

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

UNSTARRED QUESTION NO:113  
ANSWERED ON:01.12.2004  
RESTRUCTURING OF KVIC  
Reddy Shri Suravaram Sudhakar

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

- (a) whether the Government is considering a proposal to restructure the Khadi and Village Industries Commission (KVIC); and  
(b) if so, the details thereof?

**Answer**

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

(a)&(b) : Yes, Sir. The Government has dissolved the Khadi and Village Industries Commission on 14th October 2004, and established the authority titled the Commissioner for Khadi and Village Industries who has been given the powers and functions entrusted to the Commission.

The Government has also decided to set up an Expert Committee to examine the structure, functioning and performance of the KVIC and to recommend measures to revamp the KVIC. The Committee shall, inter alia, review the KVIC Act, 1956 (61 of 1956), KVIC Rules, 1957 and the Regulations made thereunder and recommend restructuring alongwith modifications, if any, in these statutes to achieve the objectives of

(i) development of Khadi and Village Industries (KVI), and

(ii) making KVIC a more professional and effective body for implementation of the existing KVI programmes/schemes and/or launching new programmes/schemes with a view to enhancing employment and income generation in the rural areas and expanding the markets for (including export of ) Khadi and Village Industries products.