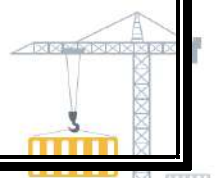




District Export Action Plan
Srinagar

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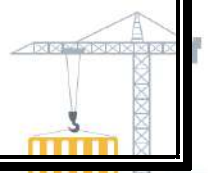
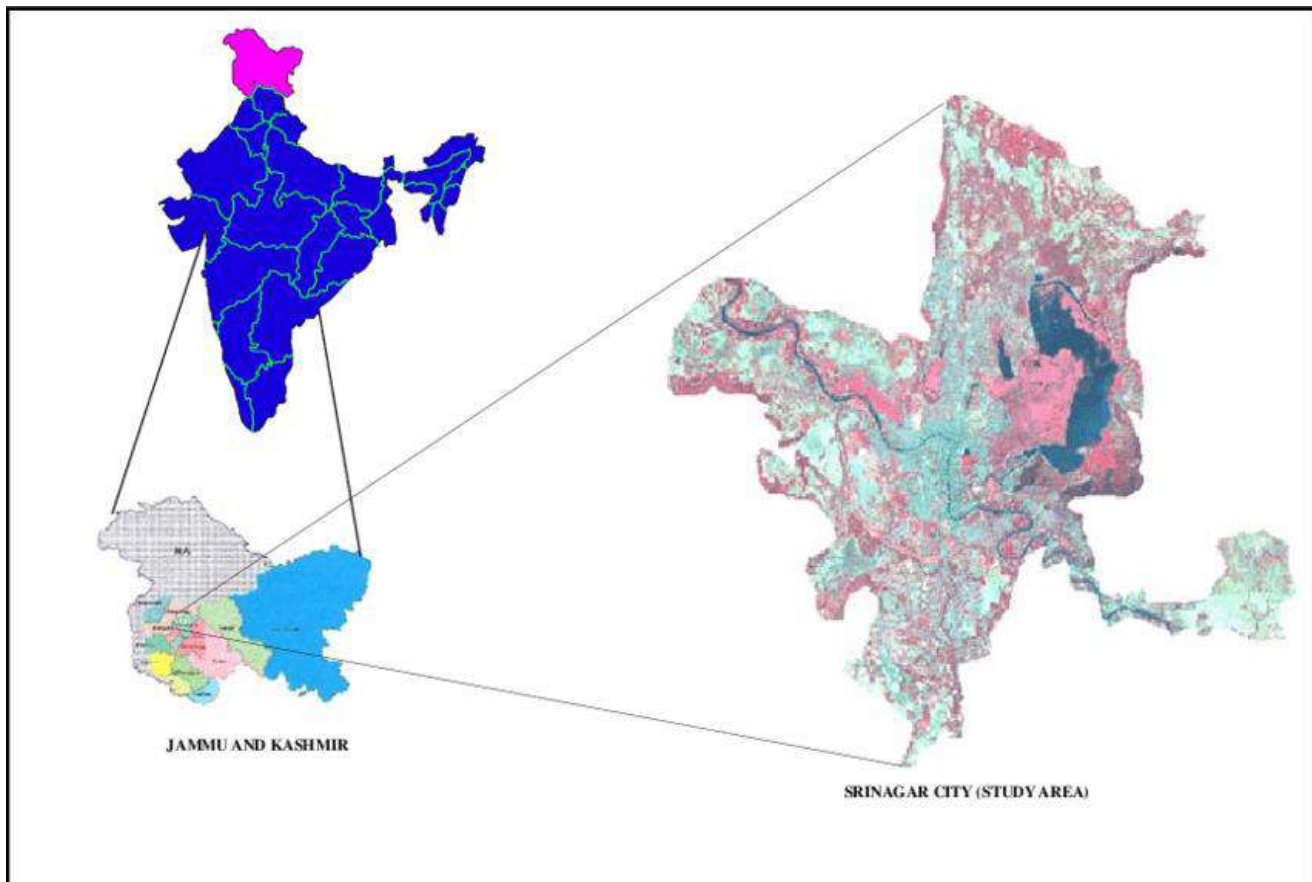


Chapter 1: About District Srinagar

1.1. Introduction

Srinagar is the summer capital of Jammu and Kashmir (UT). It is situated in the centre of the Kashmir Valley on the banks of the Jhelum River and is surrounded by four districts and Ladakh UT. In the north, it is flanked by Ladakh (UT) and Ganderbal; in the South by Pulwama in the north-west by Budgam. The capital city of Srinagar is located 1,585 meters above sea level. The city is famous for its gardens, lakes and houseboats. It is also known for its traditional Kashmiri handicrafts and dry fruits.

The city is located on both the sides of the Jhelum River, which is called **Vyath** in Kashmir. The city is famous for its nine old bridges, connecting the two parts of the city.



1.2. District Profile

1.2.1. Geography

Srinagar, one of the most beautiful tourist destinations of north India offer some of the most picturesque landscapes for its visitors. The location and geographical features of Srinagar, a place located in the Kashmir Valley, are the reasons of diverse wildlife and beautiful landscapes of Srinagar. Srinagar has rivers, lakes, deep valleys, snow-capped mountains, and grassy meadows. Srinagar is “Heaven on the Earth” in true sense as visitors enjoy all four seasons in Srinagar. Saffron Fields during summer and snow-covered trees during winter months delight the tourists coming to Srinagar. During spring, people enjoy Almond blossoms and during summer ponds and lakes full of lotus sooth their eyes.

1.2.2. Flora and Fauna

High areas of Srinagar fall under Alpine Vegetation zone while slightly lower areas have sub-tropical vegetation. During the months from April-June, different types of seasonal flower plants can be seen in Srinagar. Due to favourable climatic conditions and availability of required soil type, the place is suitable for various medicinal herbs and shrubs. Insectivorous plants and herbs (Vahl) are also found in Srinagar. Various water plants including semi-aquatic ones and submerged ones are also found in this region.

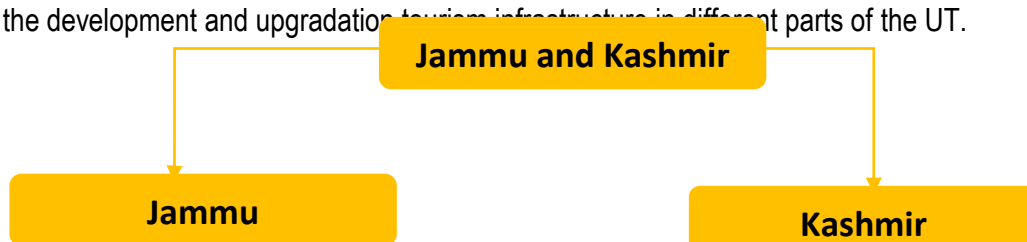
The main animal found is the Kashmir Stag. The species found in Srinagar Region include Musk Deer, Leopard Cat, Jackal, Himalayan Brown Bear, Himalayan Black Bear, Himalayan Serow, Jungle Cat, Otter, Yellow Throated Marten and Hill Fox. Babbler, Woodpecker, Wagtail, Black Bulbul, Kashmir Flycatcher, Redstart, Himalayan Monal and Himalayan Ruby throat are the key birds found in the region. Red billed Magpie and bearded vulture are also found here.

1.2.3. Demography

As of 2011 census, Srinagar city’s population was 12,19,516 and Srinagar urban agglomeration had 1,236,829 population. Both the city and the urban agglomeration has average literacy rate of approximately 71%, whereas the national average is 74.04%. The child population of both the city and the urban agglomeration is approximately 12% of the total population. Males constituted 53.0% and females 47.0% of the population. The sex ratio in the city area is 888 females per 1000 males, whereas in the urban agglomeration it is 880 per 1000, and nationwide value of this ratio is 940. The predominant religion of Srinagar is Islam with 95% of the population being Muslim. Hindus constitute the second largest religious group representing 4% of the population. The remaining 1% of the population are Sikhs, Buddhist and Jain.

1.2.4. Tourism

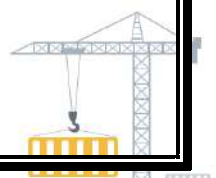
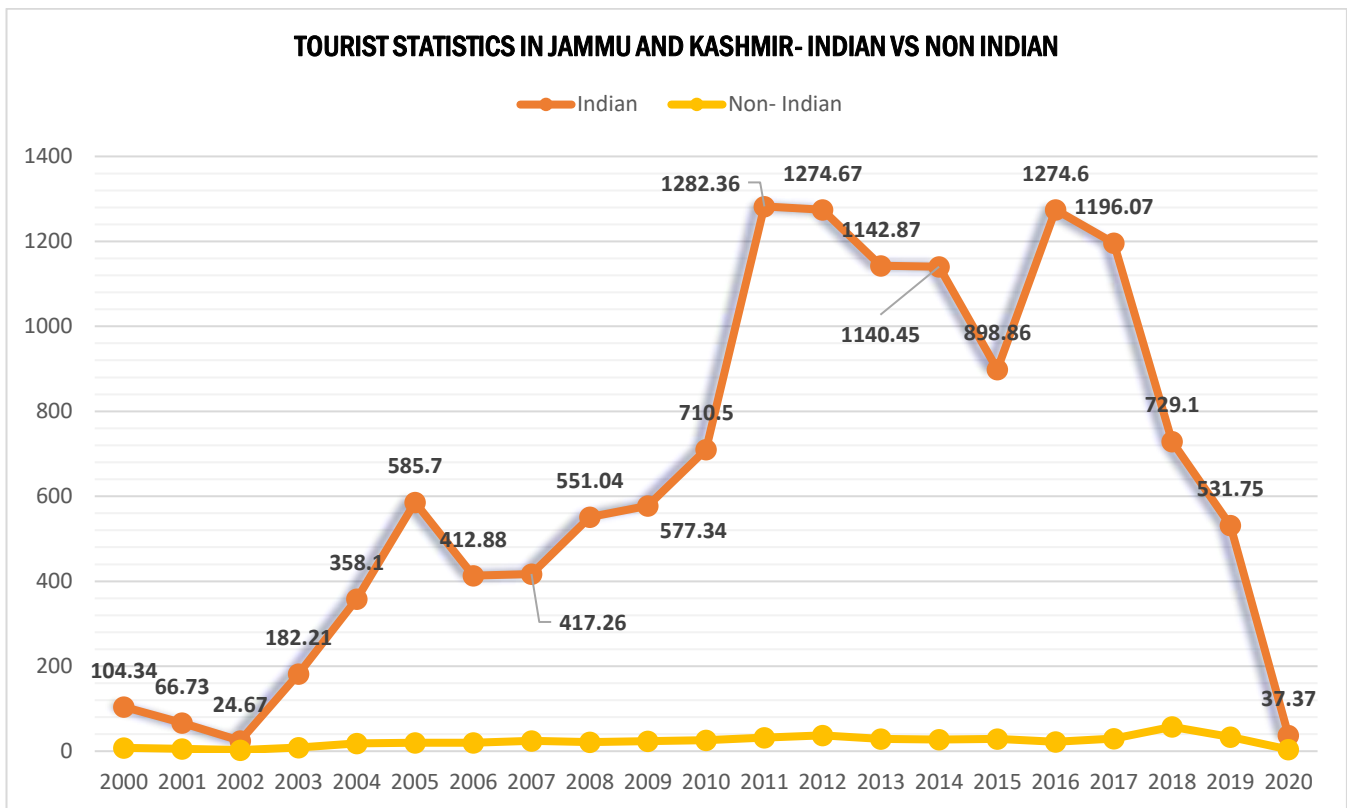
Tourism sector plays an important role in the J&K economy. Tourism sector contributes almost 7% to the UT’s GDP. Tourism is a major source of employment and foreign exchange; in addition to that, the sector also provides various opportunities to local handicraft and handloom industries. UT has immense potential for eco-tourism, adventure tourism, spiritual as well as pilgrimage tourism. Kashmir is known as, “Paradise on Earth” because of its unmatched scenic beauty and attractive landscapes. Jammu, also known as the “City of Temples” is an important destination for pilgrimage tourism. Department of Tourism is entrusted with overall planning and execution of schemes for the development and upgradation tourism infrastructure in different parts of the UT.



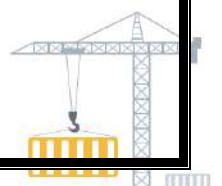
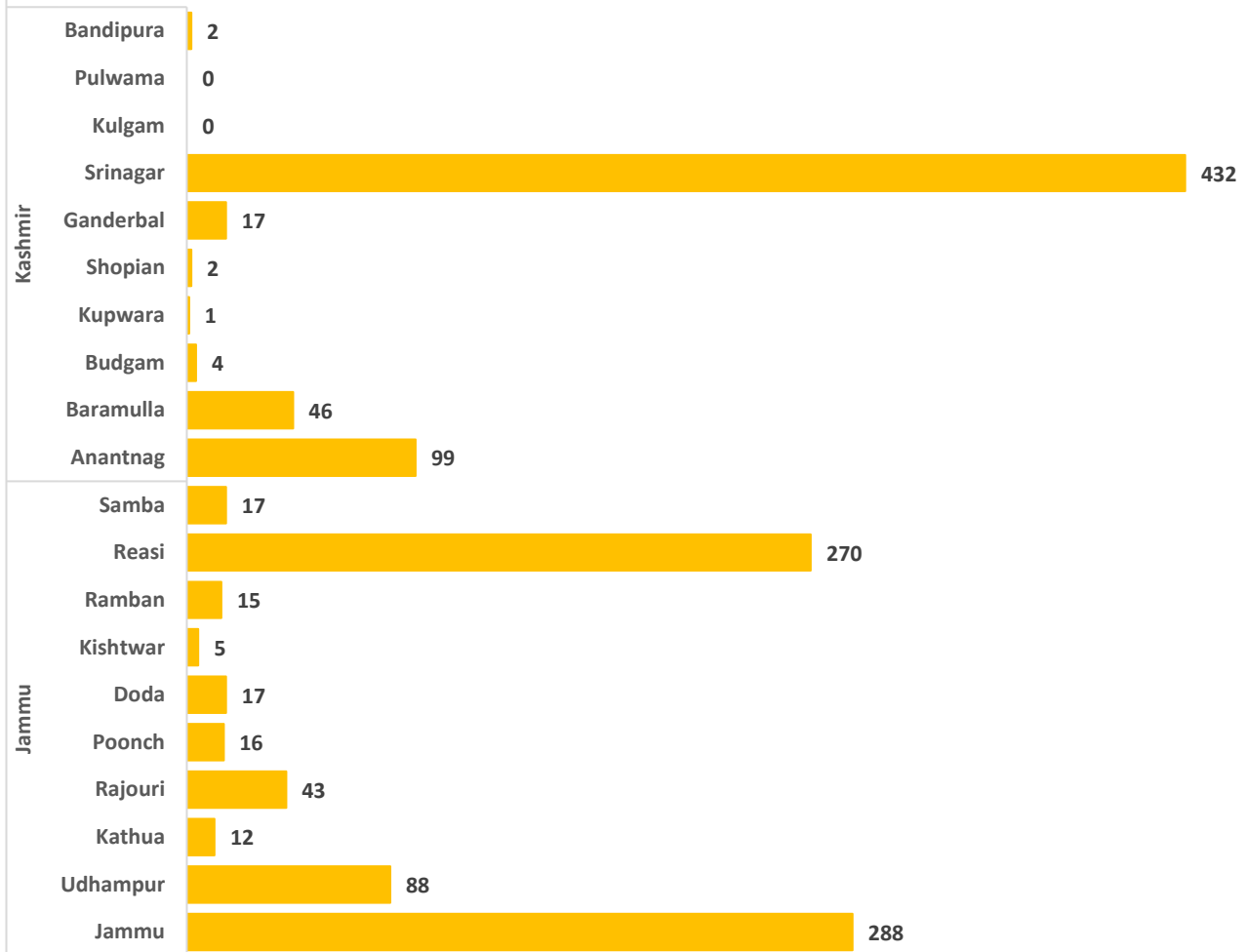
Attributes

Some of the key attributes of the tourism industry in J&K are as follows:

- Pristine Areas
- Climate
- Landscape
- Architecture
- Pilgrimage
- Culture
- Handicrafts
- Historical Heritage, etc



LIST OF HOTELS REGISTERED WITH TOURISM DEPARTMENT



1.2.5. SWOT Analysis of J&K Tourism Sector

Strength	Weakness
<ul style="list-style-type: none"> ▪ Rich culture and heritage ▪ Two distinct regions with diversity ▪ Multiple unexplored areas which are pristine ▪ Diversity in flora and fauna ▪ Offers entire gamut of tourist attractions including lakes, mountains, pilgrimage, springs, palaces, monuments among others ▪ Home to world's renowned handicrafts and shawls ▪ Cooperative and supportive natives ▪ High awareness of J&K as tourist paradise 	<ul style="list-style-type: none"> ▪ Poor connectivity and high-ticket prices ▪ Lack of world class hotels ▪ Region needs to be promoted aggressively ▪ High budgetary allocation required to develop tourist destinations ▪ Emphasis on few known tourist destinations ▪ No capacity building of stakeholders for better services
Opportunities	Threats
<ul style="list-style-type: none"> ▪ Opportunities to develop pristine new Tourist destinations ▪ Marketing and awareness of J&K by Indian embassies and missions abroad ▪ High returns from tourism industry ▪ Higher spending of people on recreation, entertainment, and the same need to support by better opportunities ▪ Tourist circuits to be defined <ul style="list-style-type: none"> ▪ Pilgrimage circuit, Adventure Circuit, Ayush Circuit, etc ▪ Linkage with specific circuits in other states ▪ Capacity Building: Huge opportunity to offer training to tourism and allied industry professionals 	<ul style="list-style-type: none"> ▪ Security of tourists presents huge concern to the incoming tourists ▪ Better facilities from competitors ▪ Low information dissemination and training

1.2.6. Developed and Upcoming Industrial Estates in Srinagar

Developed Industrial Estates

Industrial Estate	Area in Kanals	Industrial units
Zakura	128	62
Baghi-ali-Mardan	147	131
Zainakote	525	217
Silk tech park Zakura	109	52
Khunmoh	2,294	545
Shalteng	94	42

Upcoming Industrial Estates

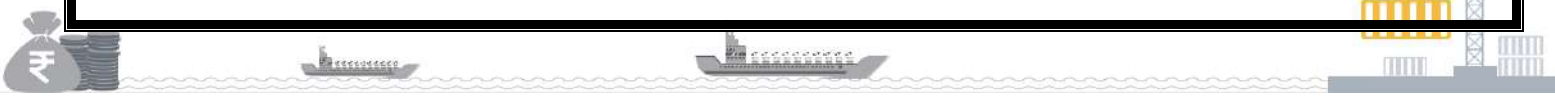
Industrial Estate	Area in Kanals
Medicity Sempora	417.5
Rakhi I Gund Aksha Bemina	750
Khanmoh Phase 4	600

1.2.7. District Apex and District Level Committee

In order to promote export from the UT, J&K has constituted Apex Level Export Promotion Committee and District Level Export Promotion Committee. Mentioned below is the composition of

