

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**STARRED QUESTION NO. \*468**  
**TO BE ANSWERED ON 25.07.2019**

**ACHIEVEMENTS OF KVIC**

**\*468. SHRI RAJA AMARESHWARA NAIK:**  
**SHRI VINOD KUMAR SONKAR:**

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

- (a) whether the Khadi and Village Industries Commission (KVIC) has been successful in achieving their objectives during the last five years and if so, the details thereof;
- (b) the details of the development schemes/programmes being implemented by KVIC and the funds allocated therefor during each of the last five years, State/ UT-wise;
- (c) whether the Government has initiated any reform and development programme for KVIC;
- (d) if so, the details thereof along with the extent to which it is likely to help KVIC in achieving its objectives and if not, the reasons therefor; and
- (e) the other steps being taken by the Government in this regard?

**ANSWER**

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

(a) to (e): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. \*468 FOR ANSWER ON 25.07.2019**

(a): Yes, Sir. Khadi & Village Industries Commission (KVIC) has the objective of development of Khadi and Village Industries. KVIC's endeavour towards achieving its objective is reflected in the table below giving figures of production, sales and employment for the last five years:-

Year	Production (Rs. in crore)		Sales (Rs. in crore)		Cumulative Employment (No. of persons in lakhs)	
	Khadi	V.I.	Khadi	V.I.	Khadi	V.I.
2014-15	879.98	26689.39	1170.38	31965.52	11.06	123.19
2015-16	1065.60	33424.62	1510.00	40384.56	11.07	126.76
2016-17	1520.83	41110.26	2146.60	49991.61	4.56 <sup>@</sup>	131.84
2017-18	1626.66	46454.75	2510.21	56672.22	4.65	135.71
2018-19 (P)	1963.30	56255.18	3215.13	71113.68	4.95	142.03

Note: Khadi includes Polyvastra & Solarvastra from 2015-16 onwards

<sup>@</sup>-Aadhaar-enabled from 2016-17 onwards

P-Provisional

(b): KVIC is implementing a number of Central Sector Schemes of the Ministry of Micro, Small and Medium Enterprises (MSME) for Khadi and Village Industries sector. The funds under these schemes including Prime Minister's Employment Generation Programme (PMEGP) are given to KVIC in lump-sum and are not allocated State/UT wise. The important schemes are (i) Market Promotion Development Assistance (MPDA), (ii) Interest Subsidy Eligibility Certificate (ISEC) and (iii) Workshed Scheme for Khadi artisans.

(Rs. in crore)

Scheme	2014-15	2015-16	2016-17	2017-18	2018-19
PMEGP	1093.06	1286.20	1082.90	1170.00	1968.80
MDA/MPDA, ISEC & 'Workshed Scheme for Khadi Artisans'	250.25	195.77	400.41	379.22	197.51
<b>Total</b>	<b>1343.31</b>	<b>1481.97</b>	<b>1483.31</b>	<b>1549.22</b>	<b>2166.31</b>

Note: Market Development Assistance (MDA) scheme has been changed to MPDA from FY 2016-17.

In addition to the above-mentioned schemes, KVIC, as a nodal agency, is implementing, a credit linked subsidy programme namely, Prime Minister's Employment Generation Programme (PMEGP) for generating employment by setting up micro enterprises including agro rural industries in the non-farm sector. The State-wise release of margin money subsidy, which is treated as target, and the achievements in terms of margin money subsidy utilized for setting up micro enterprises, for the last five years under PMEGP, is given at **Annexure-I**.

(c) to (e): Yes, Sir. The Khadi Reform Development Program (KRDP) has been initiated with financial assistance from Asian Development Bank (ADB). KRDP has been designed to revitalize the Khadi sector with enhanced sustainability of Khadi, increased incomes and employment for spinners and weavers, increased artisans' welfare and achieve synergy with village industries. '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.

300 Khadi Institutions have been identified for reform assistance. The Programme contains a provision for upgradation of Central Sliver Plants of KVIC, market development activities like market survey, design inputs, brand building, 'Khadi Mark' promotion, development of clusters in five traditional village industries, opening of new sales outlets in metropolitan cities and State capitals, and renovation and modernization of institutional sales outlets.

KRDP is closely monitored and reviewed at the level of implementing agency i.e KVIC and the Ministry. Efforts for systemic improvement in the light of implementation problems are a continuous process. 'Khadi Mark' has also been introduced under KRDP to guarantee the genuineness and purity of Khadi sold in the market. Improvement in sale of KVI products is expected by introduction of 'Khadi Mark'.

