

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 882**  
**TO BE ANSWERED ON 27.06.2019**

**DEVELOPMENT OF KHADI INDUSTRY**

882. ADV. ADOOR PRAKASH:

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

- (a) the details of the various schemes being implemented for development of the khadi industry;
- (b) the details of funds released under these schemes during the last three years and the current year, State/UT-wise; and
- (c) the details of schemes implemented and Central assistance provided for the welfare of khadi workers during the said period, State/UT-wise?

**ANSWER**

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI NITIN GADKARI)

(a): Ministry of MSMEs implementing the following schemes/programmes all over the country through KVIC for development of Khadi industry:

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 & Village Industries products. Under the Modified MDA (MMDA) financial assistance at 30% of the Prime Cost is distributed amongst Producing Institutions (20%), Selling Institutions (10%), Artisans (40%). The remaining amount is to be given to best performing Khadi Institutions selected through a transparent scorecard.

iii) Interest Subsidy Eligibility Certificate (ISEC) Scheme provides credit at concessional rate of interest through Banks as per the requirement of the Khadi institutions. The institutions are required to pay interest of only 4%, any interest charged by banks over 4% will be paid by the Government of India through KVIC to the banks.

iv) 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.

v) Strengthening infrastructure of weak Khadi institutions and assistance for marketing infrastructure: This scheme provides need-based support towards the Khadi sector for nursing the sick/problematic institutions for elevation from "D" to "C" category as well as those whose production, sales and employment have been declining. Under this scheme, financial assistance is provided to existing weak Khadi Institutions for strengthening of their infrastructure and for renovation of khadi sales outlets.

vi) Scheme of Fund for Regeneration of Traditional Industries (SFURTI) is being implemented from 2005-06 for making Khadi, Village Industries & Coir Traditional Industries more productive and competitive by organizing these Industries and artisans into clusters. The Scheme envisages providing need-based assistance for replacement of production equipment, setting up of common facility centres (CFC), product development, quality improvement, improved marketing, training and capacity building, etc.

The Cabinet Committee on Economic Affairs (CCEA) has recently approved Rozgar Yukt Gaon for the Khadi sector. This would involve enterprise driven business partner to the entire production and sales of Khadi.

(b): State/UT-wise details of funds utilized under Workshed Scheme, MPDA, ISEC, KRDP and SFURTI for the last three years is placed at **Annexure-I**.

During the current year 2019-20, as on 31.05.2019, Rs. 0.02 crore and Rs. 4.03 crore have been disbursed under MPDA and ISEC schemes, respectively.

(c): Government in the Ministry of MSME has been implementing the following welfare schemes for khadi workers:

(i) Aam Admi Bima Yojana (AABY) (*erstwhile* Khadi Karigar Janashree Bima Yojana) is a group insurance scheme to provide insurance cover to khadi artisans. The Scheme was formulated by Khadi and Village Industries Commission (KVIC) in association with the Life Insurance Corporation of India (LIC) with annual premium of Rs.100/- per beneficiary which is shared in the ratio of Rs.50/- by the Central Government from Social Security Fund, Rs.25/- by the Khadi Institution and Rs.12.50/- each by Khadi Artisan and KVIC. The scheme is available for artisans in the age group between 18 years to 59 years. The compensation available under the Scheme are as under:

In case of natural death	: Rs. 30,000/-
In case of accidental death	: Rs. 75,000/-
In case of full permanent disability due to accident:	Rs. 75,000/-
In case of part permanent disability due to accident:	Rs. 37,500/-

AABY scheme was converged to the Core scheme Pradhan Mantri Surksha Bima Yojana (PMSBY) / Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Modified AABY for providing insurance cover to Khadi artisans w.e.f. 01.06.2017. The details of the said insurance scheme are as under:

Sr. No.	Name of the scheme	Qualifying age of artisans covered	Premium	Sum Assured
1	SSPMJJBY/ PMSBY	18 to 50 years	Rs. 342/- (Rs. 242/- from Ministry + Rs. 100/- from SSF)	Rs. 2.00 lakhs on death due to any reason.
2	Modified AABY	51 to 59 years	Rs. 100/- (Rs. 50/- from Ministry + Rs. 50/- from SSF)	As per existing/prevailing Schemes only.

As an 'add-on' educational benefit (Shiksha Sahayog Yojana) without any additional premium, up to two school-going children of insured artisans studying in Class 9 to 12 (including I.T.I.) are eligible for a scholarship of Rs. 300/- per quarter through National Scholarship Portal 2.0.

