

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

UNSTARRED QUESTION NO:169
ANSWERED ON:27.02.2007
REVIEW OF KVIC PROGRAMME
Singh Shri Prabhunath

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

- (a): whether the Government has reviewed performance of the programme approved by the Khadi and Village Industries Commission in the country including Bihar;
- (b): if so, the details thereof as per latest review, State-wise;
- (c): the details of the programmes initiated in Bihar during the last three years and results achieved thereunder both in terms of production and employment generation; and
- (d): the details of proposals received from Bihar and cleared during the current year so far with allocations made/likely to be made for the said State?

Answer

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

(a) & (b): Performance of various schemes/programmes for promoting and developing khadi and village industries (KVI) sector being implemented by Khadi and Village Industries Commission

(KVIC) is periodically monitored and evaluated by the Government from time to time. These schemes are also regularly reviewed in the monthly meetings of the KVIC chaired by Chairperson, KVIC. Official level reviews at national, zonal and State level are also conducted periodically by KVIC in the meetings attended, inter alia, by the implementing banks and other implementing agencies. A zonal-level review was conducted at Ranchi during February, 2007 in a meeting attended by officials of KVIC, Khadi and Village Industries Boards of States and banks. State/Union Territory-wise details of targets allocated under REGP for 2006-07 are given in Annex. I.

(a) & (b): Performance of various schemes/programmes for promoting and developing khadi and village industries (KVI) sector being implemented by Khadi and Village Industries Commission (KVIC) is periodically monitored and evaluated by the Government from time to time. These schemes are also regularly reviewed in the monthly meetings of the KVIC chaired by Chairperson, KVIC. Official level reviews at national, zonal and State level are also conducted periodically by KVIC in the meetings attended, inter alia, by the implementing banks and other implementing agencies. A zonal-level review was conducted at Ranchi during February, 2007 in a meeting attended by officials of KVIC, Khadi and Village Industries Boards of States and banks. State/Union Territory-wise details of targets allocated under REGP for 2006-07 are given in Annex. I.

(c): Details of performance in terms of value of production and employment opportunities generated through khadi and village industries in Bihar during the last three years are given below

Year	Khadi Production (Rs.lakh)	Khadi Employment (lakh persons)	Village Industries Production (Rs.lakh)	Village Industries Employment (lakh persons)
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2003-04	836.91	1.01	18681.27	1.62
2004-05	842.05	1.02	20306.41	1.68
2005-06	660.56	1.02	22858.86	1.81

(d): KVIC has set a target to assist setting up of 638 units under Rural Employment Generation Programme (REGP) in Bihar with a margin money grant of Rs.707.95 lakh, to generate 11,799 additional employment opportunities in 2006-07. Against this target, 477 project proposals have been sanctioned by KVIC upto January, 2007 with margin money utilisation of Rs.355.25 lakh and employment generation of 5595. The details of other steps taken by KVIC to promote KVIs in Bihar are given below:

(i) In order to bring quality improvement, 2 quality assurance laboratories under khadi and other under village industries have been sanctioned during 2006-07, taking the number of such quality assurance laboratories in Bihar to 5.

(ii) Four projects sanctioned during 2005-06 and five projects sanctioned during 2006-07 in Bihar under the Product Development Design Intervention and Packaging (PRODIP) covering both design intervention in respect of khadi and packaging in respect of village industry products, are under various stages of implementation. The programme shall enhance marketability of products and assure better earnings of beneficiaries in the state.

(iii) Three clusters (one khadi cluster at Gaya and two village industry clusters at Champaran and Muzaffarpur) under Scheme of Fund for Regeneration of Traditional Industries (SFURTI) have been identified. Besides, smaller cluster programmes under Rural Industries Service Centre (RISC) scheme have also been implemented in Bihar, which include two projects sanctioned during 2005-06 and three during 2006-07, taking the number of total such projects in the State to nine. This is expected to facilitate selling of products under common brand name and better marketability of KVI products through cluster approach.

(iv) Under khadi, KVIC has cleared its rebate claims till 2005-06 and the budget for all khadi institutions in the State has been sanctioned till the end of 2006-07.