OFFICE MEMORANDUM

Subject: Approval of National Handicrafts Development Programme (NHDP) & Comprehensive Handicrafts Cluster Development Scheme (CHCDS) for continuation during the period from April 2017 to March 2020.

Office of Development Commissioner (Handicrafts) was implementing National Handicrafts Development Programme (NHDP) and Comprehensive Handicrafts Cluster Development Scheme (CHCDS) Scheme during the 12th Plan period. The schemes are being continued during the period April 2017 to March 2020 with following modifications in certain parameters of sub-component of NHDP & CHCDS which have been approved by competent authority.

1. **Design & Technology Upgradation Scheme**

   I. Funding Pattern is changed to 80 - 20% in place of 50-50% for Govt. agencies. Govt. agencies shall be released 80% advance as 1st instalment and rest 20% on reimbursement basis.

   II. Earlier two sets of prototypes were produced during the design/Integrated design projects, one used to remain with agencies and the other was deposited in the offices of DC(Handicrafts). Now, it has been decided to return the second set after submission of digitized copy in the field offices of DC(Handicrafts). Cost of only one prototype will be reimbursed.

2. **Detailed Project Report (DPR)**

   I. In view of the demand in stakeholders meeting, financial assistance for DPR preparation shall be provided @ 2% of the project cost upto a maximum of Rs. 2.00 lakhs per project, in Mega Cluster, Special Project, Infrastructure and R&D component including AHVY.
3. **Research and Development Scheme**

I Flexible need-based funding will be permissible for NIFT, NID, NCDPD, EPCs, IIITs, IIMs and other similar public bodies. The project will be appraised and approved by respective PAMCs after due consideration of project outcomes.

II Inclusion of Evaluation/Impact assessment Studies of Handicrafts schemes and development of IT based application for monitoring and collecting application in R&D component. Funding will be need based.

4. **Human Resource Development Scheme**

I Inclusion of new agencies like NIOS, IGNOU, NSFDC and other similar agencies apart from existing agencies.

II Reimbursement of 75% fee to NIOS, IGNOU and other similar public agencies for SC/ST/BPL and women artisans is permitted. Artisans from minority communities and handicapped categories may be given preference in BPL category.

III Enhancement of apprenticeship allowance from Rs.5000 to Rs.10,000/- per participant, per month to students of design institutes under Design Mentorship Programme.

5. **Marketing Support & Services**

I Enhancement of TA to artisans in domestic marketing events from Rs.2000/- to Rs.3,000/- for every events and DA of Rs.500/- for metros cities and Rs.300/- for other cities instead of existing Rs.150/-. SC/ST artisans will be paid for every event and general category artisans only for maximum 2 events.

II Deputation period for artisans in international marketing events will start one day prior to events and upto one day after the events to enable them sufficient time for setting up stalls and winding up the same after events. Designer should be designated to assist the artisans at least six months in advance for preparing products according to the demands of the market in the respective country. The performance of designer may be adjudged on the outcome of the participation.

III Participation in Expos/Events organized jointly in Ministry for products of jute, handlooms, wool, handicrafts etc. for which financial assistance will be need based.

6. **Mega Cluster**

I The previous funding pattern of 3 installments followed in Mega Cluster will also be extended to Special Handicrafts Integrated Projects.

II Engagement of designer will be provided for Mega Cluster and Special Project for a period not more than 3 years. Designer fee would be Rs.55,000/- per month including T.A. Designer should be linked to outcome based parameters in terms of
number of new designs introduced and sales achieved for these new designs. The NID and NIFT graduates will be given preference during selection of designers and the engagement should be through a transparent system.

III The state agencies as Implementing Agencies of Special Project will be eligible for 3% administrative cost for setting up of project monitoring unit.

Apart from above modifications, competent authority has given following directions which may be complied with while implementing the scheme:-

(1) All assets being created under various schemes must be geotagged.

(2) Designers to be empanelled six months in advance for preparation of participation in international events must be tasked with product development with clear cut outcomes. In addition, the participating artisans must be mandatorily given training in soft skills, presentation skills and they should be assisted in preparing good quality catalogue along with their visiting cards.

(3) One of the major activities under R&D component will be to conduct market research of important export destinations with the objective of product development suitable to targeted markets.

(4) 'Pehchan' will be mandatory for taking benefit under any of the schemes of Office of the DC(Handicrafts)

(5) All assistance to individual beneficiaries must be given through DBT.

(6) All grants should mandatorily have outcomes expected from the project which is being supported.

(7) A system must be institutionalized to enable real time monitoring of skill Upgradation programme on the lines of ISDS. The information about the skill Upgradation programme should be in public domain concurrently.

Sr. Director(Handicrafts)

To,

i) All State Principal Secretaries/  
i) Managing Directors of Corporations

as per list enclosed

as per list enclosed
Copy to:

1. PS to Hon'ble Minister of Textiles, Ministry of Textiles, Udyog Bhavan, New Delhi.
2. APS to HMOST, Ministry of Textiles, Udyog Bhavan, New Delhi.
3. Sr. PPS to Secretary(Textiles), Ministry of Textiles, Udyog Bhavan, New Delhi.
5. AS(PS), Ministry of Textiles, Udyog Bhavan, New Delhi.
6. PA to DC(HC)/PS to ADC(HC)/PA to Sr. Director(HC)/PA to Dir.(HC)/Asstt. Secy.(HC).
7. The Regional Director/Deputy Director(In-Charge),(NR, CR, ER, SR, WR and NER) with the request to forward the same in their field formations.
8. All DDs/Sr. ADs/ADs/AOs at Headquarter office, O/o DC(Handicrafts), New Delhi.
9. Shri Sandeep Khurana, Scientist 'D' NIC, O/o DC(Handicrafts) with the request to upload the same on our official website.
10. The Managing Director(CCIC), Janpath, New Delhi.
11. The CMD, HHEC, Janpath, New Delhi.
12. The Executive Director (EPCH, CEPC, NCDPD, COHANDS), New Delhi.
13. Director IICT, Bhadohi.
14. Managing Director (MHSC), Moradabad.
15. Hindi Section for Hindi version.