

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

UNSTARRED QUESTION NO:556
ANSWERED ON:06.02.2017
KVIC Schemes
Sahu Shri Tamradhwaj

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

- (a) the details of schemes being implemented by the KVIC to promote Khadi industry in the country;
- (b) whether there is any scheme for providing Bank loan on lower rates of interest to small khadi weavers in the country and if so, the details thereof; and
- (c) whether any instructions have been issued by the Government regarding use of Khadi in Government offices/departments and if so, the details and the compliance status thereof?

Answer

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

(a)&(b): The details of the schemes for promotion of khadi are enclosed at Annexure. Khadi and Village Industries Commission (KVIC) has been implementing a number of schemes to promote khadi production in the country including a scheme namely Interest Subsidy Eligibility Certificate (ISEC) under which subsidy is provided by the Government to banks to enable them to extend credit facilities to weavers at 4% rate of interest. The difference between the bank commercial rate and 4% is reimbursed to the banks subject to the amount availed by the Khadi Institutions.

(c): Government from time to time has issued advisories to Ministries / Departments, Public Sector Undertakings, etc. to promote use of Khadi in their offices, especially during festival seasons. Besides, KVIC has been marketing and catering to the need of Government Departments and bulk supplies are made to Ministry of Defence; Health & Family Welfare; Paramilitary forces and other Ministries of Central as well as State Governments under Rate Contract (RC) agreement with Directorate General of Supplies & Disposals (DGS&D) as well as supply of Non Rate Contract (Non-RC) items like Polyvastra bed sheets and pillow covers to Railways etc. in order to increase the use of Khadi in Government offices/Departments.