HANDLOOMS, HANDICRAFTS, TEXTILE AND KHADI DEPARTMENT

KHADI AND VILLAGE INDUSTRIES

POLICY NOTE
2026 – 2027

DEMAND No. 18

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MINISTER FOR HANDLOOMS, TEXTILES AND KHADI

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POLICY NOTE
2026-2027

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TAMIL NADU KHADI AND VILLAGE INDUSTRIES BOARD

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TAMIL NADU PALM PRODUCTS DEVLOPMENT BOARD

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Tamil Nadu Khadi and Village Industries Board

"I believe that where there is pure and active love for the poor there is God also. I see God in every thread that draw on the spinning wheel"

- Mahatma Gandhi

The Tamil Nadu Khadi and Village Industries Board was formed on 1st April 1960 under the Tamil Nadu Khadi and Village Industries Board Act, 1959 (Tamil Nadu Act 18 of 1959) with the main objectives to encourage, promote and assist Khadi and Village Industries in rural areas with major focus on artisans and weaker sections to improve their livelihood and to give impetus to self-reliance and strong rural economy.

1. Objectives

The Tamil Nadu Khadi and Village Industries Board has been set up with the following objectives:

- To start, encourage, run and develop Khadi and Village Industries across rural areas.
- To create gainful employment opportunities for the poor in rural areas.
- To produce eco-friendly and easily marketable Village Industry products using locally available resources.
- To foster a strong sense of self-reliance and community spirit among the rural poor.
- To network rural artisans and improve their production capacity, income and overall standard of living.

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- To implement innovation in design and marketing to keep pace with changing consumer preferences.

2. Administration

The Tamil Nadu Khadi and Village Industries Board functions as a statutory body under the Handlooms, Handicrafts, Textiles and Khadi Department. The Honourable Minister for Handlooms, Textiles and Khadi serves as the President of the Board. The following Government officials, serve as Ex officio members.

- The Khadi and Village Industries Board is a statutory body under the Handlooms, Handicrafts, Textiles and Khadi Department, with the Minister as its President and the Chief Executive Officer running day-to-day work.

a) The Principal Secretary to Government, Handlooms, Handicrafts, Textiles and Khadi Department.

b) The Special Secretary to Government, Finance Department.

c) The Industries Commissioner and Director of Industries and Commerce.

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d) The Chief Executive Officer, Tamil Nadu Khadi and Village Industries Board.

e) The Financial Advisor and Chief Accounts Officer, Tamil Nadu Khadi and Village Industries Board.

The Board takes all major policy decisions for implementing its programmes. The day-to-day activities and operations are carried out by the Chief Executive Officer. The Board's functions encompass two principal divisions the promotion of Khadi and the development of Village Industries.

3. Khadi

The Khadi movement was initiated by Mahatma Gandhi to promote Swadeshi cloth and foster self-reliance in clothing production at the village level. The movement envisaged a 'Grama Swaraj' converting every village into a

- The Khadi movement began with Mahatma Gandhi's call for Swadeshi cloth and Grama Swaraj - every village self-sustaining in the necessities of a decent life.

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self-sustainable entity where all the necessities of a decent life are available locally.

Khadi refers to hand-spun, hand-woven natural fibre cloth of cotton, silk, wool or a blend of two types of yarn. After the introduction of polyester in the market, a blend of 67% cotton yarn and 33% polyester yarn is processed into a fabric called "Polyvastra". Therefore, Khadi now includes three types namely "Khadi Cotton", "Polyvastra" and "Khadi Silk".

- Khadi is hand-spun, hand-woven natural fibre cloth of cotton, silk, wool or a blend.
- Polyvastra is 67% cotton and 33% polyester. Khadi today therefore has three types - Khadi Cotton, Polyvastra and Khadi Silk.

Khadi stands as a symbol of Indian culture and represents a distinctive way of life, contributing significantly to the economic development of rural India. Its natural composition makes Khadi fabric especially well-suited to the tropical Indian climate. The Board continues to produce clothing materials in tune with evolving market trends, operating its units efficiently to remain competitive against products available in the open market.

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3.1. Khadi Cotton and Polyvastra

Production under the Khadi Cotton and Polyvastra sector is entirely manual and thereby creates significant employment opportunities for rural artisans. Spinning and weaving activities are predominantly undertaken by women making this sector a key instrument of women's economic empowerment. The full production process including spinning, weaving, bleaching and dyeing.

