

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 838
TO BE ANSWERED ON 07.12.2023

COTTAGE INDUSTRIES

838. SHRI RAMCHARAN BOHRA:

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

- (a) the current status of Cottage Industries in the country, particularly in Rajasthan;
- (b) the efforts being made by the Government to promote such industries;
- (c) whether the Government has formulated any plan to revive and promote the Domestic Cottage Industries which are on the verge of extinction;
- (d) if so, the details thereof, State-wise; and
- (e) if not, the proposal under consideration of the Government in this regard?

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 groups for the purpose of implementation of its programmes such as (i) Agro Based & Food Processing Industry (ABFPI), (ii) Mineral Based Industry (MBI), (iii) Wellness & Cosmetics Industry, (iv) Handmade Paper, Leather & Plastic Industry (HPLPI), (v) Rural Engineering and New Technology Industry (RENTI), (vi) Service Industry and (vii) Textiles Industry.

Ministry of MSME is promoting cottage industries across the country through the following schemes:

- 1. Prime Minister's Employment Generation Programme (PMEGP):** PMEGP is a credit-linked subsidy programme for generating self-employment opportunities through establishment of micro enterprises, including village industries, throughout the country.
- 2. Scheme of Fund for Regeneration of Traditional Industries (SFURTI):** Under this scheme, traditional industries and artisans are organized into collective manufacturing enterprises for making value added traditional products and provide the artisans with enhanced sustainable employment.
- 3. Khadi Vikas Yojana (KVY):** The scheme aims to increase productivity and wages of khadi artisans and secure their livelihood. It also assists in improving infrastructure for khadi production and thereby increasing its production and sales.
- 4. Gramodyog Vikas Yojana (GVY):** The scheme aims to revive traditional and inherent skills of rural artisans by imparting advanced skill development training along-with distribution of modern toolkits.
- 5. Coir Vikas Yojana (CVY):** The scheme aims to support growth of coir industry and promote sustainable employment of coir workers.

The current status of cottage industries in the country and particularly in Rajasthan State for the above schemes is placed in **Annexure I**.

(c) to (e): Yes, sir. The Government has taken following initiatives to revive and promote domestic cottage industries across the country:

- i. 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, Differently-abled, 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.
- ii. Under SFURTI, assistance is provided for establishment of Common Facility Centers (CFCs), procurement of new machineries, along with skill upgradation, marketing and design support, etc. Support is provided up to Rs. 2.50 crore (Regular Cluster) for clusters up to 500 artisans and Rs. 5.00 crore (Major Cluster) for clusters with more than 500 artisans. The major sectors covered under SFURTI include handicrafts, textiles, bamboo, agro-processing, honey, khadi, coir, etc.
- iii. Under KVY, assistance is provided to Khadi Institutions and artisans through schemes such as Modified Marketing Development Assistance (MMDA), Interest Subsidy Eligibility Certificate (ISEC), Workshed Scheme for Khadi Artisans, Strengthening of Infrastructure of Existing weak Khadi Institutions and Assistance for Marketing Infrastructure, etc., to increase Khadi production and provide sustainable employment to Khadi workers.
- iv. Under GVV, skill development training and advanced tools and equipment are provided to rural and traditional artisans for promoting entrepreneurship among rural people in bee-keeping activities, pottery, agarbatti manufacturing, leather footwear activities, etc. These include components such as Honey Mission, Kumhar Sashaktikaran Programme, etc.
- v. Under CVY, sustainable employment is generated in Coir industry through various components focusing on skill upgradation, domestic and export market promotion, technological upgradation and welfare of coir artisans particularly women.

Besides, the Ministry of Textiles is administering the schemes of National Handloom Development Programme and Raw Material Supply Scheme. Under the National Handloom Development Programme, clusters are identified and financially assisted through various interventions like provision of upgraded looms & accessories, solar lighting units, construction of workshed, product & design development, technical and common infrastructure, marketing of handloom products in domestic/overseas markets, concessional loans under MUDRA Scheme, social security for the beneficiaries, etc. Under the Raw Material Supply Scheme, the Ministry provides transport subsidy, for transportation of yarn to the doorstep of the beneficiary, and 15% Price Subsidy on Cotton Hank Yarn, Domestic Silk, Woollen and Linen yarn and blended yarn of natural fibres.

Details of State-wise performance of PMEGP, SFURTI, GVV, KVV and CVY are given at **Annexure II**.

