



MINISTRY OF MICRO, SMALL & MEDIUM ENTERPRISES
GOVERNMENT OF INDIA

MSME INSIDER

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FROM THE DESK OF CEO, KVIC SMT. PREETA VERMA

Khadi – The Fabric of India

When we speak about Khadi, it refers to “any cloth woven on handloom in India from cotton, silk or woollen yarn hand spun in India or from a mixture of any two or all of such yarns is defined as “Khadi”. Mahatma Gandhi, strongly advocated the spirit of khadi saying, “Khadi spirit means the fellow feeling with every human being on earth”.

In a sense, it not only shoulders the poor, but the “Khadi Spirit” that reflects endless patience, faith and empathy with every human being on earth.

Going back in history we find that it is a gift for today from the treasure of the past. Indeed, it is a vital part of our ancient heritage. A versatile fashion fabric, Khadi has been used as a tool to navigate India through its hard won independence. Even today, from the past 71 years, the fabric continues to inspire and amaze creative minds across all International borders. Known as the “Fabric of India”, Khadi has proven to be a culture in itself, one that truly emits the pride of our country’s achievements. With rapid industrialization and versatile consumer demand, the world has been increasingly demanding products that are green, sustainable and eco-friendly, which produce zero waste, have zero carbon foot print and are bio-degradable. In this scenario, we are looking for ways to undo the

damage inflicted on the planet. In this context, Khadi is an idea that aptly fits and is becoming need of the hour in modern times.

Besides its eco-friendly nature, due to its perfect and vivid fabric qualities, fall and drape, Khadi has become a stylish narrative that is now popularly embraced by designers. Sweeping the traditional fabric to higher lever echelons, the fabric has been elevated from the sought after genre to a more elite class. Hand-spun and hand woven on a charkha, the Khadi Mark authenticated fabric is manufactured in silk, wool, cotton and even the lesser known denim (1998).

The foremost and only tool charkha, that produced this hand spun and hand woven cloth embodies the dignity of labour, equality and unity. Regardless of age, social class or gender, individuals are involved in either spinning or other processes involving cloth production. It is for this reason that spinning is seen as a means for employment and livelihood, for it generates jobs for millions.

As of July 2018, Khadi has generated employment for around 4,63,171 people. Additionally, there is a continuous growth in the standard of living of these artisans. Their wage rate

has increased upto Rs 7.50 per hank and has seen a commendable growth rate of 36% .

With the passing of time, the Charkha has gone through various constructive and affirmative changes from a four spindle wooden charkha in 1964 to an e–charkha in 2007. The improvement in technology has, in turn, favoured production and sales in returns, rolling an impressive production of around Rs.1624.50 crores and sales of Rs.2508.50 crores during 2017-18 under Khadi.

Last but not the least, Khadi, the proud legacy of the Father of the Nation and a potent tool of national freedom was always in the minds of people. KVIC took it ahead with its various schemes and programs like KRDP, SFURTI etc. Today its inputs have become part of all the KVIC Schemes.

More so, Hon’ble Prime Minister’s call in “Maan ki Baat” asserted that khadi cloth is a movement to help the poor. His call to buy Khadi has left a tremendous impact on people’s mind everywhere, which has resulted in increase in Khadi sales in all the outlets in the Country. People including the youth have become more aware of Khadi and are purchasing Khadi in large numbers.

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Ministry of Micro, Small and Medium Enterprises, Government of India is promoting Khadi through various programmes and schemes. The Khadi and Village Industries Commission (KVIC) is the nodal agency for implementation of these programmes. The initiatives of KVIC have helped Khadi institutions to build up significant development in the Khadi Sector and rural economy.

RECENT INITIATIVES IN KHADI SECTOR



- Project cost under Prime Ministers' Employment Generation Programme, for the second dose has been increased to Rs.1.00 crore.
- A mobile application has been launched to help the prospective customers in locating Khadi stores around them, throughout the country.
- Public Sector undertakings such as REC, ONGC & CSR have joined hands with KVIC for setting up of training-cum- production centers.
- To bring Khadi at par with other fabrics, KVIC has entered into marketing collaborations with market leaders like Raymonds, NIFT, Aditya Birla Fashion and Retail Limited (ABFRL), Arvind Mills etc. This will also help in creating additional employment of about 10 lakh man hours to Khadi artisans.

