



Article

KVIC and Khadi Industries in India: A Systematic Review of Financial Assistance, Rural Employment

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Abstract: Micro, Small and Medium Enterprises (MSMEs) have long been a driving force behind India's economic growth, particularly in generating employment, supporting rural industries, and promoting balanced regional development. Within this sector, Khadi and Village Industries (KVI) occupy a unique space due to their labour-intensive nature, low capital requirements, and strong connection with India's cultural and historical roots. The Khadi and Village Industries Commission (KVIC), established under the Khadi and Village Industries Act, 1956, plays a central role in strengthening this sector through initiatives such as PMEGP, SFURTI, and Khadi Vikas Yojana.

This study undertakes a systematic review of literature published between 2000 and 2025 to understand the contribution of KVIC initiatives to financial support, rural employment, and women's empowerment in India. Using the PRISMA 2020 framework, a total of 400 studies were carefully selected from databases including Scopus, Google Scholar, and other academic and policy sources. The review is guided by Gough's (2007) Weight of Evidence approach to ensure the quality and relevance of the selected studies.

The findings suggest that KVIC schemes have played a meaningful role in creating employment opportunities, encouraging self-employment, improving income levels, and increasing women's participation in economic activities. At the same time, several challenges remain, including regional disparities, limited awareness, administrative delays, and weak market linkages. The study highlights the need for stronger digital integration, improved market access, and more inclusive, gender-focused policy support to fully realise the potential of KVI in rural development

Keywords: KVIC, Khadi, Financial assistance, Rural employment, Women empowerment, KVIC Schemes, India.

OVERVIEW

Micro, Small and Medium Enterprises (MSMEs) have played a vital role in India's economic development for several decades, contributing significantly to employment generation, rural industrialisation, and balanced regional growth. The sector accounts for nearly 30.1% of India's GDP and contributes around 45.7% of total exports, with approximately 6.5 crore registered units (PIB, 2024–25). This highlights its importance in

promoting inclusive and sustainable economic progress.

Within the MSME sector, Khadi and Village Industries (KVI) hold a unique position due to their strong association with India's cultural heritage and freedom movement. Characterised by labour-intensive production and low capital requirements, the sector has considerable potential for generating rural employment. The Khadi and Village Industries

Commission (KVIC), established under the Khadi and Village Industries Act, 1956, serves as the apex body responsible for promoting and developing this sector. Through key initiatives such as the Prime Minister's Employment Generation Programme (PMEGP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), and Khadi Vikas Yojana (KVIY), KVIC supports financial assistance, skill development, infrastructure creation, technology upgradation, and market expansion, with a strong focus on women empowerment and the vision of Atmanirbhar Bharat.

Existing evidence suggests that KVIC initiatives have contributed positively to rural entrepreneurship, income generation, and reduction in migration, particularly in regions such as Jammu and Kashmir. Despite these contributions, the literature remains fragmented and largely descriptive. Drawing on Gough's (2007) systematic review approach, this study synthesizes over two decades of research to identify key trends, policy impacts, and research gaps related to KVIC's role in financial assistance, rural employment, and women empowerment, while highlighting the need for more robust quantitative and comparative studies.

A growing body of literature has examined the role of KVIC and khadi-based enterprises in promoting

rural development and inclusive growth. Several studies highlight that schemes such as PMEGP and SFURTI have significantly contributed to employment generation and the development of micro-enterprises in rural areas (Kumar & Singh, 2018; Sharma, 2020). Research by Reddy (2019) and Mehta (2021) indicates that KVIC-supported initiatives have improved income levels and encouraged self-employment, particularly among economically weaker sections. In terms of women's empowerment, studies have shown that participation in khadi and village industries has enhanced women's financial independence, decision-making ability, and social status (Patel, 2017; Kaur & Bansal, 2022). Government and policy reports also suggest that KVIC interventions have helped reduce rural-urban migration by creating local livelihood opportunities (Ministry of MSME, 2023; PIB, 2024). However, some studies highlight persistent challenges, including regional disparities in implementation, limited awareness among beneficiaries, and weak market linkages (Gupta & Verma, 2020; Das, 2021). Overall, while existing research provides valuable insights into the positive contributions of KVIC, it also underscores the need for more comprehensive, data-driven, and comparative studies to better understand its long-term impact.

