

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1456
TO BE ANSWERED ON 05.03.2018

PERFORMANCE OF KVIC

1456. SHRI KANWAR SINGH TANWAR:

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

- (a) the measures taken by the Government post-2014, to promote Khadi and Village Industries, the success achieved therefrom and the most prominent indicators thereof;
- (b) the nature of relationship, if any, between Khadi and Village Industries Commission (KVIC) at the Centre and Khadi and Village Industries (KVI) Boards at the State level; and
- (c) whether the Government has ever assessed the performance of State KVI Boards and if so, the details thereof including the best performing KVI Boards?

ANSWER

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

(a): Ministry of Micro, Small and Medium Enterprises (MSME) is implementing the following schemes/programmes all over the country through Khadi and Village Industries Commission (KVIC) in order to promote and modernize Khadi programme:

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.

iv) 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.

In addition to the above, following new initiatives have also been taken by the Government post-2014, which is placed at **Annexure-I**.

As a result of these efforts there has been a tremendous increase in performance of KVI sector as may be seen in the comparative Performance of Khadi & Village Industries, which is placed at **Annexure-II**.

In order to promote **Village Industries** sector, the following schemes are being implemented:

(i) Prime Minister's Employment Generation Programme (PMEGP) is a credit linked subsidy scheme, for setting up of new micro-enterprises and to generate employment opportunities in rural as well as urban areas of the country through KVIC, State Khadi & Village Industries Board (KVIB) and District Industries Centre (DIC). General category beneficiaries can avail of margin money subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to special categories such as SC/ST/Women/PH/Minorities/Ex-Servicemen/NER, the margin money subsidy

is 35% in rural areas and 25% in urban areas. The maximum cost of projects is Rs.25 lakh in the manufacturing sector and Rs.10 lakh in the service sector. State/UT-wise details of number of micro units setup and Margin Money disbursed during 2015-16 to 2017-18 (Feb., 2018) is placed at **Annexure-III**.

(ii) A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship (ASPIRE) was launched on 18.3.2015 to promote Innovation and Rural Entrepreneurship through rural Livelihood Business Incubator (LBI). Details of the number of LBI centres sanctioned till date since inception is placed at **Annexure-IV**.

(iii) 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. As on date (17.2.2018), 72 DPRs have been approved since inception with a total financial assistance involving Rs.139.58 crore providing employment to 59900 artisans.

(b): After constitution of Khadi and Village Industries Commission, the concurrent Act was passed by the State Assemblies constituting State Khadi and Village Industries Boards in the States for implementation of Khadi and Village Industries Programme in collaboration with KVI Commission. KVIC assigns targets for plan schemes for the State KVI Boards and releases plan fund for implementation of the programme in accordance with the assigned targets.

(c): Yes, Madam. Government has assessed the performance of State KVI Boards and depending on the performance, the best Boards have been selected for National Awards. Top best performing KVI Boards are Uttar Pradesh State KVI Board, Karnataka State KVI Board, West Bengal State KVI Board, Tamil Nadu State KVI Board and Madhya Pradesh State KVI Board.

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Annexure-I referred to in reply to part (a) of the Lok Sabha Unstarred Question No. 1456 for answer on 05.03.2018

Following are the new initiatives taken to keep khadi in competition with private brands:

1. 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.
2. A MoU was signed between KVIC and Aditya Birla Fashion & Retail Ltd. (ABFRL), Raymond and Arvind Mills for sale of Khadi fabric in country and abroad.
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.
4. KVIC has entered into an agreement with M/s. GLOBUS a retail clothing stores chain having its HO in Mumbai for setting up of Khadi Korner a shop in shop concept initially in Globus Showroom at Noida, followed by Globus showroom in Chennai and Ahmedabad.
5. Setting up of modern Khadi Lounge with exquisite Khadi designer garments and V.I. products for making shopping Khadi a pleasure.
6. Launching of franchise scheme to expand the sales distribution network with zero investment.
7. Tie up with e-Commerce platform for on-line marketing through e-Commerce companies like Paytm, Aarmart.
8. Special efforts to attract youth by introducing attractive T-shirts, Khadi jeans, jackets, kurtis, etc. as well as launching a range of casual wear called vichar vastra specially designed by Ms. Ritu Beri.
9. Opening of sales outlets at domestic as well as international airports like Vishakapatnam, Lucknow, Ahmedabad, etc.
10. Opening Khadi Outlets in Post Offices.
11. Tie up arrangements for bringing out innovative export quality product designs with NIFT, etc.
12. Ensuring strong digital presence with a vision to reach out to the required target audience through online social media such as Face book, Twitter, LinkedIn, YouTube, Instagram etc.
13. Introducing store app through mobile application to facilitate the customers to locate the Khadi India sales outlet at various geographical location to increase foot falls at various stores under Khadi sector.
14. Introduction of pre-paid Gift Voucher Scheme for corporate gifting including PSU and Government Departments.

