

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

UNSTARRED QUESTION NO:1945
ANSWERED ON:05.12.2006
MARKETING OF KHADI PRODUCTS
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Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

- (a): whether Government has taken steps to explore market for superior khadi products in neighbouring countries;
- (b): if so, the details thereof; and
- (c): the efforts made by the Government to familiarise khadi in the country during past two years?

Answer

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

(a)&(b): Khadi and Village Industries Commission (KVIC) promotes the export of khadi and village industry (KVI) products to various countries, including neighbouring countries. The main destination countries of export of KVI products are Sri Lanka, Malaysia, Taiwan, United Arab Emirates, Hong Kong, Japan, United Kingdom, United States of America, Singapore, Australia, Canada, Vietnam, France, Germany, Italy, etc. For promotion of KVI products, the KVIC provides cash incentives to the registered exporting institutions and individual entrepreneurs at the rate of 5 per cent of the `free on board` (FOB) value of exported items. In addition, KVIC provides financial assistance to its registered units/institutions for participation in international exhibitions, study tours and publicity.

(c): To popularise the use of khadi products throughout the country, the Government, through the KVIC, has taken several initiatives, viz.,

(i) organizing exhibitions at National/Zonal District levels,

(ii) participation in national and international exhibitions,

(iii) providing financial assistance under Product Development, Design Intervention and Packaging (PRODIP) Scheme for improved designs and packaging of khadi products,

(iv) launching `Mission Khadi` to convert the khadi fabric into ready-made garments of latest designs, targeted mainly at the urban areas,

(v) launching brand name `Khadi India` for khadi products and

(vi) launching the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) for implementation in 25 khadi clusters for their holistic development over five years beginning 2005-06.