

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1810
TO BE ANSWERED ON 28.11.2019

PRODUCTION OF KHADI ITEMS

1810. SHRI BHANU PRATAP SINGH VERMA:

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

- (a) the total production of Khadi items recorded during each of the last three years, State/UT-wise;
- (b) the details of the new schemes formulated for development of Khadi udyog;
- (c) whether the Khadi products are sold in world market; and
- (d) if so, the way by which assistance is provided by the Government for sale of Khadi products in world market?

ANSWER

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

(a): The total production of Khadi (including Polyvastra and Solarvastra) during the last three years is as follows:

(Rs. in crore)

Particular	2016-17	2017-18	2018-19 (Provisional)
Production of Khadi (incl. Polyvastra and Solarvastra)	1520.83	1626.66	1963.30

State/UT-wise production of Khadi items during each of the last three years is placed at **Annexure-I**.

(b): The details of the new schemes formulated for development of Khadi udyog are as follows:

1. Solar Charkha Mission: The scheme envisages setting up of 'Solar Charkha Clusters', which would mean a focal village and other surrounding villages in a radius of 8 to 10 kilometres. Further, such a Cluster will have 200 to 2042 beneficiaries, viz., Spinners, Weavers, Stitchers and other Skilled Artisans.
2. Khadi and Gramodyog Vikas Yojana (KGVY): By merging all the existing schemes/sub schemes/ components under Khadi Grant and Village Industries Grant umbrellas with new components into envisaged sub schemes of "Khadi Vikas Yojana" (KVV) and "Gramodyog Vikas Yojana" (GVY).

The “**Khadi Vikas Yojana**” (KVY) includes two new components such as (1) Rozgar Yukt Gaon, (2) Design House (DH) and existing schemes like (3) Market Promotion Development Programme (MPDA), (4) Interest Subsidy Eligibility Certificate (ISEC), (5) Khadi Reforms Development Programme (KRDP), (6) Workshed Scheme for Khadi Artisans, (7) Strengthening infrastructure of existing weak Khadi institutions and assistance for marketing infrastructure & (8) Khadi (S&T).

In addition to the above new schemes, the Ministry is also implementing PMEGP and SFURTI schemes for the development of Khadi udyog:

1. 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 Boards (KVIBs) and District Industries Centres (DICs). 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. The scheme is being implemented since 2008-09.

2. Scheme of Fund for Regeneration of Traditional Industries (SFURTI) has been under implementation for making Traditional Industries more productive, market driven and competitive by organizing the Traditional Industries and artisans into clusters.

(c): Yes Sir.

(d): The export of Khadi products is done by the Khadi and Village Industries Institutions and units directly or through merchant exporters. KVIC do not export directly. Year-wise export of Khadi products for the last three years is as follows:

Particular	2016-17	2017-18	(Rs. in lakh)
			2018-19 (Provisional)
Exports of Khadi Products including readymade garments	301.47	186.38	185.00

The steps/initiatives taken by the Government for promotion and export of Khadi products are given in the **Annexure-II**.

Annexure-I referred to in reply to part (a) of the Lok Sabha Unstarred Question No. 1810 for answer on 28.11.2019

State-wise Khadi Production (including Polyvastra and Solar vastra) during last three years

(Rs. in lakh)

Sr. No.	States/ UTs	2016-17	2017-18	2018-19
1	Jammu and Kashmir	7128.73	4884.90	5298
2	Himachal Pradesh	495.37	606.48	370.10
3	Punjab	761.50	624.18	618.29
4	U.T. Chandigarh	0.44	5.25	5.25
5	Haryana	16163.49	13642.85	15557.11
6	Delhi	247.13	195.63	154.00
7	Rajasthan	4136.80	5416.57	6903.93
8	Uttarakhand	3202.14	2671.13	3302.41
9	Uttar Pradesh	36943.80	43912.24	52502.07
10	Chhattisgarh	3887.41	4139.88	5024.32
11	Madhya Pradesh	1017.85	1721.28	2181.28
12	Arunachal Pradesh	17.24	15.04	16.13
13	Nagaland	160.62	115.71	33.21
14	Manipur	56.96	54.65	66.34
15	Mizoram	4.03	2.03	2.03
16	Tripura	1.89	2.70	0.69
17	Meghalaya	14.97	16.80	45.50
18	Assam	1158.85	1126.74	1239.55
19	Bihar	2532.55	2803.16	3186.77
20	West Bengal	19623.60	20657.45	24816.29
21	Jharkhand	577.39	1103.47	1431.00
22	Orissa	1408.67	1586.17	1408.83
23	Gujarat	10823.40	12913.93	15552.25
24	Maharashtra	404.97	556.09	634.24
25	Andhra Pradesh	3194.65	3556.73	4810.23
26	Telangana	647.10	846.05	1156.90
27	Karnataka	15005.01	16793.00	21975.27
28	Kerala	7113.80	7868.69	9272.30
29	Tamil Nadu	15350.84	14765.44	18682.70
30	Puducherry	1.63	61.63	83.24
	Total	152082.83	162665.87	196330.23

Annexure-II referred to in reply to part (d) of the Lok Sabha Unstarred Question No. 1810 for answer on 28.11.2019

Following are the initiatives taken for promotion and export 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 Export Promotion Council (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. Exhibited/Promoted Khadi products under an activity of "Global Khadi" on the celebration of 150th Birth Anniversary of Mahatma Gandhi in 57 Indian Embassies/ Missions abroad.
6. 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.
7. Participated in International Exhibition in St. Petersburg (Russia) organized by ITPO from 12-14 March, 2019 with ten KVI Institutions/ Units from Rajasthan, Himachal Pradesh, West Bengal, Karnataka, Gujarat and Kerala. The Exhibition provided an opportunity and strong platform to showcase quality 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. Financial support under International Cooperation (IC) Scheme of Ministry of MSME for Technology infusion and/or up-gradation of MSMEs, their modernization and promotion of their exports through participation in international exhibitions/trade fairs etc.
 - a. To and Fro economy class air fare subject to a maximum of Rs. 1.50 lakh or actual fare paid, whichever is lower.
 - b. 100% of the space rent subject to a maximum of Rs. 1.00 lakh or actual rent paid, whichever is lower.
 - c. US Dollar 150 per day Duty allowance.
10. Assistance would be provided under the MPDA Scheme to the eligible Khadi and Village Industries (KVI) Institutions for participation in International Exhibitions/Trade Fairs held in foreign countries in order to showcase KVI products to foreign countries, access international buyers and sellers and forge business alliances, etc.

The eligible items for such participation and the scale of assistance would be as under:

S. No.	Eligible items	Scale of assistance for KVIs
i)	Space Rent	100% of the space rent subject to a maximum of Rs.1.25 lakh or actual rent paid, whichever is lower (for one representative from each participating enterprise)
ii)	Air Fare	100% of the Economy Class air fare subject to a maximum of Rs.1.00 lakh or actual fare paid, whichever is lower (for one representative from each participating enterprise)

11. Opening of sales outlets at domestic as well as international airports like Visakhapatnam, Lucknow, Ahmedabad and Varanasi.