Apex Level Export Promotion Committee

1	Chief Secretary	Chairperson
2	Administrative Secretary, Agriculture Production Department.	Member



3	Administrative Secretary, Finance Department.	Member
4	Administrative Secretary, Industries and Commerce Department.	Member
5	Divisional Commissioner, Kashmir.	Member
6	Administrative Secretary, Planning, Development and Monitoring Department.	Member
7	Divisional Commissioner, Jammu.	Member
8	Administrative Secretary, Tourism Department.	Member
9	Deputy Commissioners (All)	Members
10	Managing Director, JKTPPO.	Convener Cum Member Secretary
11	Regional Authority of DGFT	Co- Convener
12	Representatives of major Export Promotion Council viz. APEDA, WVEPC, HEPC, CEPC, FIEO, or any other similar organization recommended by the Committee.	Members
13	Representatives of local trade bodies of J&K viz Jammu Chamber of Commerce/Kashmir Chamber of Commerce or any other as advised by the Committee.	Members

Terms of reference

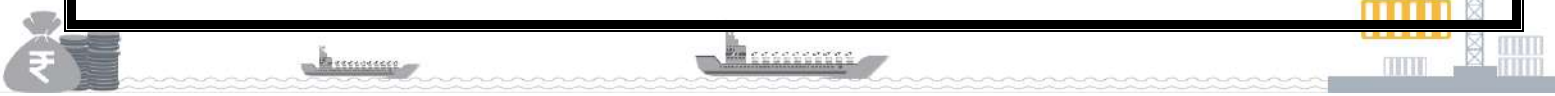
- ▶ To coordinate with the district admin to promote District as an Export Hub
- ▶ To coordinate with all the departments of UT and Central gov to resolve issues related to exports.
- ▶ To assist the UT government in formulation/Implementation of Export policy/Strategy

District Level Export Promotion Committee

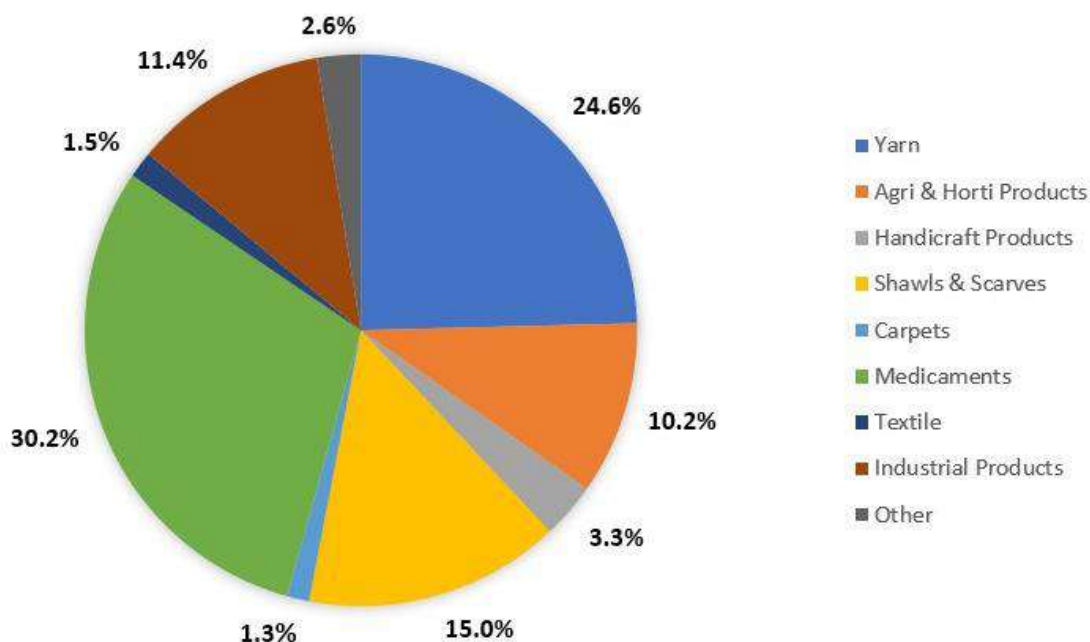
1	Collector/DM/DC	Chairperson
2	Designated DGFT Regional Authority	Co-Chair
3	GM – District Industries Centre (DIC)	Convener
4	Representative from JKTPPO	Member
5	Nominated member from the State Government(I& C Department)	Member
6	Lead Bank Manager	Member
7	Representative - Department of MSME, Govt. of India	Member
8	Representative – Sector Specific Export promotion Council	Member
9	Representative – Quality & Standards Implementation body	Member
10	Representative from District Trade/Commerce Associations	Member
11	Sector Specific Ministry in Govt. of India (Agri, Fisheries, plantation boards etc.)	Member
12	Sector Specific Ministry of the State Government	Member
13	Sectoral Agencies specific to Product identified in each District (NABARD etc.)	Member
14	Other State Government Representative (As per requirement)	Member

Terms of reference

- ▶ Benchmarking baseline export performance of the district current-situation
- ▶ Identification of potential export products from the district
- ▶ Create a district level export action plan with quantifiable targets
- ▶ Identification of the bottle necks for the export of potential products.
- ▶ Act as one point facilitator for export promotion at district level



Chapter 2: Export Scenario of Jammu and Kashmir



Jammu and Kashmir, known for its breathtakingly beautiful landscapes, it's also rich in various natural resources and crafts, which opens significant export opportunities. A large number of agricultural and horticultural products such as apple, saffron, walnut, basmati rice, mushkbudji rice etc., from the region is popular across the globe. Other products like walnuts, almonds, cherry, and various other fruits and dry fruits are also exported. The region is also known worldwide for its splendid handicrafts. Products like pashmina shawls, carpet, silk, tweeds, Kashmir willow crickets and various wooden artifacts are largely exported to different parts about the globe.

Jammu and Kashmir's rich biodiversity is home to several medicinal plant species which are exported for pharmaceutical purposes. Minerals like gypsum, limestone, sapphire, granite and other decorative stones also make up the export list of Jammu and Kashmir.

Though not technically counted under traditional exports, tourism can be considered as an export in the service sector. The exquisite natural beauty, rich cultural heritage, and adventure opportunities have attracted tourists from around the world. The demand for tourist services generates substantial revenue for the region.

In the year 2022-23, J&K has exported products worth INR 1,337 Cr which of which Industrial Products such as medicaments, industrial chemicals, cotton / woollen / silk yarn contributed to about 66.2% of the total export, where as agri and horticulture products contributes to about 10.2% and Handloom & handicraft products was about 19.6%. In the year 2023-24, the export value of the UT is expected to be increase by atleast 15% due to increase in the industrial production.



2.0.1 Jammu and Kashmir EPI Index

Jammu & Kashmir has emerged as one of the best performers in the currently and currently ranks 17th position among all states/UT's and 2nd among UT's in Third Edition of Export Preparedness Index for Financial year 2022 issued by Niti Aayog. J&K recorded an improvement in its score rising to 47.49 from previous scores of 30.07.



Policy

99.52

Export Promotion Policy

100.00 ●

Districts Level export plan	100.00 ●
Export promotion policy/ strategy	100.00 ●
Facilitation measures around export promotion	100.00 ●
Marketing Support for international market	100.00 ●
ODOP - District Export Plan	100.00 ●
Product Quality and standards: Information	100.00 ●
Product Quality and standards: Workshops Conducted	100.00 ●
Thrust sectors for exports	100.00 ●
Valid sector-specific policy for exports	100.00 ●

Institutional Framework

99.03 ●

Appointed Export Commissioner	100.00 ●
District Export Promotion Council (DEPC) in district	96.77 ●
Grievance redressal portal: Functional	100.00 ●
International Access: foster export	100.00 ●
State-Centre coordination cell	100.00 ●

Export Ecosystem

44.56

Export Infrastructure

69.15 ●

Agri- Export Zones - Number	25.00 ●
Area covered under Industrial Parks (EPIP, EPZs, SEZ)	0.00 ●
Existence of Trade guide	100.00 ●
Online portals for information for exporter	100.00 ●
Regional disparity: District level	57.33 ●

Trade Support

47.21 ●

Application of TIES scheme	0.00 ●
Capacity building or orientation workshops for exporters	0.93 ●
Conducted Stakeholder Interactions with exporter	100.00 ●
Initiative for maintaining Database for exporters	100.00 ●
Maintains updated district wise/sector wise database of exporter	100.00 ●
Projects approved under (TIES)	0.00 ●
Trade fairs and exhibitions: Numbers	16.36 ●

R&D Infrastructure

17.32 ●

Innovative capacity: India Innovation Index scores	31.50 ●
NABCs: Number	0.00 ●
NABL accredited labs: per exporter	8.21 ●
Research institutes per lakh of population	5.38 ●

Business Ecosystem

35.65

Business Environment

55.37 ●

Ease of doing business index	25.00 ●
Export credit to exporters: % of GSDP	1.84 ●
Increment - FDI inflow	57.12 ●
Increment - Manufacturing GVA	91.02 ●
Power cost - Power tariff (HT)	77.39 ●
Single-window clearance	100.00 ●

Infrastructure

29.85 ●

Cluster Strength	24.71 ●
Internet facilities	24.30 ●
Number of Industrial Parks	1.08 ●
Power Availability: Demand Met	71.07 ●

Transport Connectivity

21.73 ●

Cold storage facilities- Capacity	0.62 ●
Cold storage facilities- Number	1.34 ●
FTW, FTWZ & Integrated Logistics Parks	0.00 ●
Inland container depots- Area coverage	0.00 ●
LEADS index	50.00 ●
Operational Air cargo terminals	33.33 ●
Warehouse facilities- Capacity	0.00 ●
Warehouse facilities- Number	0.00 ●

Export Performance

19.39

Growth and Orientation

25.80 ●

Availing origin certificate: Number of Exporters	33.23 ●
Export growth in 3 years	38.81 ●
GI Products	19.05 ●
IEC [as a percentage of total business]	35.40 ●
Increase in number of exporters	8.70 ●
Merchandise exports to GDP ratio	2.92 ●

Export Diversification

12.98 ●

Export Concentration	0.91 ●
Market Penetration Index	26.51 ●

Overperforming ●
Performing within expected range ●
Underperforming ●

Strengths and Weaknesses are relative to 10 regions of similar GDP: Jammu and Kashmir, Himachal Pradesh, Goa, Uttarakhand, Tripura, Chandigarh, Puducherry, Meghalaya, Manipur, Sikkim



2.0.2 District wise Exports.

District	Export In Crores	Percentage Export
Anantnag	2.64	0.16%
Baramulla	0.48	0.03%
Budgam	1.61	0.09%
Ganderbal	0.09	0.01%
Jammu	528.86	31.11%
Kathua	575.11	33.84%
Kistwar	0.08	0.00%
Kupwara	0.46	0.03%
Poonch	0.10	0.01%
Pulwama	1.34	0.08%
Ramban	1.28	0.08%
Reasi	0.02	0.00%
Samba	261.09	15.36%
Srinagar	321.18	18.90%
Udhampur	5.39	0.32%
Grand Total	1699.72	100%

2.0.3 Commodities Exported from District Srinagar

HSN	Item Description	Amount in Rs
8081000	APPLES FRSH	10,29,94,723.00
48237030	ARTICLES OF PAPER OF OTHER THAN ARTWARE AND MOULDED/PRESSED OF WOOD PULP	4,41,18,110.00
57019031	HAND-MADE	32,11,38,288.00
57019039	OTHER	64,27,73,668.00
62141090	SHAWLS, SCARVES, ETC OF SILK, OTHERS	16,87,53,101.00
62142010	SHAWLS OF WOOL	1,69,62,14,831.00
62142090	OTHER ITEMS OF WOOL OTHER THAN SHAWLS, SCARVES AND MUFFLERS	3,21,20,275.00
62149060	SHAWLS, MUFFLERS ETC OF MANMADE FIBRE	9,44,06,167.00
62149090	SHAWLS, SCARVES, ETC OF OTHER TEXTILE FIBRES	4,63,23,824.00
95051000	ARTICLES FOR CHRISTMAS FESTIVITIES	6,29,70,245.00
Total		3,21,18,13,232.00



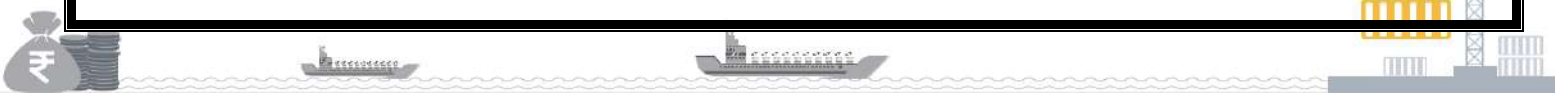
2.1 District as Export Hub

Districts as Export Hubs is the first project of its kind from the Indian government that aims to promote exports, manufacture goods, and create jobs at the local level. It holds States and Districts responsible for the growth of exports coming from the Districts across the nation. Rural and remote sections of the nation never had export promotion as a priority. By significantly increasing manufacturing and exports from urban areas while concentrating on fostering interest and economic activity in the rural hinterland and small towns across the nation, the Government of India hopes to support the **AtmaNirbhar** mission through this initiative and encourage new businesses to go global. Under this initiative district Srinagar has shortlisted 11 products with huge export potential:

 Walnut wood Carving	 Bakery Products	 Honey
 Chain Stich leather	 Paper Mache	 Copper Ware
 Strawberry	 Pashmina	 Silk
 Kani Shawl	 Silk Carpet	

2.2 ODOP

The "One District, One Product (ODOP)" initiative was introduced in 2018 by the Ministry of Food Processing Industries to assist districts in realising their full potential, promote socio-cultural and economic development, and generate employment opportunities, particularly in rural areas. The ODOP programme aims to make the Hon'ble Prime Minister of India's vision of promoting balanced regional development across all of the nation's districts a reality.



The goal is to choose, market, and spread awareness of One Product from Each District in the nation.

- For enabling holistic socioeconomic growth across all regions
- To attract investment in the district to boost manufacturing and exports
- To generate employment in the district
- To provide an ecosystem for Innovation/ use of Technology at the District level to make them competitive with domestic as well as international market

2.2.1 ODOP of Srinagar

Kashmiri silk carpet created by hand are well-liked worldwide, not just in India. Intricate oriental and floral patterns can be seen on Kashmir rugs and carpets in a variety of hues, sizes, and textures. The majority of Kashmiri carpets are produced in Kashmir and its surrounding rural villages. There is a brief history of Kashmir carpets, as well as information on their characteristics, weaving methods, and well-known Kashmir carpets. The development of Kashmiri carpets Shah Badshah established the factories, which are known as **Karkhana** in the Kashmiri language, and as a result, the carpet weaving business in the Kashmir Valley has flourished. However, after Shah Badshah's rule, there was a significant setback in this area, which was eventually revived under the rule of Jahangir, the Mughal emperor. When the Mughal monarchs arrived in Kashmir in the 16th century, Kashmiri carpet production began to flourish. Due to Kashmir's well-known frigid winters, the chilly stone palaces needed to be made warmer and more liveable. Some Persian rug and carpet weavers who were court carpet weavers were transported to Kashmir by the Mughal emperors. Families from Iran that specialise in carpet weaving moved to Kashmir and the creation of Kashmiri carpets began. Since Iranian carpet weavers were originally responsible for creating Kashmir carpets, it is obvious that most of the designs of Kashmir carpets are similar to Iranian carpets with minor regional variations. With more and better Kashmir carpets available, the carpet business saw an unexpected boom in the middle of the 18th century.



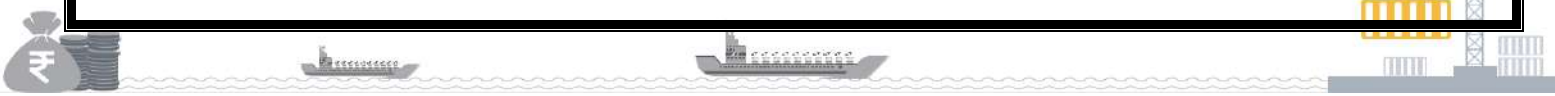
2.2.2 Products Shortlisted for District Export Action Plan

Out of 11 District Export Hub products 4 products (Silk Carpet, Pashmina, Paper Mache and Walnut Wood Carving) are shortlisted for district export action plan by district level export promotion committee chaired by Deputy Commissioner, Srinagar (Chairman DLEPC) in the meetings held on 03-06-2023 and 18-01-24(10:00 A.M) at DC office Srinagar.

Intervention, challenges, Issues and financial implication to increase productions and exports was also discussed in consultation with DLEPC members and other Stake holder like exporters, Artisans, Weavers and concerned line departments in meeting held on 18-01-24(03:00 PM) at DC office Srinagar.

2.3 SWOT Analysis of Handloom and Handicraft products

Strengths	Weakness
<ul style="list-style-type: none"> ▶ Availability of skilled workforce particularly artisans 	<ul style="list-style-type: none"> ▶ Poor working conditions ▶ Dependent upon middlemen for trade



- ▶ Ever-growing large international market
- ▶ Traditional Handicraft, hand-weaving done in the craft.
- ▶ Abundant and cheap labour hence can compete on price
- ▶ Aesthetic and functional qualities
- ▶ New unexplored international markets
- ▶ Direct link with "Make in India" programme
- ▶ Use of environmentally friendly raw materials
- ▶ Large no of exporters catering to international market.
- ▶ Silk Carpet of Srinagar has a G.I.Tag
- ▶ High market demand all over the world.
- ▶ Availability of antique carpets.
- ▶ Presence of National Institutes like IICT Srinagar

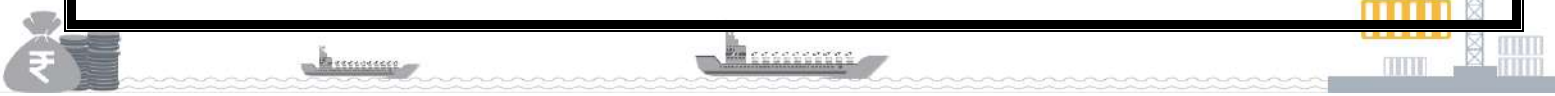
- ▶ Lack of technological upgradation (
- ▶ Unawareness of international standards like ISO 16000-25:2011, ISO PAS 11856, ASTM D2859, ASTM D 7339 etc.
- ▶ Negligible financial assistance from financial institutions
- ▶ Traditional method of production
- ▶ No change in design, lack of product diversification
- ▶ Higher machinery cost
- ▶ Marketing is done traditionally (offline), online presence is negligible.
- ▶ Major Raw Materials like silk is being imported from China; domestically from Bangalore, Ludhiana, Surat.
- ▶ Low technical expertise on processing wool, dyeing, cutting, cleaning, packing of H&H Products
- ▶ Finishing and washing facilities are not sufficient.
- ▶ Minimum G.I Tag Marketing thus losing the market to counterfeits.
- ▶ No Common Facility Centre (CFC) or Flatted factory infrastructure having advanced technology or job -related work catering to cluster.
- ▶ Over reliance of Traditional Design thus not catering to modern designs/current designs in the market.
- ▶ Jammu and Kashmir exporters are at disadvantage as there is no ICDs in the Union Territory.
- ▶ No NABL Accredited Testing Laboratory in J&K.

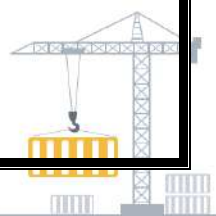
Opportunities

- ▶ Rising appreciation for Kashmir Handloom and handicraft worldwide.
- ▶ Widespread novelty seeking
- ▶ Change of preference from oriental design to abstract design
- ▶ Large discretionary income at disposal of consumer from developed countries
- ▶ Various Central and State Government Schemes for benefit of Weavers/artisans
- ▶ Huge Export Potential
- ▶ Opportunity to use E-Commerce Platforms like Flipkart, Amazon.
- ▶ ICDs being developed in the UT.
- ▶ Promoting Awareness and Marketing of GI Tag both domestically and internationally.

