

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 2196
TO BE ANSWERED ON 20.03.2023

DEVELOPMENT OF COTTAGE INDUSTRY

2196. SHRI DHANANJAY BHIMRAO MAHADIK:

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

- (a) whether entrepreneurs related to cottage industries are being trained in the country and if so, the details thereof;
- (b) whether cottage industries in villages are gradually disappearing due to liberalization and if so, details thereof and the criteria set for defining and reckoning cottage industries in villages;
- (c) the contribution of small and cottage industries in the economic development of the country; and
- (d) the steps taken by Government to provide market to cottage industries and to save them from liberal market forces along with the outcome thereof?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a) to (c): The 'Cottage Industry' has not been defined under the Khadi and Village Industries Commission Act, 1956. However, the broad contours of 'Cottage Industry' are covered under the 'Village Industry' vertical of the Khadi and Village Industries Commission (KVIC) and are broadly classified into six groups for the purpose of implementation of its programmes as follows:

- 1) Agro Based & Food Processing Industry (ABFPI)
- 2) Mineral Based Industry (MBI)
- 3) Wellness & Cosmetics Industry
- 4) Handmade Paper, Leather & Plastic Industry (HPLPI)
- 5) Rural Engineering and New Technology Industry (RENTI)
- 6) Service Industry

KVIC imparts training to rural and traditional artisans in various rural industries. It provides tools and equipment and hand holding support through implementation of various schemes/programmes like Honey Mission for beekeeping industries, Kumbhar Sashaktikaran Programme for potters, Leather Craft Programme for leather artisans, etc.

KVIC also conducts Skill Development Programme (SDP) and Entrepreneurship Awareness Programmes (EAP) in the country for unemployed youth to generate self-employment opportunities in traditional industries.

Ministry of MSME, through Khadi and Village Industries Commission (KVIC), is also implementing Prime Minister's Employment Generation Programme (PMEGP) for generating self-employment opportunities through establishment of micro enterprises, including village industries, throughout the country. Under PMEPG, Entrepreneurship Development Programme (EDP) training is imparted to beneficiaries who have been sanctioned loans on basic managerial and operational aspects of setting up a unit.

State-wise number of candidates trained under Skill Development Programmes (SDP), Entrepreneurship Awareness Programmes (EAP) and Entrepreneurship Development Programme (EDP) during the year 2021-22 in the country is given at **Annexure**.

The number of micro units, including cottage industries in villages, assisted under PMEGP during the last three years and current year shows an increasing trend, as may be seen from the following table:

(Units: in Nos.; Margin Money (MM): Rs. in Crore; Emp.: in Nos)			
Year	Units assisted	MM subsidy disbursed	Estimated employment generated
2019-20	66653	1950.82	533224
2020-21	74415	2188.80	595320
2021-22	1032179	2977.66	825752
2022-23 (up to 28.02.2023)	67596	2216.69	540768

(d): Following steps are being taken by KVIC to provide marketing support to micro units including cottage industries:

- The network of KVI Institutions indeed provides a wide platform for sale of products, produced by traditional artisans and craftsmen. It has a wide network of around 8035 “Khadi India” sales outlets across the country including Departmental Sales Outlets and its branches owned by KVIC
- KVIC facilitates Marketing support and organises exhibition where the institutions and entrepreneurs promoted by KVIC can sell and display their products.
- KVIC has started online selling of all KVI products through www.ekhadiindia.com and www.khadiindia.gov.in.
- Selected entrepreneurs and artisans engaged in production of unique and quality products are also given financial assistance to participate in the International Exhibitions.
- Tie-up with Railways, Department of Posts, Air India, ONGC, IOCL and other Govt. organizations to market the products produced by the Khadi Institutions and entrepreneurs promoted by KVIC.
- Publicity of KVI products through print, electronic, digital and social media.

The steps taken by KVIC to provide marketing support to the Village Industries including cottage industries has led to increase in production and sales of Village Industry products and providing employment opportunities to the rural artisans. Cumulative employment opportunities created under Village Industries including cottage industries, as on 28.02.2023 is 168.04 lakh persons.

Annexure

Annexure: referred to in reply to part (a) to (c) of the Rajya Sabha Unstarred Question No. 2196 for answer on 20.03.2023

State-wise number of candidates trained under Skill Development Programmes (SDP), Entrepreneurship Awareness Programmes (EAP) and Entrepreneurship Development Programme (EDP) during 2021-22				
Sr. No.	State/UT	SDP	EAP	EDP
1)	CHHATTISGARH	0	0	2769
2)	MADHYA PRADESH	1564	2832	6553
3)	UTTAR PRADESH	1723	4632	10597
4)	UTTARAKHAND	800	3240	1820
5)	ANDAMAN NICOBAR	0	0	124
6)	BIHAR	710	1056	2466
7)	JHARKHAND	0	0	1438
8)	ODISHA	219	0	2549
9)	WEST BENGAL	828	2127	2357
10)	CHANDIGARH-UT	0	0	19
11)	DELHI	1109	2429	81
12)	HARYANA	0	0	1720
13)	HIMACHAL PRADESH	0	0	1055
14)	JAMMU KASHMIR	760	1040	22098
15)	LADAKH(UT)	0	0	235
16)	PUNJAB	0	0	1568
17)	RAJASTHAN	225	1822	2566
18)	ARUNACHAL PRADESH	0	0	167
19)	ASSAM	1264	2009	2544
20)	MANIPUR	0	0	743
21)	MEGHALAYA	0	0	457
22)	MIZORAM	535	1232	553
23)	NAGALAND	180	537	761
24)	SIKKIM	0	0	65
25)	TRIPURA	0	0	831
26)	ANDHRA PRADESH	977	388	2504
27)	KARNATAKA	1127	3796	5937
28)	KERALA	1792	3405	2296
31)	LAKSHADWEEP	0	0	4
32)	PUDUCHERRY	0	0	55
33)	TAMIL NADU	3318	3328	5409
31)	TELANGANA	0	0	2468
32)	DADRA NAGAR HAVELI	0	0	5
33)	DAMAN AND DIU	0	0	7
34)	GOA	0	0	80
35)	GUJARAT	0	0	4223
36)	MAHARASHTRA	4249	7483	4164
Grand Total		21380	41356	93288