Annexure I: referred to in reply to part (a) & (b) of the Lok Sabha Unstarred Question No. 838 for answer on 07.12.2023

Details of units assisted and estimated employment generated under PMEGP since inception in 2008-09 and till 30.11.2023 in the country and particularly in Rajasthan State are given below:

States/ UT	Units assisted	Estimated employment generated
India	916230	74.86 lakh persons
Rajasthan	31573	2.60 lakh persons

Details of functional clusters and artisans covered under SFURTI since 2015-16 and till 30.11.2023 in the country and particularly in Rajasthan State are given below:

States/ UT	No. of functional clusters	Artisans covered
India	358	209670
Rajasthan	20	11361

Details of registered Khadi Institutions and Khadi Artisans as on 31.03.2023 in the country and particularly in Rajasthan State are given below:

States/ UT	No. of registered Khadi Institutions	No. of Khadi Artisans engaged
India	2913	498498
Rajasthan	182	30589

Number of beneficiaries under GVV as on 31.03.2023 in the country and particularly in Rajasthan State are given below:

States/ UT	No. of beneficiaries under Honey Mission of GVV	No. of beneficiaries under Kumhar Sashaktikaran Programme of GVV
India	18631	25940
Rajasthan	784	3695

Details of number coir units registered as on 31.03.2023 in the country and particularly in Rajasthan State are given below:

States/ UT	No. of registered coir units
India	17054
Rajasthan	5

Annexure-II: referred to in reply to part (c) to (e) of the Lok Sabha Unstarred Question No. 838 for answer on 07.12.2023

Details of State-wise performance of PMEGP during 2022-23 and 2023-24 (as on 30.11.2023) are given below:

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

2023-24 (as on 30.11.2023)

Sr. No.	States/ UTs	Margin Money Disbursed (Rs. in Lakh)	Number of units setup	Estimated employment generated
1	Andaman & Nicobar	47.32	38	304
2	Andhra Pradesh	11805.28	2606	20848
3	Arunachal Pradesh	1228.23	123	984
4	Assam	3648.96	1319	10552
5	Bihar	11234.99	3229	25832
6	Chandigarh-UT	18.44	8	64
7	Chhattisgarh	3290.55	981	7848
8	Delhi	258.24	37	296
9	Goa	172.71	38	304
10	Gujarat*	24617.16	2252	18016
11	Haryana	4565.39	781	6248
12	Himachal	1903.79	478	3824
13	Jammu & Kashmir	17861.35	8313	66504
14	Jharkhand	2390.45	876	7008
15	Karnataka	9416.14	2537	20296
16	Kerala	3358.01	1419	11352
17	Ladakh	394.62	85	680
18	Lakshadweep	0.00	0	0
19	Madhya Pradesh	8092.45	2131	17048
20	Maharashtra**	6918.25	1333	10664
21	Manipur	566.91	248	1984
22	Meghalaya	429.83	161	1288
23	Mizoram	1360.81	315	2520
24	Nagaland	726.21	211	1688
25	Odisha	4154.36	1196	9568
26	Puducherry	24.38	8	64
27	Punjab	7594.23	1055	8440
28	Rajasthan	8517.41	1088	8704
29	Sikkim	206.68	67	536
30	Tamil Nadu	11835.74	3137	25096
31	Telangana	7641.52	1600	12800
32	Tripura	893.61	371	2968
33	Uttar Pradesh	28471.45	7024	56192
34	Uttarakhand	2995.68	910	7280
35	West Bengal	3368.04	894	7152
	Total	190009.19	46869	374952

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

Details of State-wise performance of SFURTI scheme since 2015-16 and till 30.11.2023 are given below:

S. No.	State	Total Artisans	Total Functional Clusters
1	Andhra Pradesh	11121	13
2	Arunachal Pradesh	1024	3
3	Assam	16893	32
4	Bihar	5482	8
5	Chhattisgarh	2819	4
6	Gujarat	5580	11
7	Haryana	2446	4
8	Himachal pradesh	551	3
9	Jammu & Kashmir	1228	2
10	Jharkhand	3900	8
11	Karnataka	11171	19
12	Kerala	8397	9
13	Madhya Pradesh	17453	35
14	Maharashtra	10934	18
15	Manipur	8699	19
16	Meghalaya	1310	4
17	Mizoram	304	1
18	Nagaland	2747	7
19	Odisha	24186	40
20	Punjab	1708	2
21	Rajasthan	11361	20
22	Sikkim	872	4
23	Tamil Nadu	21087	18
24	Telangana	5643	12
25	Tripura	804	2
26	Uttar Pradesh	21707	41
27	Uttarakhand	2103	4
28	West Bengal	8140	15
	TOTAL	209670	358

