

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

UNSTARRED QUESTION NO:4103
ANSWERED ON:19.02.2014
PANEL FOR COTTAGE INDUSTRIES
Tandon Annu

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

- (a) whether the Government is considering setting up a special panel to study the state of the cottage industries and suggest measures for its revival;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government to make the cottage industries competitive in the global market?

Answer

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

(a)&(b) Promotion and development of cottage industries is the responsibility mainly of the State Governments. However, the Government of India in the Ministry of Micro, Small and Medium Enterprises has been supplementing the efforts of State Governments by facilitating promotion and development of khadi, village industries and coir sector through implementation of a number of schemes. This Ministry has no proposal as such to set up a special panel to study the state of the cottage industries.

(c) The Government, in order to boost export of Khadi and Village Industries (KVI) products, has given deemed 'Export Promotion Council' status to Khadi and Village Industries Commission(KVIC) under which KVIC has already enlisted more than 900 exporters. There is a provision of providing incentive in the form of 5% FOB value of direct export of KVI products. Besides, KVIC has also been focusing on quality participation in International Exhibitions and Buyer-Seller Meets abroad to tap new/emerging markets for KVI products.

KVIC, with assistance from Asian Development Bank, has been implementing a comprehensive Khadi Reform and Development Programme (KRDP) wherein provision has been made to improve marketing of KVI products by setting up a Marketing Organization with private participation.

Coir Board also participated in international fair, catalogue shows, workshops, international seminar and conferences etc. for promotion of coir products in international market.