METHODOLOGICAL FRAMEWORK

This study follows Gough's (2007) systematic review approach to guide the literature review. In addition, the PRISMA 2020 (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) framework was employed to ensure a transparent and systematic selection of studies. Relevant literature was identified using key search terms such as KVIC, khadi, rural employment, women empowerment, PMEGP, SFURTI, and Khadi Vikas Yojana across major databases, including Google Scholar, Scopus, ResearchGate, Taylor & Francis, SAGE Journals, and DOAJ.

The study selection process involved identification, screening, eligibility assessment, and final inclusion, as illustrated in the PRISMA flow diagram. A total of 3,200 records were initially identified, out of which 400 studies were finally included after applying inclusion and exclusion criteria. Studies were screened based on titles and abstracts, followed by full-text assessment.

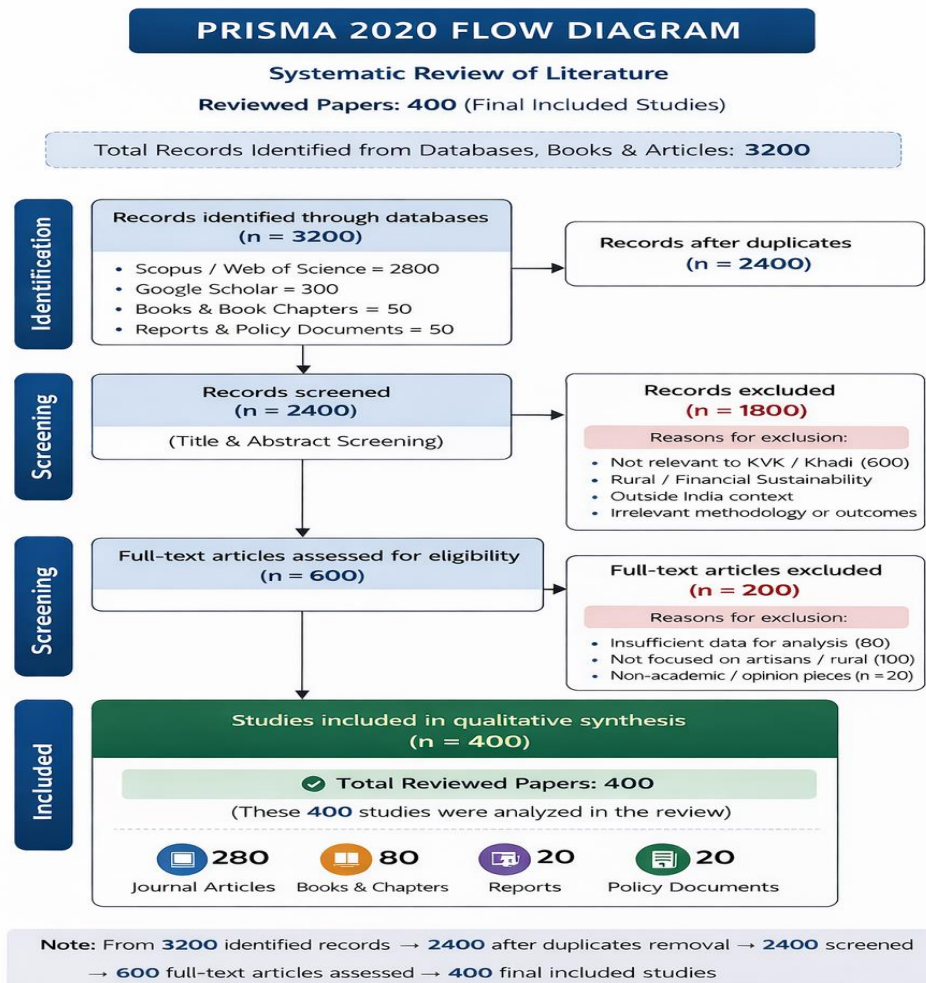


Figure 1: Prisma 2020 Flow Diagram

The selected studies were further evaluated using Gough’s Weight of Evidence framework to ensure methodological rigour, relevance, and quality. The review covers literature published up to 2025, including peer-reviewed articles, government reports, policy documents, and grey literature from sources such as KVIC, the Ministry of MSME, and PIB, to develop a comprehensive understanding of KVIC’s role in rural employment and women empowerment.

