



Initiative Under Gramodyog Vikas Yojana

Why in News

Recently, the **Ministry of Micro, Small and Medium Enterprises** has approved a programme for the benefit of artisans involved in manufacturing of Agarbatti under the **Gramodyog Vikas Yojana**.

Key Points

▪ Description:

- The programme will initially include four pilot projects, including one in the north eastern part of the country.
- **Khadi and Village Industries Commission (KVIC)** will provide **training** and **assistance** as well as **work** and **raw material to artisans** working in this area, in tie-up with Agarbatti manufacturing machines.
- **KVIC** is a **statutory body** established by Khadi And Village Industries Commission Act, 1956. It is an apex organisation under the **Ministry of Micro, Small and Medium Enterprises** charged with the planning, promotion, organisation and implementation of programs for the development of Khadi and other village industries in the rural areas

▪ Benefits:

- **Revival of Agarbatti manufacturing** in the villages and small towns.
- Generation of **sustainable employment** and increase in wages for the **traditional Artisans**.
- **Mitigation of the gap** between the indigenous '**production and demand**'.
- **Reduction in import** of 'Agarbatti' in the country.

▪ Background:

- The Govt of India had earlier placed the '**Agarbatti**' item from "**Free**" trade to "**Restricted**" trade in the **import policy** and enhanced the import duty from 10% to 25% on 'round bamboo sticks' used for manufacturing of Agarbatti.

Gramodyog Vikas Yojana

- **Gramodyog Vikas Yojana** is one of the two components of [Khadi Gramodyog Vikas Yojana](#) which aims to promote and develop the village industries through common facilities, technological modernization, training etc.
- **Components of Gramodyog Vikas Yojana:**
 - **Research & Development and Product Innovation:** R&D support would be given to the institutions that intend to carry product development, new innovations, design development, product diversification processes etc.
 - **Activities of existing dedicated verticals of Village Industries:** This includes Agro Based & Food Processing Industry, Mineral Based Industry, Handmade Paper, Leather & Plastic Industry among others.

- **Capacity Building:** Under the Human Resource Development and Skill Training components, exclusive capacity building of staff as well as the artisans.
- **Marketing & Publicity:** The village institutions will be provided market support by way of preparation of product catalogue, Industry directory, market research, new marketing techniques, buyer seller meet, arranging exhibitions etc.

Source : PIB

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