

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

UNSTARRED QUESTION NO:6825
ANSWERED ON:11.05.2005
PRODUCTION OF KVIC
Subbarayan Shri K.

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

- (a): whether there is fall in production of Khadi and Village industries and sales in Tamil Nadu during the last three years;
- (b): if so, the reasons therefor;
- (c): whether the spinners and weavers of Khadi have lost their jobs in rural areas due to the non-supply of cotton to them;
- (d): if so, the details thereof;
- (e): whether proper supervision of Khadi production and sales is done by the State office KVIC at Chennai; and
- (f): if not, the reasons for non-supervision or non-monitoring thereof?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a): The value of production and sales of khadi and village industries (VI) in Tamil Nadu for the last three years is given below:

Year Production Sales

Khadi V.I. Khadi V.I.

2001-02	54.08	599.62	83.24	705.99
2002-03	59.70	657.74	77.06	813.32
2003-04	54.83	713.66	73.01	883.65

(b): There has been no fall in either production or sales of village industry products. The decline in the production and sales of khadi was due mainly to liquidity problem in khadi institutions on account of non-payment of rebate on sales of khadi, by the State Government.

(c): No, Sir. There was no loss of employment among the spinners and weavers during the period. In addition to the cotton purchases made by the khadi institutions themselves, the two Central Sliver Plants at Kuttur in Kerala and Chitradurga in Karnataka have been supplying slivers/rovings to the institutions in Tamil Nadu under a liberal credit supply policy.

(d): In view of reply to (c) above, the question does not arise.

(e): Yes, Sir. In addition to the State Office located at Chennai, KVIC has also opened a Divisional Office at Madurai. These help ensure close monitoring of the implementation of programme in the State.

(f): In view of reply to (e) above, the question does not arise.