Threats

- ▶ Competition from machine made products of China, Turkey etc which are being mistaken as "Hand-made products"
- ▶ Competition with other clusters manufacturing similar items
- ▶ Better terms of trade by competing countries
- ▶ Change in Government policies such as imposition of GST
- ▶ Strict international standards





Chapter 3: Export Potential of DEH Products

3.1 Silk Carpet

Following HS Codes have been used by districts of J&K to export Carpets.

HS codes	Description
57011010	HAND-MADE
57019011	HAND-MADE
57019031	HAND-MADE
57019039	OTHER
57019090	CRPTS AND FLR CVRNGS KNOTTD OTHR THAN COTTON
57024230	CARPETS, RUGS AND MATS OF HANDLOOM

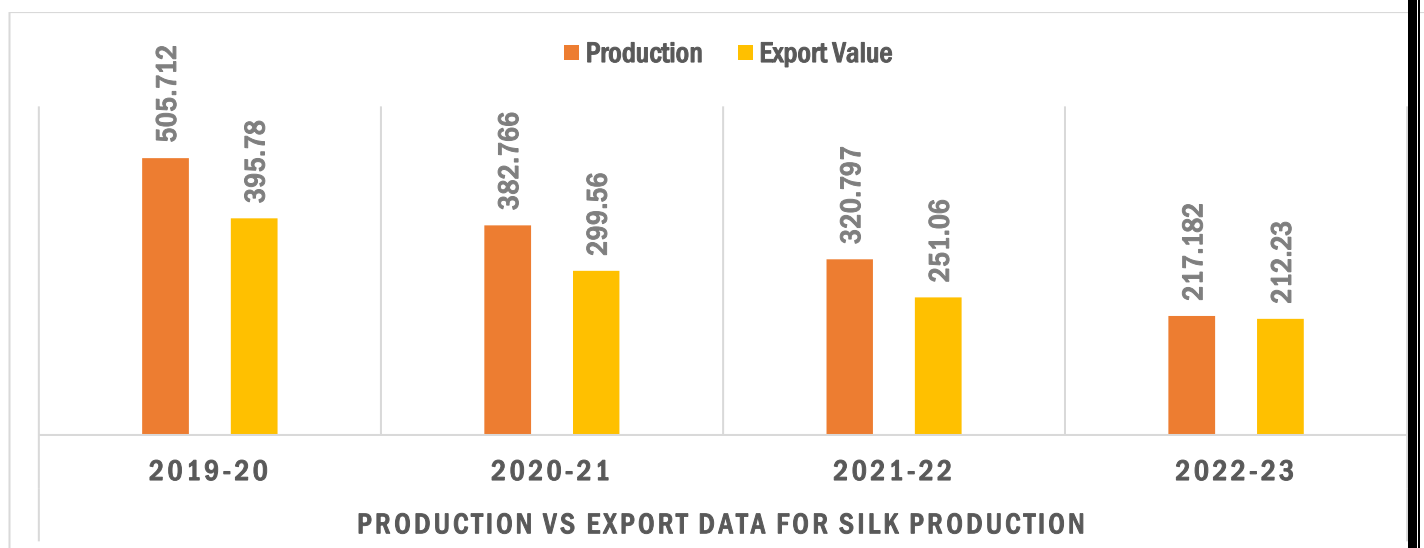
Historical Data of Carpet Exports from Jammu and Kashmir for HSN Code 57019090

Carpet Exports in USD million (57019090)			
Year	India	J&K	J&K Share
2014-15	147.05	12.94	8.8%
2015-16	140.46	10.31	7.3%
2016-17	226.35	6.97	3.1%
2017-18	141.21	7.82	5.5%
2018-19	132.61	17.11	12.9%
2019-20	119.33	20.73	17.4%
2020-21	86.5	5.8	6.7%

Artisans Associated with Silk Production

2019-20	2020-21	2021-22	2022-23
480	650	541	342

Production vs Export for Silk Carpet(In Crores)



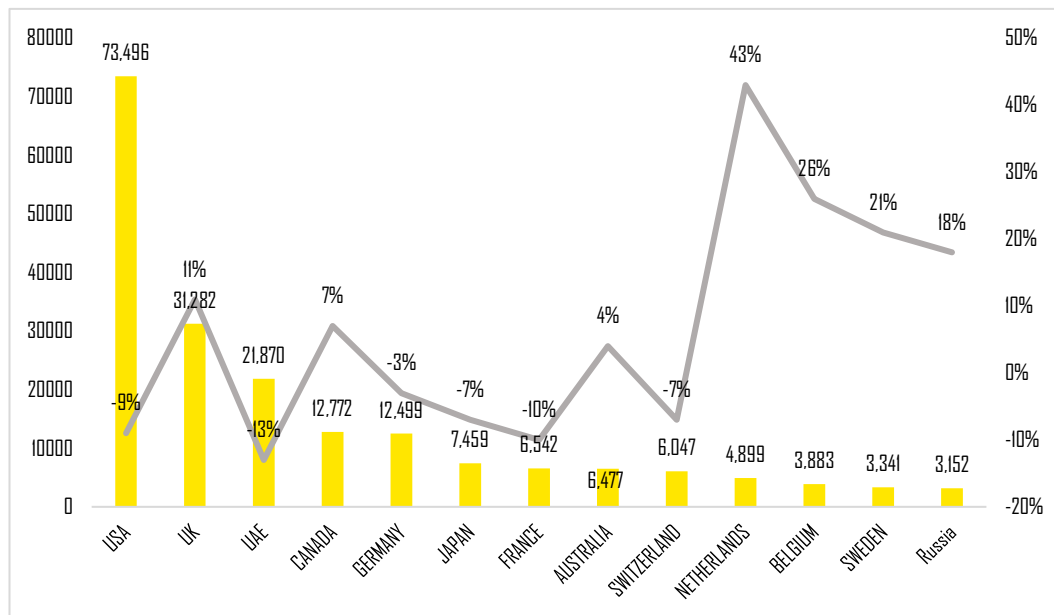
Current Export Scenario from Jammu and Kashmir for Carpets



The export scenario of India and Jammu and Kashmir have been analysed basis the export statistics of HS code mentioned below, under which Carpet products are exported. Alongside are the key facts¹ pertaining to the analysed product codes.

The HS Code used for analysis is 570190. India is the 2nd largest exporter under this HSN Code

Top Importers of the Carpet under the HSN Code 570190



Key Fact of Export

397,963 (USD Thousand)

Value of world exports in 2021

91,215 (USD Thousand)

Total Exports from India in 2021

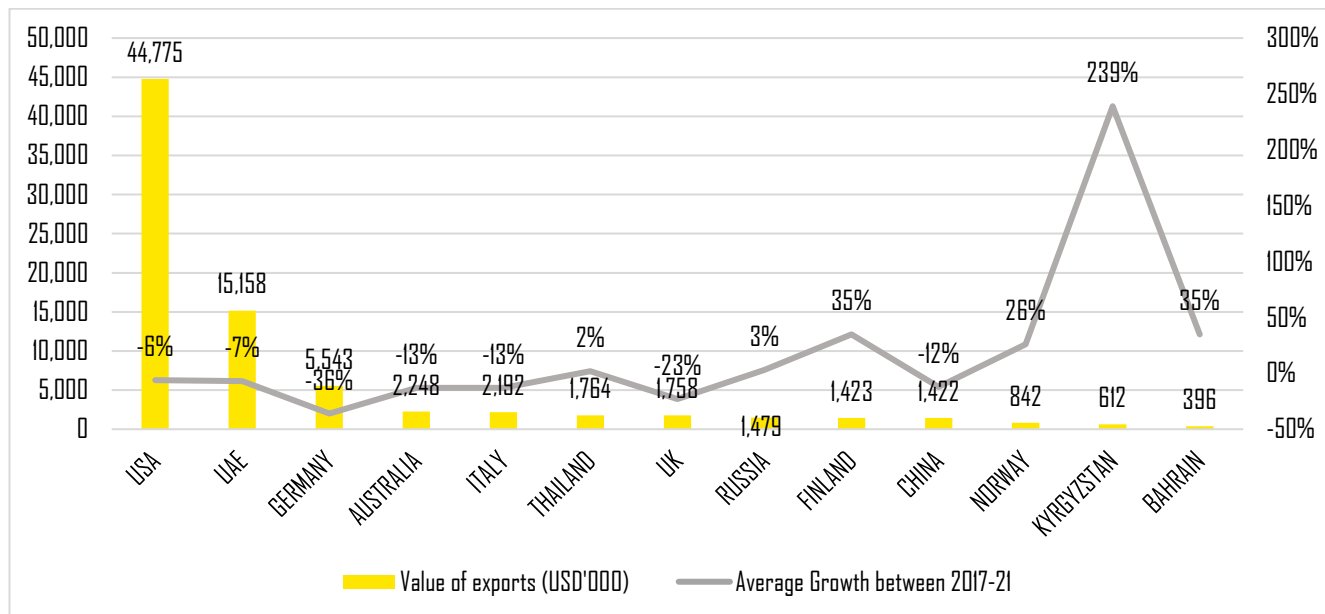
11,670 (USD Thousand)

Total export from J&K in 2021

~12.73%

Share of J&K in India's exports

Top Countries to whom India Export Carpet under the HSN Code 570190.



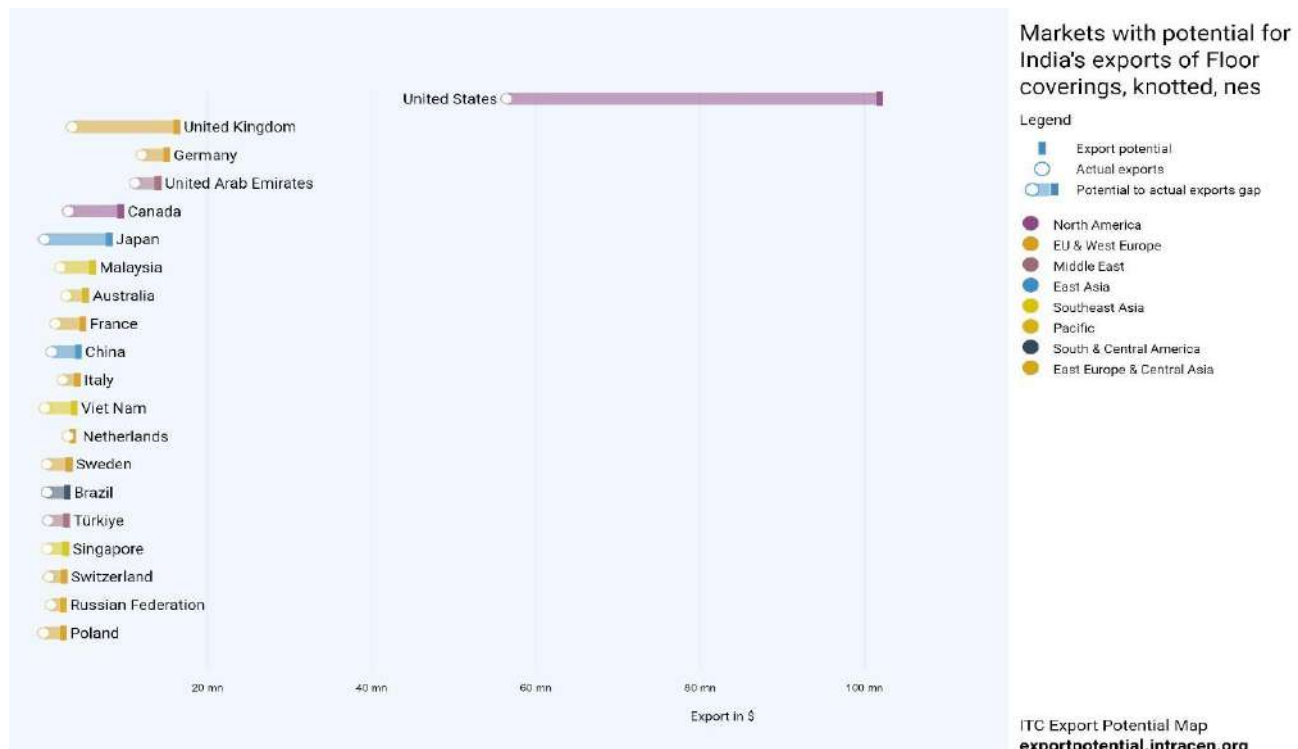
Product 570190: Jammu and Kashmir exports under this HSN to UAE, Thailand, Finland, USA, Germany, Qatar, Kyrgyzstan, Russian Federation, China, Netherlands, Vietnam, Singapore, Norway, UK and Oman²

Untapped Potential of India under this HSN Code is USD 118,930 (in Thousand)

¹ <https://www.trademap.org/>

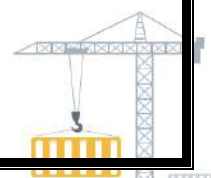
² HS Codes - State Export Analysis - Dashboard - EXIM Analytics (dgciskol.gov.in)

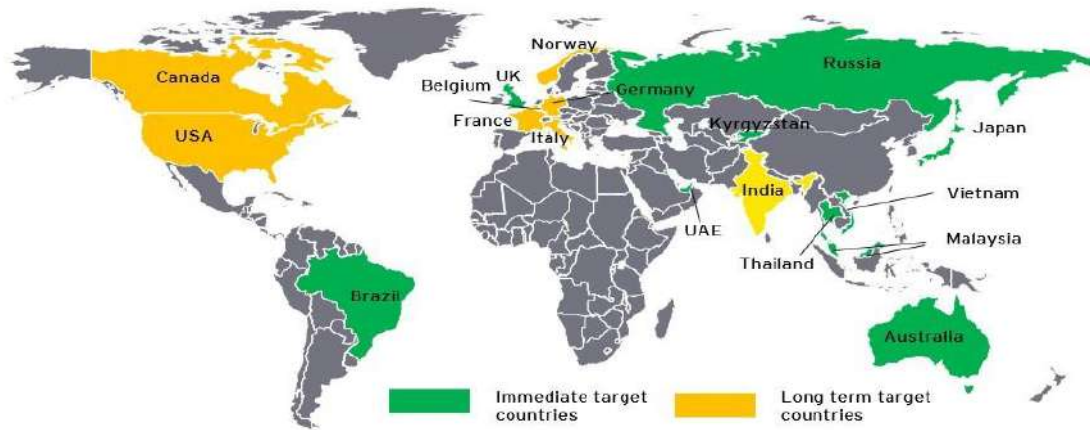




Synergies:

1. **Immediate:** These are those countries where a proper marketing channel will unlock the potential of that market in very short period.
 - a. Based on Signed FTAs the following can be targeted: **UAE, Japan, Australia, Thailand, Vietnam, Singapore and Malaysia.**
 - b. High Growth Markets: **UK, Russia, Bahrain and Kyrgyzstan**
 - c. Based on Untapped Potential, J&K exporters should target the following countries to expand **Brazil**.
2. **Long Term:** The following countries **USA, Canada, France, Italy, Germany, Netherlands, Poland, Belgium, Norway, Sweden, Finland and Switzerland** come under Long-term priority market as these are those markets where the untapped market potential can only be fulfilled if J&K exporters comply and raise the quality of the product to the highest standards, freight rates are more subsidized and major efforts is required in marketing which will require time to accommodate the same.





Government Schemes/ Policies for Silk Carpet

- ▶ SFURTI Scheme
- ▶ Micro and Small Enterprises - Cluster Development Programme (MSE-CDP)
- ▶ Flatted Factory
- ▶ National Handloom Development Programme (NHDP)
- ▶ Credit Card Scheme for Artisans and Weavers (CCSAW)
- ▶ Karkhandar Scheme
- ▶ Financial Assistance to Industrial Cooperatives
- ▶ PMEGP and REGP

Interventions for Revival of Carpet Industry

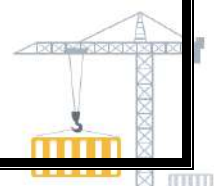
1. Strengthening of Indian Institute of Carpet Technology (IICT), Srinagar

Since its inception, the Indian Institute of Carpet Technology, J&K has done commendable work, particularly in the field of Design Development, Development of Modified Modern Carpet Loom, Preservation of old traditional designs in the digital format, GI Certification of carpets through unique Cloud Based QR Code Mechanism, first of its kind, along with Skill Up-gradation and Capacity Building of carpet artisans/weavers at their door steps, which has been appreciated by one and all.

However, the Institute is also mandated to conduct necessary research studies, in respect of different types of raw materials, new innovative designs, different azo-free dyes, natural dyes etc., on continuous basis. The Institute shall have to make hand knotted carpets on the basis of such studies for the purpose of their demonstration and subsequent introduction in the industry. But, due to inadequate funds under CAPEX/REVEX budget along with lack of infrastructure in other major carpet craft concentrated areas, the Institute is not in a position to expand its activities. Thus, there is a dire need to strengthen the Institute so that it can deliver on the expected lines as per the need of the Carpet Industry, which is struggling hard for its survival.

2. Setting up of Raw Material Banks

The raw material for carpets like silk, wool and cotton yarn etc. is procured by local dealers from other parts of the country. However, the quality of raw material and reasonability of its price is a big concern.



In order to manufacture/produce standard quality carpets, there is an immediate need to set up raw material banks with good/consistent quality of raw material on subsidized price available under Raw Material Supply Scheme (RMSS) of O/o Development Commissioner (Handlooms), Ministry of Textiles, Govt, of India, wherein 15% price subsidy is available on such type of Raw Materials for registered weavers/ artisans.

Five (05) Raw Material Banks, with adequate quantity of different types of raw material of standard quality used for carpet manufacturing, need to be established in a phased manner, in carpet craft concentrated areas/districts such as Bandipora, Baramulla, Budgam, Srinagar and one more for covering South Kashmir districts (Pulwama, Anantnag and Kulgam). However, in the first instance, it is proposed to set up one such raw material bank in one suitable area of Srinagar district which shall cater to the needs of twin districts (Budgam/Ganderbal)

3. Replacement of Old worn-out Carpet Looms

It has been observed, over a period of time, that conditions of old/traditional wooden carpet looms has gone from bad to worse and the concerned artisans/weavers are now very reluctant to work on these old looms due to many reasons including social stigma . Therefore, there is need to procure and distribute Modern Carpet Looms of appropriate size to active carpet artisans, free of cost, after verifying their credentials, so that they can carry forward the activity of carpet weaving to next generation. It is estimated that as many as 10,000 old Wooden Looms need to be replaced with new Modern Carpet Looms, in a phased manner.

It is pertinent to mention here that Indian Institute of Carpet Technology (IICT) Srinagar has developed a prototype of Modified Modern Carpet Loom in 2020-21 and its testing followed by necessary trial runs were conducted successfully. The overall working of this prototype was also observed by stakeholders who expressed the view that this loom is fit for introduction in carpet industry. The stakeholders have strongly recommended that Government must provide these looms to concerned registered carpet weavers, to be identified by the Handicrafts and Handloom Department, absolutely free of cost, as they cannot afford to purchase such looms.

However, in the first instance, it is proposed to introduce 500 such modified modern carpet looms in one highly carpet craft concentrated area of Srinagar district.