Slivers purchased from the Central Sliver Plant operating under the Khadi and Village Industries Commission are distributed to Rural Textile Centres. Spinners convert these slivers into yarn, which is then distributed to weavers through Khadi Sub-Centres. The resulting Kora cloth is processed at the Central Khadi Godown, Tiruppur to produce finished items including Dhoties, Shirtings, Towels, Bed Sheets, Bed Spreads, Uniform Clothes and other varieties.

- Slivers bought from the Central Sliver Plant of the Khadi and Village Industries Commission go to Rural Textile Centres, spinners turn them into yarn, Khadi Sub-Centres pass the yarn to weavers, and the Kora cloth is finished at the Central Khadi Godown, Tiruppur.

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I. Khadi Spinning Centres (Rural Spinning Centres)

Sl. No.	District	Place
1.	Tiruppur	Avinashi
2.	Erode	Kavilipalayam
3.		Getticheviyur
4.	Coimbatore	Sulur
5.	Salem	Viruthasampatty
6.	Tiruchirappalli	Karungulam
7.	Pudukkottai	Thiruvarangulam
8.	Dindigul	Chinnalapatti
9.	Madurai	Annamarpatti
10.	Sivagangai	Kandanur
11.	Virudhunagar	Vanniyampatti
12.		R.N.Patti
13.		Mangapuram
14.	Tenkasi	Pavoorchathram
15.	Kanniyakumari	Agastheeswaram

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II. Khadi Weaving Centres (Khadi Sub Centres)

Sl. No.	District	Place
1.	Tiruppur	Avinashi
2.	Erode	Getticheviyur
3.	Coimbatore	Sulur
4.	Salem	Kattampatti
5.	Dindigul	Chinnalapatti
6.	Madurai	Usilampatti
7.	Virudhunagar	Vathrairuppu
8.	Tenkasi	Keelapavoor
9.	Kanniyakumari	Marthandam

In addition to the Board's own spinning and weaving units, 69 Sarvodaya Sanghs certified by the Khadi and Village Industries Commission as Khadi Institutions are engaged in Khadi production and sales across Tamil Nadu, complementing the Board's objectives.

- 69 Sarvodaya Sanghs certified as Khadi Institutions by the **KVIC** produce and sell khadi alongside the Board's own units.

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During the financial year 2025–2026, the Board directly engaged 487 spinners and 101 weavers for Khadi production. The Board operates 31 retail sales outlets under the brand name "Khadi Kraft" across Tamil Nadu.

The Board directly engaged only 487 spinners and 101 weavers in **2025-26** - the direct establishment is small, and most khadi comes through the Sarvodaya Sanghs.

31 retail outlets trade under the brand Khadi Kraft, selling the Board's products and One District One Product village industry goods.

The details of Production and Sale of Khadi goods by the Board's units during the last three years are given below:

(Rs. in lakh)

Sl. No.	Year	Production	Sales
1.	2023–2024	469.53	1042.44
2.	2024–2025	238.43	565.02
3.	2025–2026	156.91	757.98

3.2. Khadi Silk

The Board has been actively engaged in the production of Khadi Silk since its inception. Silk varieties are produced across 4 Silk Sub-Centres.

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Since the "Central Silk Board" issues "Silk Mark" certification for silk varieties produced by the Tamil Nadu Khadi and Village Industries Board, there is consistent and growing demand for these products. The Board produces attractively printed, embroidery and zari-work silk sarees in contemporary designs that appeal to both traditional patrons and the younger generation. Quality Silk sarees, Silk dhoties, Silk shirtings and Silk towels are produced to cater to consumer preferences.

The Board provides employment opportunities to 119 Silk weavers through the following Silk Sub-Centres:

Sl.No.	District	Weaving Centre
1.	Thanjavur	Kumbakonam
2.	Dindigul	Narikkalpatti
3.	Salem	Tharamangalam
4.	Coimbatore	Vadavalli

- Khadi silk from four silk sub-centres carries Silk Mark certification from the Central Silk Board.

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Production and Sale of Silk varieties during the last three years are furnished below:

(Rs. in Lakh)

Sl. No.	Year	Production	Sales
1.	2023–2024	498.61	526.81
2.	2024–2025	497.16	370.20
3.	2025–2026	347.37	371.32

4. Village Industries

The Board plays a pivotal role in promoting Village Industries across Tamil Nadu. By harnessing the traditional skills of rural artisans, the Board aims to generate profitable and sustainable employment opportunities, thereby enhancing their livelihoods and contributing to rural economic development. Village Industry units producing soap, carpentry and blacksmithy products, leather goods, honey, handmade paper

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and other items are functioning under the Board's control.

