



Impact of Khadi and Village Industries on Employment Generation in Rural Wardha

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Abstract

With an emphasis on the socioeconomic advantages for nearby communities, this study investigates how Khadi and Village Industries (KVI) affect the creation of jobs in rural Wardha. A structured questionnaire was used to gather data from 150 KVI participants using a descriptive study approach. According to the results, KVI is essential for boosting income levels, fostering skill development, and offering steady work in rural regions. However, obstacles such a lack of funding, restricted access to markets, and subpar infrastructure prevent these companies from expanding. To further maximise KVI's potential, the report suggests further financial assistance, infrastructural development, and skill training.

Keywords: Khadi and Village Industries, Employment Generation, Rural Development, Income Levels, Infrastructure, Market Access, Wardha, Socio-Economic Impact, etc.

Introduction

Khadi and Village Industries (KVI) have played a pivotal role in India's socio-economic landscape since the time of Mahatma Gandhi, who advocated for self-reliance through the promotion of village industries. These industries encompass a wide range of traditional crafts and activities, including handlooms, handicrafts, food processing, and rural manufacturing, contributing significantly to rural employment generation. In recent years, these industries have been seen as a viable solution to rural unemployment, poverty alleviation, and sustainable economic development, especially in rural regions like Wardha, a district in Maharashtra.

The Khadi and Village Industries Commission (KVIC) under the Government of India has been instrumental in promoting KVI by providing financial assistance, infrastructure support, and skill development training. Despite its historical significance, the contemporary relevance of KVI in improving rural employment has not been thoroughly studied in specific regions.

This research, therefore, explores the impact of KVI on employment generation in the rural area of Wardha district, Maharashtra, a region known for its agrarian economy and dependence on seasonal agricultural employment. The study aims to examine the extent to which KVI activities have influenced job creation, economic stability, and poverty reduction, and to highlight the challenges and potential of the sector for future growth.

Literature Review

The role of Khadi and Village Industries (KVI) in rural employment generation has attracted considerable attention from researchers and policymakers. Various studies highlight how the promotion of traditional industries can serve as a tool for achieving sustainable development goals in rural areas, particularly by enhancing employment opportunities. The Indian government has implemented several policies and schemes to boost the sector, such as the Prime Minister's Employment Generation Programme (PMEGP), which aims to create self-employment opportunities through the establishment of micro-enterprises.

Khadi and Village Industries have been identified as crucial for rural employment in several studies. A study by Sharma (2019) emphasized that Khadi industries, by promoting indigenous crafts, contribute significantly to employment, particularly in rural areas where alternative livelihood options are limited. The research shows that these industries not only provide jobs but also foster entrepreneurship, empowering rural youth, particularly women, to start their own enterprises. In a similar vein, Patel (2020) argued that the revival of traditional industries like Khadi provides a much-needed alternative to agriculture, especially during times of agrarian distress, by absorbing labor that might otherwise be unemployed in rural regions.

Furthermore, Khadi and Village Industries contribute to rural development by supporting eco-friendly and sustainable practices. According to Deshmukh and Joshi (2018), the handicraft and handloom sectors, which form a significant part of KVI, provide an eco-conscious



alternative to industrial production. This focus on sustainability has added relevance in the context of rising environmental concerns. These studies suggest that KVI can create employment opportunities while ensuring the preservation of local traditions and culture. However, the challenge lies in modernizing these industries to improve productivity, quality, and market access, which could enhance their potential to generate more jobs.

The rural employment potential of KVI is not limited to traditional sectors such as weaving and pottery. Food processing and rural manufacturing, both of which are promoted by the KVIC, also hold significant potential in rural areas. According to Kumar (2017), food processing units in rural areas have created numerous direct and indirect employment opportunities, ranging from primary production to post-harvest processing and marketing. These sectors are integral to improving the overall economic conditions of rural regions by promoting value-added products and ensuring higher returns for farmers and small producers. While there is consensus on the potential of KVI for employment generation, challenges persist. A significant body of research points to issues such as insufficient training, lack of awareness, and inadequate access to markets, which hinder the full potential of these industries. According to Yadav (2015), the lack of technical know-how and modern infrastructure has been one of the primary reasons for the slow growth of KVI in rural areas. Moreover, the tendency to rely on traditional methods of production, without incorporating innovations in production techniques or marketing strategies, has limited the growth of these industries.

In the context of Wardha, several studies suggest that the KVI sector has contributed positively to rural employment but still faces several challenges. Research by Bansal and Sharma (2021) found that while the establishment of Khadi and Village Industries units in Wardha has created job opportunities for local artisans and farmers, the region's employment rate remains significantly affected by the seasonal nature of agricultural employment. This issue is compounded by a lack of modern infrastructure, poor access to credit, and market constraints, limiting the capacity of KVI to provide year-round employment.

Moreover, gender disparities in rural employment also persist in the KVI sector. A study by Rao (2018) found that although KVI has empowered rural women to some extent, they continue to face barriers such as low wages, limited decision-making power, and lack of access to leadership roles within these industries. Therefore, for KVI to have a more significant impact on employment generation, policies aimed at empowering women and marginalized groups must be strengthened.