4. Skill Up-gradation and Capacity Building Training

During the last two decades, majority of male carpet weavers have migrated from carpet industry and women folk have now undertaken this activity on full/part time/seasonal basis. These women, not only earn to support their families, but also carry out their routine household activities. However, it has been noticed that the skill level of women carpet weavers is not upto the mark which in turn is affecting the quality of carpets. As such, there is a need to conduct Skill Up-gradation and Capacity Building Training through Indian Institute of Carpet Technology (IICT) for 10,000 existing carpet weavers, especially women folk in their respective areas/districts in a phased manner. In addition to basic skills, such training will also cover other important aspects of carpet manufacturing having direct impact on quality of carpets, by way of giving them requisite know-how in respect of Designing, Dyeing, Various types of defects in carpets, their causes and remedial measures, Do's and Don'ts of carpet weaving, Formation of SHG's/Industrial Cooperatives, Quality Control and Need for GI Certification, Procedure of Certification/Tagging, Need of Cluster Development etc.

5. Publicity and Promotion of GI Tagging of Carpets.

The carpet Industry has exported carpets worth Rs. 357.21 Crores during the year 2022- 23, the majority of carpets have been exported to Germany, Middle East and other countries. However, this industry has potential to export carpets worth Rs. 1,000 Crores which can generate employment to thousands of people across the Jammu and Kashmir.



As a matter of fact, that Carpet Industry in Kashmir has not been able to progress during the last three decades. One among many reasons for this decline, is the inconsistent quality of carpet as there was no mechanism whereby their quality can be checked on regular basis.

After achieving the milestone of GI Certification of Kashmiri Hand knotted Carpet through unique cloud based QR code management system, which has been highly appreciated and acknowledged by one and all, there is a dire need to launch a massive awareness and promotional campaign so that the people are made aware about GI certification of carpets and its benefits for brand building in the international market.

With GI certification of carpets, it is expected that there will be massive improvement in the overall quality of hand-knotted carpets manufactured in this part of the country which in turn will fetch better price of carpets in the international market which shall improve the financial health of stakeholders associated with the carpet industry in general and the carpet artisan community in particular.

However, this will be not be possible till the time there is an unprecedented demand for GI certified/tagged carpets. For this, it is imperative to launch a massive promotion and awareness campaign at the local, national, international level so that more and more people are made aware about the benefits of GI Tagging/Certification which is necessary for building trust/confidence among the Buyers/Customers.

6. Marketing and Promotion

Marketing is the key for the survival/sustenance of any sector/industry in the prevalent competitive international market. Marketing events provide an opportunity for stakeholders to know the requirement of ultimate buyer/customer which in turn opens new marketing channels for the trade. There is a dire need to conduct/organize/participate in Exhibitions/Buyer Seller Meets/ Expo's/ Trade Fairs regularly at National/international Level. This must become a regular feature for industry, and it shall also provide platform to promote Kashmiri Carpet Brand at the National and International Platforms.

7. Market Research/Study

The market is dynamic in nature and changes frequently in terms of potentiality, taste, fashion and consumer preference. In order to remain competitive, it is necessary to gather marketing intelligence through market surveys/studies regularly. This will help in capturing business in virgin & emerging markets besides strengthening our hold in the existing markets through better knowledge of market demand trends and product preferences. Besides, Study Tours are required for collecting requisite knowledge about techniques, processes and materials etc. from other competing countries so that requisite improvements /changes can be made in our existing processes/system of working.

8. Setting up a Common Facility for Carpet Washing and Drying on Modern Lines

The washing of hand knotted carpets manufactured in this part of the country is being done manually in a traditional manner and thereafter the carpets are dried in natural sunlight. However, in view of the fact that GI Certification of carpets is being done by the Institute on finished carpets only, the concerned stakeholders are not in a position to tag their hand knotted carpets which are weaved during winter season (November to April).The only reason for this is the fact that due to climatic conditions/harsh winter season in these months, the concerned manufacturers shift their fully weaved/unfinished carpets to Delhi for the purpose of washing and drying.

In light of the above, a grave need is felt for Setting up of a Common Facility Centre for Washing and Drying of Hand knotted Carpets on Modern Lines so that carpets weaved during the winter season (November-April) can be washed and dried in Kashmir itself so that their GI Tagging/Certification can be done accordingly. This facility can be established in the existing campus of the Institute where adequate land/ space is available.

Financial Implications



#	Intervention	Cost
1	Strengthening of Indian Institute of Carpet Technology (IICT), Srinagar	0.50 Cr
2	Setting up of Raw Material Banks	2.00 Cr
3	Skill Up-gradation and Capacity Building Training	1.0 Cr
4	Publicity and Promotion of GI Tagging of Carpets	1.0 Cr
5	Marketing and Promotion	2.0 Cr
6	Market Research/Study	1.0 Cr
7	Setting up a Common Facility for Carpet Washing and Drying on Modern Lines	1.50 Cr
8	Modern Carpet Looms for Model Production Centres	2.00 Cr
Total		11.00 Cr

Product Specific Action Plan and Strategies

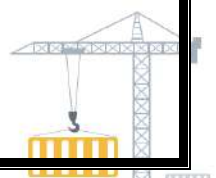
- ▶ Establishment of **Common Production Centre** with technology -enabled machine (viz. machine tufting guns, innovative frame looms, upgraded version of Twister machine, braiding machine, Yarn counting machine, Sewing (Juki) machine etc. to scale up production of micro artisans/ small manufacturers.
- ▶ Raw material bank with raw material processing facility for processing different varieties of yarn
- ▶ Upgradation of Testing lab of IICT Srinagar to enable advance testing to be conducted within the cluster

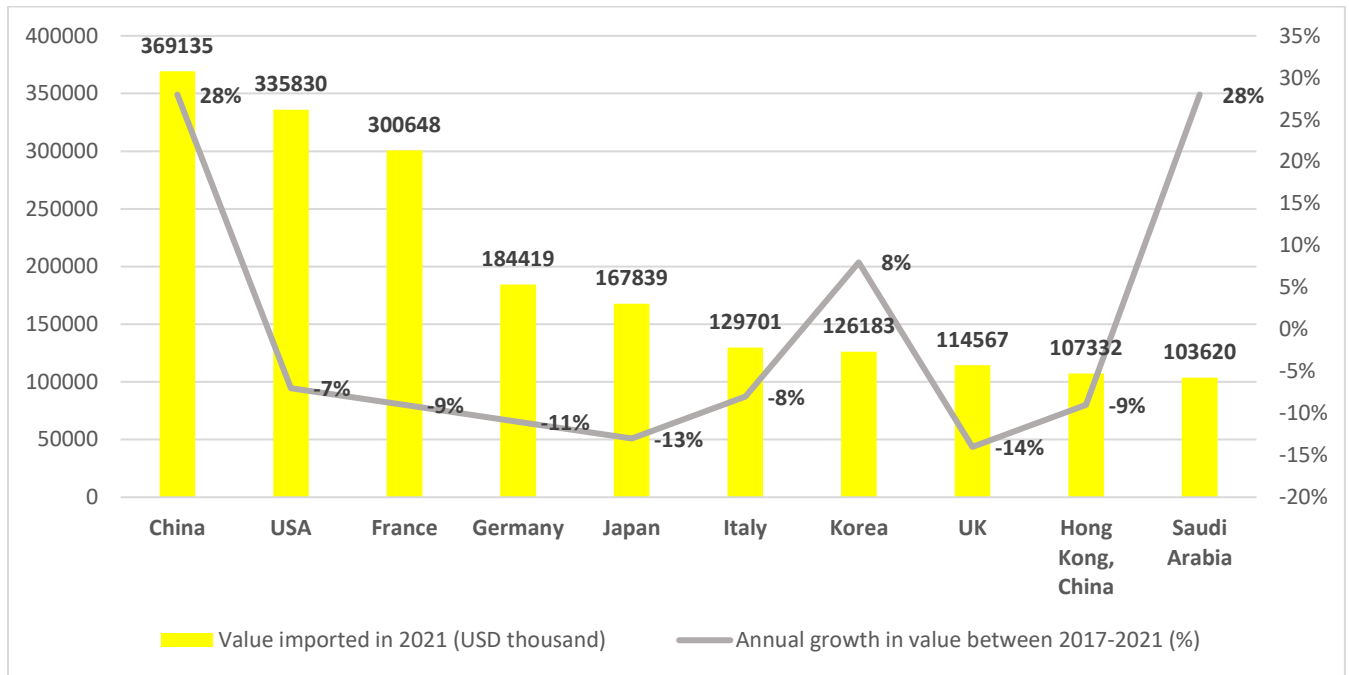
3.2 Pashmina

Following HSN Code has been used by districts of J&K to export Pashmina

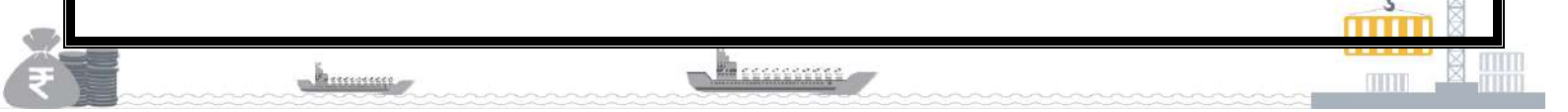
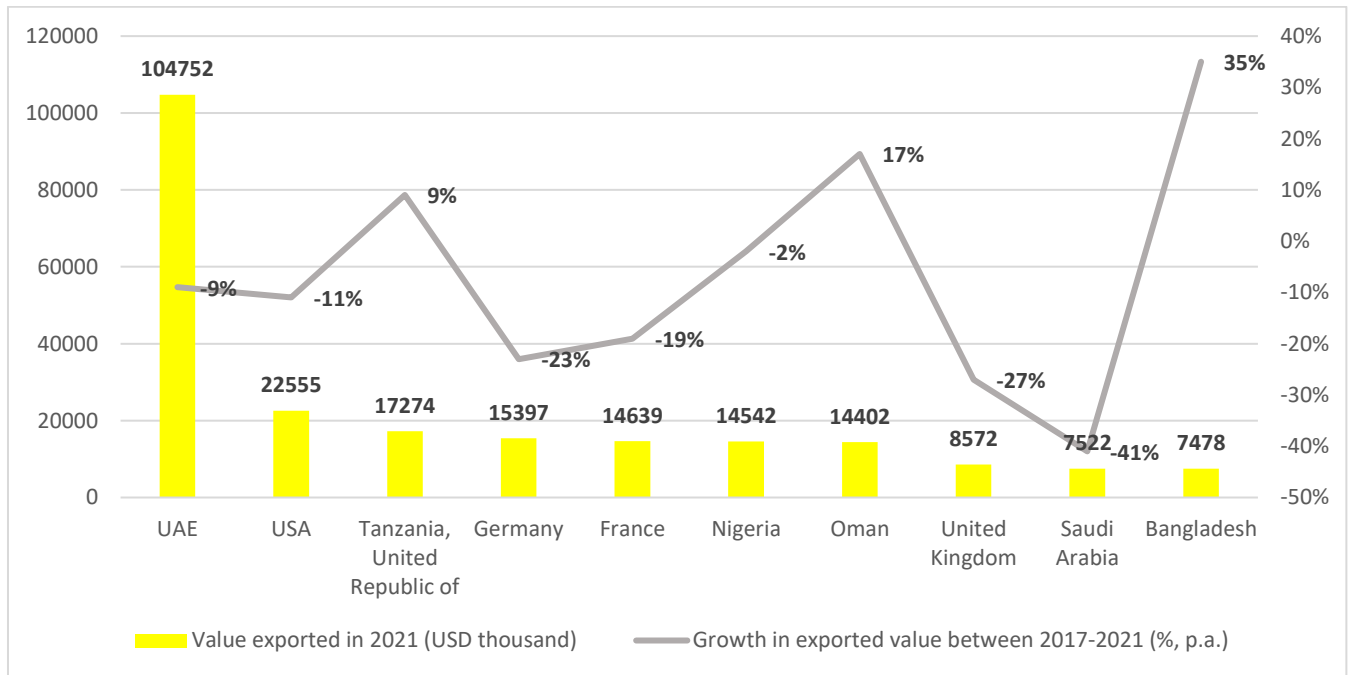
HSN codes	Description
621420	Shawls, scarves, mufflers, mantillas, veils and similar articles

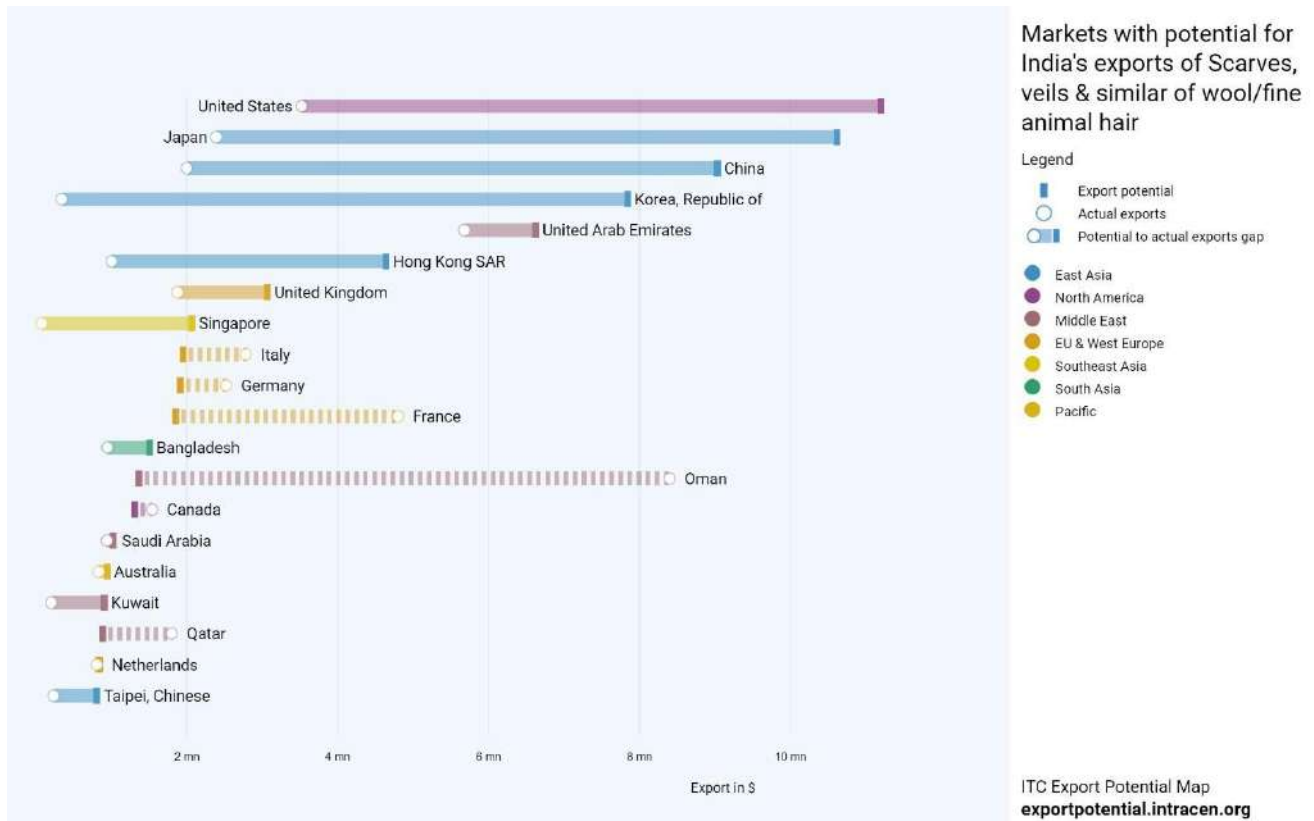
Top Importers of the Pashmina under the HSN Code 621420





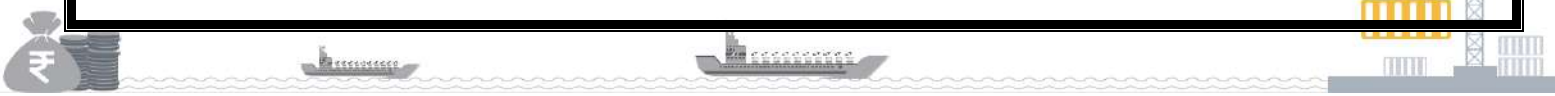
Top Countries to whom India Export the Pashmina under the HSN Code 621420.

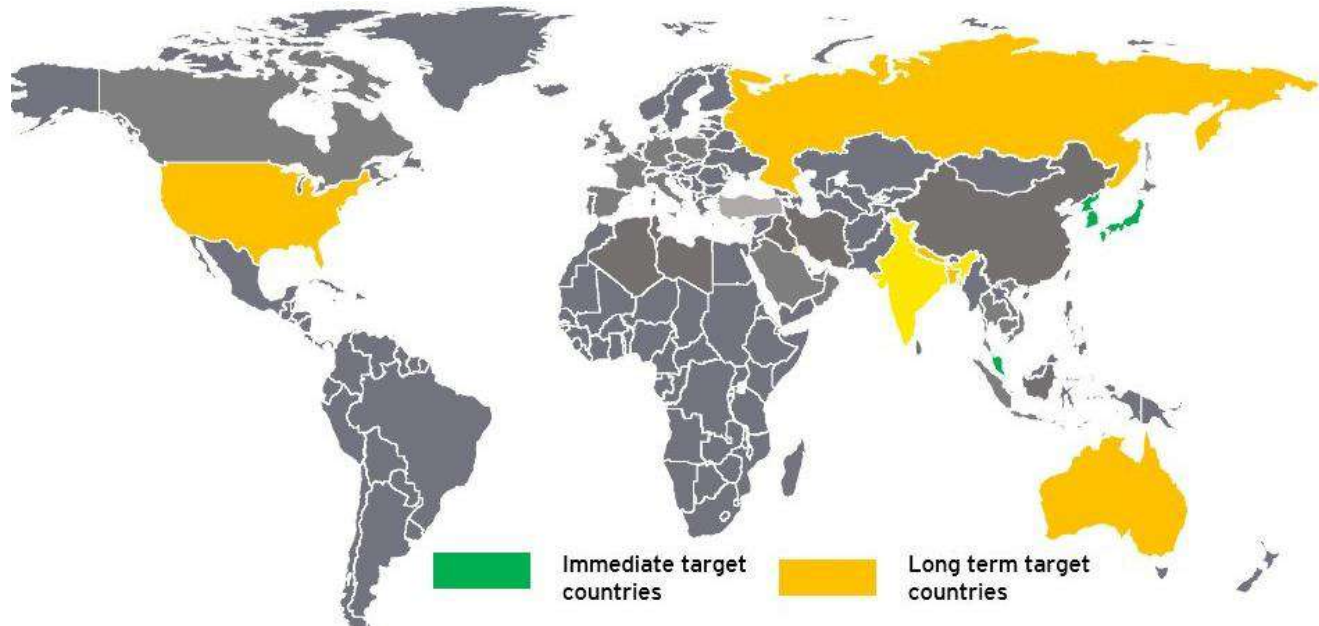




Synergies:

- 1 **Immediate:** These are those countries where a proper marketing channel will unlock the potential of that market in very short period.
 - a. Based on Signed FTAs the following can be targeted: **Korea, Japan, Singapore**
 - b. High Growth Markets: **Hongkong, UK**
- 2 **Long Term:** The following countries **USA, Bangladesh, Kuwait, Russia, Nepal, Australia** come under Long-term priority market as these are those markets where the untapped market potential can only be fulfilled if J&K exporters comply and raise the quality of the product to the highest standards, freight rates are more subsidized and major efforts is required in marketing which will require time to accommodate the same.



