

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 1741
TO BE ANSWERED ON 29.07.2021

Generation of Employment by KVIC

1741. SHRIMATI APARAJITA SARANGI:

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

- (a) whether the Government has records containing the number of artisans who lost employment during lockdown and if so, the details thereof;
- (b) the schemes implemented by the Khadi and Village Industries Commission (KVIC) to provide financial assistance to BPL artisans;
- (c) the initiatives taken by KVIC to boost employment;
- (d) whether the efforts of KVIC have resulted in generation of employment; and
- (e) if so, the details thereof particularly in Odisha?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NARAYAN RANE)

(a): Studies have been conducted by Khadi and Village Industries Commission (KVIC) and National Small Industries Corporation (NSIC) to assess the impact of COVID-19 Pandemic on MSMEs including units set up under Prime Minister's Employment Generation Programme (PMEGP).

- A. The findings of the study conducted by KVIC are as under:
 - i. 88% of the beneficiaries of PMEGP scheme reported that they were negatively affected due to Covid-19 while the remaining 12% stated that they were benefitted during Covid-19 Pandemic.
 - ii. Among the 88% who were affected, 57% stated that their units were shut down for some time during this period, while 30% reported drop in production and revenue.
- B. The main findings of the online study conducted by NSIC to understand the operational capabilities and difficulties faced by the beneficiaries of NSIC schemes amid Covid-19 pandemic are as follows:
 - i. 91% MSMEs were found to be functional.
 - ii. Five most critical problems faced by MSMEs were identified as Liquidity (55% units), Fresh Orders (17% units), Labour (9% units), Logistics (12% units) and availability of Raw Material (8% units)

(b) & (c): KVIC is implementing following schemes to boost employment across the country including BPL artisans:

1. Credit-linked subsidy programme named PMEGP since 2008-09 for generating employment in the country by setting up of micro-enterprises in the non-farm sector. Under the scheme, beneficiaries can avail loan up to Rs. 25 lakh in the manufacturing sector and Rs. 10 lakh in the service sector, with Margin Money subsidy of 15% to 35% for different categories. Around 80% of these micro units are set up in rural areas.

Since its inception till 30th June 2021, around 7 lakh micro enterprises have been assisted providing employment to an estimated 57 lakh persons.

2. Following programmes under **Gramodyog Vikas Yojana** through KVIC:

i. **Honey Mission (Beekeeping Programme):** To supplement the income of farmers, Adivasies and unemployed youth of the country, KVIC has launched Honey Mission during 2017 – 18, providing farmers with bee boxes, live bee hives, equipments and training. A total number of 15,445 beneficiaries have been provided with 1,53,259 of Bee-Hives(Boxes) from 2017-18 to 2020-21.

ii. **Kumbhar Sashaktikaran Programme (Mineral Based Industry):** Under the programme, for up-liftment of the rural potter's livelihood, skill up-gradation training and new home scale energy efficient equipment like electric pottery wheels, blunger, pug mill, kiln etc. are provided for producing quality products. A total of 21030 electric pottery wheels have been distributed under this programme since 2017-18 to 2020-21.

iii. **Leather craft Artisans Empowerment Programme:** The objective of the programme is to uplift the leather craft artisans, livelihood by providing training for skill up-gradation and new home-scale energy-efficient tool kits for producing quality products.

3. **Khadi Vikas Yojana (KVVY):** to generate sustainable employment in the khadi sector through assistance to Khadi artisans and institutions under various components, viz., Market Development Assistance, Interest Subsidy to ensure availability of working capital on reduced rate of interest, Creation of Work-sheds for providing Khadi artisans with sufficient space and congenial work environment, assistance to strengthen weak Khadi Institutions, assistance for modernization of sales outlets of Khadi Institutions, training to the artisans, etc.

4. **Scheme of Fund for Regeneration of Traditional Industries (SFURTI):** to organize traditional industries and artisans into clusters to make their products competitive and provide the artisans with sustainable employment. Since 2014 when the scheme was revamped till date, 99 clusters have been approved under KVIC benefitting about 41000 artisans with GoI assistance of Rs.176 crore.

(d) & (e): Yes Sir. The details of estimated employment generated/sustained through KVIC across the country and particularly in Odisha for the last three years is given below:

Sr. No.	Particulars	Estimated Employment (in lakh persons)					
		2018-19		2019-20		2020-21	
		All India	Odisha	All India	Odisha	All India	Odisha
1	Khadi Programme	4.96	0.05	4.97	0.05	4.97	0.05
2	Village Industries	142.03	4.77	147.76	5.00	153.71	5.25
	Total	146.99	4.82	152.73	5.05	158.68	5.30