



Khadi Strengthening the Rural Economy

Khadi, an essential indigenous medium, is crucial for driving India's inclusive economic development and self-reliance. Khadi has successfully transitioned from being a symbol of the freedom struggle into a modern economic driver. The Khadi and Village Industries Commission (KVIC) has spearheaded significant modernisation efforts, resulting in impressive growth. Between 2013–14 and 2024–25, Khadi's production saw an increase of nearly four and a half times, while sales surged by almost six and a half times. This sector presently provides employment to approximately five lakh artisans, with a noteworthy 80 per cent of this workforce being women.

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At a time when India stands among the world's fastest-growing economies and has set ambitious targets for the coming decades: a 5 trillion-dollar economy by 2027, 7 trillion by 2030, 10 trillion by 2033, and a developed nation by 2047. It is essential that development is not confined to numerical achievements alone but also reflects its impact at the grassroots level. This underscores the importance of indigenous means of production—mediums that carry development to every citizen, ensuring inclusiveness and equality. Khadi is one such indigenous medium.

The Meaning of Khadi

To understand why Khadi is considered an instrument of self-reliant development, it is important to revisit its legal and traditional definitions. The Khadi and Village Industries Commission Act, 1956, defines Khadi as "any cloth woven on handlooms in India from cotton, silk, or woollen yarn hand-spun in India or from a mixture of any two or all of such yarns." This definition echoes Mahatma Gandhi's own words: "Any cloth woven by hand from yarn spun by hand, regardless of its fineness, is Khadi. It may be cotton, silk, or wool. The main criterion is that it must be hand-spun and handwoven."

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From Freedom Struggle to Modern Growth

Encouraged by Gandhi's ideals, Khadi became a crucial part of India's pre-independence economic fabric. Recognising this significance, post-independence governments institutionalised these efforts through the creation of the Khadi and Village Industries Commission (KVIC) to modernise production, provide raw materials, training, credit, and marketing support— particularly to rural artisans who previously struggled to access markets.

Khadi's Impressive Growth

This effort has yielded significant results. Khadi production has grown from about Rs. 811 crore in 2013–14 to more than Rs. 3,700 crore in 2024–25—an increase of nearly four and a half times. Sales have risen even more sharply— from around Rs. 1,081 crore in 2013–14 to over Rs. 7,000 crore in 2024–25, marking almost six and a half times growth. The Khadi sector presently employs about five lakh artisans, including spinners, weavers, and others involved in garment production, conversion, and marketing. Women constitute approximately 80 per cent of this workforce.

To align with modern retail trends, the Commission is expanding its outreach through 24 centres nationwide and numerous showrooms. Its prime outlet at Connaught Place, New Delhi, is being transformed into India's first Khadi Mall, combining tradition with technology. Spread over 20,000 square feet, this mall will feature an Artificial Intelligence model that suggests suitable clothing colours and styles to customers based on virtual try-ons.

According to KVIC Chairman Shri Manoj Kumar, this mall will embody the vision of Mahatma Gandhi and the idea of a developed India as envisioned by Prime Minister Shri Narendra Modi. The Connaught Place outlet alone now records an annual turnover exceeding Rs. 100 crore.

Taking Khadi Global

Efforts to globalise Khadi are equally noteworthy. In July 2017, KVIC signed an agreement with Ahmedabad based Arvind Mills Ltd. to trade Khadi denim fabric globally. Under this, American fashion brand Patagonia placed repeated orders, starting with 30,000 metres of Khadi denim worth Rs. 1.08 crore, followed by

a subsequent order of 17,050 metres valued at Rs. 80 lakh through Rajkot based Khadi *Gramodyog*. Khadi is also exploring store openings abroad; a KVIC delegation has visited Thailand for this purpose. To protect the brand internationally, Khadi has registered trademarks in 15 countries and logos in 31. During 2023–24, Khadi exports stood at Rs. 37.88 crore, mainly to China, Russia, and Tanzania.

