

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION No. 3931
TO BE ANSWERED ON 19.12.2024

KHADI WORKERS

3931. SHRI MANISH JAISWAL:
SMT. SMITA UDAY WAGH:
SHRI CHAVDA VINOD LAKHAMSHI:
SHRI PRAVEEN PATEL:
SHRI KANWAR SINGH TANWAR:
SHRI JAGDAMBIKA PAL:
SHRI MUKESH RAJPUT:
SHRI SURESH KUMAR KASHYAP:
SMT. APARAJITA SARANGI:
SHRI DILIP SAIKIA:

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

- (a) whether the Government proposes to provide new wages for the khadi workers in the country;
- (b) if so, the details thereof, State-wise particularly in respect of Uttar Pradesh and Himachal Pradesh;
- (c) the manner in which the Government is likely to ensure long term wage sustainability;
- (d) whether the Government proposes to promote sale of Khadi and Village Industries products to maximize the impact of the announced discounts on consumer demand;
- (e) if so, the details of the steps taken by the Government in this regard;
- (f) the measures implemented by the Government to monitor effectiveness of the said wage hikes and rebates in improving the livelihood of Khadi workers along with overall development and fostering growth of Khadi sector;
- (g) the current status and number of khadi workers in Himachal Pradesh; and
- (h) the manner in which the Government proposes to further strengthen the Khadi ecosystem to ensure a sustainable market for these products, while preserving the cultural and traditional significance of the sector?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a) & (b): Khadi and Village Industries Commission (KVIC), to support the Khadi artisans, has periodically increased their wages to improve their earnings and overall livelihood. With effect from 01.04.2023, the spinning wages was increased from Rs. 7.50 per hank to Rs. 10.00 per hank and weaving wages were raised by 10%, which not only boosted the production capacity of Khadi artisans but also significantly enhanced their earnings.

Further, KVIC has enhanced the spinning wages from Rs. 10.00 per hank to Rs. 12.50 per hank and weaving wages by 7%, effective from 02.10.2024.

Besides, under MMDA, 35% of MMDA is provided to artisans as incentive in case of Khadi Institutions of cotton, woollen, polyvastra and 30% quantum of MMDA is provided to artisans as incentive in case of Khadi Institutions of silk. State-wise details of Number of Khadi Artisans benefitted under MMDA and Incentive paid to them during the year 2023-24 is placed at Annexure.

(c): The details of support extended to ensure the long term wage sustainability of Khadi artisans, are as follows:

- i. Modified Market Development Assistance (MMDA): Under MMDA, 35% of MMDA is provided to artisans as incentive in case of Khadi Institutions of cotton, woolen, polyvastra and 30% quantum of MMDA is provided to artisans as incentive in case of Khadi Institutions of silk.
- ii. Workshed Scheme for Khadi Artisans, provides financial assistance to artisans for construction of individual workshed, an assistance upto Rs 1,20,000/- or 75% of the total cost of the workshed {90% for North Eastern Region (NER)} and for group Workshed (minimum 5 and maximum 15 artisans), an assistance up to Rs. 80,000/- per artisan or 75% of the total cost of the group Workshed (90% for NER), whichever is less, is provided.
- iii. Further, improve the livelihoods of khadi artisans, periodic enhancements in their wages are prioritized. Initiatives such as increasing the spinning wages from ₹10.00 per hank to ₹12.50 per hank and implementing a 7% increase in weaving wages for cotton khadi, woolen khadi, and polyvastra have been introduced with effect from 2nd October 2024.

(d) & (e): To promote the sale of Khadi and Village Industries products, following initiatives are being taken by KVIC:

- i. KVIC has established a partnership with National Institute of Fashion Technology (NIFT) and established Centre of Excellence for Khadi (CoEK), to develop innovative khadi products, provide capacity-building training to artisans, and create new designs. These efforts aim to boost the promotion and sale of khadi products, ultimately leading to improved wages and better livelihoods for khadi artisans.
- ii. The CoEK on the Hub and Spoke model, with NIFT New Delhi as Hub along with NIFT Ahmedabad, Bengaluru, Kolkata and Shillong – have been set up for establishing benchmarked design processes for global standards, creating new fabrics and products, disseminating quality standards for fabrics, branding and publicity by creating interesting narratives around the new Khadi, creative visual merchandizing & packaging for new Khadi products and increasing the reach of Khadi by organizing National Khadi Fashion Shows and Exhibitions.
- iii. Organizing various level exhibitions and participating in Indian International Trade Fair (IITF) to make KVI products accessible in the domestic.
- iv. Arranged product supply/marketing mechanism through e-Market linkage for MSMEs through GeM portal (gem.gov.in), and e-marketing portal (www.ekhadiindia.com) with an objective to sell Buyer to Consumer.
- v. Established Khadi Lounges at various urban centers and in Tier-II cities for attracting both connoisseurs of Khadi as well as designers.
- vi. Catering to the need of Government departments and bulk buyers of various Government Organization and PSUs to increase the sales of Khadi products.
- vii. Special discount has been announced on various occasions/festivals to attract customers and to boost the sales of KVI products.
- viii. For protecting the identity of brand 'Khadi' globally, KVIC has secured registration for the Trademark 'Khadi' in 15 countries and secured registration for the Khadi Logo in 32 countries.