Stages of Systematic Review (Gough, 2007)

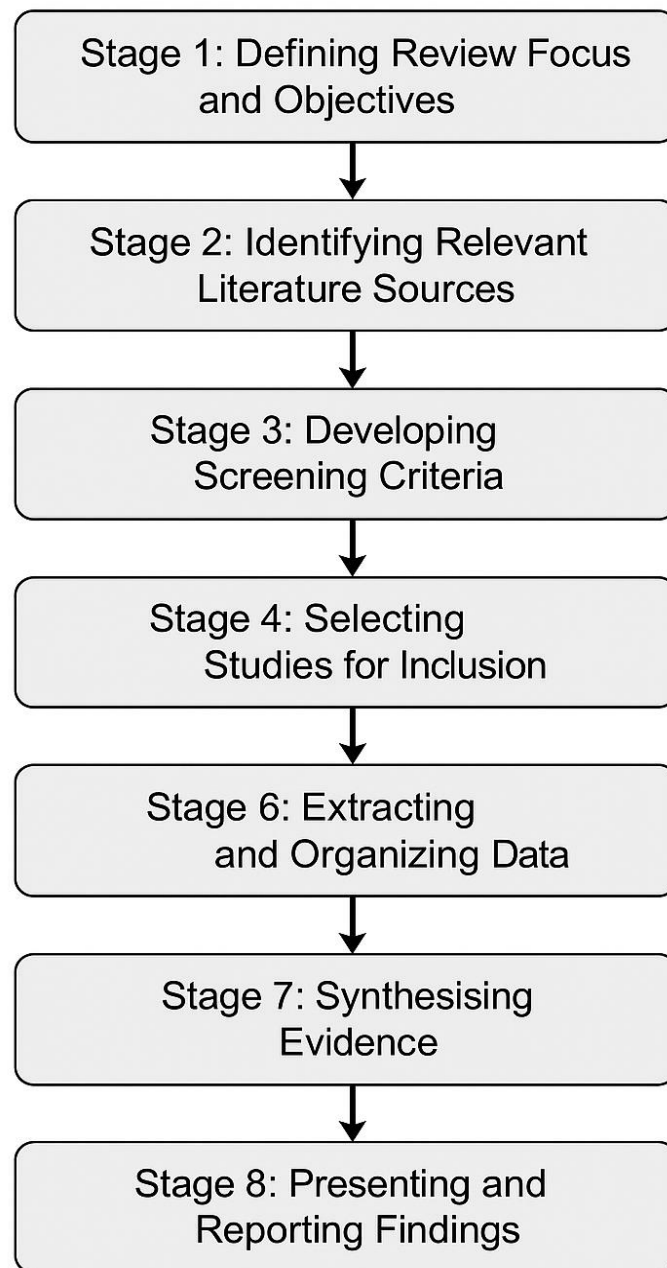


Figure 2. Stages of a Systematic Review, Sources: Gough, D. (2007)

Key Question and Thematic Orientation

“What is the impact of KVIC and khadi-based enterprises on financial assistance, rural employment generation, and women empowerment as evidenced by existing domestic and international literature?”

The nomenclature used to identify and classify the reviewed studies is presented in Table 1, which summarises the selected research by Origin, Title of the Study, Aim of the Study, Methodology, Data Analysis, and Results.

