

**GUIDELINES FOR IMPLEMENTATION
OF
CLUSTER DEVELOPMENT PROJECT
IN NER**

**A sub scheme of
NORTH EASTERN REGION TEXTILE PROMOTION SCHEME
(NERTPS)**

January 2014

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

CLUSTER DEVELOPMENT PROJECT OF HANDLOOM IN NER UNDER NORTH EAST TEXTILES PROMOTION SCHEME

Introduction :

The Government of India, since independence, has been following a policy of promoting and encouraging the handloom sector through a number of programmes and schemes. Due to various policy initiatives and scheme interventions like cluster approach, marketing initiative and social welfare measures, the handloom sector has shown positive growth and the income level of weavers has improved. The handloom fabric production has been very impressive and grown has been at the rate of 6% to 7% in the beginning of the 11th plan. The subsequent economic downturn has affected all the sectors in India and handloom sector was no exception. The production had declined nominally in 2008-09. Now, there has been a marginal improvement and production has shown upward trend. The export of handloom products has also shown a positive growth.

As per census report of 2009-10 in north eastern region (NER) States, 90% of the handloom worker households are weaver households. In contrast to the national trend, the NER recorded an increase in the number of weavers' households from 14.6 lakh weavers' households (in 1995) to 15.10 lakh weavers' households (census 2009-10). A large number of looms in the NER are engaged in domestic production (62%) and a relatively less proportion is into mixed production (34%). This is primarily because handloom weaving is a part of the culture across all social groups but rural households have a good part of domestic fabric requirements produced within the house.

As per the census report of 2009-10, there are 23.77 lakh looms across the country out of which 14.11 lakh are in NER. Similarly out of 43.32 lakh persons engaged in weaving and allied activities, 21.56 lakh are in NER and out of 38.47 lakh adult weaver and allied workers, 9.44 lakh are in NER.

The main objective of the scheme is to develop handloom sector in NER by providing the required government support to achieve increase in employment and value of handloom products by means of improvement in design capability, diversification of product lines and value addition, cluster development and improvement in labour productivity through various interventions such as baseline survey, diagnostic study, formation of self help groups (SHGs)/joint liability groups (JLGs), formation of consortium, awareness programmes, engagement of designer, computer aided textile design (CATD) etc. The scheme is expected to have more impact and better outcomes than a strategy based on implementing other plan schemes of the Ministry of Textiles (MoT). Implementation of the project based strategy as envisaged in the NER Textile Promotion Scheme would not only

enhance utilisation of earmarked funds but also, substantially contribute to the handloom sector development for the NE region.

| S. No. | Components of Cluster Development Project | Financial assistance per cluster and sharing pattern for NER under NERTPS |
|--------|--|--|
| A. | Size of the cluster, maximum Govt funding and duration | <p>i) 51-200 handlooms per cluster, Rs. 20-50 lakh and 3 years.</p> <p>ii) 201-500 handlooms per cluster, Rs. 50-80 lakh and 4 years.</p> <p>iii) 501-2000 handlooms per cluster, Rs. 80 -150 lakh and 4 years.</p> <p>Note: a) Not more than Rs. 50 lakh will be sanctioned to an individual village. b) Not more than Rs. 3 crore will be sanctioned to an individual Block.</p> |
| i. | Sub-components of the Cluster Development Programme | |
| ii. | Baseline survey, diagnostic study and formation of self help groups (SHGs)/joint liability groups (JLGs), formation of consortium, awareness programmes | Upto Rs. 2.00 lakh (100% Govt) |
| iii | Product development/ diversification | Rs. 2.00 lakh (100% Govt) |
| iv | Engagement of Designer-cum-Marketing Executive | Rs. 15,000 p.m. per cluster per designer. If clusters are adjoining, then one designer will look after 2-3 clusters and will be paid Rs. 20,000 p.m. (100% Govt) |
| V | Purchase of computer aided textile design system (CATD) system, including purchase of card punching machine (if required). If only single item is required, total eligible amount is Rs. 2.50 lakh | Rs. 5.00 lakh to be shared in the ratio of 90:10 by the Govt: State Govt/IA/beneficiary |

| | | |
|------|--|--|
| vi | Corpus fund for setting up of yarn depot | Rs. 5.00 lakh (100% Gol) |
| vii | Skill up-gradation | As far as possible, it will be converted with Integrated Skill Development Scheme (ISDS). As per the pattern of ISDS. |
| viii | Setting up of common facility centre/dye house | Upto to Rs. 20 lakh to be shared in the ratio of 90:10 by the Gol: State Govt./IA/beneficiary |
| ix | Credit support | Convergence with RRR package. |
| x | Documentation of cluster activities | Rs. 25,000/- (100% Gol) |
| xi | Construction of workshed for individual (20 sq. mtrs.) | Upto Rs. 40,000/- per workshed (100% by Gol for BPL weavers, 75% by the Gol for APL weavers.) |
| xii | Project Management Cost (engaging CDE) | Rs. 15,000/- p.m. per CDE per cluster. If clusters are adjoining, then one CDE will look after 2-3 clusters. (100% Gol) |
| Xiii | Group workshed | Upto Rs. 3.00 lakh per workshed to be shared in the ratio of 90:10 by the Gol: State Govt./IA/beneficiary |
| xiv | Solar lighting in group workshed | Rs. 50,000 per workshed to be shared in the ratio of 90:10 by the Gol: State Govt./IA/beneficiary. |
| | | Any other component on need basis and approved by the DC (Handlooms)/PAMC |

(1) Cluster Development Project (Assistance for handloom clusters, having handlooms in the range of 51- 200 ,201- 500 & 501-2000)

The cluster development approach focuses on formation of weavers' groups as a visible entity so that the groups become self-sustainable. Each cluster covering about 51- 200, 201- 500 & 501-2000 handlooms would be taken up during the XII Plan period.