4.1. Soap Industry

Among the various Village Industries run by the Tamil Nadu Khadi and Village Industries Board, the Soap Industry occupies a prominent position and has emerged as one of the most profitable sectors. The Board currently operates 5 Bathing Soap Units, 1 Washing Soap Unit, 1 Detergent Soap and Powder Unit and 1 Liquid Soap Unit.

- Soap is the Board's most profitable village industry - 5 bathing soap units, 1 washing soap, 1 detergent and 1 liquid soap unit.

I. Bathing Soap Units

Sl.No	District	Place
1.	Chengalpattu	Thirukkazhukundram
2.	Tiruchirappalli	Samayapuram
3.	Erode	Modakurichi
4.	Sivagangai	Kandanur
5.	Kanniyakumari	Myladi

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II. Washing Soap Unit

Sl.No	District	Place
1.	Thiruvallur	Poondi

III. Detergent Soap and Powder Unit

Sl.No	District	Place
1.	Cuddalore	Panruti

IV. Liquid Soap Unit

Sl.No	District	Place
1.	Sivagangai	Kandanur

The bathing soap units produce a wide range of varieties including Kumari, Kurinji Sandal, Kurinji Neem, Mooliga, Nitham, Khadi Fragrance, Carbolic and Transparent soaps. Among these, "Kumari Soap" has gained exceptional popularity and continues to receive the best market

- Kumari Soap is the best-selling variety. The Gopuram brand covers laundry bar, detergent cake, liquid detergent and powder; Saaral shampoo and Vaigai hand and body wash complete the range.

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response. Under the brand name "Gopuram", the Board produces Laundry Bar Soap, Detergent Cake, Liquid Detergent and Detergent Powder. Liquid products such as "Saaral" Shampoo, "Vaigai" Hand Wash and Body wash are also manufactured.

During the financial year 2025–2026, soap products worth Rs.681.70 lakh were made and sales stood at Rs.820.69 lakh.

- Soap production was **Rs.681.70** lakh against sales of **Rs.820.69 lakh** in **2025-26** - sales above production, drawing down stock.

4.2. Carpentry and Blacksmithy Industry

The Carpentry and Blacksmithy Industry is one of the vital Village Industries providing sustainable employment to rural artisans. The following units manufacture and supply high-quality wooden and iron furniture and fixtures to Courts, Universities, Libraries, Hospitals, the Hindu Religious and Charitable Endowments Department, the Police Department,

- Carpentry and blacksmithy units supply furniture to courts, universities, libraries, hospitals, **HR&CE**, the police and other departments - a captive Government market.

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Educational Institutions and other Government Departments and organizations.

Sl. No	District	Place
1.	Ranipet	Arakkonam
2.	Vellore	Pallikonda
3.	Tirunelveli	Pettai
4.	Sivagangai	Kandanur

During the financial year 2025–2026 these units achieved production valued at Rs.508.59 lakh and sales valued at Rs.509.59 lakh.

4.3. Leather Industry

The Leather Industry is one of the traditional and significant Village Industries functioning under the Tamil Nadu Khadi and Village Industries Board. Two Footwear Manufacturing Units are currently operational under the Board's control.

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Sl. No.	District	Place
1.	Thiruvallur	Ambattur
2.	Salem	Gugai

These units manufacture and supply conductor cash bags, footwears, file boxes, rubberized coir mattresses and pillows to Government Hospitals, Transport Corporations, Local Bodies, Municipal Institutions and other Government agencies on indent basis.

- The two footwear units make conductor cash bags, footwear, file boxes and rubberised coir mattresses for hospitals, transport corporations and local bodies on indent.

During the financial year 2025–2026, the units recorded production valued at Rs.126.76 lakh and sales valued at Rs.60.13 lakh.

4.4. Handmade Paper Industry

The Board operates two Handmade Paper Units that produce eco-friendly paper products including raw pads, file pads and corrugated boxes.

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Sl.No	District	Place
1.	Tiruppur	Tiruppur
2.	Cuddalore	Vadalur

During the financial year 2025–2026, products worth Rs.25.20 lakh and sales were valued at Rs.3.72 lakh.

4.5. Honey Processing Industry

Honey processing occupies a prominent place among the Board's Village Industries. Raw honey is procured directly from the Beekeepers of Kanniyakumari District and processed at the Amsi Honey Processing Unit, where it is tested and sold through the Board's Khadi Krafts with “Agmark” quality certification.

Raw honey from Kanniyakumari beekeepers is processed at the Amsi unit and sold through Khadi Krafts with Agmark certification, with packing centres at Ambattur, Tiruchirappalli, Tiruppur and Madurai.

