

**REVISED GUIDELINES  
OF  
NATIONAL HANDLOOM  
DEVELOPMENT PROGRAMME (NHDP)**

**(2022-23 to 2025-26)**

**(Effective from 12.04.2023)**

**Office of the Development Commissioner for Handlooms,  
Ministry of Textiles,  
Udyog Bhavan,  
New Delhi**

**National Handloom Development Programme (NHDP)**

**1. Introduction**

The Handloom Sector is one of the largest unorganized economic activities and it constitutes an integral part of the rural and semi-rural livelihood engaging over 35 lakh persons. The sector engages over 25 lakh female weavers and allied workers which makes it an important source of economic empowerment of women.

It provides employment opportunities to women and is a source of women empowerment. Handloom weaving constitutes one of the richest and most vibrant aspects of the Indian cultural heritage. The sector has advantage of being less capital intensive, minimal use of power, eco-friendly, flexibility of small production, openness to innovations and adaptability to market requirements.

Because of the uniqueness and exclusivity of designs, capability to produce small batch sizes and being eco-friendly fabric, handloom products are in high demand in the international and the domestic market and discerning retailers look for reliable source for constant supply of authentic handloom products on regular basis. However, handloom weavers, being unorganized, face problems in supplying their products of large orders in absence of systemized production wherein they may cater to the stringent quality and timely delivery. Therefore, there is a need to bridge the gap through infrastructure development, skill up-gradation, design and product development as per the market demand so that weavers get better remuneration for their products and an assured market. Through sustained efforts of the Ministry of Textiles, there has been significant development of handloom sector which is now able to sustain the competition with machine made fabrics.

The GoI has been following a policy of promoting and encouraging the handloom sector through a number of policies and programmes. Most of the schematic interventions of the Government of India have been through the State Agencies and Cooperatives in the Handloom Sector. However, in the face of growing competitiveness in the textile industry both in the national and international markets and the free trade opportunities emerging, a growing need has been felt for adopting a focused yet flexible and holistic approach in the sector to facilitate handloom weavers to meet the challenges of a globalize environment. A need has also been felt to empower weavers to chart out a sustainable path for growth and diversification in line with the emerging market trends.

**2. National Handloom Development Programme (NHDP)– A CENTRAL SECTOR PLAN SCHEME**

NHDP has been formulated for its implementation during financial year 2021-22 to 2025-26. 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.

### **3. Components**

- A. Small Cluster Development Programme
- B. Handloom Marketing Assistance.
- C. 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

### **4. Objectives of the scheme**

- i. To focus on minimizing occupational hazards and enhancing productivity of weavers through development of ergonomic loom designs and Technical, infrastructural support for pre-loom, on-loom and post-loom operations.
- ii. To give equal marketing opportunities including direct linkages domestically and internationally to handloom workers with special focus on talented and uncovered weavers for enhancement of their incomes.
- iii. To focus on development of pockets at the intersection of handlooms & handicrafts, untouched by commercialization, pockets requiring revival of languishing crafts and having export potential.
- iv. To reorient IIHTs as handloom and handicraft hubs by collaborating with NIFT, NID & DC (HC).
- v. To ensure capacity building of handloom workers and other stakeholders, especially technical, managerial & entrepreneurship skills, exposure to banking for finance, laws & legal terminology, export procedures & foreign market trends, digital literacy and e-commerce, etc.
- vi. To ensure preservation and archiving of traditional designs, tribal weaves, languishing weaves, looms etc.
- vii. To focus on brand building of handloom under India Handloom Brand as an eco-friendly, sustainable and aspirational high-quality textile segment through awareness, promotion of natural dyes/fibers and adoption of global standards of labelling, packaging & quality by the weaving community.
- viii. To link handlooms with fashion through interface between weavers, professional designers & the industry and tourism through creation of handloom craft villages for according greater visibility and outreach to the sector.
- ix. To facilitate formation of more egalitarian structure of producer companies of handloom workers and their handholding to ensure their sustainability & commercial viability as well as percolation of benefits of professional expertise, operational and financial freedom to them.
- x. Recognition of talented handloom workers for their outstanding work by conferring Awards.
- xi. To ensure availability of concessional credit to handloom weavers, producer companies, Self Help Groups etc.

- xii. Integrated & holistic development of handloom Clusters in clearly identifiable locations for specific handloom products with close linkages and inter-dependency amongst the key players.
- xiii. To ensure welfare of handloom workers through provision of life & accidental insurance cover, scholarships for school and higher education to their wards and financial support to indigent handloom awardees.