Empowering Artisans

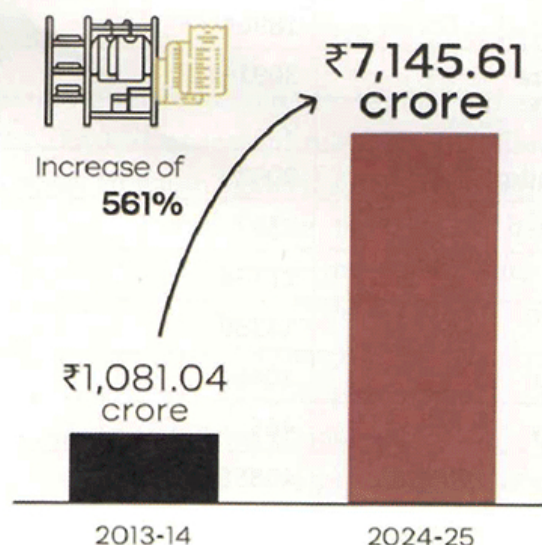
Over the past 11 years, several initiatives have been launched to improve production systems and artisan welfare:

- The wage rate for spinning one hank has been increased from Rs. 10 to Rs. 12.50, and weaving wages for cotton, wool, and *polyvastra* have been raised by 7 per cent.
- Market development assistance now provides a 35 per cent incentive for cotton, wool, and *polyvastra* organizations, and 30 per cent for silk Khadi institutions.
- Under a special scheme, artisans receive 75 per cent of the cost (or up to Rs. 1.2 lakh) for shaded workplace construction; groups of 5–15 artisans

Khadi Clothes Become the New Fashion Statement

There has been a tremendous jump in the sales of Khadi clothes, due to the promotion of Khadi by PM Modi from a larger platform.

Sales of Khadi Clothes:



**Employment in the Khadi Sector
(as of March 31, 2024)**

State/Union Territory	Total Employment
Jammu & Kashmir	21921
Himachal Pradesh	2278
Punjab	5191
Chandigarh	54
Haryana	56085
Delhi	1180
Rajasthan	30651
Uttarakhand	18078
Uttar Pradesh	137149
Chattisgarh	6179
Madhya Pradesh	3707
Sikkim	28
Arunachal Pradesh	31
Nagaland	295
Manipur	168
Mizoram	12
Tripura	25
Meghalaya	59
Assam	5125
Bihar	72755
West Bengal	32831
Jharkhand	1875
Odisha	5347
Andaman and Nicobar Islands	0
Gujarat	18964
Maharashtra	3091
Goa	0
Andhra Pradesh	9092
Telangana	2347
Karnataka	27708
kerala	14339
Tamil Nadu	20464
Puducherry	465
Total	498594

Source: Rajya Sabha Questions and Answers

receive up to Rs. 80,000 per artisan under similar terms.

- The Khadi Development Scheme offers interest subsidy via eligibility certificates, reducing loan interest to 4 per cent for institutions, with the difference borne by the Government of India through KVIC.
- The struggling Khadi institutions receive Rs. 15 lakh per sales centre to regain stability.

Expanding Markets

In marketing and outreach:

- Benchmark design processes have been established with the National Institute of Fashion Technology (NIFT) to develop new fabrics, promote standards, rebrand Khadi, and organize fashion shows and exhibitions nationally and internationally.
- E-marketing linkages have been developed through Government e-Marketplace (GeM) and online portals for small and medium enterprises.
- Exclusive Khadi Lounges have been set up in major cities to attract discerning designers and consumers.
- Central ministries and departments are required to ensure that at least 20 per cent of their annual handloom textile purchases are Khadi-based.
- Khadi supplies now cater to institutions like Indian Railways, Defence Services, Health and Family Welfare, and paramilitary forces.

The Changing Face of Khadi

Khadi's perception has evolved over time— it now appeals to every generation and social segment, contributing substantially to India's economic fabric. Appeals from national leaders have further popularised it. Union Home and Cooperation Minister Shri Amit Shah urged citizens to buy at least Rs. 5,000 worth of Khadi each year, emphasising that Khadi strengthens both individuals and the national economy. Ahead of Gandhi Jayanti 2025, Prime Minister Shri Modi reiterated the appeal: "Gandhiji always advocated for *Swadeshi*, with Khadi as its symbol. Though Khadi's charm had dimmed after independence, in the past 11 years it has regained immense popularity. Its sale has grown remarkably. I urge everyone to buy at least one Khadi product on 2nd October and speak with pride— this is *Swadeshi*." □