

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

UNSTARRED QUESTION NO:3676
ANSWERED ON:15.12.2014
KVIC SCHEMES
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the details of schemes presently under implementation by the Khadi and Village Industries Commission (KVIC) in the country;
- (b) the progress/achievements made under the above schemes during each of the last three years and the current year; and
- (c) the steps taken by the Government to make the quality and prices more competitive and conclusive to market conditions?

Answer

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

(a)&(b): Khadi and Village Industries Commission (KVIC) has been implementing a number of schemes for the holistic development of khadi and village industries(KVI) sector in the country, which include:

(i) Market Development Assistance (MDA) under which assistance is provided @ 20% of value of production khadi and polyvastra to be shared among artisans, producing institutions and selling institutions in the ratio 25:30:45. KVIC disbursed the funds under MDA during the last three years and the current year is given below:

Year	Funds provided by KVIC under MDA (Rs. in crore)
2011-12	127.85
2012-13	80.25
2013-14	187.33
2014-15#	90.23

#upto 30.11.2014

(ii) Interest Subsidy Eligibility Certification (ISEC) scheme for providing bank loans for khadi and polyvastra at subsidized rates of interest. Funds provided by KVIC under ISEC Scheme during the last three years and the current year is given below:

Year	Funds provided by KVIC under ISEC Scheme (Rs. in crore)
2011-12	35.56
2012-13	21.29
2013-14	24.98
2014-15#	31.45

#upto 30.11.2014

(iii) Workshed Scheme for Khadi Artisans for providing assistance for construction of worksheds. Funds utilized by KVIC and number of artisans covered under this scheme during the last three years and the current year is given below:

Year	Physical (No. of artisans)	Funds utilized (Rs. in crore)
2011-12	4,444	19.10
2012-13	4,595	12.26
2013-14	1,950	8.64
2014-15#	4,444	9.55

#upto 30.11.2014

(iv) Scheme of Fund for Regeneration of Traditional Industries (SFURTI) under which assistance for replacement of obsolete

equipments, setting up common facilities centres, product development, market promotion and other support are provided in clusters. So far 76 clusters (29 Khadi and 47 Village Industries clusters) have been developed under this scheme. SFURTI Scheme has been revamped in XII plan and 71 clusters with an outlay of Rs.149.44 crore are proposed to be developed in the 1st phase.

(v) Strengthening Infrastructure of existing Weak Khadi Institutions and Assistance for Marketing Infrastructure envisaging renovation of khadi sales outlets and providing assistance for strengthening infrastructure of existing weak selected institutions. Upto 2013-14, assistance has been provided to 51 khadi institutions for Strengthening of Infrastructure and assistance for renovation of 53 sales outlets under this scheme.

(vi) Khadi Karigar Janashree Bima Yojana to provide insurance cover to khadi artisans. Upto 2013-14, 2.84 lakh artisans have been covered under this scheme.

(vii) Khadi Reform and Development Programme (KRDP) to revitalize the khadi sector with enhanced sustainability of khadi, increased incomes and employment for spinners and weavers, increased artisans' welfare and achieve synergy with village industries. Under KRDP, 300 khadi institutions have been identified for reform assistance. 'Khadi Mark' has also been introduced to guarantee the genuineness and purity of khadi sold in the market. Other initiatives have also been taken up in the program in respect of direct reform activities i.e. procurement of charkhas and looms, audit of Khadi Institutions, MIS support, integrated software application etc.

Government in the Ministry of MSME has also launched a Programme for the Hill, Border & Left Wing Extremism (LWE) affected areas in respect of 100 institutions under KRDP.

(viii) In addition, Government in the Ministry of MSME has also been implementing a credit-linked subsidy programme named Prime Minister's Employment Generation Programme (PMEGP) through Banks with KVIC since 2008-09 for generating self-employment in the Country by setting up micro-enterprises in the non-farm sector.

Margin Money subsidy provided, number of projects assisted and estimated employment generated under PMEGP the last three years and the current year is given below:

Year	Margin money subsidy provided (Rs crore)	No. of units assisted	Estimated employment generated
2011-12	1057.84	55,135	4,95,523
2012-13	1080.66	57,884	4,28,246
2013-14	1075.55	50,460	3,68,545
2014-15#	354.03	15,387	1,13,862

#upto 30.11.2014

(c): KVIC has taken a number of steps to improve the quality of khadi. KVIC has devised Quality Assurance Norms for Khadi to ensure availability of uniform quality of khadi which include standard parameters for cotton fibre as well as norms for yarn, cloth and colour fastness properties. Besides norms for quality, the methods and equipments to be used for conducting the tests and statistical estimation of parameters of quality related to khadi have also been circulated by KVIC to the khadi producing institutions for guidance and implementation. Under KRDP, 'Khadi' Mark has been launched for positioning khadi as a guaranteed hand spun and hand woven cloth. It is also envisaged under KRDP to introduce the Benefit Chart of pricing instead of present system of cost chart pricing for selling of products at market linked price. KVIC has also entered into MoU with National Institute of Fashion Technology(NIFT) /National Institute of Design(NID) for design/value added products to attract the youth towards khadi fabric/garments.