

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

UNSTARRED QUESTION NO:3788
ANSWERED ON:19.12.2006
HANDMADE VILLAGE INDUSTRY- PRODUCTS
Bellarmin Shri A.V.

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

- (a): whether it has come to the notice of the Government that several products are being purchased and marketed by Khadi and Village Industries Commission(KVIC) in the name of Handmade Village Industrial Products;
- (b): if so, the details thereof; and
- (c); the action taken by the Government in this regard?

Answer

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

(a): No, Sir. Under the Khadi and Village Industries Commission Act, village industry means any industry located in a rural area which produces any goods or renders any service with or without the use of power, subject to fixed capital investment of up to Rs. 1 lakh per worker employed in general category areas (Rs. 1.5 lakh in hilly areas). The products are thus called handmade or village industry products. Khadi and village industry (KVI) institutions and the Departmental sales outlets of the Khadi and Village Industries Commission (KVIC) purchase and market handmade and village industry products from the KVI institutions / units certified by the KVIC or the Khadi and Village Industries Boards of States/Union Territories and units financed under the Rural Employment Generation Programme.

(b) & (c): Do not arise.