

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION No. 110
TO BE ANSWERED ON 25.11.2024

DEVELOPMENT OF KHADI CLUSTERS

110. SHRI DHANANJAY BHIMRAO MAHADIK:

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

- (a) whether Government is supporting the development of khadi clusters and co-operative societies to improve production efficiency and quality, if so, the details thereof;
- (b) whether Government is collaborating with any e-commerce platform to increase the reach of khadi products, if so, the details thereof;
- (c) the details of the employment opportunities generated in the State of Maharashtra associated with khadi and other related activities during the last five years; and
- (d) the manner in which Government is ensuring that the benefits of khadi promotion reach the most marginalized sections of society, including women and rural artisans?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a): Ministry of MSME is implementing Khadi Gramodyog Vikas Yojana to support the Khadi Institutions to improve the production efficiency and the quality of the Khadi fabrics including earning support to Khadi artisans. These Khadi Institutions are registered under the Societies Registration Act 1860/any other law of State Government, individual co-operative Societies registered under the Co-operative Societies Act 1912 or other relevant State Government Acts supporting for the activities by the group of artisans. The Details of the supports extended through the Khadi Institutions are enclosed at Annexue-I.

Further, under the cluster based scheme viz. Scheme of Fund for Regeneration of Traditional Industries (SFURTI) with an aim to help traditional industries to become more productive, profitable and capable for generating sustainable employment for traditional industries artisans including Khadi artisans is under implementation. So far, 11 Clusters involving Khadi activities have been developed under the SFURTI Scheme. The details of the Clusters is placed at Annexure-II.

(b): KVIC is operating its own e-commerce platform of www.khadiindia.gov.in for marketing of its various Khadi and Village Industries (KVI) products. KVIC also linking up with Open Network for Digital Commerce (ONDC) platform for KVI products of Khadi Gramodyog Bhawan (KGB), New Delhi for increasing the reach of products on pan India level. KVIC has also strengthened the supply/marketing mechanism of KVI products, to create an effective marketing through e-Market linkage with MSMEs-GeM portal (gem.gov.in).

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(c): The details of the employment opportunities generated in the State of Maharashtra associated with khadi and other related activities during the last five years is as follows:

Year	Employment opportunities generated in Maharashtra State under Khadi and Village Industries Sector during last five years (in lakh persons)
2019-20	11.06
2020-21	11.36
2021-22	11.70
2022-23	12.11
2023-24	12.45

(d): The KVIC has taken the following steps for benefitting of khadi promotion reach the most marginalized sections of society, including women and rural artisans:

- i. Khadi Programme: Under the on-going Khadi Schemes, the participation of women artisans is about 80% in the Khadi sector.
- ii. Providing incentives to Khadi Artisans/Karyakartas through Aadhaar seeded bank / post office accounts through Direct Benefit Transfer (DBT).
- iii. Increased the earning of the khadi artisans by increasing the spinning wages from Rs. 10.00/- per hank to Rs. 12.50 per hank w.e.f 02.10.2024. Correspondingly the weaving & the other artisans' wages have also been increased, which not only boost the production capacity of the Khadi Artisans but also increased their earnings.
- iv. Providing financial assistance to artisans under 'Workshed Scheme for Khadi Artisans', for construction of individual workshed, an assistance upto Rs 1,20,000/- or 75% of the total cost of the workshed {90% for North Eastern Region (NER)} and for group Workshed (minimum 5 and maximum 15 artisans), an assistance up to Rs. 80,000/- per artisan or 75% of the total cost of the group Workshed (90% for NER), whichever is less, is provided.
- v. Uplifting the marginalized sector of the society including women and rural artisans, KVIC through its Departmental and Non-Departmental Training Centres imparts SDP and conducts EAP in various disciplines of Khadi like Khadi Technology, Khadi Weaving (Frmae/Semi-automatic) Course, silk Reeling & Spinning, Dhadi Design Development, Khadi Spinning (NMC) Course and Tailoring & Embroidery, etc.

