

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

UNSTARRED QUESTION NO:4106
ANSWERED ON:21.03.2013
KHADI REFORM AND DEVELOPMENT PROGRAMME
Naranbhai Shri Kachhadia

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

- (a) whether Asian Development Bank (ADB) has allocated funds to Khadi and Village Industries Commission (KVIC) for Khadi reform;
- (b) if so, the details thereof; and
- (c) the details of the utilisation of the said funds by KVIC?

Answer

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

(a): Yes, Madam.

(b): Department of Economic Affairs has arranged for an assistance of US\$ 150 million in 4 tranches from Asian Development Bank (ADB) for implementation of a comprehensive Khadi Reform and Development Programme (KRDP) through Khadi and Village Industries Commission (KVIC) for revitalizing the khadi sector with enhanced sustainability of khadi, increased incomes and employment for spinners and weavers, increased artisans' welfare and achieving synergy with village industries. Under KRDP, 300 khadi institutions have been tentatively identified for reform assistance and there is provision for improved marketing and supply of quality raw materials by setting up a Marketing Organization with private participation and executing PPP in Central Sliver Plants of KVIC. An amount of Rs.96 crore (first tranche) has already been released to KVIC.

(c): As on 28 February 2013, Rs.5.78 crore has been utilized by KVIC under KRDP.