BEST PRACTICES IN KHADI SECTOR



- Artisan Welfare Fund has been established in the interest and welfare of Khadi artisans.
- Subsidies/Incentives are remitted directly to the bank accounts of artisans as Direct Benefit Transfer (DBT) under Market Promotion And Development Assistance Scheme.
- Khadi producing institutions have been categorized and their production capacity has been defined.
- Interest Subsidy Eligibility Certificate Scheme, has now been brought online so as to ensure a standardised procedure as well as transparency for the stakeholders
- Khadi Mark Regulation issued in July, 2013 has been introduced and followed by Khadi Institutions.

NICHE PRODUCTS IN KHADI SECTOR

- *Muslin Khadi,*
Kosa/Tusser Khadi Silk
- *Muga Silk*
- *Manila Shirting*
- *Pochampalli Silk*
- *Bengali Print Sarees*





PRIME MINISTER DISTRIBUTES TOOLS TO ARTISANS AT VARANASI.

Shri Narendra Modi, Hon'ble Prime Minister of India distributed Electric Potter Wheels, Pottery Equipments, Tools, Honey Bee Boxes, Charkhas and Looms to artisans at Varanasi on 18

September, 2018 for promotion of KVI activities. The event was also graced by Hon'ble Chief Minister of Uttar Pradesh. Chairman and CEO, KVIC participated in the function.



MoU SIGNING BETWEEN NSIC AND MOROCCO FOR BILATERAL COOPERATION

A 2-member delegation led by Joint Secretary (SME), Ministry of Micro, Small and Medium Enterprises (MSME) undertook a visit to Morocco from 24-26 September, 2018 for signing of MoU between NSIC, Republic of India and the National Agency for the Promotion of Small & Medium Sized Enterprises of Kingdom of Morocco. They also discussed the ways and means to synergize the strengths of both countries in MSME Sector in terms of capacity building, sharing of experiences and exchange of business delegations for creating linkages.



DEFENCE & HOMELAND SECURITY EXPO & CONFERENCE 2018

Defence & Homeland Security Expo and Conference 2018 was held at NSIC grounds from 06-08 Sep 2018. Shri Rajnath Singh, Hon'ble Minister for Home Affairs inaugurated the event & it was addressed by Dr. Jitendra Singh, Hon'ble MoS (I/c) in the PMO & DONER and Shri Giriraj Singh, Hon'ble MoS for MSME. JS (SME), senior officials of M/o Defence, Home & MSME; Chairman, Ordnance Factory Board; Deputy Chief of Army, Navy & Air Force were also present in the event wherein NSIC facilitated participation of 20 MSMEs.

SCHEME CORNER

Scheme of Fund for Regeneration of Traditional Industries (SFURTI)



With a view to make the traditional industries more productive, competitive and for facilitating their sustainable development, our ministry is running a Central Sector Scheme, titled the "Scheme of Fund for Regeneration of Traditional Industries (SFURTI)".

The main components of the scheme include Soft Intervention, Hard Intervention and Thematic Intervention for which financial assistance is provided. The financial assistance provided for any specific project shall be subjected to a maximum of Rs.5 (Five) crore.

There are two types of clusters under the scheme viz.

- (i) **Regular Clusters** (upto 500 artisans) with a financial assistance of Rs.2.50 crore &
- (ii) **Major Clusters** (more than 500 artisans) with a financial assistance of Rs.5.00 crore.

An outlay of Rs 350 crore has been approved for the FY 2017-18 to 2019-20 for setting up of 100 clusters.

