

KHADI, VILLAGE AND COTTAGE INDUSTRIES

(Item No. 9)

01. The Tamil Nadu Khadi and Village Industries Board was formed on 1.4.60 by Tamil Nadu Khadi and Village Industries Board Act, 1959.(Act 18 of 1959). Its object is to promote Khadi and Village Industries, formulate finance and implement development schemes in the KVI sector. It aims to provide employment in rural areas especially to the under employed to augment their daily income. The focus is for producing marketable articles using local resources, it also attempts to introduce improved tools and techniques. It has completed 36 years of service and has made an appreciable progress. It provides continuous employment to 15.53 lakhs rural artisans, it produce Rs.375 crores worth of Village Industries Products and Rs.37.90 crores worth of Khadi goods during 1995-96. State Government provided Rs.12.66 crores to this sector in 1995-96. Tamil Nadu occupies second place in the production of Khadi and third in the production of Village Industries Products at the National level.

02. The functions of the Board have been defined in Sect.11 of Act 18 of 1959 as follows: (a) To start, encourage, assist and run Khadi and Village Industries. (b) To provide deserving persons with gainful employment in their homes through the organisation of Khadi and Village Industries. (c) To grant loans and give other assistance for the development of Khadi and Village Industries. (d) To organise co-operative societies for Khadi and Village Industries. (e) To conduct training centres and train persons at such centres or at other centres outside state of Khadi and Village Industries. (f) To arrange for the supply of raw materials, tools and implements to such industries and for the sale of their finished products. (g) To arrange for the publicity and popularization of the finished products of such industries by opening stores, shops emporia, exhibitions and the like. (h) To educate public opinion and cultivate in the public a preference for such Industries and for utilization of their producers. (i) To seek and obtain advice and guidance of experts. (j) To encourage and promote research in the technique or production of Khadi or in the developments of Village Industries and (k) To provide facilities for a study of the problems relating to Khadi and Village Industries.

03. Out of 96 Village Industries identified by Khadi and Village Industries Commission. (KVIC) the Tamil Nadu Khadi and Village Industries Board is implementing 59 village industries and other Khadi Industries in three segments as follows:-

	No.
1. Board's own units	1,388
2. Industrial Co-operatives registered by the Board (including palmgur).	1,748
3. Individual artisans who are provided with financial assistance as per the pattern of assistance of Khadi and Village Industries Commission	88,116

Apart from them, Government programmes like the integrated Tribal Development Programme, the Hill Area Development Programme, Western Ghats Development Programme and with District Rural Development Programme, TAHDCO are also being implemented by the Board to offer employment opportunities to rural people.

04. The Board is implementing schemes under oil, cereals and pulses, fibre, lime, cane, bamboo etc. through co-operatives and individuals whereas Khadi schemes and non edible oil and soap industry are implemented by the Board through its own units. In respect of other village industries scheme they are implemented by the Board through its own units, Industrial co-operatives and individuals.

05. There are 751 Rural Textile Centres and 87 Khadi Production Centres working under the Board. These units employ about 48,000 artisans of whom 38,500 are female members. The Board has 27 Khadi silk production centres, their production was Rs.20.30 crores in 1995-96. Production of polyester khadi for the year 1995-96 was Rs.6.14 crores.

06. There are 241 Departmental Village Industries Units functioning under the Board and 1748 Industrial Co-operatives. The Board is also extending financial assistance to the individual artisans who are engaged in such industry by starting their own units and the Board has given financial assistance to 88,116 individuals so far. Products like leather, soap, electronic pottery and hand made papers are being manufactured by these industries. The production and sales of Village Industries products for the year 1994-95 and 1995-96 was Rs.378.96 crores and Rs.397.30 crores respectively.

07. The Tamil Nadu Palm Products Development Board was formed w.e.f. 6.1.95 under Act 15 of 1994, with the object of developing the palm products industry to a greater extent. The main aim of this Board is to improve the economic conditions of the rural artisans by providing by self-employment wherein they could utilise the palmyrah raw materials. Financial assistance is provided to the palmgur artisans under various palmgur schemes through the State and District Palmgur Federations, by organising co-operative societies to generate self-employment programmes.

08. The State Palmgur Federation is undertaking the production of various palm products in its 22 branches in the State and in the 7 District Federations. These palm products are marketed through the sales outlets of the State and Federations. Various Edible palm products viz. Neera, Palm jaggery, palm sugar, palm candy and aerated drinks, chocolate varieties and canning products and other edible items are produced. In addition to this various Non-edible palm products viz. palm leaf articles, palm naar articles, palm fibre and brush varieties with palm fibre are produced. Several varieties of Date palm Baskets and other hand made palm products are produced.