## 5 Implementing agency (IA)

- IA for components other than Handloom Marketing Assistance:
  - i) Central/State Government Handloom Organizations
  - ii) National/State level Handloom Corporations
  - iii) Apex/Federations/Primary Handloom Weavers' Co-operative Societies.
  - iv) Handloom Producers' Companies.
  - v) Banks as applicable for Concessional Credit/Weaver MUDRA Loan
  - vi) Any other appropriate entity working in handlooms sector recommended by the State Govt. and approved by DC (HL).
- IA for Handloom Marketing Assistance:
  - i) Director in Charge of Handloom & Textiles/Sericulture in the States/UTs.
  - ii) Handloom organisations such as Corporations, Apex Societies, Federations, Institutions, Crafts Mela authorities/Art & Crafts Cultural Societies, Urban Haat management bodies in the States having Govt. Official as CEO/Chairman/MD/HoO, appointed by the State Govt.
  - iii) National Level organization viz. NHDC, HEPC, EPCH, CCIC, CSB, WSCs, NIFT, Textiles Committee, Association of Corporations & Apex Societies of Handlooms etc.
  - iv) In addition, following entities i.e. State agencies other than handloom organizations or local Govt. Bodies for Urban Haat, Any registered & recognized Exporters Association for Export promotion and any private organisation working in the field of GI for registration of eligible handloom products under GI Act,
  - v) Any other appropriate entity working in handlooms sector recommended by the State Govt. and approved by DC (HL).

### Note:

For implementation of SCDP, eligible Agency (except NGO, Central/State Govt. organizations) should have net profit in last 2 years. NGOs, engaged in the handloom sector, recommended by the State Govt. are required to be registered on NITI Aayog Darpan Portal and submit PAN No. and Aadhar No. of each trustee/office bearer. Detailed of NGO is required to be submitted by the State Govt. concerned as per eligibility criteria of **Annexure-A4**

## F. Handloom Weavers' Welfare

### F.1 Objective:

The scheme aims to provide a universal & affordable Social Security and need based financial assistance to the handloom weavers/workers across the country.

### F.2 Components

1. Life, accidental and disability insurance coverage under the PMJJBY, PMSBY and Converged MGBBY.
2. Financial support @Rs. 8,000/- per month per Awardee weaver (Padma/Sant Kabir/National/State) above 60 years of age, in indigent circumstances, having annual income below Rs.1.00 lakh, to be certified by the Competent Authority of State Govt. concerned.
3. Financial support as scholarship upto Rs.2.00 lakh per annum per child to handloom weavers/workers' children for study in Textiles Institutes.

#### F.2.1 PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA (PMJJBY)

The PMJJBY is an insurance scheme offering life insurance cover for death, due to any reason. The life cover is for a year from 1<sup>st</sup> June to 31<sup>st</sup> May and is renewable on year to year basis.

#### ELIGIBILITY

All handloom weavers/workers' in the age group of 18-50 years.

#### BENEFITS

Rs.2.00 lakh will be payable on beneficiary's death due to any cause, for one year insurance coverage period from 1<sup>st</sup> June to 31<sup>st</sup> May.

#### PREMIUM

The annual premium of Rs.436/- will be shared as under:

Gol share	Rs.198/-
State Govt./Beneficiary's share	Rs.238/-
Total Premium	Rs.436/-

#### F.2.2 PRADHAN MANTRI SURAKSHA BIMA YOJANA (PMSBY)

The PMSBY is an insurance scheme offering accidental insurance cover for death or disability. This cover is for a year from 1<sup>st</sup> June to 31<sup>st</sup> May and is renewable on year to year basis.

#### ELIGIBILITY

All handloom weavers/workers in the age group of 18-70 years.

#### BENEFITS

Accidental Death	Rs.2,00,000/-
Permanent Total Disability	Rs.2,00,000/-
Permanent Partial Disability	Rs.1,00,000/-

## PREMIUM

The entire annual premium of Rs.20/- will be borne by the Govt. of India.

### **F.2.3 CONVERGED MAHATMA GANDHI BUNKAR BIMA YOJANA (Converged MGBBY)**

The Converged MGBBY is an insurance scheme offering life and accidental insurance cover for death or disability for a closed group of handloom weavers/workers. This cover is for a year from 1<sup>st</sup> June to 31<sup>st</sup> May and is renewable on year to year basis.