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SHRI. KOTIPALLI SAI PRASAD EAST GODAVARI DISTRICT, ANDHRA PRADESH

Shri. Kotipalli Sai Prasad of East Godavari District, established a coir industry in his village, P. Gannavaram under CUY Scheme. He purchased 4 Automatic Spinning Machines with one Willowing Machine and is now producing 2 Metric Tonnes of Two Ply yarn per month. He finds a steady market locally for the yarn produced by him. He has successfully completed two years period by 22/08/2016 after establishing the unit and adjusted the subsidy from the Coir Board to his loan account. By entering into coir industry, he earns good returns and is able to lead a good quality life. He is providing employment to 09 people in his village.



M/S. TAPORAN SOCIETY VAPI TOWN, GUJARAT

Shri. Prasanth Kaushik, Taporan Society, Room No. 804, near Post Office, Vapi town, Gujarat, (during the period of training) has completed one year Advanced Training Course from the Board's National Coir Training & Design Centre, Alleppey during 2015-16. He started one coir unit for the production of coir fibre and two ply coir yarn, by availing assistance under the Board's Coir Udyani Yojana Scheme, (10% own fund, 50% Bank Loan and 40% Subsidy). He is also selling the by product Coir pith in the local market, which is used for flori / horticulture in nurseries etc. The unit, which was started on 4th September 2016 is now giving employment to 20 workers.



BASTAR HANDICRAFT CLUSTER JAGDALPUR, CHHATTISGARH

The Bastar Handicraft Cluster situated in Jagdalpur, Bastar-District was sanctioned by Government of India during the year 2015 with a total project cost of Rs.112.78 lakhs covering 600 artisans in it. The Cluster is implemented by TRIWE, Jagdalpur, Chattisgarh. The main products of the cluster are file covers, jute utility items, bell metal craft items, kaudi shilp, embroidery/painting wrought iron, textile/mix craft etc. With the intervention of SFURTI scheme the artisans of the clusters have got an exposure for manufacturing of new products with good market as well as better price to their end products. The wages have also been increased upto 70%. The product of Bastar Handicraft has good demands.

MSME HAS AN ACTIVE SOCIAL MEDIA PRESENCE THAT HIGHLIGHTS THE MINISTRY'S DAY-TO-DAY ACTIVITIES AND ENGAGES WITH THE PUBLIC DIRECTLY. THIS SECTION HIGHLIGHTS THE SOCIAL MEDIA HAPPENINGS AND THE HIGHEST ENGAGEMENT POSTS FOR THE MONTH.



FACEBOOK HIGHLIGHTS
Top Facebook post earned 2.4k impressions

Remembering Mahatma Gandhi on his 150th birth anniversary! Gandhi brought the charkha into wider use hoping the charkha would assist the people of India achieving self-sufficiency. #khadifest2018

VIEW POST



TWITTER HIGHLIGHTS
Top Tweet earned 25k Impressions

To increase cooperation in the field of MSME b/w #India & #Russia, #NSIC signed a MoU with #RSMB (Russian Small & Medium Business Corporation) during the visit of the Hon'ble President of Russia Mr #VladimirPutin

VIEW POST



INSTAGRAM HIGHLIGHTS
Top Instagram post earned 776 impressions

An MOU, in presence of Ms Alka Arora, Joint Secretary (SME) was signed by SH.Ravindra Nath, CMD, NSIC with Mr. Larbi Benrazzouk, Director General, Maroc PME, in Morocco for cooperation b/w the two countries.

VIEW POST



YOUTUBE HIGHLIGHTS
Top YouTube post earned 77 impressions

Shri Giriraj Singh MoS (I/c) MSME, launched MSME Insider a monthly e-newsletter of the Ministry of MSME at Udyog Bhawan. This e-newsletter aims to deliver information about MSME sector.

VIEW POST



#KVICSKILLDEVELOPMENTINSIGHT

KVIC through its 39 Multi-Disciplinary Training Centres (MDTC) is imparting skill based training to the entrepreneurs of the micro Village Industries units in the country. It aims to modernize the cottage industries by providing best training to the entrepreneurs through the training institutes of KVIC.