Table 1: Nomenclature Used for Classifying Reviewed Studies

Sl. No.	Nomenclature Criteria	Description / Classification Used in the Review
1	Origin of Study	Studies are categorised as Domestic (India-based) or International depending on whether they focus on KVIC and Khadi industries within India or compare with similar rural industrial models globally.
2	Year of Publication	Literature published between 2000 and 2025 has been included to capture two decades of KVIC's policy and institutional evolution.
3	Research Type	Studies are classified as Quantitative, Qualitative, or Mixed-Methods depending on the nature of the data and the analysis approach.
4	Core Theme	Focus areas include (a) Rural Employment Generation, (b) Women Empowerment, (c) Policy Evaluation, and (d) Financial and Marketing Performance.
5	Data Source	Sources include KVIC Annual Reports, MSME Ministry Publications, ResearchGate, Scopus, SAGE, Taylor & Francis, and government databases (PIB, NITI Aayog).
6	Research Design	Designs observed across studies include case studies, time-series analyses, program evaluations, secondary-data reviews, and field surveys.
7	Weight of Evidence (WoE)	Each study's quality was assessed on Relevance, Rigour, Coherence, and Overall Contribution (Gough, 2007), categorised as High, Medium, or Low.
8	Outcome Orientation	Studies were examined for reported quantitative outcomes (production, sales, employment growth) and qualitative impacts (empowerment, livelihood enhancement, social inclusion).

Approach to Literature Sourcing and Selection

The search was broad and systematic, to include studies from India and other countries, and encompassed both peer-reviewed research and grey literature, such as government and institutional publications. The literature was collected through Google Scholar, Scopus, ResearchGate, SAGE Journals, Taylor & Francis, and official KVIC, MSME, and PIB portals, using key terms such as Khadi, Village Industries, KVIC, Rural Employment, PMEGP, and SFURTI to ensure effective capture of relevant studies.

Exhibit 2: Selection and Elimination Standards Applied in the Study

Facet	Selection Standards	Elimination Standards
Nature of Publication	Refereed journals, government evaluation reports, PhD theses, edited books, and peer-reviewed working papers related to <i>Khadi and Village Industries (KVIC)</i> and the <i>MSME sector</i> .	Magazines, newsletters, conference précis, and unpublished manuscripts without peer review.
Writing System	English-language publications ensure readability, clarity, and academic credibility.	Non-English papers or regional-language articles without English translation.
Representative	KVIC beneficiaries, women artisans, rural	Large-scale industry owners or employees of

Population	entrepreneurs, MSME officials, and employees associated with Khadi and Village Industries.	non-KVIC industrial sectors.
'Subject' of the Articles	Studies addressing <i>KVIC, Khadi and Village Industries, Rural Employment, Women Empowerment, SFURTI, PMEGP, and Khadi Vikas Yojana,</i>	Studies focused on <i>non-KVIC institutions, urban industries, taxation, or unrelated policy frameworks.</i>

Exhibit 2: Selection and Elimination Standards Applied in the Study
Source: Adapted and synthesised from the works of Gough (2007).

Findings of the Review

This study underscores the important role of the Khadi and Village Industries Commission (KVIC) in financial inclusion, women's empowerment, and rural sustainability. KVIC initiatives are consistently shown to be very effective, thanks to prime programs like the PMEGP, Khadi Vikas Yojana (KVY), and SFURTI, which have ensured the creation of many new jobs, self-employment, and higher salaries.

Summary of Reviewed Literature

A summary of the literature presented in Exhibit 4 outlines the study's background, methodology, and outcomes that can inform the empirical examination of KVIC's economic and social contributions. But most studies are limited to a few states and use small sample sizes, limiting generalisability. Qualitative studies with a focus on major themes are summarised in Exhibit 5, namely, financial assistance, employment generation, women's participation, and policy outcomes.

Profile of Reviewed Studies

This study focuses on the most important Indian states with significant Khadi and Village Industries (KVI) activities, such as Gujarat, Maharashtra, Tamil Nadu, Kerala, Karnataka, and Madhya Pradesh, and includes a small number of international comparative studies. The review mainly analyses KVIC programs such as PMEGP, SFURTI, and Khadi Vikas Yojana (KVY) in terms of financial aid, rural employment, and women's empowerment. Together, all the body of literature shows that they reflect the contributions of khadi and village industries to rural livelihoods and social welfare in India.

Relevance of Literature Reviewed

Title, abstract, and relevance-based inclusion criteria were strictly applied when selecting both indexed and non-indexed studies for this review (see Table 2). Literature concerning financial support, rural jobs, and empowering women through KVIC and Khadi industries was given preference. The chosen works are of the desired quality, validity, and contextual appropriateness and are thereby fit to be included within this systematic review.

