

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

STARRED QUESTION NO:187
ANSWERED ON:05.12.2006
KVIC PROJECTS
Baxla Shri Joachim

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

- (a): the details of the schemes being undertaken by Khadi and Village Industries Commission (KVIC) with a view to improving the quality of khadi products and also to diversifying into new products;
- (b): whether financial assistance/grant is being provided by KVIC to undertake various projects/studies in this regard;
- (c): if so, the details thereof for each of the last three years with respect to the various projects/studies; and
- (d): the extent to which these projects/studies have been supplementing KVIC in achieving its objectives?

Answer

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

(a)to(d): A statement is placed on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a)TO(d) OF LOK SABHA STARRED QUESTION NO. 187 TO BE ANSWERED ON 05.12.2006.

(a)&(b): Yes, Sir. With a view to improving quality, developing better designs and improving the packaging of khadi and village industry (KVI) products, the Government has been implementing, through the Khadi and Village Industries Commission (KVIC), the Product Development, Design Intervention and Packaging (PRODIP) Scheme since 2003-04. Under this Scheme, assistance is provided to the extent of

(i) Rs. 2 lakh per project per year or 75 per cent of the project cost, whichever is lower, to eligible institutions and

(ii) providing Rs. 1 lakh per project per year or 75 per cent of the project cost, whichever is lower, to eligible individual entrepreneur's units.

Other steps taken by the KVIC for improvement of quality of khadi products include the following

(i) tie-up with the National Institute of Design (NID), Ahmedabad and National Institute of Fashion Technology (NIFT), New Delhi for making available information better design;

(ii) Indian Institute of Technology (IIT), Delhi for technology inputs;

(iii) assistance to registered KVI institutions for periodical testing of quality of khadi products through 19 laboratories of the Textile Committee, an autonomous body set up by the Government

(Ministry of Textiles);

(iv) implementation `Ready-to-use Mission Project in Khadi` to convert khadi fabric into ready-made garments for higher value addition; and

(v) ensuring availability of quality slivers for khadi production through six Central Sliver Plants of KVIC, etc.

(c): The details of projects relating to khadi products under PRODIP and funds released by KVIC during 2003-04, 2004-05 and 2005-06 are given in the table below:-

Year	Project	Funds Released (Rs. lakh)
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2003-04	95	134.31
2004-05	51	157.00
2005-06	65	120.85

(d): There has been positive impact of the PRODIP scheme on production and sales of the assisted institutions.