Under this scheme, the premium is paid at Central level for master policy so the state-wise funds are not allocated. During last three years the amount of premium paid is as below:

Year	Premium paid
2016-17	37.28 Lakh
2017-18	60.00 Lakh
2018-19	9.38 crore

(ii) Artisans Welfare Fund Trusts have been established for the benefit of the artisans at State level. The spinning wages of Khadi artisans were revised from Rs. 4.00 to Rs.5.50 per hank w.e.f. 01.04.2017 and further enhanced from Rs. 5.50 to Rs. 7.50 per hank vide KVIC circular dated 26.12.2017.

**Annexure-I referred to in reply to part (b) of the Lok Sabha Unstarred Question No.882 for answer on 27.06.2019**

State/UT-wise disbursement of MMDA under MPDA Scheme during the last three years  
(Rs. in lakh)

Sl. No.	STATE / UT	2016-17	2017-18	2018-19 (Provisional)
1.	Jammu & Kashmir	820.11	0.42	725.71
2.	Himachal Pradesh	180.17	44.32	58.37
3.	Punjab	89.34	67.26	19.46
4.	Chandigarh (UT)	-	-	0.00
5.	Haryana	4127.22	1179.72	905.45
6.	Delhi	35.01	56.64	18.98
7.	Rajasthan	1667.39	417.42	413.01
8.	Uttarakhand	308.29	86.45	319.34
9.	Uttar Pradesh	6817.83	4331.50	2801.32
10.	Chhattisgarh	630.52	504.49	101.19
11.	Madhya Pradesh	433.84	51.87	79.12
12.	Sikkim	-	-	0.00
13.	Arunachal Pradesh	-	4.08	1.32
14.	Nagaland	-	1.77	12.59
15.	Manipur	6.55	7.55	3.65
16.	Mizoram	-	-	0.00
17.	Tripura	4.50	-	0.00
18.	Meghalaya	4.79	1.35	0.00
19.	Assam	232.84	161.17	127.47
20.	Bihar	243.76	99.93	11.57
21.	West Bengal	5192.64	3183.46	4145.34
22.	Jharkhand	99.54	63.84	31.60
23.	Odisha	147.43	1370.13	19.20
24.	Andaman & Nicobar Islands	-	-	0.00
25.	Gujarat *	1996.98	1369.88	2318.47
26.	Maharashtra **	32.72	73.51	71.60
27.	Goa	-	-	0.00
28.	Andhra Pradesh	547.16	396.51	813.73
29.	Telangana	82.36	76.88	160.14
30.	Karnataka	3132.12	587.61	4570.27
31.	Lakshadweep Islands	-	-	0.00
32.	Kerala	1803.32	1095.50	1849.86
33.	Tamil Nadu	3613.43	2026.45	4523.33
34.	Puducherry	-	-	0.00
35.	Departmental	276.00	-	0.00
36.	Book Adjustment	-	-	0.00
	<b>GRAND TOTAL</b>	<b>32525.86</b>	<b>17259.71</b>	24102.09

\* including Daman & Diu.

\*\* including Dadra & Nagar Haveli

State/UT-wise **Khadi Institutions (KIs)** under MPDA Scheme during the last three years

<b>Sr. No.</b>	<b>States/UTs</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19 (Provisional)</b>
1	Jammu & Kashmir	6	85	1
2	Himachal Pradesh	10	10	6
3	Punjab	15	11	7
4	UT Chandigarh	0	0	0
5	Haryana	91	102	26
6	Delhi	4	4	0
7	Rajasthan	91	89	84
8	Uttarakhand	28	33	25
9	Uttar Pradesh	486	509	357
10	Chhattisgarh	15	14	13
11	Madhya Pradesh	14	11	10
12	Sikkim	0	0	0
13	Arunachal Pradesh	1	1	0
14	Nagaland	1	1	1
15	Manipur	4	4	2
16	Mizoram	0	0	0
17	Tripura	0	0	0
18	Meghalaya	1	1	1
19	Assam	15	16	5
20	Bihar	37	26	11
21	West Bengal	294	292	298
22	Jharkhand	11	10	7
23	Odisha	55	57	47
24	A. & N. Islands	0	0	0
25	Gujarat	124	125	126
26	Maharashtra	9	8	7
27	Goa	0	0	0
28	Andhra Pradesh	52	76	96
29	Telangana	6	7	9
30	Karnataka	137	137	134
31	Lakshadweep	0	0	0
32	Kerala	23	23	23
33	Tamil Nadu	70	68	67
34	Puducherry	0	0	0
	<b>Total</b>	<b>1600</b>	<b>1720</b>	<b>1363</b>

