

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 1236
TO BE ANSWERED ON 31.07.2023

COTTAGE INDUSTRY

1236. SHRI DHANANJAY BHIMRAO MAHADIK:

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

- (a) whether the entrepreneurs related to cottage industries are being trained in the country and if so, the details thereof, State-wise including Maharashtra;
- (b) whether any action has been taken to modernize the cottage industry in the country and if so, the details thereof, State-wise;
- (c) whether cottage industries in villages are gradually disappearing due to liberalization and if so, the details thereof and the criteria set for defining and reckoning cottage industries in villages; 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) & (b): 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 PMEGP, General Category beneficiaries can avail of Margin Money (MM) subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to Special Categories such as Scheduled Castes, Scheduled Tribes, OBCs, Minorities, Women, Ex-servicemen, Physically Handicapped, Transgenders, beneficiaries belonging to Northeastern Region, Hill and Border areas, and Aspirational Districts, the Margin Money subsidy is 35% in rural areas and 25% in urban area. The maximum cost of project is Rs. 50 lakhs in the manufacturing sector and Rs. 20 lakhs in the service sector.

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/UT-wise number of candidates trained under Skill Development Programmes (SDP), Entrepreneurship Awareness Programmes (EAP) and Entrepreneurship Development Programme (EDP) during the year 2022-23 in the country is given at **Annexure-I**.

State/UT-wise beneficiaries/ micro units benefitted under the PMEGP Scheme during the year 2022-23 is given at **Annexure-II**.

(c): The number of micro units, including cottage industries in villages, assisted under PMEGP during the last three years can 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
2020-21	74415	2188.80	595320
2021-22	1032179	2977.66	825752
2022-23	85167	2722.39	681336

(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.

Annexure referred to in reply to part (a) & (b) of the Rajya Sabha Unstarred Question No. 1236 for answer on 31.07.2023.

State-wise number of candidates trained under Skill Development Programme (SDP), Entrepreneurship Awareness Programme (EAP) and Entrepreneurship Development Programme (EDP) during the year 2022-23				
Sr. No.	Name of the State/UT	SDP	EAP	EDP
1	Arunachal Pradesh	0	0	217
2	Andhra Pradesh	370	0	5066
3	Assam	651	1233	3825
4	Andaman and Nicobar Island	0	0	307
5	Bihar	1718	1505	7735
6	Chhattisgarh	135	0	3687
7	Chandigarh UT	0	0	22
8	Delhi	1089	2388	122
9	Goa	10	0	131
10	Gujarat	0	0	4249
11	Haryana	0	0	2399
12	Himachal Pradesh	0	0	1476
13	Jammu & Kashmir	984	767	26341
14	Jharkhand	300	376	2666
15	Karnataka	1737	3331	8016
16	Kerala	2325	3640	4822
17	Ladakh	0	0	217
18	Madhya Pradesh	1773	1375	8623
19	Maharashtra	6050	10005	5556
20	Meghalaya	0	0	807
21	Manipur	0	0	913
22	Mizoram	549	1019	668
23	Nagaland	153	518	832
24	Odisha	245	653	4343
25	Punjab	0	0	2285
26	Rajasthan	379	1155	3059
27	Sikkim	0	0	133
28	Tamil Nadu	3547	3363	9292
29	Telangana	2230	897	4116
30	Tripura	0	0	1109
31	Uttar Pradesh	2251	3887	18036
32	Uttarakhand	1556	3202	2345
33	West Bengal	767	2325	3132
34	Lakshadweep	0	0	1
35	Pondicherry	0	0	39
36	Dadra and Nagar Haveli	0	0	6
37	Daman and Diu	0	0	7
	Total	28819	41639	136600

Annexure referred to in reply to part (a) & (b) of the Rajya Sabha Unstarred Question No. 1236 for answer on 31.07.2023

State/UT-wise beneficiaries benefitted under the PMEGP Scheme during FY 2022-23				
Sr. No.	States/ UTs	Margin Money Disbursed (Rs. in Lakh)	Number of units setup	Estimated employment generated
1	Andaman & Nicobar	203	121	968
2	Andhra Pradesh	12930.32	3073	24584
3	Arunachal Pradesh	701.28	158	1264
4	Assam	5954.67	2596	20768
5	Bihar	12124.36	4459	35672
6	Chandigarh-UT	44.52	15	120
7	Chhattisgarh	7493.48	2543	20344
8	Delhi	471.13	72	576
9	Goa	291.13	66	528
10	Gujarat*	24183.43	3071	24568
11	Haryana	6320.5	1559	12472
12	Himachal	3149.81	930	7440
13	Jammu & Kashmir	23996.05	12023	96184
14	Jharkhand	4838.22	1851	14808
15	Karnataka	16155.91	5618	44944
16	Kerala	7330.18	3129	25032
17	Ladakh	376.09	91	728
18	Lakshadweep	2.49	2	16
19	Madhya Pradesh	18132.03	5957	47656
20	Maharashtra**	13204.54	3625	29000
21	Manipur	1462.61	545	4360
22	Meghalaya	665.87	306	2448
23	Mizoram	1353.99	412	3296
24	Nagaland	1535.39	469	3752
25	Odisha	10733.38	3880	31040
26	Puducherry	65.55	25	200
27	Punjab	7251.16	1564	12512
28	Rajasthan	11419.23	2037	16296
29	Sikkim	131.48	57	456
30	Tamil Nadu	17892.82	6140	49120
31	Telangana	10225.53	2540	20320
32	Tripura	1689.1	703	5624
33	Uttar Pradesh	37867.48	11601	92808
34	Uttarakhand	4632.24	1803	14424
35	West Bengal	7410.09	2126	17008
Total		272239.06	85167	681336

* Including Daman & Diu. ** including Dadra & Nagar Haveli