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Title: Need to write off the outstanding dues against Khadi & Village Industries Commission.

SHRI K. P. DHANAPALAN (CHALAKUDY): Rebate on retail sale of Khadi was discontinued from 1-4-2009. Rebate is the single most important policy support by Government at National level. Orders pertaining to extension of rebate after 01-04-2010 is yet to be issued and an urgent action in the matter may be initiated.

The financial assistance had always been received to the KVIC from 1957 to 1995. The amount so received have been spent on production side. Due to various reasons, it did not make any profits and instead suffered huge losses. These institutions are now at the verge of closure as the amount is irrecoverable.

The total financial assistance given by the Government is in the tune of Rs. 1608/- crores. Considering that KVIC employees are all from weaker sections and the KVIC is a social work institution, writing off the said amount is requested.