Honey Packing Centres are also operating at Chennai (Ambattur), Tiruchirappalli, Tiruppur and Madurai where processed honey is bottled and dispatched. The Board’s honey is consistently

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well-received by customers on account of its assured quality.

During the financial year 2025–2026, production was worth Rs.45.45 lakh and sales were valued at Rs.101.55 lakh.

4.6. Other Village Industries

In addition to the principal production units, the Board also promotes small-scale rural products to improve the livelihoods of village workers. These include Jawadhu, Sambirani, Pain Relief Oil and Herbal Tooth Powder etc.

Smaller village industries make Jawadhu powder, sambirani, camphor and rose water at Vedapatti, agarbathi at Kandanur, Mooliga tooth powder and Sugapriya balm at Poondi, and wood-pressed groundnut and sesame oil at four centres.

4.6.1. In Vedapatti, Dindigul District, various products such as Jawadhu Powder, Sambirani, Camphor, Rose Water, Pooja Powder "Jawadhu Fragrance Liquid" and "Pooja Gift Box" are manufactured.

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4.6.2. In Kandanur, Sivagangai District, Agarbathi and Sandal Garlands are being produced.

4.6.3. In Poondi, Thiruvallur District, “Mooliga” Tooth Powder is being manufactured. In addition, “Sugapriya” pain relief balm, prepared from pure eucalyptus oil is also manufactured here and sold to the public, receiving a very positive response.

4.6.4. Traditional wood-pressed machines are used at units in Chennai, Tiruchirappalli, Tiruppur and Kandanur to produce high-quality groundnut oil and sesame oil for sale.

During the financial year 2025–2026, production to the tune of Rs.91.12 lakh and sales valued at Rs.87.70 lakh were done.

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5. Welfare Schemes

5.1. Welfare Fund for Spinners and Weavers

The Welfare Fund for Spinners and Weavers is maintained by the Board. Weavers contribute 12% of their wages to this fund and the Board matches this contribution with an equal share. Financial assistance is extended from this fund based on request from members for marriage, education, medical expenses and festival needs, based on available balance. The total accumulated amount is paid out in full on their retirement. The Board additionally pays 10% of the basic wages as incentive to all spinners and weavers.

- The Welfare Fund for Spinners and Weavers takes 12% of wages from the weaver, matched by the Board, paid out in full on retirement. A further 10% of basic wages is paid as incentive.

5.2. Khadi Spinners and Weavers Welfare Board

A dedicated Welfare Board has been established for Spinners and Weavers working under the Khadi Board and Sarvodaya Sanghs. The Government has allocated a grant of

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Rs. 100.00 lakh for the functioning of this Welfare Board.

The welfare assistances provided under this scheme are as follows:-

Sl. No.	Details of Assistance	Amount (Rs.)
1.	Accident Insurance Scheme	
	a. In case of Accidental Death	1,00,000/-
	b. In case of loss / damage to any organs of the body due to an accident, according to its nature.	10,000/- to 1,00,000/-
2.	Natural Death Assistance	15,000/-
3.	Funeral Expenses	2,000/-
4.	Educational Assistance	
	a. Girl children studying – 10th Standard passed	1,000/-
	b. For those passed 10th Standard	1,000/-
	c. Girl children studying 11th Standard	1,000/-
	d. Girl children studying 12th Standard	1,500/-
	e. For those passed 12th Standard	1,500/-

- Khadi Spinners and Weavers Welfare Board assistance: **Rs.1,00,000** for accidental death, **Rs.15,000** on natural death, **Rs.2,000** for funeral, **Rs.1,000** a month old age pension and graded education, marriage and maternity support.

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Sl. No.	Details of Assistance		Amount (Rs.)
	f.	For Regular Degree course	1,500/-
		For Regular Graduate course with hostel facility	1,750/-
	g.	For Regular Post Graduate course	2,000/-
		For Regular Post Graduate course with hostel facility	3,000/-
	h.	For Professional Degree course	2,000/-
		For Professional Degree course with hostel facility	4,000/-
	l.	For Professional Post Graduate course	4,000/-
		For Professional Post Graduate course with hostel facility	6,000/-
	j.	For I.T.I. Industrial Training Course	1,000/-
		For I.T.I. Industrial Training Course with hostel facility	1,200/-
5.	**Marriage Assistance**		2,000/-
6.	**Maternity Assistance**		
	a.	Rs.1,000/- per month (3 months before and after delivery)	6,000/-
	b.	Abortion / Miscarriage Assistance	3,000/-

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Sl. No.	Details of Assistance	Amount (Rs.)
7.	Reimbursement of cost of Spectacles	Upto 500/-
8.	Old Age Pension (per month)	1,000/-

5.3. Welfare Schemes for Pottery Workers

The pottery industry is one of the most ancient industries of Tamil Nadu and continues to sustain the livelihoods of pottery workers in rural areas. Under the Board's control, 32 Pottery Industrial Co-operative Societies with 3,816 members are functioning.