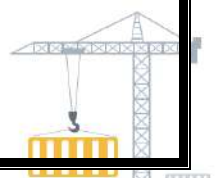


Product Specific Action Plan and Strategies

- ▶ Establishment of **Common Production Centre** with pashmina dehairing and master data of latest design innovations.
- ▶ Raw material bank with raw material processing facility for processing different varieties of yarn
- ▶ Upgradation of Testing lab of CDI Srinagar to enable advance testing to be conducted within the cluster
- ▶ District level GI tagging lab for testing the authenticity of the pashmina yarn in concurrence with Wildlife department.

Government Schemes/ Policies for Silk Carpet

- ▶ SFURTI Scheme
- ▶ Micro and Small Enterprises - Cluster Development Programme (MSE-CDP)
- ▶ Flatted Factory
- ▶ National Handloom Development Programme (NHDP)
- ▶ Credit Card Scheme for Artisans and Weavers (CCSAW)
- ▶ Karkhandar Scheme
- ▶ Financial Assistance to Industrial Cooperatives
- ▶ PMEGP and REGP



Financial implication for establishment of Common Facility Centre for Pashmina

Common Facility Centre for Pashmina Dehairing

Cost of the Project(IN Cr)

	Particulars	Total Cost
1	Plant & Machinery for dehairing and Carding of Pashmina	4.00
2	Working capital for Procurement of Pashmina Raw Material	4.00
3	Accredited Pashmina Testing Lab at Srinagar	4.00
4	Marketing and Promotion	1.00
5	Market Research/Study/ R&D to identify Target Markets and Develop Export Intelligence trends and also to develop new Designs with Export potential or Value Added Products	1.00
	Total	14.00

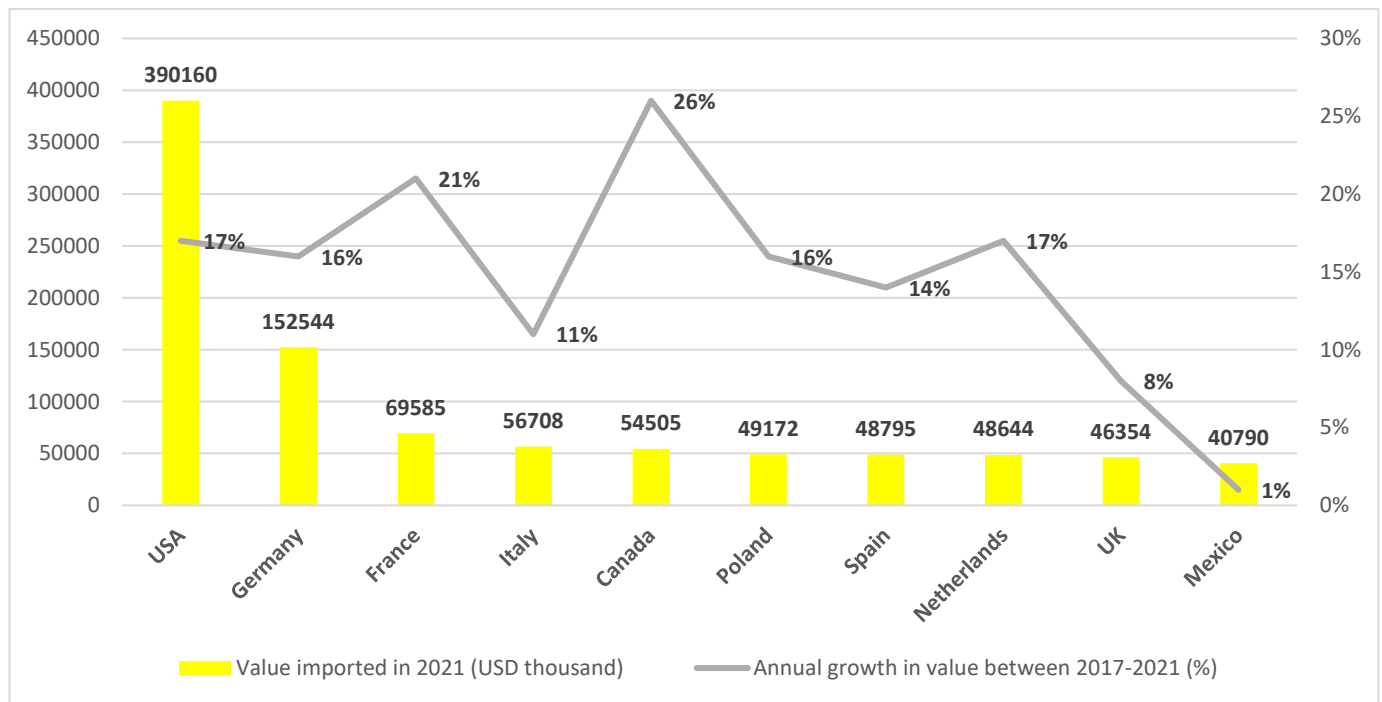


3.3 Paper Mache

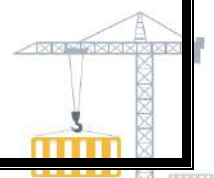
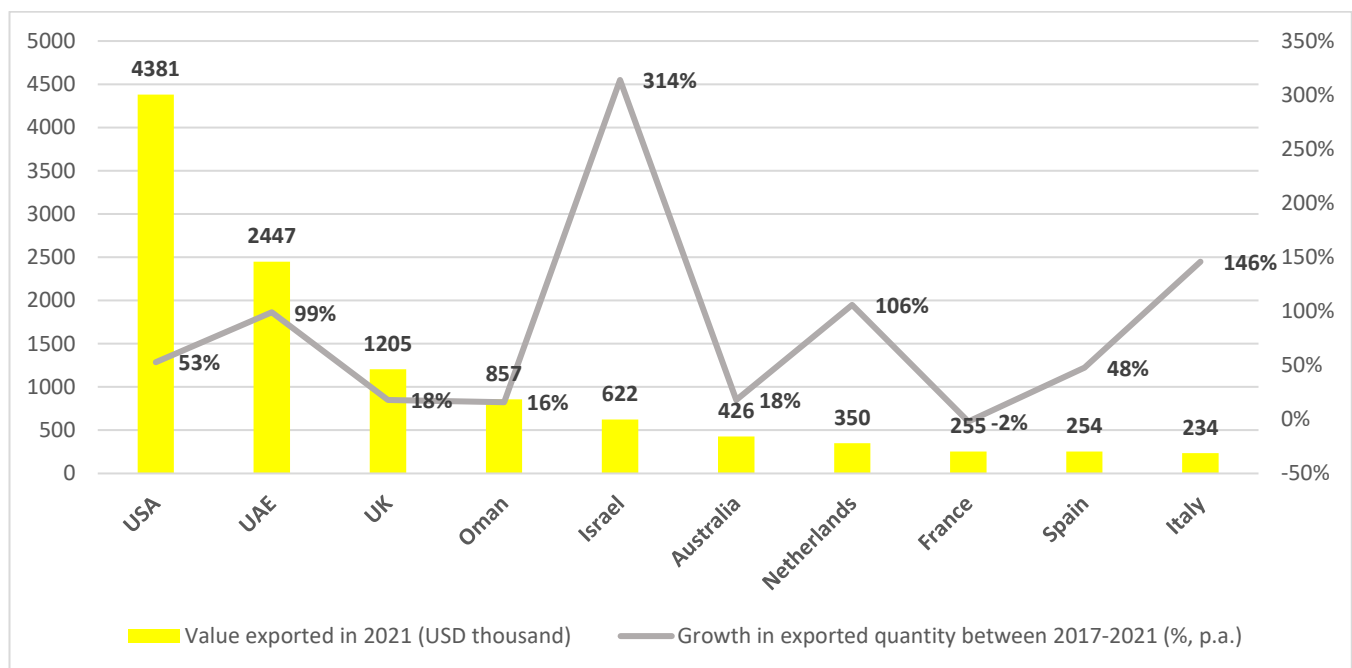
Following HS Code has been used by districts of J&K to export Paper Mache

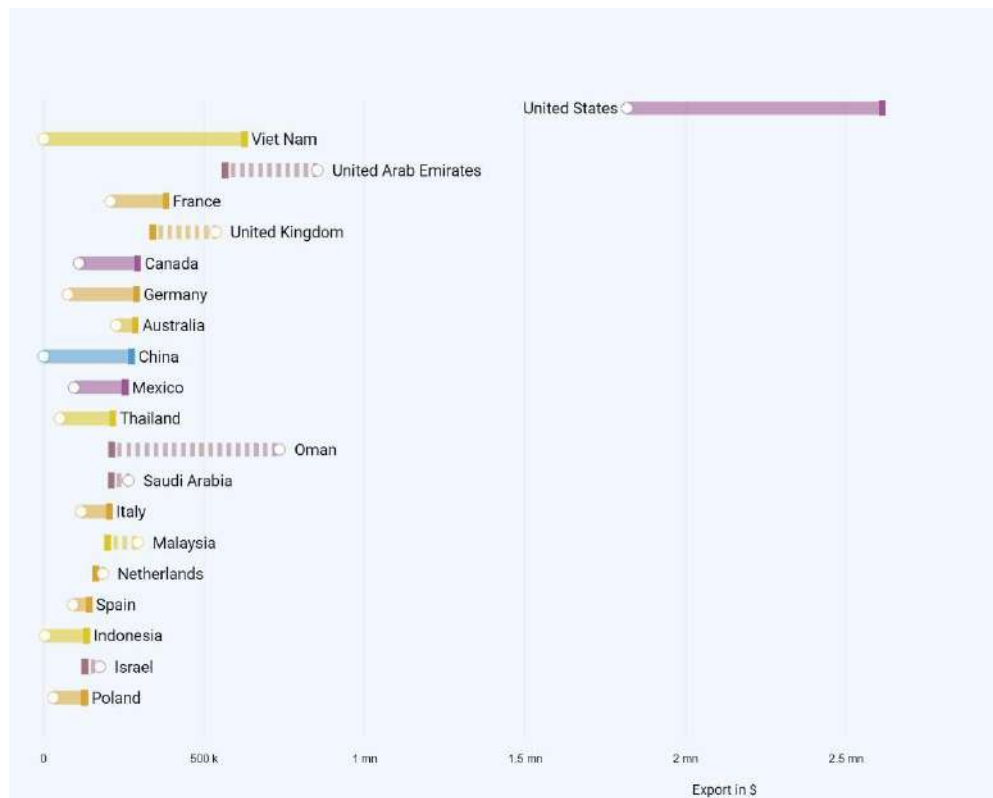
HS codes	Description
482370	Moulded or pressed articles of paper pulp

Top Importers of the Paper Mache under the HSN Code 482370



Top Countries to whom India Export the Paper Mache under the HSN Code 482370.





Markets with potential for India's exports of Moulded/pressed articles of paper pulp, n.e.s.

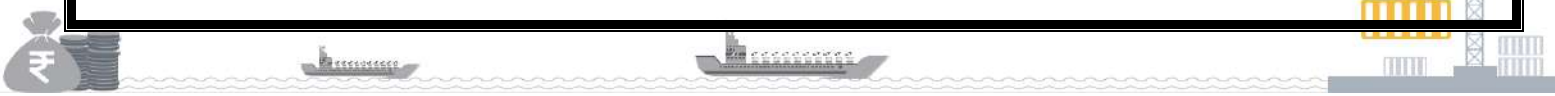
Legend

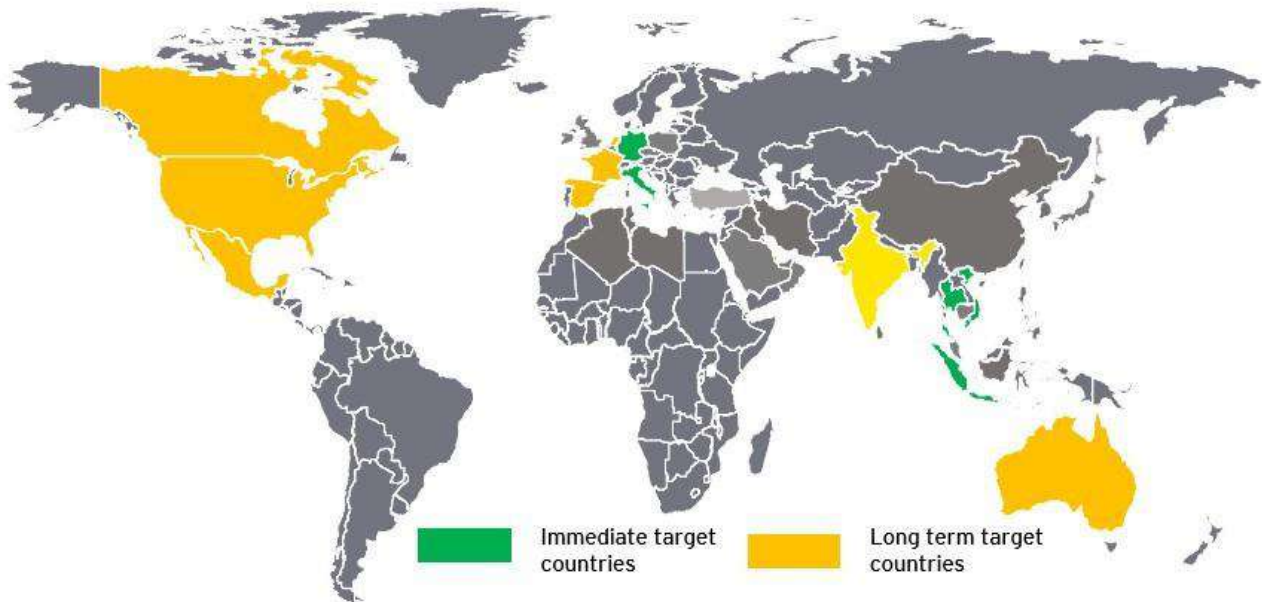
- Export potential
- Actual exports
- ▬ Potential to actual exports gap
- North America
- EU & West Europe
- Southeast Asia
- Middle East
- Pacific
- East Asia

ITC Export Potential Map
exportpotential.intracen.org

Synergies:

- 1 **Immediate:** These are those countries where a proper marketing channel will unlock the potential of that market in very short period.
 - a. Based on Signed FTAs the following can be targeted: **Vietnam, Indonesia, Thailand**
 - b. High Growth Markets: **Germany, Italy**
- 2 **Long Term:** **Canada, France, Netherland, USA , Mexico, Australia, Spain.** The following countries come under Long-term priority market as these are those markets where the untapped market potential can only be fulfilled if J&K exporters comply and raise the quality of the product to the highest standards, freight rates are more subsidized and major efforts is required in marketing which will require time to accommodate the same.





Product Specific Action Plan and Strategies

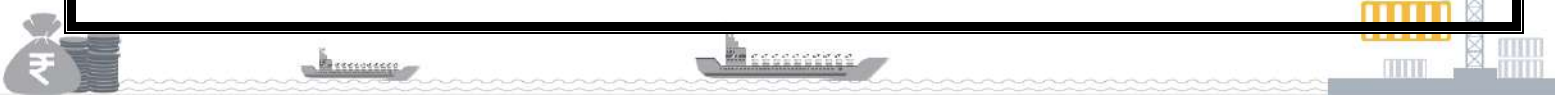
- ▶ Collaboration with Indian Institute of Packaging (IIP) will help with innovative packaging techniques customized as per the product. When, the weavers will adopt the latest techniques.
- ▶ Collaboration with National Institute of Design (NID), CDI Srinagar shall help Artisans bring design innovation in the market
- ▶ Export awareness programs, capacity building and regularization of minimum support price

Government Schemes/ Policies for Silk Carpet

- ▶ SFURTI Scheme
- ▶ Micro and Small Enterprises - Cluster Development Programme (MSE-CDP)
- ▶ Flatted Factory
- ▶ National Handloom Development Programme (NHDP)
- ▶ Credit Card Scheme for Artisans and Weavers (CCSAW)
- ▶ Karkhandar Scheme
- ▶ Financial Assistance to Industrial Cooperatives
- ▶ PMEGP and REGP

Financial implication for establishment of Common Facility Centre for Paper Mache

Common Facility Centre for Paper Mache



Cost of the Project(IN Cr)

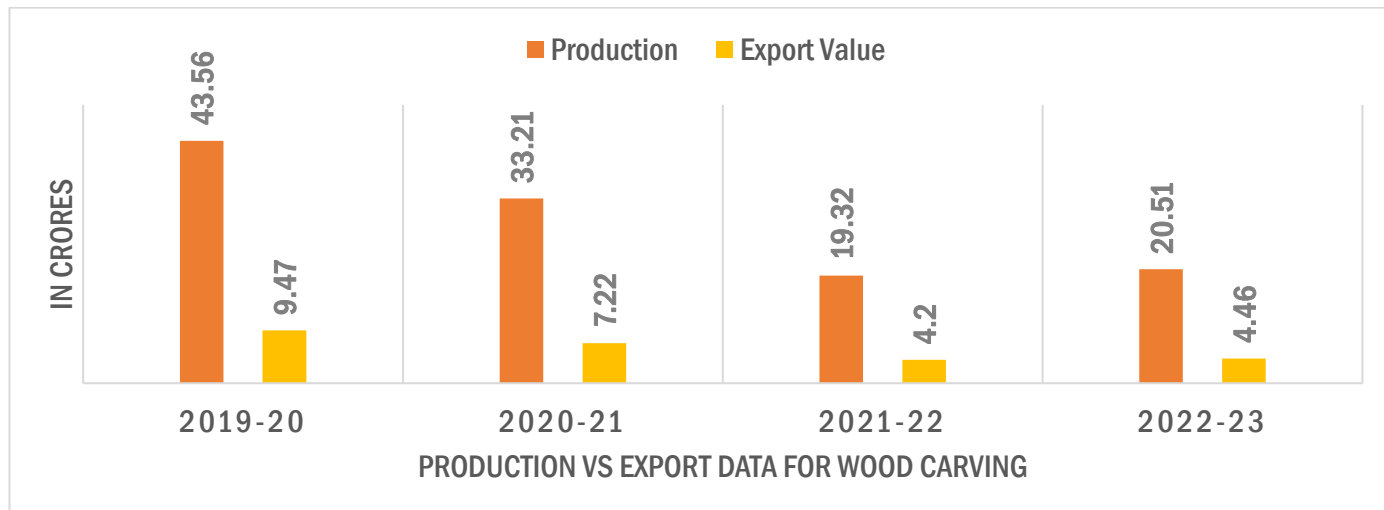
#	Intervention	Cost
1	Tools and Equipment's (Colour Mixing Machine)	1.00
2	Computer Aided Design Centre	1.00
3	Publicity and Promotion of GI Products	1.00
4	Market Research/Study/ R&D to Identify Target Markets and Develop Export Intelligence trends and also to develop new Designs with Export potential or Value Added Products	1.00
Total		4.00



3.4 Walnut Wood Carving

Artisans registered with Wood Carving			
2019-20	2020-21	2021-22	2022-23
60	84	70	66