New initiatives taken by the Government for promotion of Khadi products are mentioned in **Annexure-II**.

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**Annexure-I referred to in reply to part (b) of the Lok Sabha Starred Question No. \*468 for answer on 25.07.2019**

Year-wise and State-wise details of Margin Money allocated & utilized, job opportunities (including women) created and number of units set up under **PMEGP Scheme** during 2014-15, 2015-16, 2016-17, 2017-18 & 2018-19

Sl. No.	State/UT	2014-15				2015-16			
		Margin Money(RE) subsidy allocated (Rs.lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)	Margin Money(RE) subsidy allocated (Rs.lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)
1	Jammu& Kashmir	2919.50	3274.63	1565	11025	4006.80	3781.19	2207	12115
2	Himachal Pradesh	1687.45	2237.73	1244	6352	1721.57	1767.26	1077	5134
3	Punjab	2611.49	3190.88	1153	6438	3026.80	2902.97	966	7762
4	UT Chandigarh	287.99	61.46	36	160	90.00	87.72	43	323
5	Uttarakhand	1882.35	2153.32	1333	7889	1909.93	1740.86	1136	6161
6	Haryana	2716.36	3012.98	1175	7024	3747.40	3112.09	1248	7232
7	Delhi	1061.04	189.24	198	1584	257.35	254.05	256	2048
8	Rajasthan	5369.78	5249.62	1976	15002	4188.14	4384.07	1988	14537
9	Uttar Pradesh	13239.41	16937.53	4891	48604	17535.32	14456.87	4365	43059
10	Bihar	8277.14	4111.32	1639	9240	7118.59	6588.55	2430	19624
11	Sikkim	541.34	33.52	16	54	227.38	186.11	110	397
12	Arunachal Pradesh	1793.42	1004.99	652	2871	200.08	38.85	35	104
13	Nagaland	1563.64	878.59	416	2407	1255.83	1392.81	623	4998
14	Manipur	1403.65	1600.76	747	829	2855.92	1213.98	685	2715
15	Mizoram	1043.39	807.98	817	6736	924.99	1026.35	1134	9072
16	Tripura	985.02	1333.65	787	6333	2748.26	945.84	642	5355
17	Meghalaya	1184.80	971.14	555	3680	1250.62	1056.12	603	4824
18	Assam	5388.74	5397.01	5015	15535	4969.87	2869.74	3483	9026
19	West Bengal	4396.32	6010.11	3397	24646	4765.49	3400.65	1873	12746
20	Jharkhand	4547.06	2871.29	1699	8495	3462.64	3559.74	1839	12873
21	Odisha	5621.47	3945.89	2013	10211	6282.00	5736.32	2876	17629
22	Chhattisgarh	3474.41	2045.68	847	5821	4303.80	2829.38	1277	9496
23	Madhya Pradesh	8182.74	9241.70	2737	21896	7729.40	8117.17	1979	16497
24	Gujarat*	4246.72	6200.52	1289	18107	6536.16	6339.73	1419	14960
25	Maharashtra**	6299.38	7843.81	3469	28311	9718.42	5285.03	2497	20161
26	Andhra Pradesh	2667.87	3492.11	937	12220	4496.85	2262.37	642	7740
27	Telangana	1954.44	1889.35	604	6604	2094.00	2217.57	660	7761
28	Karnataka	4412.99	6479.10	2431	21825	10846.89	5898.01	2140	17284
29	Goa	466.91	141.76	78	406	159.40	165.43	91	500
30	Lakshadweep	704.68	28.61	31	93	90.00	0.00	0	0
31	Kerala	2206.51	2679.28	1344	9738	2731.60	2720.48	1369	9653
32	Tamil Nadu	4824.96	6733.89	2858	36190	7110.80	5497.54	2463	20836
33	Puducherry	749.95	112.10	58	386	100.00	106.37	65	447
34	A&N Islands	593.09	92.32	161	790	158.00	65.11	119	293
	<b>Total</b>	<b>109306.01</b>	<b>112253.87</b>	<b>48168</b>	<b>357502</b>	<b>128620.30</b>	<b>102006.33</b>	<b>44340</b>	<b>323362</b>