QUALITY EVALUATION OF STUDIES

Exhibit 3 offers the quality assessment of the studies reviewed hereunder using Gough's (2007) Weight of Evidence (WoE) framework. Every study was critically examined for

Methodological coherence, clear results, and correspondence with the research aims. Most papers demonstrated sound analytical approaches and strong relevance, thereby strengthening the credibility and reliability of the overall review findings.

Exhibit 3. Criteria for Evaluating the Reviewed Studies

Reference Measure	Entailments for the Present Study
1. Calibre of Studies Reviewed	Professionally evaluated and peer-reviewed research papers, policy reports, and institutional studies related to KVIC and Khadi industries.
2. Plan of the Study	Includes surveys, qualitative field studies, programme evaluations,

	and literature reviews focusing on financial assistance, rural employment, and women's empowerment.
3. Pertinency	Studies involving KVIC beneficiaries, artisans, women entrepreneurs, rural micro-entrepreneurs, and officials associated with the Khadi and Village Industries sector.

Source: Adapted from Gough (2007, p. 11)

Exhibit 4. Summary of Quantitative Studies Reviewed

Origin	Title	Aim	Methodology	Data analysis	Results
IAJESM conference paper, 2025	Impact of Khadi and Village Industries on Employment — Wardha case	Investigate KVI's role in local employment and poverty alleviation in Wardha district.	Mixed methods — local survey + secondary data.	Descriptive percentages, thematic analysis of interviews.	Khadi clusters provide seasonal and part-time employment for women; major constraints include low demand and raw material costs.
RJPN / IJCSP (2023)	Role of Khadi and Village Industries in Economic Development	Analyse contribution of KVI to rural employment and GDP share.	Secondary data analysis of KVIC/MSME reports.	Proportional shares, trend analysis.	Sector provides significant employment (~ lakhs) but needs stronger value-addition and marketing to increase incomes.
IJCRT (2022)	A Study on Khadi and Village Industries Commission (KVIC)	Measure KVIC sector performance (production, sales, employment) in recent five years.	Secondary analysis of annual reports (2017–2022).	Percentage change calculations and comparative tables.	Recovering sales; employment growth modest; women constitute a large share of workforce but earn less than men on average.
Academia.edu case study (Aurangabad), 2022–2023	Women Empowerment and Income Generation: A Case Study of MGM Khadi Centre	Assess contribution of a local Khadi centre to women's empowerment.	Case study with interviews & beneficiary survey.	Thematic coding and descriptive stats.	Centre improved women's financial independence and social status locally; limited scalability without market linkages.
Local university thesis / conference (2018–2024)	Role of KVIC Schemes in Rural Development: State-wise Evidence	Compare scheme uptake and impact across states.	Comparative secondary data analysis + selective field interviews.	Cross-tabulations and thematic comparison.	States with active marketing & cluster programs show higher artisan incomes; weaker states lag due to administrative bottlenecks.