VIEW POST

KNHPI MANUFACTURES ECO FRIENDLY BAGS



The Kumarapa National Handmade Paper Institute (KNHPI), Sanganer, Jaipur, an autonomous institute under KVIC is engaged in applied research and development, consultancy and technical services & HRD for the growth of Indian Handmade Paper Industry. The officials of KNHPI undertook research to utilise plastic waste in handmade paper industries which can be summarised as: 'Handmade Paper Carry bags will be manufactured by all Developmental Sales Outlets (DSOs) and used by all

Khadi Gramodyog Bhavans (KGBs) improving the financial status of the institute by utilising 20% of polythene waste in manufacturing of handmade paper. It will be a revolutionary step toward environment preservation'.

As a step towards Swachh Bharat Abhiyan, effluent waste (liquid waste or sewage discharged into the sea) like coconut shell and temple flower waste found near Darya Vati River has been mixed for manufacturing of handmade paper.

CRI DEVELOPS ORGANIC MANURE



Coir Krishimithra organic manure has been developed in Central Coir Research Institute using coir pith with natural supplements viz, Neem cake, Azolla and Fish waste. Effect of Coir-Krishimithra on different vegetable plants is in progress. Vertical gardens have been set up at CCRI using coir fibre substrate for beautification of



building spaces. The production of PITHPLUS for composting of coir pith, fibre quality improvement using Biochemical and testing of coir pith/coir fibre in the Pilot Scale Laboratory set up in CCRI. The PithPlus production has also been started at PSL's set up at Coir Board Bhubaneswar, CICT, Bangalore and Coir Board Pollachi.

ACHIEVEMENTS (2018-2019 upto September)

Credit Guarantee Trust Fund (CGT Fund)

16,32,722 people were benefited under CGT Fund Scheme and a guarantee of Rs.1,63,272.2 crore was approved.

MSE -Cluster Development Programme

During the year 2014-2018, total expenditure under this scheme has gone upto Rs. 423.33 crore along with establishment of 22 CFCs & 27 ID projects.

SFURTI (Scheme of Fund for Regeneration of Traditional Industries)

72 clusters have been approved. Projects for a cost of Rs. 13,957.91 lakh have been approved out of which Rs.106.85 crore have been released by the Ministry. Further, 59,900 Artisans have been benefited.

Udyog Aadhar Memorandum

Till date 13,13,040 units have got themselves registered in Udyog Aadhaar. About 7,90,551 units have been registered in Bihar only.



MoU SIGNED FOR BANKING FACILITIES TO KHADI ARTISANS THROUGH CSC

A MoU was signed on September 20, 2018 between Khadi and Village Industries Commission (KVIC) and Common Service Centres (CSC) e-Governance Services India Ltd., Ministry of Electronics and Information Technology, in the presence of *Shri Giriraj Singh*, Hon'ble Minister of State (I/c) for MSME to facilitate the payment of incentives to Khadi Artisans through DBT mode with the help of 2.7 lakh Common Service Centres spread across the country.

This will not only help in ensuring financial inclusion of lakhs of Khadi Artisans, but also in taking forward the Digital India Program. Artisans will only have to provide their Aadhaar number at CSCs to get banking services like Cash Withdrawal, Deposit, Balance Enquiry and Mini Statements without cost.

ALL INDIA MANAGEMENT ASSOCIATION (AIMA) 8TH NATIONAL MSME CONVENTION

The 8th AIMA MSME Convention was held on 6-7th September 2018, at Hyderabad in partnership with the NI-MSME, Government of India, Ministry of MSME; Federation of Telangana & Andhra Pradesh Chambers of Commerce & Industry (FTAPCCI) and Hyderabad Management Association. The Convention was inaugurated by *Dr. Arun Kumar Panda*, Secretary, MSME.

Dr. Juneja, Chairman of AIMA, MSME Committee said that MSMEs have become the backbone of the manufacturing sector, but they need to be innovative, improve quality and standard to face global competition. The two days Convention was well received and well attended by around 600 delegates.



UPCOMING EVENTS/ TRAININGS/ ACTIVITIES FOR THE MONTH OF OCTOBER

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