Annexure-II referred to in reply to part (a) of the Lok Sabha Unstarred Question No. 1456 for answer on 05.03.2018

Statement of Comparative Performance of Khadi & Village Industries

(Rs. in crore and Emp. in lakh persons)

S. No.	Particulars	2015-16	2016-17	% increased
I.	Production			
A.	Khadi	1065.60	1401.84	31.55%
B.	Polyvastra	92.84	118.99	28.17%
Total	Khadi & Poly	1158.44	1520.83	31.28%
C.	Village industries	33331.78	41110.26	23.34%
	Total-I	34490.22	42631.09	23.60%
II.	Sales			
A.	Khadi	1510	2007.61	32.95%
B.	Polyvastra	153.98	138.99	-
Total	Khadi & Poly	1663.98	2146.60	29.00%
C.	Village industries	40230.58	49991.61	24.26%
	Total-II	41894.56	52138.21	24.45%
III.	Employment			
A.	Khadi	11.07	4.28	-
B.	Polyvastra	0.50	0.28	-
Total	Khadi & Poly	11.57	4.56	-
C.	Village industries	126.26	131.84	4.42%
	Total-III	137.83	136.40	-

Annexure-III referred to in reply to part (a) of the Lok Sabha Unstarred Question No. 1456 for answer on 05.03.2018

State/UT-wise details of number of micro units setup and Margin Money disbursed under PMEGP scheme during the last two years and current year

State-wise position of PMEGP during 2015-16

Sr. No.	State/UT	Margin money subsidy allocated (Rs. lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)
1	Jammu& Kashmir	4006.80	3781.19	2207	12115
2	Himachal Pradesh	1721.57	1767.26	1077	5134
3	Punjab	3026.80	2902.97	966	7762
4	UT Chandigarh	90.00	87.72	43	323
5	Uttarakhand	1909.93	1740.86	1136	6161
6	Haryana	3747.40	3112.09	1248	7232
7	Delhi	257.35	254.05	256	2048
8	Rajasthan	4188.14	4384.07	1988	14537
9	Uttar Pradesh	17535.32	14456.87	4365	43059
10	Bihar	7118.59	6588.55	2430	19624
11	Sikkim	227.38	186.11	110	397
12	Arunachal Pradesh	200.08	38.85	35	104
13	Nagaland	1255.83	1392.81	623	4998
14	Manipur	2855.92	1213.98	685	2715
15	Mizoram	924.99	1026.35	1134	9072
16	Tripura	2748.26	945.84	642	5355
17	Meghalaya	1250.62	1056.12	603	4824
18	Assam	4969.87	2869.74	3483	9026
19	West Bengal	4765.49	3400.65	1873	12746
20	Jharkhand	3462.64	3559.74	1839	12873
21	Odisha	6282.00	5736.32	2876	17629
22	Chhattisgarh	4303.80	2829.38	1277	9496
23	Madhya Pradesh	7729.40	8117.17	1979	16497
24	Gujarat*	6536.16	6339.73	1419	14960
25	Maharashtra**	9718.42	5285.03	2497	20161
26	Andhra Pradesh	4496.85	2262.37	642	7740
27	Telangana	2094.00	2217.57	660	7761
28	Karnataka	10846.89	5898.01	2140	17284
29	Goa	159.40	165.43	91	500
30	Lakshadweep	90.00	0.00	0	0
31	Kerala	2731.60	2720.48	1369	9653
32	Tamil Nadu	7110.80	5497.54	2463	20836
33	Puducherry	100.00	106.37	65	447
34	Andaman & Nicobar Islands	158.00	65.11	119	293
		128620.30	102006.33	44340	323362

including un-utilized balance funds of previous year.