- 32 Pottery Industrial Cooperative Societies with 3,816 members work under the Board - pottery being among the oldest industries in the State.

Recognising the hardships faced by pottery workers during the rainy season maintenance allowance of Rs.5,000/- per family has been provided to a total of 9,209 families, amounting to Rs.460.45 lakh during the financial year 2025–2026.

- A rainy-season maintenance allowance of **Rs.5,000** a family reached 9,209 potter families at **Rs.460.45 lakh** in **2025-26** - pottery cannot be dried or fired in the rains.

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6. Marketing Development Assistance (MDA)

6.1. Khadi and Village Industries Commission (KVIC)

The Khadi and Village Industries Commission introduced the Marketing Development Assistance (MDA) Scheme in 2010–2011 to encourage the production and sale of Khadi. From the financial year 2016–2017, this was upgraded to the Modified Market Development Assistance (MMDA) Scheme. Under the scheme, 30% of the prime cost of Khadi production is provided as financial assistance, disbursed quarterly.

- **KVIC**'s Marketing Development Assistance began in **2010-11** and became the Modified **MDA** scheme from **2016-17**.
- **MMDA** gives 30% of the prime cost of khadi production: 40% of that goes straight to spinners and weavers as wage incentive by **ECS**, and 60% to the Sanghs and the Board for production and infrastructure.

Of the 30% assistance, 40% is credited directly to the bank accounts of spinners, weavers and artisans as wage incentive through the Electronic Clearing Service (ECS) every quarter. Disbursement details are made available on the Khadi and Village Industries Commission (KVIC) website. The remaining 60% is credited to the accounts of Sarvodaya Sanghs and the Tamil

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Nadu Khadi and Village Industries Board for utilization towards production, infrastructure, skill development, market development and related activities.

6.2. State Government

The State Government of Tamil Nadu extends 20% financial assistance calculated on the production value of Khadi varieties as Marketing Development Assistance to the Tamil Nadu Khadi and Village Industries Board and Sarvodaya Sanghs.

- The State adds 20% of production value as its own Marketing Development Assistance - **Rs.4.00** crore to the Board and **Rs.22.00** crore to the Sarvodaya Sanghs in **2025-26**.

For the financial year 2025–2026, the State Government allocated Rs.4.00 crore to the Tamil Nadu Khadi and Village Industries Board and Rs.22.00 crore to the Sarvodaya Sanghs.

7. Industrial Co-operative Societies

There are 116 Industrial Co-operative Societies are functioning under the control of the

- 116 Industrial Cooperative Societies work under the Board, with its Chief Executive Officer as Functional Registrar; they produced **Rs.2,700.70 lakh** and sold **Rs.2,932.61 lakh** in **2025-26**.

Tamil Nadu Khadi and Village Industries Board. The Chief Executive Officer of the Board serves as the Functional Registrar for these Co-operative Societies. The accounts and expenditure of these societies are audited by the Co-operative Audit Department.

During the financial year 2025–2026, these societies produced goods worth Rs. 2700.70 lakh and recorded sales of Rs. 2932.61 lakh.

8. Marketing

8.1. Khadi Krafts

Khadi and Village Industries products manufactured by the Board's units are marketed across Chennai and other districts through 31 retail outlets operating under the brand name "Khadi Kraft". Apart from the Board's own manufactured products, unique and quality Village Industry products from various districts under "One District One Product" are also procured from

Under One District One Product, distinctive village industry goods from each district are identified, standardised, priced and sold through Khadi Krafts, Sarvodaya Sanghs and private stores.

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eligible institutions and sold through these outlets.

8.2. Sale under "One District One Product"

Village Industry products and food items that are uniquely representative of their respective districts are identified, procured and marketed. The key features of this initiative include:

- Identifying special and unique Village Industry products from each district.
- Processing, designing and standardizing quality to meet market expectations.
- Fixing competitive market prices for products.
- Marketing through Khadi Krafts, Sarvodaya Sanghs and private stores.

8.3. Exhibitions and Sales

Periodic exhibitions and sales events are organized within private complexes, Government

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offices and College campuses to popularize the Board's products and to increase sales. These events create direct contact between artisans products and consumers, generating both awareness and revenue.