Annexure-I referred to in reply to part (a) of the Rajya Sabha Unstarred Question No. 110 for answer on 25.11.2024

Details of Khadi Gramodyog Vikas Yojana

Khadi Gramodyog Vikas Yojana (KGVY), which is a Central Sector Scheme. The major components of KGVY are viz. Khadi Vikas Yojana (offers end-to-end support in promoting Khadi Industry), Gramodyog Vikas Yojana (an artisan centric programme - for revival of traditional and inherent skills of rural artisans).

Khadi Vikas Yojana:

The objectives of the scheme are to increase productivity and wages of Khadi artisans, improve infrastructure for enhanced Khadi production, sales and employment through the following components:

- i. Modified Market Development Assistance (MMDA):** Under MMDA, 35% of MMDA is provided to artisans as incentive in case of Khadi Institutions of cotton, woolen, polyvastra and 30% quantum of MMDA is provided to artisans as incentive in case of Khadi Institutions of silk.
- ii. Interest Subsidy Eligibility Certificate (ISEC):** under the scheme Interest Subsidy Eligibility Certificate is issued by KVIC to the eligible KIs on the basis of their production and requirement of funds. KIs can avail bank loan and pay only 4% interest. The difference between the actual lending rate and 4% is paid by GoI through KVIC as 'Interest Subsidy'.
- iii. Strengthening of Infrastructure of Existing weak Khadi Institutions and Assistance for Marketing Infrastructure:** This component provides financial support to the Weak Khadi Institutions with assistance of Rs. 15 lakh per KI to regain normalcy. Besides, financial assistance of Rs. 25 lakh per sales outlet is also provided to KIs/Departmental Outlets for its renovation.
- iv. Centre of Excellence for Khadi** on the Hub and Spoke model, with National Institute of Fashion Technology (NIFT) New Delhi as Hub along with NIFT Ahmedabad, Bengaluru, Kolkata and Shillong – have been set up for establishing benchmarked design processes for global standards, creating new fabrics and products, disseminating quality standards for fabrics, branding and publicity by creating interesting narratives around the new Khadi, creative visual merchandizing & packaging for new Khadi products and increasing the global reach of Khadi by organizing National and International Khadi Fashion Shows and Exhibitions.
- v. Marketing Promotion (Exhibitions):** The objective of the component is to popularizing KVI products through exhibitions to accelerate at large in the domestic and international markets. Under the component, National, Zonal, State and District level exhibitions will be organized by State Office (SO) /Divisional Office (DO) of KVIC or State KVIB. However SO/DO's can organize District level exhibitions through Khadi Institutions / Khadi Federation.

Annexure-II

Annexure-II referred to in reply to part (a) of the Rajya Sabha Unstarred Question No. 110 for answer on 25.11.2024

List of SFURTI Cluster under Khadi activities

Sr. No.	Name of the State/Cluster	Products of cluster
1	Chak Islampur Khadi Cluster, Murshidabad,	Printed Fabric, Tie & Dye scarves, kids-wear ready-made items, Ethnic & Indo-western fashion
2	Chitrashali Khadi Cluster,	Khadi Shirt, Kurta, Sari, Dhoti etc.
3	Bijoypur Silk Khadi Cluster	Brocade / Jacquard / Jamdani Saree, Designed Silk, Furnishing, Men's Women's & Kid's Garments.
4	Santhal Pargana Silk Khadi Cluster,	Designer silk Khadi, spun silk, reeled silk, cotton Khadi, sarees, shawals, Chaddar, towels, etc.
5	Harihara Khadi Cluster,	Designer Cotton garments and value added Khadi products.
6	Sidlagatta Khadi Cluster,	Ready-Made Silk garments and Khadi Fashion products.
7	Hudli Khadi Cluster,	High value Khadi products and regular cotton garments
8	Bijapur Khadi Cluster,	Khadi products
9	Sandur Khadi Cluster,	Khadi products
10	Kangayam Khadi Cluster,	Readymade Designer Shirts, Ready to wear items, value added products.
11	Bulandsahar Khadi Cluster	Khadi Fabrics, Apparels etc.