

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION No. 2366**  
**TO BE ANSWERED ON 13.03.2025**

**KHADI WORKERS**

2366. SHRI VISHNU DAYAL RAM:

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

- (a) the new wage levels for Khadi workers and the measures taken by the Government to ensure that these wages are sustainable for the long term;
- (b) whether the Government plans to promote the sale of Khadi and Village Industry Products to maximize the impact of the announced discounts, if so, the details thereof; and
- (c) the measures implemented to monitor the effectiveness of the wage hike and the discounts in improving the livelihoods of Khadi workers and the overall growth of the Khadi sector?

**ANSWER**

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

(a): To support the Khadi artisans, Ministry of MSME through Khadi and Village Industries Commission (KVIC) 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. With effect from 02.10.2024, KVIC has further enhanced the spinning wages from Rs. 10.00 per hank to Rs. 12.50 per hank and weaving wages by 7%.

The details of other measures for 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.

(b): To promote the sale of Khadi and Village Industries products, following initiatives have been taken by KVIC:

- (i) KVIC has established a partnership with National Institute of Fashion Technology (NIFT), New Delhi and established a Centre of Excellence for Khadi (CoEK) for establishing design processes for global standards, creating new fabrics and products, disseminating quality standards for fabrics, creative visual merchandizing & packaging for new Khadi products and increasing the reach of Khadi by organizing National Khadi Fashion Shows and Exhibitions.
- (ii) Organizing various level exhibitions and participating in Indian International Trade Fair (IITF) to make KVI products accessible in the domestic.
- (iii) Arranged product supply/marketing mechanism through e-Market linkage for MSMEs through GeM portal ([gem.gov.in](http://gem.gov.in)), and e-marketing portal ([www.ekhadiindia.com](http://www.ekhadiindia.com)) with an objective to sell Buyer to Consumer.
- (iv) Established Khadi Lounges at various urban centers and in Tier-II cities.
- (v) Catering to the need of Government departments and bulk buyers of various Government Organization and PSUs to increase the sales of Khadi products.
- (vi) 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.
- (vii) Special discount has been announced on various occasions/festivals to attract customers and to boost the sales of KVI products.

(c): The measures implemented to monitor the effectiveness of the wage hike and the discounts in improving the livelihoods of Khadi workers is as follows:

- (i) KVIC has digitized the disbursement of Modified Market Development Assistance (MMDA) and ISEC benefits to artisans through their Aadhaar linked bank account to ensure all payments directly transferred to the artisans through the Direct Benefit Transfer (DBT) mode, enhancing transparency and efficiency.
- (ii) The field offices of KVIC regularly conduct awareness camps, review meetings, and monitor the activities, as per the approved guidelines.

Measure implemented for the overall growth of Khadi Sector are as under :

- (i) KVIC has implemented several initiatives for the overall development of the Khadi sector. These include partnering with NIFT established a Centre of Excellence for Khadi (CoEK) for establishing design processes for global standards, creating new fabrics and products, disseminating quality standards for fabrics, creative visual merchandizing & packaging for new Khadi products and increasing the reach of Khadi by organizing National Khadi Fashion Shows and Exhibitions.

- (ii) 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.
- (iii) Revision of Guidelines of Khadi Vikas Yojana: The guidelines of Khadi Vikas Yojana has been revised in which under the Workshed Scheme: Financial assistance upto Rs. 1,20,000/- for individual Workshed and upto Rs. 80,000/- for group Workshed is provided to construct the Workshed so as to provide a better work place to carry out khadi activities.
- (iv) 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 is being provided by KVIC. The pattern of assistance has been revised by the Ministry to Rs. 15.00 lakh from Rs. 9.90 lakh.
- (v) 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.
- (vi) 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. The funds can be withdrawn as and when required by Khadi artisans as per guidelines.

\*\*\*\*\*