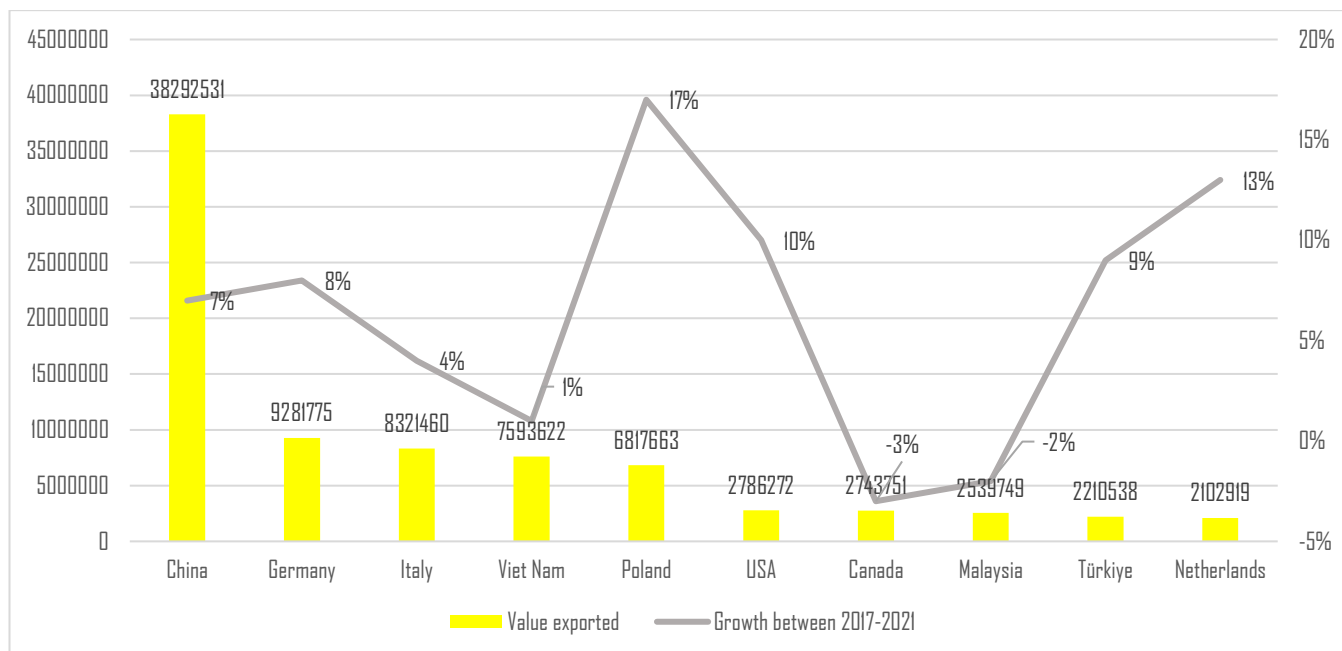
Production vs Export for Walnut Wood Carving(In Crores)



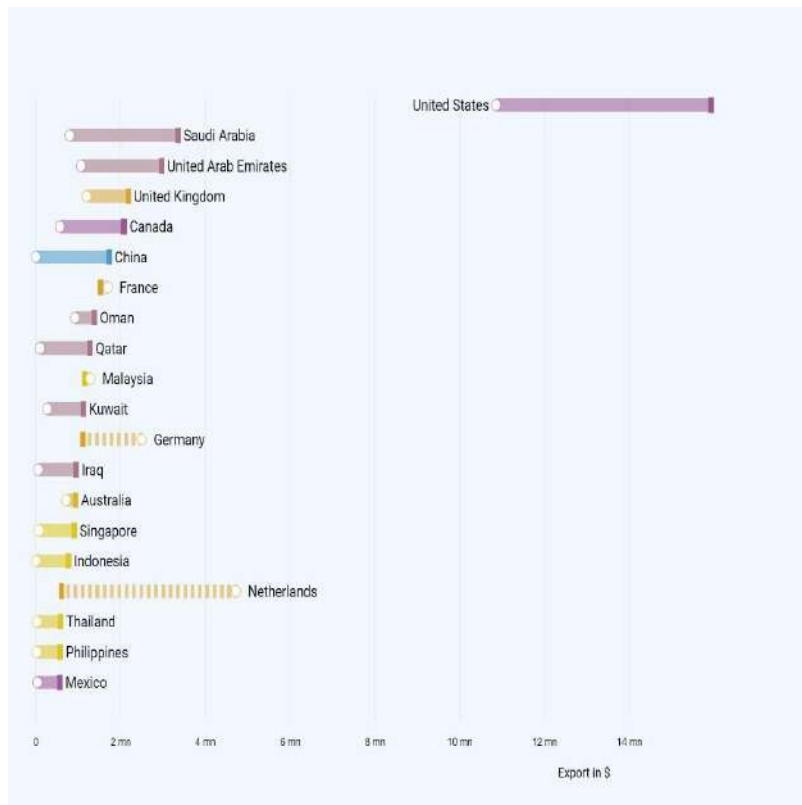
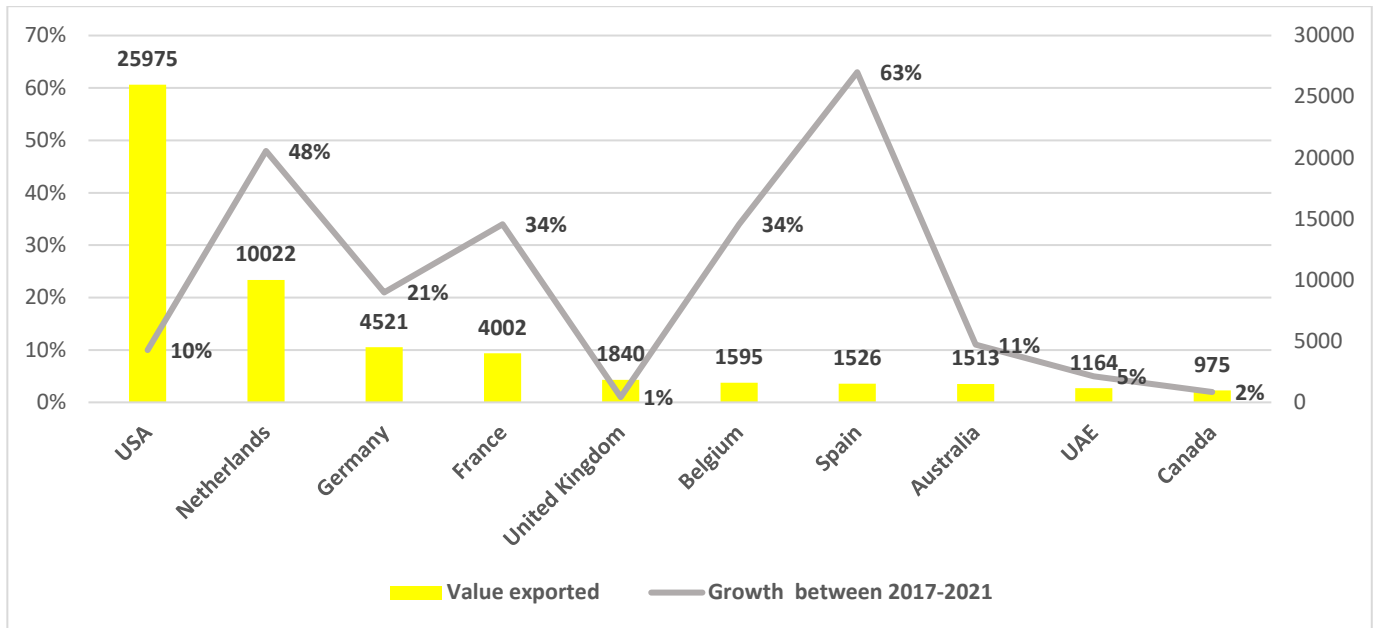
Following HS Code has been used by districts of J&K to export Walnut Wood Carving.

HS codes	Description
940330	Wooden handmade Furniture

Top Importers of the Wood Carving under the HSN Code 940330



Top Countries to whom India Export Wood Carving under the HSN Code 940330.



Markets with potential for India's exports of Wooden office furniture

Legend

- Export potential
- Actual exports
- Potential to actual exports gap
- North America
- Middle East
- EU & West Europe
- Southeast Asia
- East Asia
- Pacific

ITC Export Potential Map
exportpotential.intracen.org

Key Fact of Export

114,382,440 (USD Thousand)

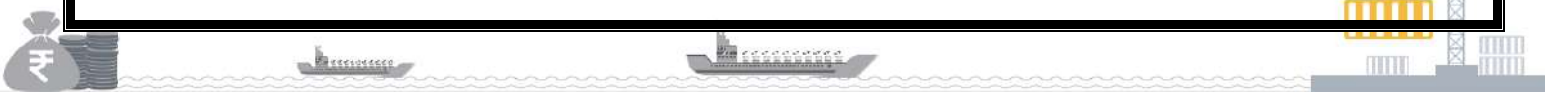
Value of world exports in 2021

1,389,321 (USD Thousand)

Total Exports from India in 2021

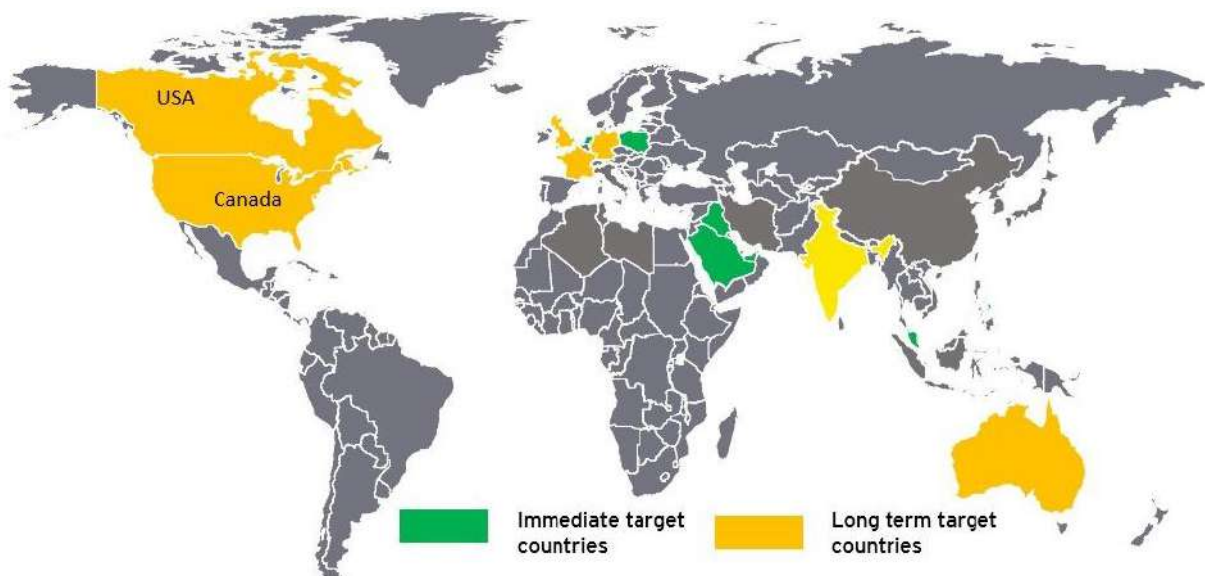
0.002576 (USD Thousand)

Total export from J&K in 2021



Synergies:

- 1 Immediate:** These are those countries where a proper marketing channel will unlock the potential of that market in very short period.
 - a. Based on Signed FTAs the following can be targeted: **UAE, Saudi Arabia, Malaysia, Oman, Iraq**
 - b. High Growth Markets: **Netherland, Poland**
- 2 Long Term:** The following countries **USA, UK, France, Canada, Germany, Australia , France** come under Long-term priority market as these are those markets where the untapped market potential can only be fulfilled if J&K exporters comply and raise the quality of the product to the highest standards, freight rates are more subsidized and major efforts is required in marketing which will require time to accommodate the same.

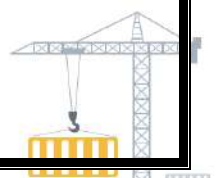


Product Specific Action Plan and Strategies

- ▶ Raw material bank with raw material processing facility for processing different quality of walnut wood
- ▶ Collaboration with Indian Institute of Packaging (IIP) will help with innovative packaging techniques customized as per the product. When, the Artisans will adopt the latest techniques, it will help enthrall new customers thus, increasing the overall sales
- ▶ Collaboration with National Institute of Design (NID)s shall help artisans bring design innovation in the market.
- ▶ Collaboration with renowned interior designers

Government Schemes/ Policies for Silk Carpet

- ▶ SFURTI Scheme



- ▶ Micro and Small Enterprises - Cluster Development Programme (MSE-CDP)
- ▶ Flatted Factory
- ▶ National Handloom Development Programme (NHDP)
- ▶ Credit Card Scheme for Artisans and Weavers (CCSAW)
- ▶ Karkhandar Scheme
- ▶ Financial Assistance to Industrial Cooperatives
- ▶ PMEGP and REGP

Financial implication for Promotion of Walnut Wood Carving

#	Intervention	Cost (In Cr)
1	Publicity and Promotion of GI Tagged Handmade Walnut Wood Carving Products	1.00
2	Handmade Wood Carving Skill Development Training and Capacity Building through Manufacturing Exporters	1.00
3	International Marketing Support and Exposure Visits for Manufacturing Exporters	2.00
4	Market Research/Study/ R&D to Identify Target Markets and Develop Export Intelligence trends and also to develop new Designs with Export potential or Value Added Products	1.00
Total		5.00



Chapter 4: Action Plan

Infrastructure

Activities	Responsibility	Duration
<ul style="list-style-type: none"> - Leverage MSE-CDP Scheme, Flatted Factory Complex Scheme, SFURTI to set up <ul style="list-style-type: none"> - Silk Carpet: CFC for Washing, Drying on modern lines - Pashmina: CFC for dehairing and Carding of Pashmina and Testing Lab, Quality control and GI tagging. - Paper Machine: CFC for High end Colour mixing machine and computer aided design centre - Identify SPV 	DIC/ GMDIC/ Directorate of Handicrafts and Handlooms, J&K	36-48 Months

Design Innovation

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation
i. Creation of a Design bank at the CFC.	DIC, Directorate of Handicrafts and Handlooms, J&K.,	24 Months
ii. Collaboration with National Institute of Design (NID), NIFT, CDI Srinagar shall help weavers bring design innovation in the market.	JKTPO, Directorate of Handicrafts and Handlooms, J&K	6 Months to Initiate
iii. Collaboration with renowned interior designers	JKTPO	12 months to Initiate

Quality and Packaging

Activities	Responsibility	Duration
i. MoU with QCI for defining quality standards of the product so that their quality can be maintained/ improved	JKTPO, QCI	3 Months to initiate
ii. Collaboration with Indian Institute of Packaging (IIP) will help with innovative packaging techniques customized as per the product. When, the weavers will adopt the latest techniques, it will help enthrall new customers thus, increasing the overall sales	IIP, JKTPO, CDI Srinagar, NIFT	4-6 months

Marketing

Activities	Responsibility	Duration
i. Undertake a study to identify the potential products in the domestic and export market.	JKTPO, Directorate of Handicrafts and Handlooms, J&K.	2 Months
ii. Leverage the potential and expand the market reach of these products.		
iii. Establish Expo- Mart/Showroom in Srinagar to increase exports, promote exporters, provide guidance. <ul style="list-style-type: none"> a. Identification of Space for Expo Mart/Showroom b. Identification of body to be in charge c. Establishment of Expo Mart/Showroom 	JKTPO, EPCH, Directorate of Handicrafts and Handlooms, J&K.	24 months



Activities	Responsibility	Duration
iv. Identification of big retailers having presence in international markets to increase domestic sale and exports	JKTPO	3 months
v. Initiate talks with Walmart, IKEA and TARGET for collaboration a. Discuss terms for collaboration b. Introduce weavers/Artisans and manufacturers to big retailers		
Collaboration with e-Commerce portals (Flipkart, Amazon, eBay, Etsy, Blue Rickshaw etc.) to boost the sales of the products in the domestic and International Market.	JKTPO	Continuous Initiative
Conduct awareness workshops at block level to create consciousness about different marketing schemes that can be leveraged	GMDIC, Directorate of Handicrafts and Handlooms ,JKTPO	Continuous Initiative
Branding of Silk Carpet as ODOP Product of Srinagar to promote carpets across the Nation by participating in exhibitions/fairs	JKTPO, ITPO, CEPC	Continuous Initiative
Collaboration with major hospitality industries, private organizations and government bodies for decorating of their offices with Silk carpet products manufactured in Srinagar	JKTPO	3 months

Financial Assistance

Activities	Responsibility	Duration
Tie up with the banks/financial institutions (SIDBI, J&K Bank etc.) for better interest rates, enhanced working capital limits etc.	JKTPO/DLEPC and banks	3 Months
Handholding of MSMEs, Weavers, Artisans, Entrepreneur for increasing their awareness on schemes of UT & centre and the procedure to avail financial assistance	Directorate of Handicrafts and Handlooms, J&K./ GMDIC/DLEPC	Continuous Initiative

Skilling Upgradation

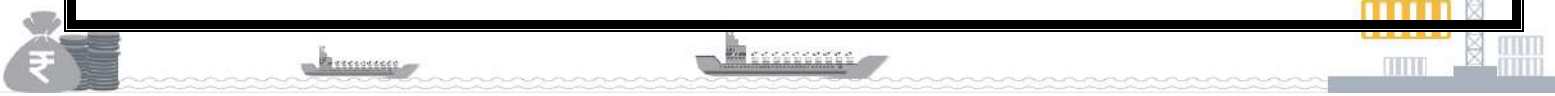
Activities	Responsibility	Duration
i. Collaboration with NSDC for providing job-oriented training for skilling and upskilling.	NSDC/ Directorate of Handicrafts and Handlooms, J&K	Continuous Initiative

Export Assistance

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation
Prepare New Export Policy for Jammu and Kashmir which should encompass Market Development Assistance (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending samples to foreign buyers, Subsidy on freight charges upto gate way port Air Freight Rationalization Scheme, Gate way Port Scheme, etc	JKTPO, Department of Handicrafts and Handloom, J&K	Policy Prepared and Approved (3 Months) Implementation (5 years)



<p>Sensitization and facilitation in availing Import/ export documents: Awareness on Import-Export Code which is crucial for participating in global trade. While some of them are aware, they face challenges in applying. Thus, at district level, a camp should be set in every three months to help the individuals interested in trade to understand about the requisite documents required for undertaking import/ export and provide support in availing them</p>	<p>JKTPO, DLEPC and DGFT</p>	<p>Continuous initiative</p>
<p>Creation of an event calendar comprising of events to be conducted in a Financial Year with a focus on international marketing events. Further, DGFT and FIEO can finalize a target to participate in at least 5 international events in a year by utilizing schemes like IC and MAS etc.</p>	<p>JKTPO, DLEPC, ITPO, EPCH, CEPC and DGFT</p>	<p>Continuous initiative</p>
<p>The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the rates to be displayed at the same time at district website.</p> <p>The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.</p>	<p>DLEPC/JKTPO/FIEO/DIC/DGFT</p> <p>JKTPO/DLEPC/DIC/DFGT/FIEO</p>	<p>24 Months</p> <p>24 Months</p>



Chapter 5: Policies and Schemes

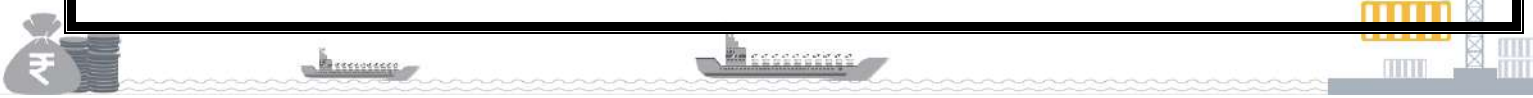
SFURTI Scheme:

“Scheme of Fund for Regeneration of Traditional Industries (SFURTI)” is a programme of the Ministry of Micro Small and Medium Enterprises, Government of India and was launched in the year 2005 with the view to make the traditional industries more competitive, market-driven, productive, profitable and capable of providing sustainable employment for traditional industry artisans and rural entrepreneurs. The Coir Board is the Nodal Agency for the implementation of the scheme. The scheme is being implemented by the Board through the Implementing Agencies engaged by the Board for each cluster. This scheme focuses on physical infrastructure creation, technology upgradation, training, product development, innovation, design interventions, marketability, improved packaging and marketing infrastructure with the aim of improving artisanal income.