## ELIGIBILITY

Handloom weavers/workers in the age group of 51-59 years, who were already enrolled under the MGBBY on 31.05.2017. No new enrolment of weavers in the 51-59 years age group will be done under the scheme. Thus, number of beneficiaries under the MGBBY will get reduced every year.

## BENEFITS

Natural Death	Rs.60,000/-
Accidental Death	Rs.1,50,000/-
Total Disability	Rs.1,50,000/-
Partial Disability	Rs.75,000/-

## PREMIUM

The annual premium of Rs.470/- will be shared as under:-

Gol share	Rs.290/-
State Govt./Beneficiary's share	Rs.180/-
<b>Total Premium</b>	<b>Rs.470/-</b>

### **F.2.4 OPERATIONAL MODALITIES OF PMJJBY, PMSBY AND CONVERGED MGBBY**

- (i) The insurance cover is renewable every year and continuation of coverage is ensured on payment of premium. The coverage period is 1<sup>st</sup> June to 31<sup>st</sup> May.
- (ii) Premium amount of PMJJBY & PMSBY shall be shared in the existing ratio (5:6) between Government of India (Gol) & State Government/ Beneficiary and same ratio shall be continued, as & when the premium amount is revised.
- (iii) Target for enrolment of handloom weavers/workers' under PMJJBY, PMSBY and converged MGBBY will be communicated to all State Governments/UTs, every year.
- (iv) The State Government shall indicate number of weavers/workers that can be enrolled, either by paying the premium by the handloom weavers/workers or by the State Government or both.
- (v) On receipt of above, Gol share of premium will be sanctioned/released as an advance to State Government concerned for the policy year under the scheme.
- (vi) The State Directorate of Handlooms and its subordinate offices in the field shall be the Nodal agencies for implementation of the scheme. Nodal agency will act for and on behalf of the insured members in all matters relating to the insurance cover.
- (vii) The weaver/worker shall fill up the enrolment form as prescribed by the Bank concerned/LIC and submit the same to the nodal agency and deposit his/her premium in the bank account of the nodal agency.

- (viii) On receipt of the above, the nodal agency shall scrutinize the application and forward the premium amount to the bank account of handloom weaver/worker or account of the concerned bank as decided by the State Govt. concerned in respect of PMJJBY & PMSBY and LIC in respect of converged MGBBY.
- (ix) In case, handloom weaver/worker is not in a position to contribute his/her share, State Government concerned may do so.

### **F.2.5 Role of State Government**

#### **Option – I**

- (i) Letter dated 13<sup>th</sup> May 2020 from Department of Financial Services, Ministry of Finance stipulates, "PMJJBY and PMSBY would have to enroll their beneficiaries through the Bank account of the intended beneficiaries and the claims settlement will be through the Bank account of the intended claimants after the period of the existing converged scheme expires".
- (ii) In accordance with the above, State Director of Handlooms shall open a separate single bank account for deposit of advance of Gol share of premium.
- (iii) In case, beneficiary is not in a position to deposit his/her share, the State Govt. may contribute their share and deposit the share of both, Gol and State Govt. in the Bank account of the beneficiary. State Director of Handlooms shall ensure that the same is debited from the account of beneficiaries for availing the insurance coverage.

#### **Option – II**

- (i) Nodal agency shall open a separate single bank account for deposit of advance of both Gol share of premium & State Government/Beneficiary share of premium.
- (ii) Gol share of premium along-with beneficiary/State Govt. share shall be transferred by State Govt. to the account of concerned bank in respect of PMJJBY & PMSBY as decided by the State Government; and LIC in respect of converged MGBBY along-with the list of beneficiaries.

### **F.2.6 Role of Bank(s)/LIC**

- (i) The Bank/LIC should ensure that the applications received during the awareness camps conducted should be processed within 15 days/1 month.
- (ii) On receipt of the premium amount, the concerned bank/LIC shall issue "Certificate of insurance" to the beneficiaries. List of enrolled beneficiaries will be submitted by each bank/LIC branch to their Regional/Zonal Office and the consolidated list of enrolled/claimed beneficiaries will be submitted to State Government on monthly basis for onward submission to O/o DC (HL).
- (iii) The premium, once paid, shall not be refunded.

### **F.2.7 Claim Procedure**

- (i) The claimant/nominee/legal heir is required to deposit duly completed claim form as prescribed by the Bank/LIC along with the applicable documents like death certificate etc.