State/UT-wise disbursement of funds under ISEC Scheme during the last three years

(Rs. in lakh)

Sl. No.	STATE / UT	2016-17	2017-18	2018-19 (Provisional)
1.	Jammu & Kashmir	48.17	3.06	53.05
2.	Himachal Pradesh	83.19	124.23	61.08
3.	Punjab	36.06	27.74	14.72
4.	Chandigarh (UT)	-	-	0.00
5.	Haryana	300.91	296.11	281.86
6.	Delhi	8.71	14.39	4.39
7.	Rajasthan	151.70	126.55	97.02
8.	Uttarakhand	136.01	131.78	138.79
9.	Uttar Pradesh	1279.90	1392.35	914.51
10.	Chhattisgarh	56.60	55.67	46.81
11.	Madhya Pradesh	21.53	71.92	16.44
12.	Sikkim	-	-	0.00
13.	Arunachal Pradesh	-	-	0.00
14.	Nagaland	-	-	0.00
15.	Manipur	0.59	-	0.00
16.	Mizoram	-	-	0.00
17.	Tripura	-	-	0.00
18.	Meghalaya	-	-	0.00
19.	Assam	3.12	31.03	2.27
20.	Bihar	33.15	43.34	17.32
21.	West Bengal	216.49	325.54	234.47
22.	Jharkhand	6.02	0.00	0.00
23.	Odisha	16.59	24.10	17.36
24.	Andaman & Nicobar Islands	-	-	0.00
25.	Gujarat *	206.68	218.66	121.80
26.	Maharashtra **	147.20	5.57	4.75
27.	Goa	-	-	0.00
28.	Andhra Pradesh	30.07	23.22	21.05
29.	Telangana	17.91	8.71	11.81
30.	Karnataka	314.95	391.72	438.21
31.	Lakshadweep Islands	-	-	0.00
32.	Kerala	150.02	193.45	242.27
33.	Tamil Nadu	693.03	682.64	686.33
34.	Puducherry	-	-	0.00
35.	Departmental	-	1742.64	0.00
36.	Book Adjustment	-	500.00	0.00
	<b>GRAND TOTAL</b>	<b>3958.60</b>	<b>6434.42</b>	<b>3426.31</b>

\* including Daman & Diu.

\*\* including Dadra & Nagar Haveli

State/UT-wise disbursement of funds under **Workshed Scheme** during the last three years

(Rs. in lakh)

Sl. No.	STATE / UT	2016-17	2017-18	2018-19 (Provisional)
1.	Jammu & Kashmir	-	-	0
2.	Himachal Pradesh	12.00	72.00	15.00
3.	Punjab	12.00	39.00	0
4.	Chandigarh (UT)	-	-	0
5.	Haryana	132.00	30.60	0
6.	Delhi	-	-	0
7.	Rajasthan	90.00	-	0
8.	Uttarakhand	15.00	-	0
9.	Uttar Pradesh	831.00	600.00	301.10
10.	Chhattisgarh	127.00	-	0
11.	Madhya Pradesh	12.00	12.00	0
12.	Sikkim	-	-	0
13.	Arunachal Pradesh	-	-	0
14.	Nagaland	-	18.00	0
15.	Manipur	-	-	0
16.	Mizoram	-	-	0
17.	Tripura	-	-	0
18.	Meghalaya	-	-	0
19.	Assam	109.80	102.00	0
20.	Bihar	12.00	-	6.00
21.	West Bengal	60.00	60.00	0
22.	Jharkhand	30.00	-	12.00
23.	Odisha	48.00	48.00	0
24.	Andaman & Nicobar Islands	-	-	0
25.	Gujarat *	120.00	-	0
26.	Maharashtra **	27.00	12.00	15.00
27.	Goa	-	-	0
28.	Andhra Pradesh	120.00	67.80	6.00
29.	Telangana	39.00	48.00	3.00
30.	Karnataka	120.00	228.00	45.00
31.	Lakshadweep Islands	-	-	0
32.	Kerala	168.00	102.20	0
33.	Tamil Nadu	42.00	60.00	44.00
34.	Puducherry	-	-	0
35.	Departmental	-	-	0
36.	Book Adjustment	-	-	0
	<b>TOTAL</b>	<b>2126.80</b>	<b>1499.60</b>	<b>447.10</b>

\* including Daman & Diu.

