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Title: Need to continue the rebate on retail sales on Khadi products and provide financial assistance to Khadi sector besides waiving outstanding loan extended to Khadi industry.

SHRI P. KARUNAKARAN (KASARGOD): The Khadi sector is currently facing a major crisis. Majority of the workers are women who are getting very low wages. The apex body established by the Government of India namely All India Khadi & Village Industries Commission has not taken any purposeful action to address the problem of workers engaged in Khadi industries. It is confined to distributing subsidies and rebate. The existing rebate which sustain retail sale of Khadi is proposed to be abolished by substituting it by an outmoded Marketing Development Assistance (MDA) scheme. In the last fifteen years, Govt. of India have not made any provision of growth oriented loan funds. So these industries are struggling due to non-availability of working funds. It would be difficult to manage the current work, let alone expansion and repay the outstanding loan. This situation adversely affects the entire sector and thus lakhs of artisans engaged in it are likely to suffer.

Hence, I urge upon the Government to take urgent measure for the continuation of rebate on retail sales in the present form and waiver of outstanding loans and also give assistance to the State Governments.