- (ii) In case of partial or full disability, the nominee will provide insurance certificate & disability certificate issued by Medical authority along with request letter to claim his/her insurance.
- (iii) The benefits under the scheme shall be transferred by the bank/LIC into the bank account of the claimant/nominee/legal heir as DBT.

### **F.2.8 Release of Funds**

The Office of the DC (HL) will release 70% of Gol share of premium as an advance to State Government against the enrollment target fixed under the PMJJBY, PMSBY & Converged MGBBY for the insurance period/year. Balance amount of Gol share of premium would be released after submission of UC of 70% of the amount released and other required documents relating to enrollment of beneficiaries.

### **F.3 Financial Support in indigent circumstances to Awardee Weavers/Workers:**

- (i) Financial Support of Rs. 8,000/- p.m. to awardee (Padma/Sant Kabir/National/State) handloom weavers/workers' above 60 years of age, in indigent circumstances having annual income below Rs.1.00 lakh, to be certified by Competent Authority of State Govt. concerned.
- (ii) This will be implemented through the WSC.
- (iii) Awardee handloom weaver/worker shall submit his/her application along-with complete correspondence address, weaver details, aadhar card, bank details, copy of award certificate, address proof, family details, date of birth certificate etc. to WSC concerned.
- (iv) Consolidated details etc. of Awardee handloom weaver/worker filled in Annexure-F2 format duly verified with original documents and his/her photo on the application form, Award Certificate and other relevant certificates/information etc. should be attested by the Head of Office, WSC for onward submission to this office within a month for sanction/release of funds as DBT.
- (v) Financial assistance shall be released to respective WSC for onward transmission directly in the bank account of concerned Awardee handloom weaver/worker as DBT within 15 days of the receipt of the funds by WSC concerned.
- (vi) Financial support to Awardee handloom weaver/worker shall be extended on year to year basis subject to submission of Income certificate duly attested by Competent Authority of State Govt. concerned, during his life time.
- (vii) Assistance from the Government may be provided either in the form of monthly allowance or lump-sum grant or both.
- (viii) Awardee handloom weaver/worker shall submit an undertaking regarding non-receipt of similar financial assistance from any other source to the concerned WSC.
- (ix) Awardee handloom weaver/worker shall be eligible for getting need based financial assistance from the date of recommendation of WSC concerned.

### **F.4 Scholarship:**

- (i) Financial Support as scholarship maximum upto Rs.2.00 lakh per annum shall be provided to handloom weavers/workers' children (upto 2 children) for study in 3/4 years Diploma/Under Graduate/Post Graduate courses of Central/State Govt. recognized, Central/State Govt. funded Textiles Institutions.
- (ii) They shall be paid tuition fee, admission fee, examination fee, other annual fee/ charges as charged by the academic institution plus Rs. 5,000/- p.m. as stipend, subject to maximum of Rs. 2.00 lakh per child per annum or actuals, whichever is less.
- (iii) Consolidated details including admission letter, tuition fee receipt, weaver/worker Pehchan card, bank details etc. of handloom weavers/workers filled in Annexure-F3 along with his/her attested photo on the application form should be verified/attested with original



documents by the concerned WSC for onward submission to concerned Zonal Office with their recommendation.

- (iv) Concerned WSC shall submit the complete proposal along with relevant documents in prescribed format to concerned Zonal Office within stipulated time. Concerned Zonal Office shall scrutinize the proposal and send requirement of funds along with Annexure-F3 format and relevant details in prescribed format to this office (Hqr.) within a month for sanction/release of funds by DC (HL).
- (v) Funds shall be released to concerned zonal office for onward transmission of the fund directly into the bank account of concerned handloom weaver/worker or his/her children as DBT.
- (vi) 1st year scholarship shall be paid after admission of the ward of handloom weavers/workers while in the subsequent years, scholarship shall be paid on submission of proposal along with the copy of the mark sheet for the passing out of annual exam and admission proof of next academic session from the institution concerned.
- (vii) Handloom weaver/worker or his/her children shall submit an undertaking regarding non-receipt of similar financial assistance from any other source to the concerned WSC.