\*\* including Dadra & Nagar Haveli

State/UT-wise disbursement of funds under **KRDP Scheme** during the last three years

(Rs. in lakh)

Sl. No.	STATE / UT	2016-17	2017-18	2018-19 (Provisional)
1.	Jammu & Kashmir	-	-	6.00
2.	Himachal Pradesh	0.70	-	93.00
3.	Punjab	0.50	-	3.00
4.	Chandigarh (UT)	-	-	0.00
5.	Haryana	5.63	-	11.25
6.	Delhi	-	-	11.50
7.	Rajasthan	0.48	-	9.50
8.	Uttarakhand	1.20	-	6.43
9.	Uttar Pradesh	1.60	-	56.83
10.	Chhattisgarh	310.43	-	8.64
11.	Madhya Pradesh	0.22	-	11.75
12.	Sikkim	-	-	3.00
13.	Arunachal Pradesh	-	-	3.00
14.	Nagaland	-	-	3.00
15.	Manipur	238.49	-	3.00
16.	Mizoram	-	-	3.00
17.	Tripura	-	-	3.00
18.	Meghalaya	-	-	3.00
19.	Assam	1.41	-	8.50
20.	Bihar	5.89	-	7.50
21.	West Bengal	17.65	-	511.16
22.	Jharkhand	1.40	-	15.87
23.	Odisha	0.76	-	6.00
24.	Andaman & Nicobar Islands	-	-	0.00
25.	Gujarat *	6.69	-	6.37
26.	Maharashtra **	57.00	-	18.88
27.	Goa	-	-	3.00
28.	Andhra Pradesh	17.56	-	18.08
29.	Telangana	0.48	-	3.00
30.	Karnataka	6.99	-	144.88
31.	Lakshadweep Islands	-	-	0.00
32.	Kerala	42.15	-	45.45
33.	Tamil Nadu	2.86	-	116.75
34.	Puducherry	-	-	0.00
35.	Departmental	254.26	60.00	4829.31
36.	Book Adjustment	-	-	0.00
	<b>TOTAL</b>	<b>974.35</b>	<b>60.00</b>	<b>5973.65</b>

\* including Daman & Diu.

\*\* including Dadra & Nagar Haveli



State/UT-wise disbursement of funds under **SFURTI Scheme** during the last three years

(Rs. in lakh)

Sl. No.	STATE / UT	2016-17	2017-18	2018-19 (Provisional)
1.	Jammu & Kashmir	-	-	
2.	Himachal Pradesh	-	-	
3.	Punjab	-	-	65.45
4.	Chandigarh (UT)	-	-	
5.	Haryana	-	53.30	115.78
6.	Delhi	-	5.82	
7.	Rajasthan	-	-	57.60
8.	Uttarakhand	-	46.47	
9.	Uttar Pradesh	-	11.18	291.61
10.	Chhattisgarh	-	16.99	0.00
11.	Madhya Pradesh	-	87.08	
12.	Sikkim	-	-	
13.	Arunachal Pradesh	-	-	41.65
14.	Nagaland	-	-	
15.	Manipur	-	17.55	131.69
16.	Mizoram	-	-	
17.	Tripura	-	-	
18.	Meghalaya	-	-	
19.	Assam	-	-	
20.	Bihar	-	55.95	
21.	West Bengal	-	27.86	82.83
22.	Jharkhand	-	-	
23.	Odisha	-	68.74	
24.	Andaman & Nicobar Islands	-	-	
25.	Gujarat *	-	14.25	
26.	Maharashtra **	-	43.81	114.27
27.	Goa	-	-	
28.	Andhra Pradesh	-	-	239.99
29.	Telangana	-	-	
30.	Karnataka	-	66.29	118.58
31.	Lakshadweep Islands	-	-	
32.	Kerala	-	-	
33.	Tamil Nadu	-	35.25	64.90
34.	Puducherry	-	-	
35.	Departmental	-	134.09	
36.	Book Adjustment	-	-	
	<b>TOTAL</b>	<b>0.00</b>	<b>684.63</b>	<b>1324.35</b>

\* including Daman & Diu.

\*\* including Dadra & Nagar Haveli