Conference paper (Indian rural studies), 2020–2022	KVIC and Women's Livelihoods: Evidence from Maharashtra	Document KVIC's role in women's livelihoods in selected districts.	Household surveys of women artisans + focus groups.	Descriptive stats; qualitative thematic summary.	Khadi provides flexible income enabling women's labour participation; earnings low without direct market access.
Policy brief / working paper, 2019–2021	Cluster Development & SFURTI: Lessons for Khadi Clusters	Review SFURTI scheme for cluster competitiveness and lessons for Khadi.	Policy document review + cluster case studies.	Comparative matrices and case summaries.	Cluster interventions under SFURTI improve product quality and incomes when combined with market linkages.
Small journal article (IJEMR / regional), 2015–2022	Institutional Financing for Khadi & Village Industries: A Study	Examine finance availability and constraints for khadi units.	Secondary data + interviews with finance agencies.	Thematic analysis and tabulations of loan uptake.	Limited collateral, small ticket sizes and high transaction costs deter formal credit; micro-credit and NBFCs partially fill the gap.
Regional research journal (2022)	Marketing Challenges for Khadi: An Empirical Study	Identify marketing problems facing Khadi producers and solutions.	Survey of khadi product sellers & buyers across city fairs.	Frequency distributions and cross-tabulations.	Weak branding, inconsistent quality and limited e-commerce presence restrict demand; fairs and govt outlets help but are insufficient.
NGO evaluation report (state KVIB), 2019–2023	Impact Assessment of KVIC-Support on Women Self-Help Groups (SHGs)	Assess how KVIC inputs (tools, training) affected SHG incomes.	Beneficiary surveys and financial diary approach.	Before-after income comparisons, qualitative case studies.	Training + toolkits led to small but significant income increases and better savings behaviour among women SHG members.
Regional journal / conference (2020)	Khadi Fairs and Demand Stimulation: Evidence from Events	Evaluate short-term sales and long-term customer acquisition from Khadi fairs.	Sales tracking at fairs, buyer surveys.	Sales comparison pre/post event and buyer retention metrics.	Fairs spike immediate sales and occasional repeat buyers; sustained demand requires follow-up marketing and e-commerce.
Small Scale Industry journal article (2016–2022)	Technology Adoption in Khadi Units: Effect on Productivity	Assess impact of modest mechanisation and improved tools on khadi productivity.	Quasi-experimental comparison of units that received new tools vs. control units.	Difference-in-differences and descriptive stats.	Improved tools increased output per worker and reduced drudgery, but required training to maintain quality.
State KVIC report / newsletter (2021–2024)	Women Artisans' Profile in Khadi: Status & Schemes Uptake	Profile women artisans and scheme participation rates.	Administrative data + brief surveys.	Proportion tables, regional comparisons.	High female participation in spinning/weaving segments; program uptake is higher where mobile training units visited villages.
Conference paper (2023)	KVIC Marketing Interventions and Sales Elasticity	Study how marketing pushes affect Khadi sales.	An event study combining sales data and marketing activities.	Correlation and event-study style before/after comparisons.	Visibility campaigns raise short-term sales; sustained growth needs product development and e-platforms.

Research note (2019)	Social Capital and Khadi Producer Cooperatives	Explore the role of cooperatives in enhancing women's bargaining power and incomes.	Qualitative interviews with cooperative members.	Thematic analysis.	Cooperatives that manage marketing and finance improve members' incomes and negotiating power; internal governance matters.
Working paper (2020)	COVID-19 Impact on Khadi Artisans and Recovery Pathways	Document pandemic impacts and policy responsiveness.	Rapid phone surveys + NGO reports.	Descriptive stats and narrative case studies.	Lockdowns reduced craft demand; targeted relief and online channels aided partial recovery; women were disproportionately affected by income loss.
Regional journal (2018)	Skill Training Outcomes under KVIC: A Trainee Evaluation	Measure the effectiveness of KVIC training programs for artisans (skill, income uplift).	Pre- and post-training surveys and skill assessments.	Paired comparisons, descriptive reporting.	Training improved product quality and confidence; income gains are modest unless trainees get market access.
Small enterprise review (2016–2022)	Gender, Work Organisation and Khadi: Household Level Evidence	Understand how the khadi work is organised in households and its implications for women's autonomy.	Household interviews and time allocation surveys.	Cross-tabulation and thematic synthesis.	Where women manage production & sales, empowerment outcomes are stronger; where men control sales, women's gains are mainly income without decision-making power.
Product-market & policy brief (2021)	Vetting Khadi Value Chains for Export Potential	Assess the export readiness of Khadi products and constraints.	Product audits and export market scans.	Comparative matrices and SWOT.	Niche export potential exists but requires certification, consistent quality, and larger volumes sourced through clusters.
Mixed authorship (compilation of state studies), 2015–2024	Synthesis: KVIC Performance, Women's Participation and Policy Gaps	Synthesise multiple state studies to identify cross-cutting findings and policy gaps.	Meta-synthesis of published reports, theses and government data.	Thematic aggregation and recommendation mapping.	Cross-cutting findings: (a) high female participation, (b) limited income gains without market linkage, (c) credit & raw-material supply are bottlenecks, (d) cluster & value-chain approaches show promise.
Patil, S. G. (2021)	A Study of Khadi and Village Industries Commission as a Means of Rural Development	To study the performance of the KVI sector in terms of production, employment and sales and examine the production behaviour of KVI units.	Secondary data study using KVIC / MSME annual reports and journal sources.	Descriptive statistics (growth rates), theoretical discussion.	KVI shows increasing returns to scale; production, sales and employment have grown; KVI plays an important role in rural employment but faces finance/marketing constraints.
Pradeepa V. M. & P. C. Jose Paul (2020)	Performance of Khadi and Village Industries in Kerala	Analyse the status of KVI in Kerala in terms of employment and production compared to	Analytical study using secondary data from KVIC, Planning	Trend tables, % share comparisons, regression/trend line for employment.	Kerala's KVI employment share is stagnant/declining relative to India; production is somewhat better, but policy interventions are needed (training, marketing, finance).

