ABSTRACT

Rural based labour intensive industries can generate substantial volume of employment opportunities in a capital, scare and labour surplus country like India. KVIC implements KVI activities through various agencies including NGOs. Five such NC30s are taken for this study. The objectives of the study are:

- to analyse the relationship between input and output of KVI products,
- to study the relationship between economic and social benefits of KVI's.
- to suggest a viable common model for the promotion of Khacii and Village Industries on the basis of the study

Findings of the Study

The cost of raw materials (input) for the production (output) of specific Khadi and Village Industries products over a period of twelve years under the study are calculated and found that the average cost of raw materials are 31.80 percent at constant price.

The cost of labour for the production of Khadi and Village Industries as per the study is 40.05 percent. This finding confirms once again with the economic concept that the Khadi and Village Industries activities are labour intensive.
This confirms to the basic objectives of Khadi and Village Industries and the economic philosophy of Mahatma Gandhi.

In all the institutions under the study over a period of twelve years, the quantum of total average employment generated by all the five institutions is 4,684 and the average per capita earnings per annum is Rs.3.167/- at constant price.

It is also proved that there are non measurable social benefits from KVI sector such as availability of quality products, without affecting the ecosystem. Besides measurable benefits like profit, employment, wages etc, it also facilitate to evolve a peaceful society.

A programme has been modelled to maximise the margin between the production value and the cost of inputs of the Khadi and Village Industries products. The model will be an ideal one for the promotion of Khadi and Village Industries sector.

The study consists of ten chapters.