9. Prime Minister's Employment Generation Programme (PMEGP)

The Prime Minister's Employment Generation Programme has been implemented since 2008-2009 financial year through the four Departments such as Tamil Nadu Khadi and Village Industries Board, Industries Commissioner and Director of Industries and Commerce, the Khadi and Village Industries Commission of the Union Government and the Coir Board which are under the Ministry of Micro, Small and Medium Enterprises of the Union Government. This scheme has been implemented online since 01.07.2016.

- **PMEGP** has run since **2008-09** through four agencies - the Khadi Board, the Industries Commissioner, the **KVIC** and the Coir Board - and online since **01.07.2016**.

From the financial year 2022–2023, the maximum bank loan for beneficiaries was increased to Rs. 50.00 lakh for the manufacturing sector and Rs. 20.00 lakh for the service sector.

During the financial year 2025–2026, margin money amounting to Rs.3190.91 lakh was disbursed to 1,110 units, creating employment for 12,210 persons.

- From **2022-23** the **PMEGP** loan ceiling is **Rs.50.00 lakh** for manufacturing and **Rs.20.00 lakh** for services.
- **PMEGP** margin money of **Rs.3,190.91 lakh** went to 1,110 units in **2025-26**, creating 12,210 jobs.

10. Khadi and Village Industries Products – Production and Sale

The pre audit details of production and sale of Khadi and Village Industries products for the financial years 2024–2025 and 2025–2026 are given below:

(Rs. in lakh)

Sl. No.	Name of the Industry	2024–2025		2025–2026	
		Production	Sales	Production	Sales
1.	Khadi (Khadi cotton, polyvastra and cotton silk)	735.59	935.22	504.28	1129.30

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Sl. No.	Name of the Industry	2024–2025		2025–2026	
		Production	Sales	Production	Sales
2.	Village Industries				
	(a) Soap	1357.36	1597.05	681.70	820.69
	(b) Carpentry & Blacksmithy	739.80	634.23	508.59	509.59
	(c) Leather Products	70.12	87.17	126.76	60.13
	(d) Handmade Paper	38.39	26.66	25.20	3.72
	(e) Honey	63.68	145.85	45.45	101.55
	(f) Other Industries	93.68	119.80	91.12	87.70
3.	Industrial Cooperative Societies	2647.07	2983.41	2700.00	2932.61
	Total	**5745.69**	**6529.39**	**4683.10**	**5645.29**

11. Schemes Implemented by the Board during the financial year 2025–2026

- During the financial year 2025-2026 the best Spinner, Khadi Weaver and

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Silk Weaver have been awarded a prize money Rs.25,000/- each along with a Shield of appreciation to encourage them.

- For the year 2023–2024, an advance (50%) of the subsidy amount on Khadi production for certified Sarvodaya Sanghs a sum of Rs.11.00 crore was sanctioned and disbursed.
- In Kanniyakumari District, renovation of an old building at the Amsi honey processing unit and procurement of honey storage tanks have been carried out at an esimate of Rs.21.00 lakh.
- A buffing chamber for polishing footwear to facilitate workers and a borewell have been established at the footwear unit operating in Gugai in Salem District, at a cost of Rs.20.00 lakh.

- In the Nilgiris District, training has been provided at a cost of Rs.45.00 lakh to 150 tribal individuals engaged in pottery to help them create artistic clay products. Further proper training has been given to 200 individuals involved in this trade in Tenkasi, Sivagangai, Cuddalore, Ranipet and Vellore districts, with an aim of carrying forward the craft to the next generation.

- Bee-rearing boxes have been provided to 100 beekeepers belonging to the Irular and Kurumbar tribal communities in the Kothagiri area of the Nilgiris district and honey-harvesting equipments have been supplied to five groups, at a total cost of Rs.4.00 lakh.

- An automatic soap stamping machine, has been installed at the soap unit in Samayapuram, Trichy district at a cost of Rs.10.00 lakh.

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12. Sustainable Development Goals

The objectives enshrined in the Tamil Nadu Khadi and Village Industries Board Act, 1959 to create employment for rural poor artisans, produce eco-friendly marketable products, improve social awareness, foster self-reliance and enhance artisan productivity are directly aligned with the United Nations Sustainable Development Goals (SDGs).

In September 2015, the Government of India adopted the 2030 Agenda for Sustainable Development, comprising 17 SDGs and 169 associated targets. These goals encompass economic, environmental, and social well-being for the benefit of humanity.

