

National Handloom Development Programme (NHDP)

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Source: *New Guidelines given under NHDP website*

About National Handloom Development Programme (NHDP)

- It is a Central Sector Plan Scheme.
- NHDP has been formulated for its implementation during 2017-18 to 2019-20.
- The scheme will follow **need based approach for integrated and holistic development of handlooms and welfare of handloom weavers.**
- **The scheme will support weavers, both within and outside the cooperative fold including Self Help Groups, NGOs** etc. towards raw material, design inputs, technology upgradation, marketing , support through exhibitions, create permanent infrastructure in the form of Urban Haats, marketing complexes, development of web portal for e-marketing of handloom products etc
- With this the weavers have been benefited by waivers of overdue loans, availing loans at concessional rates, participation in exhibitions/fairs/craft *melas* for marketing handloom products, upgradation of looms and training to improve their earnings.

Key components of the scheme:

1. Block Level Cluster Projects: The cluster development approach focuses on formation of weavers" groups as a visible entity so that the groups become self-sustainable. Cluster will be set up at Block level, having concentration of handlooms. In a Block, more than one cluster may also be taken up depending upon need with respect to number of handlooms.

2. Handloom Marketing Assistance: The objective of the handloom marketing assistance is to develop and promote the marketing channels in domestic as well as export market and bring about linkage between the two in a holistic and integrated manner. **The handloom marketing assistance components will have following sub-components:**

- Domestic marketing promotion
- Marketing infrastructure development
- Market access initiative
- Handloom export promotion

3. Concessional Credit: Government approved Institutional Credit component under IHDS in December 2011 and provided margin money assistance of Rs.4200/- per weaver, interest subsidy of 3% and credit guarantee through Credit Guarantee Fund Trust for Micro & Small Enterprises (CGTMSE). Further, emphasizing the importance of providing subsidized credit to handloom weavers, Hon"ble Union Finance Minister in the Budget 2013-14 announced loan to handloom sector at 6% rate of interest. Accordingly, the Institutional Credit Component under IHDS was merged with the RRR package as Concessional Credit Component and Government approved Concessional Credit Component on 24th September 2013 for providing access to subsidized term loan as well as working capital loan to handloom sector.

Objective: The objective of the scheme is to make available the credit to handloom weavers at concessional interest rates.

The component of the Concessional Credit Scheme

- **Interest subsidy**
- **Margin money assistance**
- **Credit Guarantee**
- **Information, Education & Communication (IEC) Activities including Bunkar Facilitator**

4. Handloom Census: Third party handloom census and validation of data regarding number of handloom weavers, number of handlooms, number of handlooms engaged in commercial and domestic use etc. will be carried out for having updated data on handloom sector. Also, Identity Cards shall be issued to handloom weavers and allied workers.

Other components are:

1. Handloom Park
2. National Centre for Textile Design
3. R&D Projects
4. J&K Wool Development Project
5. Special Projects for Special Category States
6. National Institutes of Open Schooling(NIOS)
7. Cluster Cell at Hq.
8. Innovative Ideas
9. Publicity, Advertisement, Monitoring, Training & Evaluation of Scheme