Project Interventions: The Scheme covers three types of interventions namely Soft Interventions, Hard Interventions and Thematic interventions.

❖ Soft Interventions:

- General awareness, counselling, motivation and trust building.
 - Skill development and capacity building for the entire value chain with special focus on digitization of training modules
 - Machine handling and maintenance training
 - Institution development
 - Exposure visits
 - Market promotion initiatives
 - Design and product development
 - Participation in seminars, workshops, and training programmes on technology up-gradation, etc.
- Note: Digitization of training modules should be done to support training to new artisans, refresher training, assistance to artisans working from home, etc



❖ **Hard Interventions:**

- Common facility centres (CFCs) and worksheds with a provision of IP enabled CCTV cameras.
- Procurement of machineries
- Working Capital and Raw material banks (RMBs)
- Tools and technological up-gradation such as charkha upgradation, tool-kit distribution, etc.
- Warehousing facility
- Training center.

❖ **Thematic Interventions:**

- Brand building and promotion campaign
- New media marketing
- e-Commerce initiatives
- Innovation
- Research & development initiatives and technological upgradation of similar group of clusters based on performance.
- Developing institutional linkages existing & proposed clusters

❖ **Institutional Arrangement:**

- Scheme Steering Committee (SSC)
- Nodal Agencies (NAs)
- Technical Agency (TA)
- Implementing Agency (IA)

Implementation Methodology:

- ❖ Web-Based Project Management System (PMS)
- ❖ Identification of a tentative list of clusters
- ❖ Engagement and appointment of Technical Agencies (TAs)
- ❖ Approval from the Scheme Steering Committee (SSC)
- ❖ Pre-requisites for Release of Funds
- ❖ Release of Funds to Nodal Agencies (NAs)
- ❖ Release of Funds to Implementing Agency (IA)

Financial Assistance:

Type of Clusters	Per Cluster Budget Limit
Regular Clusters (upto 500 artisans) *	Rs.2.50 crore
Major Clusters (more than 500 artisans)	Rs.5.0 crore



Clusters with lesser number of artisans/workers etc. can also be proposed by NAs but number of artisans/workers etc. should not be less than 100 (50 for NER & Hilly areas) In such cases, proportionate GIA(Grants-in-aid) may be considered by SSC while granting approval.

#	Project Intervention	Scheme Funding	Financial Limit	Implementing Agency Share
A	Cluster Interventions			
A1	Soft Interventions including skill training, capacity building, and design development	100%	10% of the amount of Hard Intervention(HI) or 25 Lakh whichever is less	Nil
A2	Hard Interventions(HI) including CFC's, RMBs, Training Centre etc*	90%		10% of Hard Intervention as own contribution in cash
B	Cost of TA^^	100%	6 % of the amount of Hard Intervention(HI) or 18 Lakh which ever is lesser	Nil
C	Cost of IA/SPV Including CDE#	100%	8% of the amount of the hard intervention (HI) 20 Lakh which ever is less	Nil

* **95%:5%** in case of North Eastern Region (NER), J&K and hilly states. (INSPV may deposit their share in a phased manner with minimum 25% in a single Installment as per the satisfaction of NA.)

^^ Additional 1%, i.e. 6% to be given to TAs for clusters in NER/J&K/Hilly Areas, upto Rs. 18 lakhs, whichever is less.

This includes remuneration of Cluster Development Executive (CDE) and other expenses incidental for a period of 3 Years.



Micro and Small Enterprises - Cluster Development Programme (MSE-CDP)

Objectives:

- To enhance the sustainability, competitiveness, and growth of MSEs by addressing common issues such as improvement of technology, skills & quality, market access, etc.
- To build capacity of MSEs and Start-ups for common supportive action through integration of self-help groups, consortia, district Industry associations, etc.
- To create / upgrade infrastructural facilities in the new/existing Industrial Areas/Clusters of MSEs.
- To set up Common Facility Centres in Industrial area (for testing, training centre, raw material depot, effluent treatment, complementing production processes).
- Promotion of green & sustainable manufacturing technology for the clusters to enable units switch to sustainable and green production processes and products

Two components of the MSE-CDP scheme:

- **Common Facility Centres (CFCs):** This component consists of creation of tangible “assets” as Common Facility Centres (CFCs) in Industrial Estate
- **Infrastructure Development (ID):** This component is for development of infrastructure in new/existing notified Industrial Estate.

Funding Pattern

Component	Total Project Cost	Funding Pattern		
		Govt grant	State Share	SPV
CFCs in NE & Hill States, Island Territories, Aspirational Districts	INR 5 Cr to 10 Cr	80%	15%	5%
CFCs in NE & Hill States, Island Territories, Aspirational Districts	INR 10 Cr to 30Cr	70%	15%	15%
Infrastructure Development in NE & Hill States, Island Territories, Aspirational Districts- New	INR 5 Cr to 15 Cr	70%	30%	
Infrastructure Development in NE & Hill States, Island Territories, Aspirational Districts- Existing	INR 5 Cr to 10 Cr	60%	40%	

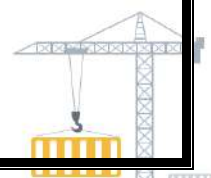
Implementing Agencies



Component	Implementing Agency/Fund Receiving Agency
Setting up of CFC	<ul style="list-style-type: none"> ▶ Institutions of Ministry of MSME (MSME-DIs, NSIC, KVIC, Coir Board, Technology Centres, NI-MSME and GIRI) ▶ Organizations of State Governments ▶ National and international institutions engaged in development of the MSE sector ▶ Any other institution / agency approved by the Ministry of MSME
Infrastructure Development Project	State / UT Governments through an appropriate State Government / UT Agency/Integrated Industrial Park Development Agency/State Industrial Development Agency

Process

- ▶ SPV Formation: There shall be a SPV for the projects for CFC, which would be a Company registered under Section 8 of the Company Act. FPO/ FPC registered under Section 8 of the Company Act are allowed as the SPV provided they have required number of members as provisioned in the guidelines of the scheme.
- ▶ To ensure that CFC is a collective initiative, certain number of members are required
 - Minimum 20 MSEs/ Startups /Green Field MSEs/FPOs for CFC with project cost of above Rs 10 crore and above
 - Minimum 10 MSEs/ Startups /Green Field MSEs/FPOs for CFCs with project cost of below Rs 10 crore
 - Any contribution higher than the minimum contribution could be by way of unsecured interest free loans
- ▶ The members in the SPV should have a minimum contribution by way of equity capital to bring more sense of ownership. Minimum members direct contribution for the project:
 - 20% of the project cost for CFCs with project cost more than Rs 10 crore
 - 10% of the project cost for CFCs with project cost less than Rs 10 crore
- ▶ Land Identification: Post SPV formation next step is to identify the land for the structure. The cost of land will be included in the cost of project (subject to a maximum of 25% of Project Cost)
- ▶ DPR Preparation: The SPV or state government will prepare a DPR which will clearly establish how the CFC will improve the competitiveness of the MSE units in the cluster and should be aligned with their common aspirations. A credible market study/ survey should be conducted to establish the value chain of the facility.
- ▶ DPR of the project will be appraised by any branch of SIDBI or any commercial bank. The techno economic feasibility report of the bank and DPR would be placed before the SLSC (State Level Screening Committee)
- ▶ The State Level Steering Committee would examine the DPRs, recommend and monitor implementation and operation of approved Projects in the State to ensure satisfactory and time-bound implementation of the activities and operations thereafter
- ▶ The proposal once recommended by SLSC, would be forwarded by concerned MSME-DI online with its recommendations before the same is considered in Office of DC, MSME
 - If the SLSC fails to recommend or reject a proposal within the stipulated time for recommendation as given at Annexure 6, the proposal will be treated as deemed recommended by the SLSC
 - SLSC may act as a single window for all the clearances required for the project. Director (Industries) may be nominated as the nodal officer for such clearances
 - There shall not be any In-principle approval of any project. Either a project would be approved or not approved
 - The proposals for projects with no State Government funding support, may be directly submitted to O/o DC-MSME after due examination by MSME-Dis for final approval, however, recommendation of SLSC would be required
 - The project costing up to Rs. 5 crore will be considered under SFURTI



- ▶ The projects recommended by SLSC will be placed before NPAC (National Project Approval Committee) for consideration and approval
- ▶ The projects must be completed within 18 months from the date of approval order of the project by NPAC

Composition of SLSC (State Level Screening Committee)

ACS/ Principal Secretary/ Secretary (Industries/MSME)	Chairman
Commissioner / Director of Industries / MSME	Co Convener
Managing Director or Representative of Implementing Agency	Member
Representative of Finance Department	Member
Director, MSME-Development Institute	Member Secretary/Convener
General Manager, Concerned District Industries Centre	Member
Special invitees (if any) like representative of SIDBI or any financial institution or any official required for the purpose	Member
A representative from Technical Institution/MSME-Technology of M/o MSME	Member

Composition of NPAC (National Project Approval Committee)

Secretary (MSME)	Chairman
AS&DC (MSME)	Member
Adviser (VSE), NITI Aayog	Member
Joint Secretary (ARI), Ministry of MSME	Member
Economic Adviser (EA)/IFW	Member
Additional Development Commissioner / JS/DDG of the Cluster Division	Member Secretary
Representative of SIDBI	Member
Representative of CSIR	Member
Representative of NSIC / KVIC	Member
Representative(s) of DPIIT, MoTextile, DoPharma, MeitY, MoRD, MoFPI, MoDefence, DoFisheries, Do Animal Husbandry and Dairying	Member
Director, MSME-DI concerned	Member
Principal Secretary / Secretary (Industries/MSME) / Commissioner / Director of Industries / MSME of the State Govt	Special Invitee
Representative(s) of concerned Industry Association(s), Representative from Financial Institution, Programme Management Service Provider, Appraisal Agencies etc	Special Invitee
Director (CD)	Member

Flatted Factory

Introduction:

Flatted Factory Complex (FFC) is a building having two or more floors, where every floor has independent Industrial unit and in which land and amenities, open space and passage are jointly owned and collectively used may be termed as Flatted Factory.

- ▶ Flatted factories are high-rise developments with common facilities



- ▶ The building has a particularly good factory layout with maximum and efficient use of unit space. It is also equipped with basic amenities.
- ▶ The building is subdivided into small separately occupied units which are used for manufacturing, assembly, and associated storage.
- ▶ Flatted factories, a subset of light industrial properties, are stacked-up manufacturing space used for general manufacturing

With a view to optimize on the limited vacant land, concept of flatted factories has been introduced for small scale industries. Provision for flatted factories to accommodate MSME units may be made for the new industrial units. This will facilitate the industry to reduce the lead time in setting up of the project besides huge investment on land and building, thus promoting the entrepreneurship in the region.

FFC will also consist of Raw material storage, Display Centre, admin space, conference hall, creche, First aid centre, CETP facility, dedicated bank space, commercial shops, dedicated lifts.

Schemes of Ministry of Textile (Development Commissioner Handicrafts)

The schemes implemented by Office of the Development Commissioner (Handicrafts) are composite in nature and not specific to area, caste or gender. The artisans belonging to all communities including women artisans draw benefits from the schemes. Office of Development Commissioner (Handicrafts), is implementing following generic schemes:

A. NATIONAL HANDICRAFTS DEVELOPMENT PROGRAMME (NHDP)

- a) Marketing Support & Services
- b) Skill Development in Handicraft Sector
- c) Ambedkar Hastshilp Vikas Yojana
- d) Direct Benefit to Artisans [Welfare]
- e) Infrastructure and Technology Support
- f) Research & Development

B. COMPERHENSIVE HANDICRAFTS CLUSTER DEVELOPMENT SCHEME (CHCDS)

Under Infrastructure and Technology Support of NHDP:

1. Introduction

The sub-scheme “Infrastructure and Technology Support” aims to develop world-class infrastructure in the country to support handicraft production, enhance product quality and reduce costs to enable it to compete in the global market. For the development of handicrafts sector and benefit of handicrafts artisans, various components like Urban Haat, Emporia, Marketing and Sourcing Hub, Handicraft Museum, Craft Based Resource Centre, Common Facility



Centre, Raw Material Depot, Crafts Village etc. under Infrastructure and Technology Support – National Handicraft Development Programme are being implemented on need basis on receipt of feasible and viable proposals from the eligible agencies as per the scheme guidelines throughout the country. Under this subscheme, concerted efforts are being made to enhance production, productivity, efficiency and to increase the income and socio-economic status of artisans.

2. URBAN HAAT

The objective of this component is to setup a permanent marketing infrastructure in towns/ metropolitan cities to provide direct marketing facilities to the handicrafts artisans/handloom weavers. This will enable them to sell their products round the year to a wider target audience (or customer segment). Another important feature of the Haat is that there will be adequate number of stalls selling authentic Indian cuisine of various regions in the country by rotation. The Food & Craft Bazaar will provide leisure & recreational facilities for domestic as well as international tourists on the lines of Dilli Haat, which has already attained a prominent status amongst important domestic & international buyers/ tourists. The Haat shall be constructed in an area of not less than 8,000 sq. m. and will have a display gallery, food court etc. The stalls are allotted to artisans on rotational basis on a nominal rent. In addition, weavers can also participate in this scheme. The implementing agencies will be encouraged to form SPVs with active participation of the various agencies dealing with promotion of Tourism, Culture, Food, Processing Industry, etc., involving the tour operators, hotel operators in addition to those dealing with handloom and handicrafts for broad basing and ensure utilisation of facilities for long duration for management and day-to-day running of the same. The implementing agency will be required to sign Memorandum of understanding specifying quantified deliverables. This is a joint programme of DC (Handicrafts) & DC (Handlooms). Only State Govts directly or through their recommended state corporations/agencies will be eligible for building Urban Haats

Eligibility:

- Eligible Local statutory bodies, Apex cooperative Societies and National level Apex Societies (registered under society act/ trust act, etc.)
- Producer Company supported by O/O DC Handicrafts
- Only implementing agencies with a minimum audited annual turnover of Rs. 1.5 Cr in the last three consecutive years will be eligible for implementation of infrastructure projects. However, this provision shall not be applied in the case of Central/State Govt. agencies as an Implementing Agency (IA)

Deliverables:

- Erection of Stalls: - 50 – 80 Nos.(10X8 Sqft)
- Toilets: - 2 each for Ladies and Gents
- Dormitory for Craftspersons:- Provisions for minimum 100 people
- Food Court
- Pavilion /Stage for Cultural Programme



- Store Room
- Meeting/Conference Room
- Souvenir Shop

Financial assistance and funding pattern:

- The financial ceiling for urban haat is maximum INR 800 lakh for each unit for 80 stalls
- 40% of the admissible amount shall be borne by the O/o the DC(H) and DC(HI) each and 20% will be contributed by the state implementing agency.
- Land will be provided by state govt and will be over and above the 20 % contribution by the implementing agency.
- In case of NER, Jammu & Kashmir, Ladakh – 45 % of the admissible amount will be borne by the O/o the DC (HC) and DC (HL) each and 10% shall be contributed by the implementing agency.
- Assistance will also be given for strengthening/renovation of existing Urban Haats subject to a maximum financial limit of INR 250 lakhs (90% assistance will be borne by the Office of the DC (Handicrafts) & DC(HI) and 10% by state

Note- The financial assistance will be based on the number of stalls, land area & other deliverables in proportionate manner. The PAMC shall comprise DC (HC), ADC (HC), ADC(HL), representative of IFW and representative of State Implementing agency.

3. EMPORIA

Under this component, assistance would be provided for the setting up of emporia. These would be setup in commercially viable locations in the implementing agencies' own/rented building. The basic objective of the component is to provide marketing platform to the Local Handicrafts Artisans in their respective area through the outlet and emporia.

The building should already be available for setting up of emporia. The minimum area should not be less than 1000 sq.ft. The eligible cost components for emporia are interior decoration like pop, painting, shelving and related electrical and security and utility installations This component is not for construction and publicity and IT.

Eligibility

- Central/ State Handloom and Handicrafts Development Corporations and any other eligible Govt. Corporations/ govt agencies recommended by State Government or local govt. Bodies etc.
- Eligible Registered SHGs, cooperatives, local statutory bodies
- Producer companies formed by o/O DC Handicrafts.



- Only implementing agencies with a minimum audited annual turnover of Rs. 1.5 Cr in the last three consecutive years will be eligible for implementation of infrastructure projects. However, this provision shall not be applied in the case of Central/State Govt. agencies as an Implementing Agency (IA)

Financial assistance and funding pattern:

The financial ceiling for emporia will be as mentioned in the table below:

Component	Per unit cost (INR lakh)
New emporia (Rented/Own building)	60
Strengthening / Renovation of existing emporia	15

- 80% of the admissible amount shall be borne by the O/o the DC (H) and 20% will be contributed by the implementing agency subject to the ceiling specified in above table.
- In case of NER, Jammu & Kashmir, Ladakh - 90% of the admissible amount will be borne by the O/o the DC (H) and 10% shall be contributed by the implementing agency.
- 100% assistance will be borne by the Office of the DC (Handicrafts) for Strengthening / Renovation of existing Emporia. • Rental amount will be borne by the IA

4. Marketing and Sourcing Hub

It is proposed to setup Marketing Complex (Hubs) for Handicrafts in commercially viable Cities/Towns etc. on the concept of "One Stop Shopping". It will provide a marketing platform to the wholesaler/retailers/ consumers and foreign buyers to reach the potential target segment by showcasing the entire range of handicrafts products. Office of DC (H) will provide support towards cost of construction and interior work for the proposed Marketing Hub

Eligibility:

Central/ State Handloom and Handicrafts Development Corporations and any other eligible Govt. Corporations/ agencies promoted by State Government or local govt. Bodies etc.

- Eligible Non-Governmental Organizations, Registered SHGs, local statutory bodies, exporter bodies/ associations, Apex cooperative Societies and National level Apex Societies (registered under society act/ trust act, etc.) and organization like IICT, MHSC, HMCM, NIFT, and Export Promotion Councils.
- Producer companies registered under Section 8 of Companies Act and working for the promotion and development of Handicrafts & Handlooms.
- Any component can be implemented by department as well.

Financial Assistance and Funding Pattern:

- The financial ceiling for setting up a marketing hub facility is INR 1000 lakh
- 75% of the admissible amount shall be borne by the O/o the DC (H) and 25% will be
 - contributed by the implementing agency subject to the ceiling specified.
- Land will be provided by implementing agencies and will be over and above the



- 25 % contribution by the implementing agency.

5. Common Facility Centre

The objective of the Common Facility Centre is to ensure economy of scale, price competitiveness, quality control, application of Design and Technology input on continuous basis, scope of product diversification and higher unit value realization and compliance with WTO compatible standards. Such a common facility will lead to significant reductions in the cost of production, production of a diversified range of high value products, sample development, reduction in the response times in order execution and ensure high quality of final products.