Sl. No.	State/UT	<u>2016-17</u>				<u>2017-18</u>			
		Margin Money(RE) subsidy allocated (Rs.lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)	Margin Money(RE) subsidy allocated (Rs.lakh)	Margin money subsidy utilized# (Rs. lakh)	Number of projects assisted	Estimated employment generated (No. of persons)
1	Jammu& Kashmir	1541.26	2621.40	1492	11691	4772.84	6913.15	3753	30024
2	Himachal Pradesh	1970.11	2185.27	941	6916	1785.19	2042.5	886	7088
3	Punjab	2004.09	3181.60	1266	9858	3772.84	3930.46	1520	12160
4	UT Chandigarh	100.00	82.84	47	376	100.00	90.07	45	360
5	Uttarakhand	1140.93	2122.33	1345	9890	2133.95	2880.98	1613	12904
6	Haryana	3371.31	3383.53	1377	11016	3772.84	4167.04	1718	13744
7	Delhi	300	182.41	119	952	200.00	150.65	115	920
8	Rajasthan	3500.99	4641.6	1749	13408	4909.26	4929.04	1577	12614
9	Uttar Pradesh	12981.52	14271.05	4074	36315	13157.41	16866.47	5432	43456
10	Bihar	6909.77	8336.51	3234	25872	5653.09	6558.85	2307	18456
11	Sikkim	86.48	35.93	27	201	200.00	46.36	37	296
12	Arunachal Pradesh	500	440.34	301	1984	500.00	309.42	209	1672
13	Nagaland	2083.90	2007.48	1018	7783	2728.96	2672.15	930	7440
14	Manipur	1822.73	2162.78	1265	8419	1434.32	1383.87	600	4800
15	Mizoram	648.39	491.96	425	3400	945.66	274.05	249	1992
16	Tripura	2268.97	3734.66	2297	17961	2283.75	1892.3	1116	8928
17	Meghalaya	286.35	407.89	329	2632	1420.32	118.27	75	600
18	Assam	5003.18	4910.38	6028	31498	5351.99	2362.48	2282	18256
19	West Bengal	5680.30	6270.32	3528	26604	3475.31	3891.37	1366	10928
20	Jharkhand	2165.73	2654.35	1300	10400	2070.37	2439.53	1111	8888
21	Odisha	7201.65	6848.96	3029	20392	4962.97	5680.65	2399	19192
22	Chhattisgarh	4493.3	4070.73	1598	12856	2816.67	3398.4	1463	11704
23	Madhya Pradesh	8527.32	8346.06	1940	15520	7587.04	7631.41	1804	14432
24	Gujarat*	7398.46	7561.61	1386	11629	9909.26	12883.63	1876	15008
25	Maharashtra**	2111.30	6001.36	2325	17799	6855.56	8749.73	3329	26632
26	Andhra Pradesh	4336.58	4916.08	1357	14148	3933.95	5336.1	1527	12216
27	Telangana	2004.86	2561.72	664	6445	4611.73	4030.21	1190	9520
28	Karnataka	7941.62	11609.56	3575	30286	5462.97	6477.94	2115	16920
29	Goa	371.62	191.44	90	660	197.53	149.07	50	400
30	Lakshadweep	50	00	00	00	50.00	00	00	00
31	Kerala	3946.06	3350.68	1584	13068	2333.72	2910.44	1347	10776
32	Tamil Nadu	5291.23	8213.92	2941	25764	7260.50	9717.58	4095	32760
33	Puducherry	150	103.65	66	699	100.00	78.95	44	352
34	A&N Islands	100	193.46	195	1398	250.00	276.95	218	1744
<b>Total</b>		<b>108290.01</b>	<b>128093.86</b>	<b>52912</b>	<b>407840</b>	<b>117000</b>	<b>131240.07</b>	<b>48398</b>	<b>387182</b>

# including un-utilized balance funds of previous year.  
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\* including Daman &