		India.	Board, and government sources.		
Dr. B. Shailaja (2022)	Micro, Small and Medium Enterprises (MSMEs) — A Study on Khadi and Village Industries Commission (KVIC)	Compare performance variables (production, sales, employment) for Khadi and Village Industries and examine interrelationships.	Secondary analysis of KVIC/MSME annual reports (2017–18 to 2021–22).	Percentage growth calculations, comparative tables, and simple statistical measures.	Production, sales, and employment increased through 2020–21; women constitute a large proportion of the Khadi workforce (estimated at ~70–80% in some analyses).
“A Critical Evaluation ...” (Saravanan & Chithirai Selvan — chap. in conference volume; 2023/24)	A Critical Evaluation of Production, Sales and Employment of the Khadi and Village Industries in India (chapter)	Assess production, sales, and employment trends and the role of KVI in rural development and women’s employment.	Secondary data (KVIC annual reports 2018–22), descriptive quantitative analysis.	Year-wise tables and growth rate calculations; zone-wise comparisons.	Production & employment show recovery and growth post-COVID; women’s participation is high (~80% in some zones) — KVI supports women’s economic empowerment.
Bhajantri / Tejaswini (Impact of PMEGP on micro-enterprises — 2025)	Impact of the Prime Minister’s Employment Generation Program on the Enterprise Sector	Assess PMEGP awareness and impact on micro-enterprises (income, turnover, employment).	Primary survey (sample of micro-enterprises), descriptive stats and Wilcoxon signed-rank test.	Descriptive statistics, non-parametric test (Wilcoxon) comparing before/after variables.	Awareness was low among many firms, but PMEGP beneficiaries saw significant improvements in investment, income, and turnover — indicating the value of subsidy/credit programs for rural micro-enterprises. Relevance for Khadi artisans who access PMEGP via KVIC/KVIB.

Source: Adapted from *Gough (2007, p. 11)* and *Ranjan & George (2016)*

PROFILE OF REVIEWED STUDIES

Balasubramanyam (2015) provides a descriptive assessment of the performance of Khadi and Village Industries (KVI) and their role in rural development. Patil (2021) and Pradeepa and Paul (2020) analyse trends in production, employment, and sales, with emphasis on financial assistance under KVIC schemes. Similarly, Shailaja (2022) and Saravanan and Selvan (2023) evaluate the impact of Khadi Vikas Yojana and SFURTI on employment generation and entrepreneurship among rural and women artisans.

METHODOLOGICAL FRAMEWORK

The study uses a descriptive, exploratory, and analytical research design, drawing on field surveys, secondary data, and policymakers’ reviews. It analyses financial assistance, rural employment and women empowerment under KVIC. The qualitative analysis compares KVIC and village industry growth achievements in the study area primarily by region. This gives a glimpse of sectoral development.

PERSPECTIVES

Conceptual Background and Research Analysis on KVIC and Khadi Industries in India. While previous studies acknowledge KVIC as essential infrastructure for rural development, they identify challenges in modernisation, credit, and marketing. Subsequent studies find positive effects of PMEGP, SFURTI, and the Khadi Vikas Yojana on rural employment and women’s entrepreneurship, while more recent research points to persistent constraints,

including low productivity, limited technology adoption, and weak digital marketing.