Eligibility:

Central/ State Handloom and Handicrafts Development Corporations and any other eligible Govt. Corporations/ agencies promoted by State Government or local govt. bodies etc.

- Eligible Non-Governmental Organizations, Registered SHGs, local statutory bodies, Apex cooperative Societies and National level Apex Societies (registered under society act/ trust act, etc.) and organization like IICT, MHSC, HMCM, NIFT, and Export Promotion Councils.
- Producer companies registered under Section 8 of Companies Act. and working for the promotion and development of Handicrafts & Handlooms.
- Any component can be implemented by department as well.

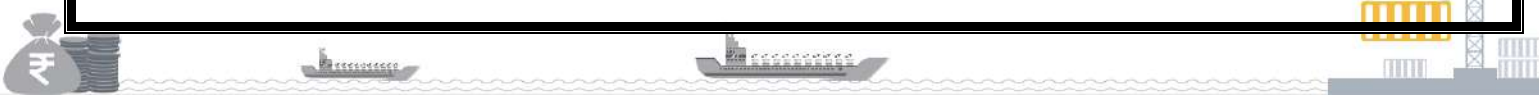
Deliverables:

CFCs must include adequate space for Training area, Sales counter, Dyeing Unit (if required), Store, Room, Tools Machinery and Equipment related to production and testing including computer installations, packaging, proper provisions of electrification for machineries and civic amenities etc.

Funding Pattern:

- The financial ceiling for setting up a common facility centre is INR 300 lakh.
- In case of NER, J & K, Ladakh & Andaman and Nicobar Islands, Lakshadweep - 90% of the admissible amount will be borne by the O/o the DC (H) and 10% shall be contributed by the implementing agency.
- Assistance will also be available for upgradation/ strengthening of existing CFCs with a maximum of Rs 200 lakhs as 100% GOI share.

S.No	Expenditure Items	Funds Permissible (In Lakhs)
1	a) Own building (Interior Work/construction) b) Rented building(IA must have Agreement of at least 15 years for running the CFC) <i>Interior Work/ Construction</i>	50.00



2	Tools Machinery and equipment related to production and testing including installations, packaging etc	225.00
3	Fixed Asset	4.50
4	Expenditure towards training of machine operators	5.00
5	Contingency	3.00
6	Erection and commissioning	12.50
Total		300.00

Rental amount will be borne by the IA.

6. Raw Material Depot

Aim of this component is to make easy availability of quality, certified and graded raw material to the artisans/entrepreneur at a reasonable rate.

Eligibility:

- Central/ State Handloom and Handicrafts Development Corporations and any other eligible Govt. Corporations/ agencies promoted by State Government or local govt. bodies etc.
- Eligible Non-Governmental Organizations, Registered SHGs, local statutory bodies, SPV promoted by banks, Apex cooperative Societies and National level Apex Societies (registered under society act/ trust act, etc.) and organization like IICT, MHSC, HMCM, NIFT, and Export Promotion Councils.
- Producer companies registered under Section 8 of Companies Act. and working for the promotion and development of Handicrafts & Handlooms.
- Any component can be implemented by department as well.

Financial Assistance and Funding Pattern:

- The financial ceiling for a raw material depot is INR 200 lakh, and out of this INR 50 lakh will be earmarked for setting up of godown.
- In case of NER, Jammu & Kashmir, Ladakh and Andaman & Nicobar Islands, Lakshadweep - 90% of the admissible amount will be borne by the O/o the DC (H) and 10% shall be contributed by the implementing agency.
- The GOI assistance shall be provided to the eligible body in staggered manner for capital rotation.
- An MOU will be signed between the grantee and Office of the Development Commissioner (Handicrafts) incorporating different aspects related to functioning of Raw Material Depot.
- Accordingly, the yearly targets to be achieved in terms of physical & financial parameters will be fixed and in case of non – achievement, the Govt. will forfeit the raw material to the extent of grants released.
- Further for a period of five years, yearly quantitative increase in corpus/stock of raw material may be fixed depending on the raw material which will be indicative of functionality of Raw Material Depot.

7. Technology Upgradation Assistance to Exporters/ Entrepreneurs



The objective is to extend the technological up gradation facility to exporters/entrepreneurs. The facility centre should be an infrastructure with modern machinery including packaging machinery to support product, productivity, quality, etc.

Eligibility:

Recognized Exporters and Entrepreneurs/ Exporter Associations, Producer Companies etc.

Financial Assistance and Funding Pattern:

- The maximum amount of funds to be sanctioned is INR 150 lakh for each facility centre.
- The financial pattern would be based on 60:40 sharing between the Government of India through the Office of the D.C (H) and Exporters and Entrepreneurs/ Exporter Associations, Producer Companies etc.
- MOU between Exporters and Entrepreneurs/ Exporter Associations, Producer Companies etc. and Government of India (GOI) will be signed before release of funds.

8. Testing Laboratories

Testing Laboratory shall be made in the sufficient and adequate spaces with the provision of Machinery & Equipment, Support Fixture & Furniture, Raw-Material Processing Section, Inspecting Section, Packaging & Warehousing Section, Maintenance Section including Master Room for knowledge sharing and future reference etc.

In order to standardize / certify raw materials/ products, it is proposed to

- ✓ Set up new labs
- ✓ Strengthen existing labs.

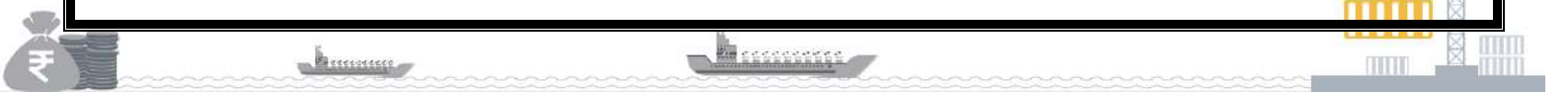
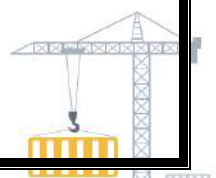
The objective is to offer total Testing and Quality Assurance support for Handicrafts

Eligibility:

- IICT, MHSC, NIFT, NID, Central/State recognised educational Institute/University, Exporter's bodies, EPCH, CEPC, State Corporations etc.
- CSIR and Textiles Committee.

Financial Assistance and Funding Pattern:

- The financial assistance would be in the form of Grant-in-aid with a ceiling of INR 100 lakh for each testing laboratory.
- This grant would be in the form of 100% through the Office of the D.C (H) to the eligible
- institute/ organization.



▪

9. Crafts Village

Craft village is a modern-day concept wherein craft promotion and tourism are being taken up at single location. Artisans live and work at the same place and are also provided with the opportunity to sell their products thereby ensuring livelihood. Craft items are exhibited as well as sold here.

The O/o Director Handloom and Handicraft would provide assistance both towards improving infrastructure in existing villages where a substantial number of craftsmen practicing similar crafts are residing and also setting up of new villages where craftsman can be rehabilitated. The aim would be to select villages that can be connected with some tourist circuit to ensure sale of products.

Under this component office of Director Handloom and Handicraft will fund improvements/creation of infrastructure which would include roads, houses of artisans and their work sheds areas, sewerage, water, street lights, footpaths, shops and display areas. These will be undertaken by the implementing agency and the craftsmen will be rehabilitated with new work sheds and display areas. The display areas will be in form of stalls where the artisans can sell their product. Each project will be approved by a committee headed by the Secretary.

Eligibility:

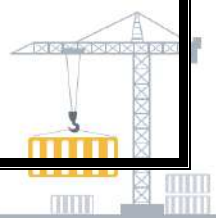
- Central/ State Handloom and Handicrafts Development Corporations and any other eligible Govt. Corporations/ agencies promoted by State Government or local govt. bodies etc.
- Eligible Local statutory bodies, SPV promoted by banks and organization like IICT, MHSC, HMCM, NIFT, and Export Promotion Councils.
- Any component can be implemented by department as well.

Financial Assistance and Funding Pattern:

- The financial ceiling for the total amount sanctioned per unit will be INR 1000 lakh.
- In case of NER, J & K, Ladakh & Andaman and Nicobar Islands, Lakshadweep- 90% of the admissible amount will be borne by the O/o the Director Handloom and Handicraft and 10% shall be contributed by the implementing agency.
- Land will be provided by implementing agency and it will be over and above its 20% contribution, attributed in the funding pattern

Credit Card Scheme For Artisans And Weavers(CCSAW)

Objectives:



- **Financial Empowerment:** The primary goal of the scheme is to empower artisans and weavers financially, enabling them to meet their daily operational expenses and procure high-quality raw materials for their crafts.
- **Sustainable Livelihoods:** By providing timely and affordable credit, the scheme contributes to the sustainability of artisans and weavers' livelihoods. This, in turn, helps preserve and promote traditional crafts and weaving practices.
- **Business Expansion:** The credit card scheme is designed to facilitate business expansion for artisans and weavers. With access to capital, they can explore new opportunities, enhance production capacities, and diversify their product offerings.

Financial Assistance:

- The Artisan and Weaver Credit Card Scheme offers loans up to Rs 2.00 lakhs to registered artisans.
- The government provides a substantial interest subsidy of 7% to alleviate the financial burden on the artisans.
- The loan comes with a term of 5 years, allowing artisans a reasonable timeframe for repayment.
- The interest subsidy is disbursed quarterly, providing periodic financial relief to the borrowers.

Prime Minister Handloom Mudra:

- It is centrally sponsored scheme.
- This loan is provided to registered pashmina spinners/weavers .
- Loan upto an amount of Rs 5.00 lac is provided to the weaver.
- The interest subsidy is provided by the Ministry of Textiles, Gol @7%.
- The mode of Application is Offline

Karkhandar Scheme for development of Craft Sector

Objectives:

- Revive the languishing crafts.
- Upscale the learning techniques of trainees.
- Improve the wage earnings of the craftsmen by leading them into collectivization.
- Create linkages with producer organizations to inculcate entrepreneurship skill and aptitude to the trainees.



Financial Assistance:

- Rate of stipend per trainee/ per month is Rs.2000/-.
(Rs. 1000/- shall be paid through individual bank account and rest of the amount shall be disbursed on the successful completion of probation/ practical training session).
- Logistic Charges/ Honorarium to Trainer/Karkhandar is Rs. 2000/- per trainee per month.
- The honorarium to Karkhandars shall be disbursed only after assessing that the desired level of skills is achieved by the trainee and trainees shall be evaluated through an approved qualifying framework devised for skill up-gradation level.

Financial Assistance To Industrial Cooperatives

- Any registered Industrial Cooperative(Handicrafts/Handloom) is provided a financial assistance of Rs 1.00 lac in two equal installments i.e, Rs 50000 per year.
- The amount so provided needs to be spent such that minimum 75% of the fund is used for procuring raw material. The rest amount is used for maintain records etc.
- The mode of Application is Offline.

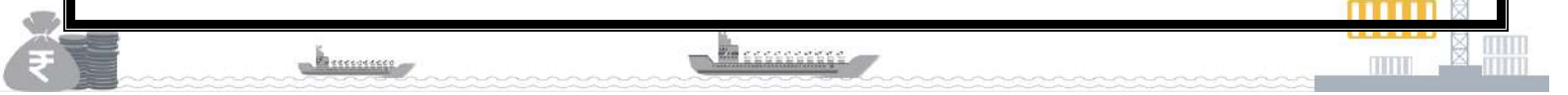
Prime Minister Employment Generation Programme (PMEGP)

Description	The scheme is implemented by Khadi and Village Industries Commission (KVIC) functioning as the nodal agency at the national level. At the state level, the scheme is implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs), District Industries Centres (DICs) and banks. In such cases KVIC routes government subsidy through designated banks for eventual disbursement to the beneficiaries / entrepreneurs directly into their bank accounts.
Nature of assistance	<ul style="list-style-type: none">▶ The maximum cost of the project/unit admissible in manufacturing sector is ₹ 25 lakhs and in the business/service sector, it is ₹ 10 lakhs.▶ Categories of Beneficiary's Rate of subsidy under PMEGP (of project cost)▶ Area (location of project/unit) General category 15%(Urban), 25%(Rural), Special 25%(Urban), 35%(Rural) (including SC/ ST/ OBC/ Minorities/Women, Ex-servicemen, Physically handicapped, NER, Hill and Border areas, etc.) The balance amount of the total project cost will be provided by the banks in the form of term loan and working capital.
Who can apply?	<p>Any individual, above 18 years of age. At least VIII standard pass for projects costing above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakh in the business / service sector. Only new projects are considered for sanction under PMEGP. Self Help Groups (including those belonging to BPL provided that they have not availed benefits under any other Scheme), Institutions registered under Societies Registration Act, 1860; Production Co-operative Societies, and Charitable Trusts are also eligible.</p> <p>Existing Units (under PMRY, REGP or any other scheme of Government of India or State Government) and the units that have already availed Government Subsidy under any other scheme of Government of India or State Government are NOT eligible.</p>



Rural employment Generation Programme

Description	<p>To harness and divert the energy and enthusiasm of the youth of the state for establishment of the productive enterprise in micro industrial sector and to create employment opportunities in rural as well as urban areas of the state, a new credit linked subsidy programme namely J&K Rural Employment Generation Programme (JKREGP) is proposed.</p>			
Nature of assistance	<ul style="list-style-type: none"> ▶ The maximum cost of the project/unit admissible under manufacturing/agriculture/horticulture & allied sectors shall be Rs. 25 lakh. ▶ The maximum cost of the project/unit admissible under service sector/trading activity shall be Rs. 10 lakh. However, under rural and public transport sector, the upper project/ unit cost shall be admissible to the upper ceiling of Rs.20 lakhs. ▶ The project reports for the beneficiaries shall be prepared by Rural Industrial Consultancy service centers (RICS), J&K EDI, DIC or any Government owned or private consultancy duly registered with J&K, KVIB. ▶ Funding pattern <ul style="list-style-type: none"> ○ Beneficiary's contribution of project cost (Equity money) ----- 5% ○ Government Subsidy (Margin Money) ----- 35% ○ Bank Credit----- 60% 			
Who can apply?	<ul style="list-style-type: none"> ▪ Any individual, between 18 to 40 years of age residing in the village/rural area of the State. Any area where population is less than 20000 persons and which is a village/rural area as per revenue records shall be considered a Village/Rural area for implementation of the scheme. Towns, District Head Quarters and Capital Cities of the State shall be excluded from area of operation of the Scheme. ▪ There will be no income ceiling for assistance for setting up projects under JKREGP. ▪ Assistance under the Scheme is available only for new projects sanctioned specifically under the JKREGP. ▪ Existing Units (under PMRY, REGP, PMEGP, SJSRY or any other scheme of Government of India or State Government) and the units that have already availed ▪ Government Subsidy under any other scheme of Government of India or State Government are not eligible. ▪ Educational Qualification for Beneficiaries and Quantum of Financial Assistance: 			
Educational Qualification	Sector wise Maximum Project Cost Ceiling (Rs. In Lakh)	Sector wise Maximum Project Cost Ceiling (Rs. In Lakh)	Sector wise Maximum Project Cost Ceiling (Rs. In Lakh)	
	Manufacturing	Service/Trading	Agriculture & Allied Matric	
Matric	10	5	10	
10+2	15	10	15	



	Graduate	20	15	20	
	Post Graduate	25	20	25	

Procurement And Marketing Support Scheme

Objective:

- Promoting new market access initiatives like organizing / participation in National / International Trade Fairs / Exhibitions / MSME Expo, etc. held across the country.
- To create awareness and educate the MSMEs about importance / methods/ process of packaging in marketing, latest packaging technology, import-export policy and procedure, GeM portal, MSME Conclave, latest developments in international / national trade and other subjects / topics relevant for market access developments.

Eligibility Condition:

Manufacturing / Service sector MSEs having valid Udyam Registration (UR) Certificate.

Scheme Components:

- **Market Access Initiatives across the country.**
- **Organizing events like Domestic Trade Fair& Exhibition/ Awareness programs/ National & International Workshops & Seminars/ Vendor Development Programs.**
- **Vendor Development Programme**
- **Capacity Building**
- **Development of Retail Outlet**

National Handloom Development Programme (NHDP)

Objective:

NHDP has been formulated for its implementation during financial year 21-22 to 25-26. 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 etc. towards raw material, design inputs, technology up-gradation, marketing support through exhibitions, create permanent infrastructure in the form of Urban Haats, marketing complexes etc.

Components

- Small Cluster Development Programme**
- Handloom Marketing Assistance.**
- Need based Special Infrastructure Project**



D. Mega Cluster Development Programme

E. Concessional Credit/Weaver MUDRA Scheme

F. Handloom Weavers' Welfare

G. Other Miscellaneous & Promotional Components

I. Research & Development projects

II. Handloom Census

III. Publicity, Advertisement, Monitoring, Training & Evaluation of Scheme

IV. Education of weavers/their wards through National Institutes of Open Schooling (NIOS)/IGNOU V. Project Monitoring Cell,

VI. Handloom Helpline Centre

VII. Earlier committed liabilities of NHDP, HWCWS, CHCDS, NERTPS etc.

H. Any other component

PM Vishwakarma

About:

PM Vishwakarma, a Central Sector Scheme, was launched on 17th September, 2023 by the Prime Minister to provide end-to-end support to artisans and craftspeople who work with their hands and tools. The Scheme covers artisans and craftspeople engaged in 18 trades, viz. Carpenter (Suthar/Badhai), Boat Maker, Armourer, Blacksmith (Lohar), Hammer and Tool Kit Maker, Locksmith, Goldsmith (Sonar), Potter (Kumhaar), Sculptor (Moortikar, stone carver), Stone breaker, Cobbler (Charmkar)/ Shoemith/Footwear artisan, Mason (Rajmistri), Basket/Mat/Broom Maker/Coir Weaver, Doll & Toy Maker (Traditional), Barber (Naai), Garland maker (Malakaar), Washerman (Dhobi), Tailor (Darzi) and Fishing Net Maker.

Benefits to the Artisans And Crafts Persons

The Scheme envisages provisioning of the following benefits to the artisans and crafts persons:

Recognition: Recognition of artisans and craftspeople through PM Vishwakarma certificate and ID card.

Skill Upgradation: Basic Training of 5-7 days and Advanced Training of 15 days or more, with a stipend of Rs. 500 per day.

Toolkit Incentive: A toolkit incentive of upto Rs. 15,000 in the form of e-vouchers at the beginning of Basic Skill Training.

Credit Support: Collateral free 'Enterprise Development Loans' of upto Rs. 3 lakh in two tranches of Rs. 1 lakh and Rs. 2 lakh with tenures of 18 months and 30 months, respectively, at a concessional rate of interest fixed at 5%, with Government of India subvention to the extent of 8%. Beneficiaries who have completed Basic Training will be eligible to avail the first tranche of credit support of upto Rs. 1 lakh. The second



loan tranche will be available to beneficiaries who have availed the 1st tranche and maintained a standard loan account and have adopted digital transactions in their business or have undergone Advanced Training.

Incentive for Digital Transaction: An amount of Re. 1 per digital transaction, upto maximum 100 transactions monthly will be credited to the beneficiary's account for each digital pay-out or receipt.

Marketing Support: Marketing support will be provided to the artisans and craftspeople in the form of quality certification, branding, onboarding on e-commerce platforms such as GeM, advertising, publicity and other marketing activities to improve linkage to value chain.