\*\* including Dadra & Nagar Haveli

Sl. No	State/UT	<b>2018-19</b>			
		<b>Margin Money(RE) subsidy allocated (Rs.lakh)</b>	<b>Margin money subsidy utilized# (Rs. lakh)</b>	<b>Number of projects assisted</b>	<b>Estimated employment generated (No. of persons)</b>
1	A & N Islands	338.64	318.52	229	1832
2	Andhra Pradesh	6242.74	9046.31	2220	17760
3	Arunachal Pradesh	871.6	419.88	280	2240
4	Assam	12657.7	4167.41	3737	29896
5	Bihar	10869.49	9842	3303	26424
6	Chhattisgarh	6339.11	6784.52	3094	24752
7	Delhi	282.96	157.13	132	1056
8	Goa	605.15	237.23	78	624
9	Gujarat*	14417.95	25443.87	3500	28000
10	Haryana	4664.1	5178.43	2165	17320
11	Himachal Pradesh	3211.4	4135.61	1399	11192
12	Jammu&Kashmir	7745.12	15222	7529	60232
13	Jharkhand	6193.49	4535.69	1797	14376
14	Karnataka	8439.66	10725.32	3657	29256
15	Kerala	4167.38	5383.93	2486	19888
16	Lakshadweep	47.16	0	0	0
17	Madhya Pradesh	11952.9	10002.28	2526	20208
18	Maharashtra**	10833.6	15272.02	5642	45136
19	Manipur	3144.19	2041.06	1291	10328
20	Meghalaya	3253.7	587.14	390	3120
21	Mizoram	2645.45	1514.9	1123	8984
22	Nagaland	3425.5	2349.67	1208	9664
23	Odisha	7719.19	7856.18	3070	24560
24	Puducherry	191.48	150.7	76	608
25	Punjab	4617.17	4766.68	1801	14408
26	Rajasthan	7743.65	7199.28	2359	18872
27	Sikkim	238.64	112.35	55	440
28	Tamil Nadu	10438.88	13290.95	5185	41480
29	Telangana	7250.96	7180.89	2051	16408
30	Tripura	3165.99	2314.24	1179	9432
31	UT Chandigarh	94.32	63.91	28	224
32	Uttar Pradesh	22171.59	19033.28	5243	41944
33	Uttarakhand	3475.4	4098.38	2181	17448
34	West Bengal	7423.74	7568.78	2413	19304
		<b>196880</b>	<b>207000.54</b>	<b>73427</b>	<b>587416</b>

# including un-utilized balance funds of previous year.  
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\* including Daman &

\*\* including Dadra & Nagar Haveli

**Annexure-II referred to in reply to part (c)to(e) of the Lok Sabha Starred Question No. \*468 for answer on 25.07.2019**

Following are the initiatives taken for promotion of Khadi products:

1. To ensure genuineness of Khadi “Khadi Mark” has been notified by Government of India.
2. Ministry of Commerce and Industry, Govt. of India has extended KVIC, the status of Deemed EPC, for supporting promotion of Khadi and Village Industries products in international market. 1088 Khadi & Village Industries Institutions and REGP/PMEGP Units have taken its membership to enter the field of export. KVIC through its assisted institutions and units participates in various international exhibitions.
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 by conducting exhibitions and workshops for Khadi Institutions.
4. Tie up arrangements for bringing out innovative export quality product designs with NIFT, etc.
5. KVIC participated/Exhibited/Promoted Khadi products on the occasion of 72<sup>nd</sup> Independence Day celebrations on 15<sup>th</sup> August 2018 in 10 Indian Consulates abroad.
6. Exhibited/Promoted Khadi products under an activity of “Global Khadi” on the celebration of 150<sup>th</sup> Birth Anniversary of Mahatma Gandhi in 57 Indian Embassies/ Missions abroad.
7. For unique identity of “Khadi”, a separate HS code for 22 items of Khadi product has also been requested from the Ministry of Commerce for recognizing the potential of export of KVI products.
8. 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.
9. KVIC has entered into an agreement with M/s. GLOBUS, a retail clothing stores chain for setting up of ‘Khadi Korner’, a shop in shop concept, initially in Globus Showroom at Noida, followed by Globus showrooms in Chennai and Ahmedabad.
10. Setting up of modern ‘Khadi Lounge’ with exquisite Khadi designer garments.
11. Launched of ‘franchise scheme’ to expand the sales distribution network.
12. Tie up with e-Commerce platform for on-line marketing through e-Commerce companies like PayTM.
13. Opening of sales outlets at domestic as well as international airports like Visakhapatnam, Lucknow, Ahmedabad and Varanasi.
14. Opening Khadi Outlets in Post Offices.
15. Launched ‘store app’ through mobile application to facilitate the customers to locate Khadi India sales outlet at various geographical locations to increase foot falls at various stores under Khadi sector.
16. Introduction of pre-paid Gift Voucher Scheme for corporate gifting including PSU and Government Departments.
17. 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 ‘vicharvastra’ specially designed by Ms. Ritu Beri.