09. in 1994-95, Rs.121.10 crores worth of palm products were produced generating employment for Rs.8.79 lakhs persons. in the same year sales to the tune of Rs.137.50 crores were effected, out of which Rs.71.52 lakhs worth of products were exported. State Government provides financial support for development of schemes like (a) Crystal growth of palm candy, (b) nungu preservation (c) palm fibre and date palm basket production, (d) distribution of palm climbers and implements. This sector has excellent potential for generating rural employment with least capital investment and produce eco-friendly products for exports and domestic market.

10. On behalf of the Khadi and Village Industries Board, there is an Assistant Director Khadi who looks after all the programmes in the District. He/She is assisted by the following officials in each District.

(i) Khadi Inspector: In each District this particular officer is looking after production of Khadi Yarn, Khadi Craft and sale out of Khadi Craft.

(ii) District Inspector of Cottage Industries : He is looking after the Departmental units such as soap, handmade paper, foot wear units etc.,

(iii) Khadi and Village Industries Co-operative Officer: He is looking after the Industrial Co-operatives under the purview of Khadi such as production of oil, lime, carpentry, blacksmith,beekeeping, etc.,

11. As seen the various institutions and co-operatives are engaged in economic activities of production and marketing or training. They should continue to function autonomously, uninterrupted as at present. The Assistant Director and his field staff should however be brought in the purview of the District Panchayat and be accountable to them. All Khadi and Village Industries Board programmes with details must be made known to the Panchayat bodies at the appropriate level of implementation. The Khadi and Village Industries Board at State level should seek support of the District Planners etc., to set up its employment/Income generating programmes; and attend periodic review meeting convened by the District Planners.

12. In the above background the State Planning Commission Group recommends the following entrustment of powers to rural local bodies.

I VILLAGE PANCHAYAT

<i>ACTIVITY</i> (1)	<i>ENTRUSTMENT OF POWERS</i> (2)
1) Planning, Monitoring & Supervision	i) Identify village level potential activities and formulation of projects for the same.
2) Training and skill development transfer of technology to beneficiaries.	i) Identification of beneficiaries for training in specialised skills and technologies. ii) Disseminate information to village artisans about the training centres suitable for their trades and crafts.
3) Infrastructure Development.	i) Assist institutions/Corporations engaged in Khadi and Village Industries production and marketing. ii) Facilitate access to locally available raw materials from common property resources and Panchayat properties. Levy necessary fees/charges for use of such raw materials/inputs.

II PANCHAYAT UNION

<i>ACTIVITY</i> (1)	<i>ENTRUSTMENT OF POWERS</i> (2)
1. Planning, Monitoring and Supervision.	i) Preparation of plan for Khadi, village & Cottage Industries and other artisan activities integrating the schemes of other agencies such as KVIC/KVIB/Handloom/Handicraft Development.
2. Training & skill development, transfer of technology beneficiary.	i) Assist in selection of beneficiaries through Village Panchayats for Training/Skill development, for training institutes. ii) Transfer/upgradation of technology in different production, trades and crafts. iii) To set up new training cum production units or convert existing units for imparting improved skill and technologies to rural artisans.
3. Infrastructure Development.	i) Co-ordinating the programmes of various agencies for infrasture development such as construction of common work places / workshed, market complexes. ii) Assist Co-operatives for production and marketing of the products.
4. Credit and Financial Support.	i) Ensure credit support for the artisans. ii) Monitor, supervise and report progress to the District Panchayats.

III. DISTRICT PANCHAYAT

<i>ACTIVITY</i> (1)	<i>ENTRUSTMENT OF POWERS</i> (2)
1. Planning, Monitoring & Supervision.	i) Draw up district level plan for development of Khadi, Handicrafts, Sericulture, Cottage and Village Industries.
2. Training & Skill development, transfer of technology beneficiaries.	i) Identify Training Centres and Institutes suitable to impart appropriate technological training and disseminate such details to the Panchayat Unions and Village Panchayats.
3. Credit and financial support.	i) Advise the KVIB about the infrastructures needed for exploiting available potentialities in the district. ii) Design suitable credit flow to the sector in the district as part of overall District Credit Plan.

Implication

13. The impact of Panchayat Raj would be from the grass root level i.e Village level and each and every Panchayat should aim to get assistance from plan schemes for Khadi Village & Cottage Industries sector. Here it does not stop with generation of employment but proceed further i.e. making availability of raw materials, reasonable wages, marketing the product to the advantage of artisans etc. This would prevent migration of rural people to urban and the real aim could be fulfilled.

14. The Assistant Director of Khadi & Village Industries Board, Sericulture, District Industries Centre, Handicraft Corporation and Tamilnadu Palm Board Federation should be brought in the purview of District Panchayat. The field staff attached to them must identify village level potential activities and beneficiaries for training of local artisans.

15. Section 112 provides the duties of a Panchayat Union Council to make reasonable provision to provide certain facilities within the limits of its own funds viz the promotion & encouragement of cottage industries. This provision should be used for development of Cottage industries utilising the available skilled rural artisans and raw materials.