Goal 8.5 of the SDGs aims, by 2030, to achieve full and productive employment and equal pay for equal work for all women and men, including youth and persons with disabilities. The

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Board directly contributes to this goal by providing equal and appropriate employment to both rural and urban artisans.

Goal 8.7 aims to eliminate child labour, modern slavery and human trafficking as well as forced labour. The Board ensures that no child labourers are employed in any of its units.

Goal 8 broadly focuses on promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. The Board's programmes for women engaged in rural industries are a practical embodiment of this goal.

13. Financial Assistance from the Government

The State Government provides the necessary financial assistance to the Tamil Nadu Khadi and Village Industries Board for salaries, pensions, business development subsidies for

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Khadi production and maintenance allowances for pottery workers.

The details of financial assistance allocated in the Revised Budget Estimates 2026–2027 for the Tamil Nadu Khadi and Village Industries Board and the Tamil Nadu Palm Products Development Board are as follows:

(Rs. in lakh)

Sl.No	Details		Amount
1.	Grants for Salary to the staff and pension to the Pensioners		9512.30
2.	Rebate	Khadi Board	400.00
		Certified Institutions	2200.00
3.	Audit Fees		298.45
4.	Assistance to Village Industries Development		114.13
5.	Tamil Nadu Palm Products Development Board		1600.00
6	Khadi Spinners and Weavers Welfare Board		0.01
7.	Maintenance allowance to potters		475.01
	Total		**14599.90**

- The revised estimate for both Boards in **2026-27** is **Rs.14,599.90** lakh, of which **Rs.9,512.30 lakh** is salaries and pensions and **Rs.2,600.00 lakh** rebate.

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The Tamil Nadu Palm Products Development Board

Tamil Nadu Palm Products Development Board was formed under the Tamil Nadu Act 15 of 1994 to implement various schemes related to Palmgur Industries with head quarters at Chennai. 310 Primary Palm Jaggery manufacturing Co-operative societies and 8 District Palmgur Co-operative Federations at district level and one State level Tamil Nadu State Palmgur and Fibre Marketing Co-operative Federation are functioning under the control of this Board. All these institutions are directly engaged in the production and marketing of palm products.

- The Tamil Nadu Palm Products Development Board was formed under Tamil Nadu Act 15 of **1994**, headquartered at Chennai.
- 310 primary palm jaggery cooperative societies, 8 district federations and one State marketing federation work under the Palm Board.

1. Objectives

The main objectives of the Tamil Nadu Palm Products Development Board are:

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- To increase the production and sale of Palm products by providing institutional motivation, with an aim of improving the economic status of the workers engaged in the Palm industry.
- To introduce modern practices in both the production and utilization of Palm products, to improve research and development in the sector.
- To ensure that Palm workers have access to the necessary modern tools and equipment for production of Palm product.
- To provide profitable employment opportunities for Palm workers involved in Palm Neera extraction and the production of other Palm products.
- To coordinate primary cooperative societies and federations at various levels involved in Palm products, thereby improving the Palm industry.
- To make Palm products available at affordable prices to the general public,

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ensuring both attractiveness and affordability.

2. Administration

All staff of the Board, including the Chief Executive Officer (Ex-officio), are drawn from the cadre of the Tamil Nadu Khadi and Village Industries Board. The Chief Executive Officer of the Tamil Nadu Khadi and Village Industries Board also serves as the "Functional Registrar" for the Primary Palm Jaggery Producers Cooperative Societies and the District and State Palm Jaggery Cooperative Federations.

The Hon'ble Minister for Handlooms, Textiles and Khadi is the President of the Tamil Nadu Palm Products Development Board.

The official members of the Board include:

- The Principal Secretary to Government, Handlooms, Handicrafts, Textiles and Khadi Department.

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- The Joint Secretary to Government, Finance Department.
- The Additional Director General of Police (Prohibition and Excise).
- The Chief Executive Officer, Tamil Nadu Khadi and Village Industries Board.
- The Chief Executive Officer (Ex-officio), Tamil Nadu Palm Products Development Board.

The **ADGP** (Prohibition and Excise) sits on the Palm Board - because Neera ferments into toddy, palm sap policy touches prohibition.

3. Palm Products

Neera (sweet palm sap) is the foremost among palm products and serves as the primary raw material for a range of edible palm products including palm jaggery (Karuppatti), palm candy, palm sugar, palm toffee, Karuppatti Halwa and palm chocolate. In regions where palm trees are abundant, freshly tapped Neera is a popular and

Neera, the sweet palm sap, is the base for palm jaggery (Karuppatti), palm candy, palm sugar, toffee, halwa and chocolate.