(f) & (g): To ensure the effective implementation and timely disbursement of funds under Khadi and Village Industries (KVI) schemes, the field offices of KVIC regularly conduct awareness camps, review meetings, and monitoring activities. Additionally, as per the approved guidelines, the Khadi Vikas Yojana is closely monitored at multiple levels by the State/Divisional Directors and Zonal Deputy CEOs, and the Central Office at the national level.

Furthermore, KVIC has digitized the disbursement of Modified Market Development Assistance (MMDA) and ISEC benefits, ensuring that all payments are directly transferred to the artisans' bank accounts through the Direct Benefit Transfer (DBT) mode, enhancing transparency and efficiency.

For overall development of Khadi Sector following initiatives are being taken by KVIC:

- i. KVIC has implemented several initiatives for the overall development of the Khadi sector. These include partnering with NIFT and establishing the Center of Excellence for Khadi (CoEK) to develop innovative products, provide capacity-building training, and create new designs. Collaboration with premier institutes like Indian Institute of Technology (IITs), National Institutes of Technology (NITs), MGIRI, South India Textile Research Association (SITRA), and Bombay Textile Research Association (BTRA) focuses on process optimization to reduce drudgery, improve productivity, and enhance artisans' earnings. A partnership with Quality Council of India (QCI) ensures improved product quality. Also efforts to upgrade the production and marketing infrastructure of khadi institutions further strengthen the sector. These measures aim to promote innovation, quality, and better livelihoods for artisans.
- ii. **Revision of Guidelines of Khadi Vikas Yojana:** With a view to extend more benefits to Khadi artisans by enhancing the pattern of financial assistance, the guidelines of Khadi Vikas Yojana has been revised in which **under the Workshed Scheme:** Financial assistance of Rs. 1,20,000/- for individual Workshed and Rs. 80,000/- for group Workshed is provided to construct the Workshed.
- iii. **Under Strengthening of Infrastructure of Existing Weak Khadi Institutions:** To revive the sick/weak/problematic/"D" category institution, the financial assistance under the said scheme has been provided by KVIC and the pattern of assistance has been revised by the Ministry to Rs. 15.00 lakh from Rs. 9.90 lakh
- iv. **Renovation of Sales Outlets:** In order to renovate the Sales outlets thereby getting sustainable earnings by the Khadi artisans, KVIC is providing the fund under assistance for marketing Infrastructures.
- v. **Artisans Welfare Fund Trust:** under the Initiative, the share of 12% artisan welfare fund deducted from their wages plus matching share of 12% from KI deposits in the State Level Artisans Welfare Fund Trust and will be withdrawn as and when required by Khadi artisans.

Total 3378 number of Khadi artisans are engaged under Khadi Activities in Himachal Pradesh.

(h): KVIC under Khadi Vikas Yojana is implementing various schemes to strengthen the Khadi sector and ensure the sustainable market for Khadi products, aimed at ensuring the sustainability and growth of the traditional Khadi sector. These activities include partnerships with institutions like National Institute of Fashion Technology (NIFT) to create innovative products and designs, QCI to improve the quality of Khadi products and has focused on upgrading the production and marketing infrastructure of Khadi institutions. These initiatives contribute to preserving India's rich cultural heritage of Khadi, aligned to improve the livelihoods of Khadi artisans and boosting the sector's growth.

Annexure

Annexure referred to in reply to part (a)&(b) of the Lok Sabha Unstarred Question No. 3931 for answer on 19.12.2024

State-wise details of Number of Khadi Artisans benefitted under MMDA and Incentive paid during the FY 2023-24

Sr. No.	Name of the State / U.T.	No. of Artisans	Incentive paid (Rs. In Lakh)
1.	Himachal Pradesh	22	0.38
2.	Punjab	262	10.74
3.	Haryana	21615	943.73
4.	Delhi	192	4.27
5.	Rajasthan	5998	463.16
6.	Uttarakhand	3039	221.46
7.	Uttar Pradesh	40273	2124.87
8.	Chhattisgarh	1342	289.76
9.	Madhya Pradesh	1007	96.63
10.	Nagaland	36	4.80
11.	Manipur	23	0.89
12.	Assam	1819	46.71
13.	Bihar	390	11.44
14.	West Bengal	25106	2064.11
15.	Jharkhand	157	14.16
16.	Odisha	858	89.00
17.	Gujarat	13712	1964.04
18.	Maharashtra	400	26.28
19.	Andhra Pradesh	3491	302.58
20.	Telangana	396	9.87
21.	Karnataka	8077	760.51
22.	Kerala	11258	766.92
23.	Tamil Nadu	9572	1099.47
	Total	149045	11315.79