The literature reveals that Khadi and Village Industries have significant potential for generating employment in rural areas, including Wardha, but face several challenges. The sector's success depends on factors such as modernizing production techniques, improving access to markets, addressing gender inequalities, and providing adequate training and financial support. The present study seeks to contribute to this body of knowledge by specifically examining the impact of KVI on employment generation in rural Wardha, Maharashtra.

Objectives:

This study's main goals are to examine how Khadi and Village Industries (KVI) affect the creation of jobs in rural Wardha, how well KVI reduces rural unemployment, what obstacles these industries face, and how KVI might contribute to the region's sustainable economic growth.

Methodology:

In order to investigate how Khadi and Village Industries (KVI) affect the creation of jobs in rural Wardha, this study uses a descriptive research approach. The data was gathered using a structured questionnaire approach that includes both closed-ended and open-ended questions. To guarantee impartial representation of the population, 150 respondents—including beneficiaries, KVI employees, and local artisans—will make up the sample size. They were chosen by a straightforward random sampling procedure.

Data Analysis:

Both descriptive and inferential statistical methods were used to analyse the survey data. To

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ascertain the degree to which Khadi and Village Industries (KVI) contributed to the creation of jobs in rural Wardha, numerical data was analysed and shown in tables.

The first part of the analysis presented the demographic characteristics of the respondents, including age, gender, education, occupation, and years of involvement in KVI.

Table 1 Demographics

Demographic Factor	Frequency	Percentage (%)
Age Group		
18-30	40	26.67
31-45	60	40
46-60	35	23.33
Above 60	15	10
Gender		
Male	80	53.33
Female	70	46.67
Education Level		
No formal education	20	13.33
Primary	30	20
Secondary	40	26.67
Higher Secondary	60	40

A varied sample of respondents from rural Wardha was identified by the demographic data. Most (40%) were between the ages of 31 and 45, with 26.67% falling between the ages of 18 and 30. The gender breakdown revealed a small male preponderance (53.33%), with 46.67% of the population being female. 13.33% lacked formal education, whilst 40% had completed higher secondary school. These findings show that the demographics of persons working in Khadi and Village Industries are diverse, representing a range of age, educational, and gender characteristics.



Fig. 1

The respondents' job status within Khadi and Village Industries (KVI) units is displayed in Fig. 1. Full-time work was held by a sizable percentage of respondents (46.67%), suggesting that KVI offers steady, long-term job prospects. Furthermore, 33.33% of respondents had part-time jobs, indicating that these businesses provide flexible working options. Last but not least, 20% of employees had seasonal jobs, indicating that KVI has temporary or seasonal labour that varies based on demand and production cycles.

Table 2 Monthly Income Before and after joining KVIC

Income Range	Before KVI	After KVI	Percentage Increase (%)
Below ₹5,000	40	10	75
₹5,000 - ₹10,000	70	60	14.29
₹10,000 - ₹15,000	30	50	66.67
Above ₹15,000	10	30	200

The monthly income difference before and after joining Khadi and Village Industries (KVI) is shown in Table 2. 40% of respondents made less than ₹5,000 before joining KVI, while only



10% of them continued to make this amount after joining, suggesting a notable increase. 60% of respondents reported earning between ₹5,000 and ₹10,000 after joining KVI, indicating a little rise in this wage range. Interestingly, 200% of respondents in the ₹15,000+ range reported a significant increase in income, demonstrating the beneficial financial effects of working for KVI.

Table 3 Challenges faced by KVIC workers

Challenge	Not a Challenge	Minor Challenge	Major Challenge	Severe Challenge
Lack of financial support	20	40	60	30
Limited market access	30	50	40	30
Insufficient training	40	60	50	20
Poor infrastructure	50	40	30	30

The difficulties Khadi and Village Industries (KVI) employees confront are highlighted in Table 3. There are substantial obstacles to the expansion and sustainability of KVI units, as indicated by the majority of respondents' reports that market access (50%) and financial assistance (60%) present significant hurdles. 50% of respondents also identified inadequate training as a significant obstacle that might impede the development of skills. Furthermore, 50% of respondents said that inadequate infrastructure had a major impact on operational and production efficiency. In order to increase KVI's efficacy, these findings highlight the necessity of better financial, technical, and infrastructure assistance.

Conclusions

According to the report, Khadi and Village Industries (KVI) significantly contribute to the creation of jobs in rural Wardha by offering many residents full-time and part-time work options. Many respondents reported a significant increase in their monthly earnings after entering these businesses, demonstrating that KVI has significantly helped to raising worker income levels. The research does, however, also point out a number of difficulties that KVI employees have, such as a lack of funding, restricted market access, inadequate training, and subpar infrastructure. For KVI to expand sustainably in the area, these problems must be resolved.

Recommendations

It is advised that the government and pertinent authorities strengthen financial support and expand market access for KVI goods in order to improve the efficiency of Khadi and Village Industries in rural Wardha. Developing training programs to improve product quality and skill development is essential to raising employee happiness and productivity. Production processes will also be streamlined by making investments in improved infrastructure, such as dependable transportation and technology. To overcome these obstacles and guarantee that KVI units can make a more significant contribution to rural employment and economic growth, a thorough policy framework should be developed.

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