

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

UNSTARRED QUESTION NO:989
ANSWERED ON:29.11.2012
KHADI AND VILLAGE INDUSTRIES
Choudhary Shri Bhudeo

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

- (a): whether the Government proposes to open new Khadi/Village Industries units for providing employment opportunities in rural areas;
- (b): if so, the number of new units proposed to be opened, State-wise;
- (c): whether the Khadi has been recognised/accepted as cultural heritage of the country;
- (d): if so, the details thereof; and
- (e): the steps being taken by the Government to rejuvenate and promote Khadi and Village Industries in the country?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI K.H. MUNIYAPPA)

(a) & (b): Madam, Khadi and Village Industries Commission (KVIC) is implementing a credit-linked subsidy programme named Prime Minister's Employment Generation Programme (PMEGP) from 2008-09 for generating self-employment through establishment of micro-enterprises in the non-farm sector. General category beneficiaries can avail of margin money subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to special categories such as scheduled castes, scheduled tribes, OBCs, minorities, women, ex-servicemen, physically handicapped, beneficiaries belonging to NER, hill and border areas, etc., the margin money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of project is Rs.25 lakh in the manufacturing sector and Rs.10 lakh in the service sector. State-wise number of units assisted under PMEGP during last three years is given at Annex I.

(c) & (d): Khadi, being associated with the Indian tradition, freedom struggle and father of the nation, is recognised as an integral part of the Indian cultural landscape

(e): KVIC is implementing a number of schemes for the development of khadi and village industries in the country, which include:

- (i) Market Development Assistance (MDA),
- (ii) Interest Subsidy Eligibility Certificate (ISEC),
- (iii) Khadi Reform and Development Programme (KRDP),
- (iv) Product Development, Design Intervention and Packaging (PRODIP),
- (v) Workshed Scheme for Khadi Artisans,
- (vi) Strengthening Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure and
- (vii) Scheme of Fund for Regeneration of Traditional Industries (SFURTI).