

No.5/1/2015-DCH/Cluster
Government of India
Ministry of Textiles
Office of the Development Commissioner for Handlooms

Udyog Bhavan, New Delhi-110011

Dated: 23rd June 2015

To,

Secretary In-charge of Handlooms of all States/UTs

Sub: Amendments in certain provisions of the National Handloom Development Programme (NHDP) for implementation during 12th Plan - reg.

Sir/Madam,

Please refer to this office letter No.7/1/2012-DCH/CHDS/Cluster dated 30th December 2013, forwarding therewith guidelines for implementation of Comprehensive Handlooms Development Scheme (CHDS) during 12th Plan. Subsequently, CHDS was subsumed as one of the components of National Handloom Development Programme (NHDP). This scheme has been under implementation for about one & half years. During the course of implementation of the scheme, suggestions were received from State Govts. in various meetings and also, during field visits to the States by the Sr. Officers of this Ministry for amendments in certain provisions of the NHDP.

2. Further, as per the implementation of the recommendations XIV Finance Commission by the Government of India, the State share of Central Taxes has been enhanced from 32% to 42% and consequently, budget provision of NHDP has been reduced.

3. The Govt. after considering, the views of the State Govts., experience of implementation of NHDP and implementation of the recommendations of the XIV Finance Commission has amended certain provisions of the NHDP for achieving the desired objectives. A statement showing the changes made vis-a-vis the existing provision is enclosed.

4. The changes in the NHDP have been made in respect of different provisions but in particular to the cluster approach. For this purpose, Block in the district is considered as a basic unit for development, where weavers can easily access the facility. This approach has already been initiated in Varanasi and the response of this initiative has been encouraging. The implementation of the Block level cluster will be implemented through one of the implementing Agencies (IAs) as given in the enclosure. Such agency should have net profit in each of the last 2 years. The State Govt. should ensure that the IA identified should be able to run and sustain the activities of the cluster, including CFC even after the cessation of government support.

5. Further, in addition to the Block level cluster approach, amendments have also been made for in respect of other sub-components of the scheme, i.e. engaging designer, construction of workshed, inclusion of Skill up-gradation as one of the sub-components, Marketing Incentives etc.

6. As per the procedure, the proposals will be required to be submitted to this office by the State Govt. with the recommendations of the State Level Project Committee (SLPC) and release of funds will be made directly to the Implementing Agency under intimation to the State Govt. concerned. New cluster projects for NER will also be considered under the NHDP. While identifying the Block/s level clusters, focus should be to prioritise them on the basis of handlooms actually functioning for commercial production. The projects should be prepared on actual need through the gap filling approach.

7. In view of the above, you are requested to disseminate the revised guidelines of the NHDP to all concerned and submit the proposal/s, duly complete in all respect to this office by 29th July 2015. To consider such projects, State Govt, is required to ensure that UCs of the previous releases along with physical & financial report and impact report are submitted in time to this office. The proposals are required to be submitted by the State Govt, as per the indicative targets enclosed herewith.

Encl.: as above

Yours faithfully,



(Alok Kumar)

Development Commissioner (Handlooms)

Copy to:

1. Commissioner/Director In-charge of Handlooms of all States/UTs
2. Chairman-cum-Managing Director, Handlooms & Handicrafts Export Corporation, New Delhi
3. Managing Director, National Handloom Development Corporation, Lucknow
4. Executive Director, Handloom Export Promotion Council, Chennai
5. Managing Director, Central Cottage Industries Corporation, New Delhi
6. Secretary, All India Handlooms Fabric Marketing Cooperative Society
7. Officers In-charge of all Weavers' Service Centres
8. Officers In-charge of all IHTs
9. Advisor (VSE), NITI Aayog, New Delhi
10. PPS/Consultant to Secretary (Textiles)
11. IF Wing, Ministry of Textiles, Udyog Bhavan, New Delhi
12. Pay & Accounts Office (Textiles), Udyog Bhavan, New Delhi
13. A copy to NIC for uploading the broad guidelines of the scheme on the website: www.handlooms.nic.in



(Alok Kumar)

Development Commissioner (Handlooms)