* including Daman & Diu.

** including Dadra & Nagar Haveli

State-wise position of PMEGP during 2016-17

Sr. No.	State/UT	Margin money annual targets(BE) (Rs. lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)
1	Jammu& Kashmir	3541.26	2621.40	1492	11691
2	Himachal Pradesh	1970.11	2185.27	941	6916
3	Punjab	3504.09	3181.60	1266	9858
4	UT Chandigarh	100	82.84	47	376
5	Uttarakhand	2140.93	2122.33	1345	9890
6	Haryana	3371.31	3383.53	1377	11016
7.	Delhi	300	182.41	119	952
8	Rajasthan	5500.99	4641.6	1749	13408
9	Uttar Pradesh	12981.52	14271.05	4074	36315
10	Bihar	6909.77	8336.51	3234	25872
11	Sikkim	200	35.93	27	201
12	Arunachal Pradesh	500	440.34	301	1984
13	Nagaland	1751.68	2007.48	1018	7783
14	Manipur	1741.7	2162.78	1265	8419
15	Mizoram	1253.49	491.96	425	3400
16	Tripura	1578.62	3734.66	2297	17961
17	Meghalaya	1748.1	407.89	329	2632
18	Assam	5636.41	4910.38	6028	31498
19	West Bengal	3680.3	6270.32	3528	26604
20	Jharkhand	4165.73	2654.35	1300	10400
21	Odisha	5201.65	6848.96	3029	20392
22	Chhattisgarh	4493.3	4070.73	1598	12856
23	Madhya Pradesh	8527.32	8346.06	1940	15520
24	Gujarat*	5398.45	7561.61	1386	11629
25	Maharashtra **	6111.29	6001.36	2325	17799
26	Andhra Pradesh	2336.59	4916.08	1357	14148
27	Telangana	2004.86	2561.72	664	6445
28	Karnataka	4941.62	11609.56	3575	30286
29	Goa	371.62	191.44	90	660
30	Lakshadweep	50	00	00	00
31	Kerala	2446.06	3350.68	1584	13068
32	Tamil Nadu	5291.23	8213.92	2941	25764
33	Puducherry	150	103.65	66	699
34	Andaman & Nicobar Islands	100	193.46	195	1398
		110000	128093.86	52912	407840

including un-utilized balance funds of previous year.

* including Daman & Diu.

** including Dadra & Nagar Haveli

State-wise position of PMEGP during 2017-18 (As on 31.01.2018)

Sr. No.	State/UT	Margin money annual targets (Rs. lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)
1	Jammu& Kashmir	3272.84	4300.67	2275	18200
2	Himachal Pradesh	1785.19	1267.87	546	4368
3	Punjab	3272.84	2686.57	1016	8128
4	UT Chandigarh	100.00	62.97	31	248
5	Uttarakhand	1933.95	1709.11	929	7432
6	Haryana	3272.84	2691.6	1086	8688
7.	Delhi	300.00	75.39	56	448
8	Rajasthan	4909.26	3213.65	974	7792
9	Uttar Pradesh	11157.41	11398.3	3710	29680
10	Bihar	5653.09	3458.79	1192	9536
11	Sikkim	200.00	24.56	21	168
12	Arunachal Pradesh	500.00	206.74	141	1128
13	Nagaland	1728.96	2382.68	848	6784
14	Manipur	1434.32	775.55	347	2776
15	Mizoram	1245.66	146.97	135	1080
16	Tripura	1283.75	1097.88	622	4976
17	Meghalaya	1720.32	85.85	52	416
18	Assam	5351.99	1487.18	1595	12760
19	West Bengal	2975.31	3059.95	1069	8552
20	Jharkhand	3570.37	1222.86	525	4200
21	Odisha	4462.97	3550.86	1544	12352
22	Chhattisgarh	4016.67	1938.56	793	6344
23	Madhya Pradesh	7587.04	4477.03	1034	8272
24	Gujarat*	4909.26	9487.59	1394	11152
25	Maharashtra **	5355.56	5856.99	2243	17944
26	Andhra Pradesh	1933.95	4017.38	1212	9696
27	Telangana	4611.73	2734.06	805	6440
28	Karnataka	4462.97	5051.75	1595	12760
29	Goa	297.53	110.17	34	272
30	Lakshadweep	100.00	00	00	00
31	Kerala	2082.72	1630.41	734	5872
32	Tamil Nadu	4760.50	6414.86	2536	20288
33	Puducherry	100.00	60.06	34	272
34	Andaman & Nicobar Islands	100.00	189.09	151	1208
		100449	86873.95	31279	250232

including un-utilized balance funds of previous year.

