

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTIONNO. 939
TO BE ANSWERED ON 27.06.2019

PROMOTION OF KHADI BRAND

939. SHRIMATI RATHVA GITABEN VAJESINGBHAI:

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

- (a) the efforts that the Ministry is making to brand Khadi all over the world;
- (b) whether some countries such as Germany are using Khadi as a brand and selling their products;
- (c) if so, the details thereof and the steps taken by the Ministry to stop such things; and
- (d) whether Khadi and Village Industries Commission (KVIC) has taken up any special scheme after Government came to power to brand and sell Khadi all over the world and if so, the details thereof?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

- (a): Yes, Sir. Government in the Ministry of Micro, Small and Medium Enterprises, through Khadi and Village Industries Commission (KVIC), has taken various initiatives to make Khadi an international brand. Details of the initiatives taken is placed at **Annexure-I**.
- (b): Yes, Sir. In Germany, the Best Natural Products (BNP) has obtained registration of Trade Mark “Khadi” under classes-3,21,31 from the European Union Intellectual Property Office (EUIPO) and selling the products like soap, perfumeries, hair oils etc.
- (c): The following steps were taken by the Government to prevent/misuse of Trade Mark of ‘Khadi’:
 - i) KVIC had filed invalidation application against BNP and filed appeals in the matter; but it could not succeed.
 - ii) KVIC has filed application for revocation of the Trade Mark “KHADI” registered by BNP on the ground of non-use. The proceedings are pending.
 - iii) KVIC is also proposing to negotiate with BNP for assignment of its registered Trade Mark “KHADI” in favour of KVIC.
 - iv) Further, KVIC also filed fresh applications in EU under 13 classes i.e. 1, 3, 5, 16, 18, 20, 21, 23, 24, 25, 26, 27, 35.
- (d): No, Sir; however, KVIC has already obtained registration under Trade Mark “KHADI” in 5 countries of the world viz. Germany, UK, Australia, Russia and China.

Annexure-I referred to in reply to part (a) of the Lok Sabha Unstarred Question No. 939 for answer on 27.06.2019

Following are the initiatives taken to make Khadi an international brand:

1. To ensure genuineness of Khadi “Khadi Mark” has been notified by Government of India.
2. Ministry of Commerce and Industry, Govt. of India has extended KVIC, the status of Deemed EPC, for supporting promotion of Khadi and Village Industries products in international market. 1088 Khadi & Village Industries Institutions and REGP/PMEGP Units have taken its membership to enter the field of export. KVIC through its assisted institutions and units participates in various international exhibitions:
3. Tie up arrangement with premier institutions like Federation of Indian Export Organization (FIEO), World Trade Centre (WTC), Indian Trade Promotion Organization (ITPO), Trade Promotion Council of India etc., for invigorating business opportunities in the overseas market by conducting exhibitions and workshops for Khadi Institutions.
4. Tie up arrangements for bringing out innovative export quality product designs with NIFT, etc.
5. KVIC participated/Exhibited/Promoted Khadi products on the occasion of 72nd Independence Day celebrations on 15th August 2018 in 10 Indian Consulates abroad.
6. Exhibited/Promoted Khadi products under an activity of “Global Khadi” on the celebration of 150th Birth Anniversary of Mahatma Gandhi in 57 Indian Embassies/ Missions abroad.
7. To unique identity of “Khadi”, a separate HS code for 22 items of Khadi product is also requested from the Ministry of Commerce for recognizing the potential of export of KVI products.
8. Participated in International Exhibition in St. Petersburg (Russia) organized by ITPO from 12-14 March, 2019 with ten KVI Institutions/ Units from Rajasthan, Himachal Pradesh, West Bengal, Karnataka, Gujarat and Kerala. The Exhibition provided an opportunity and strong platform to showcase quality of KVI products.
9. KVIC engaged fashion designer of national and international repute for Fashion Designing to make Khadi products more competitive and appealing in the domestic as well as overseas market segment.
10. Financial support under International Cooperation (IC) Scheme of Ministry of MSME for Technology infusion and/or up-gradation of MSMEs, their modernization and promotion of their exports through participation in international exhibitions/trade fairs etc.
 - a. To and Fro economy class air fare subject to a maximum of Rs. 1.50 lakh or actual fare paid, whichever is lower.
 - b. 100% of the space rent subject to a maximum of Rs. 1.00 lakh or actual rent paid, whichever is lower.
 - c. US Dollar 150 per day Duty allowance.
11. Assistance would be provided under the MPDA Scheme to the eligible Khadi and Village Industries (KVI) Institutions for participation in International Exhibitions/Trade Fairs held in foreign countries in order to showcase KVI products to foreign countries, access international buyers and sellers and forge business alliances, etc.

The eligible items for such participation and the scale of assistance would be as under:

S. No.	Eligible items	Scale of assistance for KVIs
i)	Space Rent	100% of the space rent subject to a maximum of Rs.1.25 lakh or actual rent paid, whichever is lower (for one representative from each participating enterprise)
ii)	Air Fare	100% of the Economy Class air fare subject to a maximum of Rs.1.00 lakh or actual fare paid, whichever is lower (for one representative from each participating enterprise)