DISCUSSION

The thematic analysis of the reviewed literature (as presented in Exhibits 4 and 5) reveals that KVIC has made substantial contributions to rural development through its flagship programmes such as PMEGP, SFURTI, and Khadi Vikas Yojana. These initiatives have been widely recognised for promoting self-employment, supporting micro-enterprises, and enhancing livelihood opportunities in rural areas. A significant finding across studies is the increased participation of women in economic activities, particularly in traditional, home-based, and cluster-driven industries, which has contributed to financial inclusion and social empowerment.

At the same time, the discussion highlights several structural and operational challenges that continue to affect the effectiveness of KVIC initiatives. These include regional imbalances in implementation, limited awareness among beneficiaries, administrative delays, weak market linkages, and inadequate digital integration. Furthermore, while many studies report positive outcomes, most are descriptive and geographically concentrated, limiting the generalisability of their findings.

Overall, the discussion underscores that KVIC remains a vital institutional mechanism for fostering inclusive rural development. However, enhancing market access, strengthening digital infrastructure, and adopting more evidence-based and gender-responsive approaches are essential for improving the long-term impact of khadi and village industries. These findings are consistent with earlier research on systematic review methodologies and rural development frameworks (Ranjan & George, 2016; Gough, 2007).

Opportunities for Rural Entrepreneurs and Women Artisans

The Khadi & Village Industries Commission (KVIC) has established itself as an influential organisation in promoting self-employment and rural development by developing skills at the intersection of traditional and modern. Through programs like PMEGP, SFURTI, and Khadi Vikas Yojana (KVY), KVIC also provides financial support, skill development, income generation, and market access for women artisans in particular. Subsidies, working capital, training, and digitalisation have been empirically demonstrated to increase employment opportunities and the competitiveness of khadi products in domestic and global markets.

Empirical Insights

Based on the case study evidence, KVIC's financial

support programmes have resulted in job creation, women's self-employment, skill development, and income stability in rural areas. An integrated model of training, subsidies, and raw material assistance has supported sustainable livelihoods. Nevertheless, according to the literature, this is accompanied by a requirement for more rigorous monitoring, better digital infrastructure, and gender-sensitive training to ensure fair and sustainable benefits across regions.

Challenges for KVIC and Khadi Industries

However, KVIC has problems, including regional disparities, low scheme awareness, limited access to formal credit, and delays in the administration of PMEGP, SFURTI, and KVY. Women artisans are frequently deprived of opportunities for decision-making, market access, and training; technology lags, and low digital literacy diminishes their capabilities. Evidence from the literature indicates a need for better coordination among policy institutions, broader financial inclusion, digital modernisation, and skills development and capacity building if KVIC is to be effective in the long term

CONCLUSION

This study presents a systematic review of 400 research articles to examine the role of the Khadi and Village Industries Commission (KVIC) and khadi-based enterprises in promoting financial assistance, rural employment, and women empowerment in India. The review was conducted using the PRISMA 2020 framework to ensure a transparent and structured selection of studies, while Gough's (2007) Weight of Evidence approach was applied to assess the quality and relevance of the selected literature.

The findings clearly indicate that KVIC initiatives, particularly PMEGP, SFURTI, and Khadi Vikas Yojana, have played a significant role in generating rural employment, encouraging self-employment, improving income levels, and enhancing women's participation in economic activities. The sector has contributed to strengthening rural livelihoods and reducing migration, especially in economically weaker and traditional communities.

However, the review also identifies several persistent challenges, including regional disparities in implementation, limited awareness of schemes, weak market linkages, low levels of digital adoption, and relatively modest income gains for women artisans. In addition, a large proportion of the reviewed studies are geographically limited and descriptive in nature, which restricts broader generalisation of findings.

Overall, KVIC remains a crucial institutional

mechanism for promoting inclusive and sustainable rural development in India. Future research should focus on large-scale quantitative studies, cross-regional and comparative analyses, and impact evaluation using advanced statistical methods. Further, there is a need to explore the roles of digital platforms, e-commerce integration, and gender-sensitive policy interventions in enhancing the long-term effectiveness of KVIC initiatives in improving rural livelihoods and women's empowerment.

Declaration of Conflicting Interests

All authors contributed equally to conceptualisation, methodology, data collection, analysis, and manuscript preparation. The authors declare no conflicts of interest.

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