#### **F.5 Publicity and Awareness**

- (i) Weavers/workers mobilized during individual benefit interventions like HSS, Skill up-gradation training will be made aware about the scheme.
- (ii) Intensive publicity will be carried through newspapers, awareness camps and by distributing the pamphlets in weavers' pockets highlighting the benefits available under the scheme.
- (iii) Yarn depots will be utilized as focal point for distribution and collection of enrolment forms from the weavers/workers.
- (iv) Camps/Chaupals will be organized by WSC for enrollment of the beneficiaries under the scheme in association with State Governments (Nodal Agencies) and concerned banks and will educate the weavers to avail benefits of various handloom schemes.
- (v) WSC officials will be deputed to handloom pockets along with the nodal agency. They will visit the weaver/worker's households for enrolling them at their doorsteps.
- (vi) The State Governments, State Handloom Corporations, Apex/Primary Handloom Weavers/Workers Cooperative Societies, Unions/Associations shall be actively associated in implementation of the scheme by way of sensitizing the handloom weavers/workers to join the scheme.
- (vii) Cooperation from North East Council (NEC) will be solicited for motivating the handloom weavers/workers in NER for availing the scheme benefits.
- (viii) Synergy would be developed in efforts of Ministry of Textiles and Department of Financial Services for enrolling the handloom weavers/workers.
- (ix) Local Public Representative (MPs/MLAs/MLCs etc.) should be invited in awareness camps/chaupals for their affirmative impact on the handloom workers.

#### **F.6 Monitoring**

- (i) The Office of the DC (HL) will monitor the progress through periodical reports from the WSCs/State Governments and hold review meetings with them from time to time.
- (ii) State Director of Handlooms shall submit monthly report indicating details of coverage and settlement of claims under PMJJBY, PMSBY and converged MGBBY.
- (iii) WSCs shall submit monthly report, indicating the coverage provided to indigent awardee weavers/workers, and status of scholarship claims and reimbursement etc.

<b>Scholarship Form for children of handloom weaver/worker</b>		Photo of handloom weaver/worker (duly attested by concerned WSC)	Photo of weavers/workers' child (duly attested by concerned WSC)
<b>Details of handloom weaver/worker</b>			
1	Name		
2	Weaver/worker Pehchan Card Number (enclose copy)		
3	Aadhar Card Number (enclose copy)		
4	Mobile Number		
5	Address(enclose copy of address proof)		
6	<b>Gender (Male/Female/Transgender)</b>		
7	<b>Category (Gen./SC/ST/OBC/Other)</b>		
<b>Details of handloom weavers/workers' child</b>			
8	Name of son/daughter for whom scholarship claimed		
9	Name of Father		
10	Name of Mother		
11	Date of Birth (as per matriculation certificate)		
12	<b>Gender (Male/Female/ Transgender)</b>		
13	<b>Category (Gen./SC/ST/OBC/Other)</b>		
14	Aadhar Card Number(enclose copy)		
15	Mobile Number		
16	Name and address of Textile Design/Textiles including Handlooms Institute (where admitted)		
17	Type of Institution whether Central/ State Govt. recognized/ funded Institution. Please specify and enclose supporting documents		
18	Name of Course		
19	Type of Course whether Diploma/Under Graduate/Post Graduate		
20	Duration of course		
21	Enclose copy of admission proof from institution concerned in case of fresh student		
22	Enclose copy of marksheet for passing out of annual examination and admission proof of next academic session from the institution concerned in case of pursuing student (as the case may be)		
23	Total annual fee/ charges of course in Rs. (enclose copy)		
24	Total amount claimed including annual fee/charges and stipend (in Rs.)		
25	Academic year for which financial assistance is claimed (1 <sup>st</sup> year/2 <sup>nd</sup> year/3 <sup>rd</sup> year/4 <sup>th</sup> year)		
26	Whether scholarship received from any other source? If yes, the details thereof and if not, enclose an undertaking in this regard	Yes/No	
27	Whether stipend for the same purpose claimed from other sources? If yes, the details thereof and if not, enclose an undertaking in this regard	Yes/No	
28	Bank details enclosed		Handloom weaver/worker or his/her child
29	Name of Bank		
30	Account number		
31	Branch Address		
32	IFSC Code		
33	Enclose Mandate form signed by Bank / cancelled Cheque		
<b>For WSC use only</b>			
1	Brief justification of WSC for onward submission to concerned Zonal Office.		
2	Brief certification/recommendation of concerned Zonal Office on application for requirement of funds from DCHL (Hqr.)		
3	Total recommended amount (in Rs.) <b>and eligible period</b> by Zonal Office		

Signature of Handloom weaver/worker