taking steps to improve the marketing of khadi and village industry products, which include (i) a scheme named Market Development Assistance (MDA) to provide assistance @ 20% of the value of production of khadi and polyvastra to be shared among artisans, producing institutions and selling institutions in the ratio of 25:30:45 and the institutions may utilize their share of MDA in upgradation of production / marketing infrastructure, (ii) a scheme named 'Strengthening Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure' which inter alia provides for renovation of khadi sales outlets, (iii) a project- based scheme named 'Product Development, Design Intervention and Packaging (PRODIP)' to improve the marketability of khadi and village industries products through improvement in quality, design and packaging and (iv) a comprehensive 'Khadi Reform and Development Programme' which inter alia provides for opening of new sales outlets in metropolitan cities and state capitals and renovation and modernization of institutional sales outlets.

Year	Production (Rs. in crore)	Sale (Rs. in crore)	Production (Rs. in crore)	Sale (Rs. in crore)	Production (Rs. in crore)	Sale (Rs. in crore)	Production (Rs. in crore)	Sale (Rs. in crore)	Production (Rs. in crore)	Sale (Rs. in crore)	Production (Rs. in crore)	Sale (Rs. in crore)
2009-10	628.98	7.47	17508.00	4.50	18136.00	4.60	867.01	8.43	23254.53	5.95	24121.54	6.04
2010-11	673.01	7.00	19198.85	9.66	19871.66	9.57	917.26	5.80	24875.73	6.97	25792.99	6.93
2011-12	723.48	7.50	21135.06	10.08	21858.54	10.00	974.57	6.24	25829.26	3.83	26803.83	3.92

(Provisional)

The growth of Khadi and Village Industries (KVI) during each of the last three years is given below: