

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTIONNO. 1117
TO BE ANSWERED ON 17.12.2018

PROMOTION OF KHADI

1117. SHRI LALLU SINGH:
SHRIMATI REKHA VERMA:
SHRIMATI KAMLA DEVI PAATLE:
SHRI LAKHAN LAL SAHU:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the Government proposes to turn khadi into an international brand, if so, the details thereof including the schemes being implemented presently to promote khadi;
- (b) whether rural enterprises play an important role in country's industrial development, if so, the details thereof;
- (c) the number of khadi artisans in the country at present, State/UT-wise;
- (d) the objectives and targets and the current implementation status of the khadi workshed scheme in the country; and
- (e) the details of beneficiaries of the said scheme alongwith the other measures taken/proposed to be taken by the Government to promote khadi in the country, State/UT-wise?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE)
FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a): Yes, Madam. Government in the Ministry of Micro, Small and Medium Enterprises through Khadi and Village Industries Commission(KVIC) has taken various initiatives to make Khadi an international brand. Details of the initiatives taken is placed at **Annexure-I**.

Government has been implementing a number of schemes for the holistic development and promotion of Khadi through KVIC, which include:

- i) Khadi Grant:
 1. Strengthening Infrastructure of existing Weak Khadi Institutions and Assistance for Marketing Infrastructure provides for renovation of khadi sales outlets and providing assistance for strengthening infrastructure of existing weak selected institutions
 2. Workshed Scheme for Khadi Artisans for providing assistance for construction of worksheds.

ii) Market Promotion Development Assistance (MPDA) – A unified scheme by merging Market Development Assistance, Publicity, Marketing and Market Promotion. A new component for Infrastructure namely setting up of Marketing Complexes /Khadi Plazas has been added to expand the marketing network of Khadi & VI products. Under the Modified MDA (MMDA) financial assistance at 30% of the Prime Cost, is distributed amongst Producing Institutions (40%), Selling Institutions (20%) and Artisans (40%).

iii) Khadi Reform and Development Programme (KRDP) aims to revitalize the khadi sector with enhanced sustainability of khadi, increased incomes and employment for spinners and weavers, increased artisans' welfare and to achieve synergy with village industries. Under KRDP, restructured amount of US\$ 105 million has been negotiated with Asian Development Bank (ADB) and funds are being provided to the Government of India to be released to KVIC as 'grants-in-aid' under budgetary allocation through the Ministry of MSME. Khadi Reform Package envisages reform support in the following areas: (i) Artisan Earnings and Empowerment, (ii) Direct Reform Assistance to 400 Khadi Institutions & (iii) Implementation of a well-knit MIS.

(b): Micro, Small and Medium Enterprises (MSMEs) have been recognized as the engine of economic growth and plays a vital role in the overall industrial economy of the country. MSMEs is the second largest employer after agriculture and plays a crucial role in providing large employment opportunities. It also helps in industrialization of rural and backward areas, thereby reducing the regional imbalances, assuring more equitable distribution of national income and wealth. Employment under Khadi & Village Industries (KVI) during the last three years is as follows:

Year	Cumulative employment under KVI (in lakh persons)
2015-16	137.83
2016-17	136.40
2017-18	140.36

(c): Number of Khadi Artisans in the country at present, State/UT-wise is placed at **Annexure-II**.

(d): KVIC launched Workshed Scheme for Khadi artisans belonging to BPL Group during the year 2008-09. The objective of the scheme is to provide better work ambience, more working and storing space for storing raw material, implements and accessories, yarn/cloth, etc. thereby improving efficiency and productivity of the artisans. The pattern of assistance under the scheme is as follows:

COMPONENT	AREA / UNIT	AMOUNT OF ASSISTANCE
Construction of Individual Workshed	20 Sq.Mtrs.	Rs. 60,000/- or 75% of the cost of Workshed (90% for NER), whichever is less
Construction of Group Workshed (Minimum 5 & Maximum 15 Artisans)	10 Sq. Mtrs. per Artisan	Rs. 40,000/- per Artisan or 75% of the cost of workshed (90% for NER), whichever is less

A target of 442 worksheds construction has been set during the year 2018-19. 287 worksheds have been constructed upto 30.11.2018.

(e): State/UT-wise details of number of artisans given assistance under Workshed Scheme during 2017-18 is placed at **Annexure-III**.

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Annexure-I referred to in reply to part (a) of the Lok Sabha Unstarred Question No. 1117 for answer on 17.12.2018

Following are the initiatives taken to make Khadi an international brand:

1. To ensure genuineness of Khadi “Khadi Mark” has been notified by Government of India.
2. Ministry of Commerce and Industry, Govt. of India has extended KVIC, the status of Deemed EPC, for supporting promotion of Khadi and Village Industries products in international market. 1088 Khadi & Village Industries Institutions and REGP/PMEGP Units have taken its membership to enter the field of export. KVIC through its assisted institutions and units participates in various international exhibitions:
3. Tie up arrangement with premier institutions like Federation of Indian Export Organization (FIEO), World Trade Centre (WTC), Indian Trade Promotion Organization (ITPO), Trade Promotion Council of India etc., for invigorating business opportunities in the overseas market by conducting exhibitions and workshops for Khadi Institutions.
4. Tie up arrangements for bringing out innovative export quality product designs with NIFT, etc.
5. KVIC engaged fashion designer of national and international repute for Fashion Designing to make Khadi products more competitive and appealing in the domestic as well as overseas market segment.
6. Financial support under International Cooperation (IC) Scheme of Ministry of MSME for Technology infusion and/or up-gradation of MSMEs, their modernization and promotion of their exports through participation in international exhibitions/trade fairs etc.
 - a. To and Fro economy class air fare subject to a maximum of Rs. 1.50 lakh or actual fare paid, whichever is lower.
 - b. 100% of the space rent subject to a maximum of Rs. 1.00 lakh or actual rent paid, whichever is lower.
 - c. US Dollar 150 per day Duty allowance.
7. Assistance would be provided under the MPDA Scheme to the eligible Khadi and Village Industries (KVI) Institutions for participation in International Exhibitions/Trade Fairs held in foreign countries in order to showcase KVI products to foreign countries, access international buyers and sellers and forge business alliances, etc.

The eligible items for such participation and the scale of assistance would be as under:

S. No.	Eligible items	Scale of assistance for KVIs
i)	Space Rent	100% of the space rent subject to a maximum of Rs.1.25 lakh or actual rent paid, whichever is lower (for one representative from each participating enterprise)
ii)	Air Fare	100% of the Economy Class air fare subject to a maximum of Rs.1.00 lakh or actual fare paid, whichever is lower (for one representative from each participating enterprise)

Annexure-II referred to in reply to part (c) of the Lok Sabha Unstarred Question No. 1117 for answer on 17.12.2018

State/UT-wise number of Khadi artisans including Polyvastra and Solarvastra artisans in the country at present

Sl. No.	Name of State/UT	No. of Artisans
1	Jammu & Kashmir	21976
2	Himachal Pradesh	3426
3	Punjab	5053
4	U.T. Chandigarh	54
5	Haryana	57160
6	Delhi	1180
7	Rajasthan	28527
8	Uttarakhand	17936
9	Uttar Pradesh	132336
10	Chhattisgarh	7264
11	Madhya Pradesh	4245
12	Nagaland	295
13	Arunachal Pradesh	31
15	Manipur	143
16	Mizoram	14
17	Meghalaya	107
18	Assam	5083
19	Bihar	72050
20	West Bengal	33717
21	Jharkhand	1807
22	Orissa	5272
23	Gujarat	18555
24	Maharashtra	3404
25	Andhra Pradesh	10367
26	Telangana	2380
27	Karnataka	28252
28	Kerala	14331
29	Tamil Nadu	19814
30	Pondicherry	465
Total		495244

Annexure-III

Annexure-III referred to in reply to part (e) of the Lok Sabha Unstarred Question No. 1117 for answer on 17.12.2018

State/UT-wise details of number of Khadi artisans given assistance under Workshed Scheme during 2017-18

Sl. No.	Name of State/UT	No. of Khadi artisans assisted under Workshed Scheme
1	Jammu & Kashmir	0
2	Himachal Pradesh	120
3	Punjab	65
4	U.T. Chandigarh	0
5	Haryana	51
6	Delhi	0
7	Rajasthan	0
8	Uttarakhand	0
9	Uttar Pradesh	1300
10	Chhattisgarh	0
11	Madhya Pradesh	20
12	Nagaland	30
13	Arunachal Pradesh	0
15	Manipur	0
16	Mizoram	0
17	Meghalaya	0
18	Assam	170
19	Bihar	0
20	West Bengal	100
21	Jharkhand	0
22	Orissa	80
23	Gujarat	0
24	Maharashtra	20
25	Andhra Pradesh	113
26	Telangana	80
27	Karnataka	380
28	Kerala	245
29	Tamil Nadu	100
30	Pondicherry	0
	Total	2874