Details of State-wise Beneficiaries benefitted under Kumbhar Sashkatikaran Programme and Honey Mission of Gramodyog Vikas Yojana from 2017-18 to 2022-23

Sr. No.	State/ Union Territories	Kumbhar Sashkatikaran Programme (2017-18 to 2022-23)		Honey Mission (2017-18-2022-23)	
		Electric Wheel Distributed	Pottery Artisans Benefitted	No. of Beneficiaries	No. of Bee Boxes Distribution
1.	Jammu & Kashmir	740	2960	815	8150
2.	Himachal Pradesh	380	1520	574	5740
3.	Punjab	260	1040	50	500
4.	Chandigarh (UT)	0	0	410	4100
5.	Haryana	880	3520	555	5550
6.	Delhi	75	300	40	565
7.	Rajasthan	3695	14780	784	7840
8.	Uttarakhand	200	800	820	8200
9.	Uttar Pradesh	5800	23200	2285	22846
10.	Chhattisgarh	380	1520	433	4330
11.	Madhya Pradesh	530	2120	525	5250
12.	Sikkim	0	0	5	50
13.	Arunachal Pradesh	0	0	35	350
14.	Nagaland	90	360	590	5900
15.	Manipur	140	560	580	5800
16.	Mizoram	0	0	750	7500
17.	Tripura	445	1780	450	4500
18.	Meghalaya	120	480	435	4350
19.	Assam	870	3480	601	6010
20.	Bihar	955	3820	1085	10850
21.	West Bengal	680	2720	575	5750
22.	Jharkhand	480	1920	585	5850
23.	Odisha	835	3340	462	4613
24.	Gujarat	1160	4640	1031	9310
25.	Maharashtra	3252	13008	987	9870
26.	Goa	180	720	53	315
27.	Andhra Pradesh	750	3000	468	4680
28.	Karnataka	1113	4452	798	7850
29.	Kerala	100	400	740	7400
30.	Tamil Nadu	1115	4460	775	7750
31.	Telangana	715	2860	335	3350
	GRAND TOTAL	25940	103760	18631	185119

Details of State-wise number of beneficiaries under Khadi Vikas Yojana (as on 31.03.2023)

Sr. No.	STATES / UNION TERRITORIES	No. of registered KIs under Khadi Sector	No. of Khadi Artisans (Employment under Khadi)
1	Jammu & Kashmir	109	21997
2	Himachal Pradesh	19	3376
3	Punjab	33	5191
4	Chandigarh (UT)	1	54
5	Haryana	131	56175
6	Delhi	10	1180
7	Rajasthan	182	30589
8	Uttarakhand	83	18060
9	Uttar Pradesh	775	137218
10	Chhattisgarh	25	6163
11	Madhya Pradesh	52	3707
12	Sikkim	0	28
13	Arunachal Pradesh	5	31
14	Nagaland	1	295
15	Manipur	5	168
16	Mizoram	0	12
17	Tripura	1	25
18	Meghalaya	1	59
19	Assam	23	5119
20	Bihar	147	72937
21	West Bengal	367	32656
22	Jharkhand	35	1869
23	Odisha	73	5347
24	Andaman & Nicobar Islands	0	0
25	Gujarat	226	18891
26	Maharashtra	40	3091
27	Goa	0	0
28	Andhra Pradesh	159	9076
29	Telangana	35	2347
30	Karnataka	262	27612
31	Lakshadweep Islands	0	0
32	Kerala	31	14379
33	Tamil Nadu	80	20381
34	Puducherry	2	465
	Total	2913	498498

Details of State-wise coir units registered under Coir Vikas Yojana (as on 31.03.2023)

S. No.	State/UT	Cumulative number of Coir Units Registered as on 31.03.2023
1.	Kerala	9258
2.	Tamil Nadu	4824
3.	Andhra Pradesh	1003
4.	Orissa	948
5.	Karnataka	730
6.	West Bengal	59
7.	Pondicherry	31
8.	Maharashtra	56
9.	New Delhi	17
10.	Uttar Pradesh	17
11.	N E Region	60
12.	UT of Lakshadweep	16
13.	Goa	4
14.	Gujarat	11
15.	Andaman & Nicobar	3
16.	Rajasthan	5
17.	Haryana	2
18.	Punjab	5
19.	Madhya Pradesh	3
20.	Jammu & Kashmir	2
	Total	17054