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

Annexure-IV referred to in reply to part (a) of the Lok Sabha Unstarred Question No. 1456 for answer on 05.03.2018

Details of LBIs allotted to the various States

Sl.No	AREA OF OPERATION	NODAL AGENCY
1	2	3
	ANDHRA PRADESH	
1.	Regional Office, Rajahmundry	Coir Board
	ASSAM	
2.	Guwahati	IIE, Guwahati
3.	Kamrup	IIE, Guwahati
4.	Sibsagar	IIE, Guwahati
	BIHAR	
5.	Nawada	NSIC
6.	Patna	KVIC-MDTC
7.	Bhartiya Harit Khadi	Bhartiya Harit Khadi
	DELHI	
8.	Jamia Milia Islamia University	Jamia Milia Islamia University
9.	Mayur Vihar, New Delhi	Bapu Nature Cure Hospital & Yoga Ashram
	GUJARAT	
10.	Rajkot	NSIC
	HARYANA	
11.	Faridabad	NSIC
	KARNATAKA	
12.	Dandeli (Uttara Kannada Dist.)	VTU, Karnataka
	KERALA	
13.	Cochin	CBPST
	MADHYA PRADESH	
14.	Dewas	MP Laghu Udyog Nigam Ltd.- Govt. of M.P.
15.	Satna	MP Bamboo Mission – Govt. of M.P.
16.	Amarkantak	IGTU, MP
	MAHARASHTRA	
17.	Nashik	KVIC-MDTC
18.	Pune	KVIC-MDTC
	MANIPUR	
19.	District Industrial Centre, Chandel	State Govt. of Manipur
20.	District Industrial Centre, Ukhrul	State Govt. of Manipur
21.	District Industrial Centre, Imphal East	State Govt. of Manipur
22.	District Industrial Centre, Imphal West	State Govt. of Manipur
23.	District Industrial Centre, Thoubal	State Govt. of Manipur
24.	District Industrial Centre, Senapati	State Govt. of Manipur

25.	District Industrial Centre, Tamenglong	State Govt. of Manipur
26.	District Industrial Centre, Bishnupur	State Govt. of Manipur
27.	District Industrial Centre, Churachandpur	State Govt. of Manipur
	MIZORAM	
28.	Aizawl	Khadi Board, Mizoram
	MEGHALAYA	
29.	Tura & Nongstoin	Meghalaya Basin Management Agency (MBMA)
	NAGALAND	
30.	Doshehe	Doshehe, Nagaland
	ODISHA	
31.	Khurda	Centurion University of Technology and Management
32.	Regional Office, Bhubaneswar	Coir Board
33.	Khurda	IEDO, Bhubaneswar, Govt. of Odisha
34.	Jajpur	IEDO, Bhubaneswar, Govt. of Odisha
	RAJASTHAN	
35.	Jhalawar	RIICO-GCE
36.	Kota	Rajasthan Technical University
37.	Ajmer	Government Engineering College
38.	Bikaner	Government Engineering College
	TAMIL NADU	
39.	Chennai	NSIC
40.	Regional Extension Center (REC), Tanjavore	Coir Board
41.	Tirupur	NIFT-TEA
	TELANGANA	
42.	Hyderabad	NiMSME, Hyderabad
	UTTAR PRADESH	
43.	Deoria	NSIC
44.	Naini	NSIC
45.	NOIDA	NIESBUD, NOIDA
46.	Basti (Basti District)	Kapil Bal Evam Mahila Kalyan Sansthan
47.	Lucknow	Samadhan Samithi
48.	Amethi	UPTA
49.	Balia	UPTA
50.	Basti	UPTA
51.	Faizabad	UPTA
52.	Ghazipur	UPTA
53.	Kushinagar	UPTA
	UTTARAKHAND	
54.	Kashipur	NSIC