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highly sought-after natural beverage during the season.

To prevent the misuse of Neera tapped from palm trees, the Government has mandated that tapping and selling Neera requires a valid licence. The Tamil Nadu Palm Products Development Board issues and renews these licences annually. During the financial year 2025–2026, licences for tapping Neera were issued to 1,495 palm workers through the Assistant Directors of the Khadi Board.

- Tapping and selling Neera needs an annual licence from the Palm Products Development Board; 1,495 palm workers were licensed in **2025-26**.

Non-edible palm products include palm fibre brushes, fans, mats, baskets, palm leaf products, toys and various natural and dyed handicrafts, all produced by skilled palm artisans.

4. Schemes Implemented during the financial year 2025–2026

- Four palm product sales outlets were established at Mamandur in Chengalpattu District through the

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Tamil Nadu State Palm Jaggery and Fiber Marketing Co-operative Federations at an estimated cost of Rs. 30.00 lakh. Sales of Palm products commenced from 02.01.2026.

- The foundation stone for a Palm Products Trade Centre (Palm Park) to be constructed at an estimate of Rs.1.63 crore at Narippaiyur Village, Kadaladi Taluk, Ramanathapuram District, on the Ramanathapuram–Thoothukudi National Highway was laid on 02.02.2026 with the assistance of Tamil Nadu State Palm Jaggery and Fiber Marketing Co-operative Federations.

- A Palm Products Trade Centre, or Palm Park, is being built at Narippaiyur in Ramanathapuram at **Rs.1.63 crore**, its foundation laid on **02.02.2026**.

- Training in palm leaf product preparation was provided to 200 women under the Palm Development Mission at an estimated cost of Rs. 37.18 lakh. After the training free tools were distributed to the trainees at an estimated cost of Rs. 14.52 lakh.

- Under the Palm Development Mission, 200 women were trained in palm leaf products and given free tools; 250 farmers were trained in palm jaggery and candy making.

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- Training for the preparation of quality palm jaggery and palm candy was provided to 250 palm farmers at a cost of Rs. 19.50 lakh. Free equipment for production of palm jaggery, palm candy and value added products were distributed to the trainees at an estimated cost of Rs.23.91 lakh.

- Through the Tirunelveli District Palm Products Cooperative Federation, training in palm candy production with free tools was provided to 40 persons at Kandhasamipuram, Tiruchendur Taluk, Thoothukudi District, at an estimated cost of Rs. 11.64 lakh. Training in palm leaf product making with free tools was provided to 40 women at Kaadankulam and Ittamozhi in Tirunelveli District at an estimated cost of Rs. 5.30 lakh. Further, training in palm fibre production with free tools was provided to 40 persons at Subramaniyapuram in Sivagiri Taluk, Tenkasi District, at an estimated cost of Rs. 14.92 lakh.

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5. Marketing of Palm Products

- Neera, as the primary edible palm product, together with its byproducts palm jaggery, palm sugar, palm candy and value-added items as well as non-edible products such as palm leaf and palm fibre goods are marketed through Khadi Krafts, Palm Crafts outlets, Fair Price Shops and Wholesale Stores under the Cooperative Department, Aavin outlets and Tamil Nadu Civil Supplies Corporation outlets.

- Palm products are also marketed through mobile sales vehicles and exhibitions. Growing awareness about natural, unadulterated beverages and organic alternatives to plastic continues to drive demand for edible products such as palm jaggery and herbal Sukku Coffee powder, as well as palm leaf products. Research on modern techniques for palm cultivation, value-added product

Palm products are sold through Khadi Krafts, Palm Crafts outlets, fair price shops and wholesale stores, Aavin outlets and Civil Supplies Corporation outlets - the whole public retail network put to one purpose.

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preparation and marketing is being conducted through the Palm Research Station and Agricultural College at Killikulam, Thoothukudi District.

6. Production and Sales of Palm Products

The production and sales details of palm products during the last three financial years are as follows:

(Rs. in lakh)

Year	Production	Sales
2023–2024	1909.86	2146.85
2024–2025	2036.44	2329.57
2025–2026	1614.03	1777.61

M. VIJAY BALAJI
MINISTER FOR HANDLOOMS, TEXTILES AND KHADI

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The Hon'ble Minister for Handlooms, Textiles and Khadi inspected the Marthandam Beekeepers Co-operative Society, Kanniyakumari District on 01.08.2026

1



Silk Sub-Centre, Taramangalam, Salem District

2



Carpentry and Blacksmithy Unit, Pallikonda, Vellore District

3



Palm Leaf Handicrafts

4

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