

**GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:505
ANSWERED ON:21.11.2001
RESPONSIBILITIES OF KVIC
ADHIR RANJAN CHOWDHURY

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

- (a) whether KVIC is responsible for effecting recovery of loans which were advanced to NGOs by the Banks on its recommendations:
- (b) if so, the details thereof;
- (c) whether the Government are giving further grants-in-aid to KVIC despite its dismal performance; and
- (d) if so, the action proposed to effect recovery of loans advanced by banks?

Answer

THE MINISTER OF AGRO & RURAL INDUSTRIES (SHRI KARIYA MUNDA)

a): No, Sir.

b): Does not arise.

c): The Central Government provides financial assistance in the form of loans and Grants to the Khadi and Village Industries Commission for the development and promotion of Khadi and Village Industries. The KVIC under Rural Employment Generation Programme has been able to create 10.99 lakh job opportunities by 31.3.2001.

d): The KVIC is not perceived to be a financial institution. In order to improve the quality of proposals, the `Pattern approach` has been replaced by the `Project approach`. The loan proposals are now appraised by the Banks who are responsible for the recovery of loans.