(2) Definition of Cluster

The handloom cluster may be defined as a place where there is a large concentration of handlooms, producing handloom fabrics that would be in tune with the market demands. These handlooms could be located in close proximity in two adjoining revenue sub-divisions/villages within an administrative district or across two (mostly adjoining) districts. In smaller & hilly States, where the villages/

sub-divisions are of smaller size, the number of villages/sub-divisions may be increased to ensure the minimum critical size of the cluster. In many clusters across the country, the number of handlooms are much higher but for the purpose of the scheme, the size of cluster will be restricted to the part of cluster having handlooms in the range of 51- 200 ,201- 500 & 501-2000.

(3) Quantum of financial assistance for new clusters

The quantum of assistance for each cluster would be need based, depending on the requirement of the cluster, the scope of the activities envisaged in the cluster development project, technical, financial and managerial capacity of the Cluster Organization, level of maturity and past track record of the cluster etc. Maximum permissible GoI financial assistance per cluster will be as follows:

| | |
|---|------------------------------------|
| Cluster having handlooms 51-200 | upto Rs. 20-50 lakh per cluster |
| Cluster having handlooms 201-500 | upto Rs. 50 to 80 lakh per cluster |
| Cluster having handlooms above 501-2000 | upto Rs.80 to 150 lakh per cluster |

(4) Baseline Survey, Diagnostic study, formation of Self Help Groups (SHGs)/Joint Liability Groups (JLGs), Formation of Consortium, Awareness Programmes.

(4.1) Baseline Survey

The baseline survey would require visit to every weaver of the cluster for preparing the profile of the cluster i.e. number of active handlooms, type of handlooms, number of weavers (men/women – General/SC/ST/OBC/Minority etc.), type of yarn used, product range, average weaver income etc. Cluster should not fall in any of the already sanctioned handloom clusters. A proforma for profile of the Organization undertaking the baseline survey and diagnostic study is at **Annexure-A**. A proforma for Baseline survey and details of assistance required to the individual weavers in the cluster is at **Annexure-A.1**.

(4.2) Diagnostic Study

Diagnosis of the cluster is the first step towards taking any implementable action plan. It will help in identifying the strengths and weaknesses, environment that the cluster operates in and what strategic steps need to be undertaken for effective output. The diagnosis will provide strategic direction and likely outputs that the clusters should aspire to reach over a period of time. The exact action points will emerge largely out of the trust building and validation by the cluster actors. The objective of a diagnosis is to a) understand and analyse the current scenario under which the handlooms are operating in the cluster i.e. analysis of business operations, nature of production activity, profiling of products, patterns of production and existing market potential for it, b) Strengths, weaknesses,

opportunities & threats (SWOT) analysis of the cluster, c) value chain analysis to identify the gaps and constraints, d) social/institutional analysis of the local organization serving handloom producers, e) understand the socio-economic environment that the cluster operates in, f) recommendations in terms of action plan required to harness the potential of the cluster and the market etc. Also, the Self Help Groups/Joint Liability Groups will be formed and linked with the banks/ financial institutions for availing the credit. Proforma for submitting the details of the Diagnostic Study conducted and Action Plan is at **Annexure-A.2.**

(4.3) Formation of Consortium

The consortium would involve stake-holders from the self help groups (SHGs), co-operative societies, master weavers, private entrepreneurs, NGOs etc. who would be required to interact with the weavers and tie up linkages with the connected organizations like; banks/financial institutions, market institutions/marketing experts, marketers, legal experts, Government machineries, weavers etc. one time assistance of RS. 5000 will be provided for holding of meetings, document activities, field visits, business and awareness training, engaging legal experts for incorporating the consortium and other professionals for business development. The consortium will ultimately takeover the activities of the cluster in/after the 4th year and run it, thereafter on a self sustainable basis.

(4.4) Awareness Programmes

In order to generate awareness among the weavers about the Scheme, Weavers' Credit Cards, Yarn Pass books and other handloom schemes etc., awareness programmes will be conducted in the cluster. In each cluster, not more than five awareness programmes are permissible and will be held in the first three months of sanctioning the cluster.

Total financial assistance for above purposes will be provided upto Rs.1.5 lakh per cluster (51-200 & 201-500 handlooms) and Rs.2.00 lakh per cluster (501-2000 handlooms).

(5) Product Development/Diversification

To innovate the handloom products with the time, there is a need to develop/diversify the product so as to stand in the market. Cost towards purchase of stationery for preparation of paper designs, purchase of raw material for development of prototypes, cost of transfer of paper design on the fabric will be met under this component.

For the above purpose, financial assistance upto Rs.1.5 lakh per cluster (51-200 & 201-500 handlooms) and upto Rs.2 lakh per cluster (501-2000 handlooms) will

be provided, which will be fully borne by Gol. Revenue generated from sale of the products/samples developed will be ploughed back in the corpus for product development/diversification.

(6) Engagement of Textile Designer-cum-Marketing Executive

To develop new designs, keeping in mind the design and colour forecast for domestic and international markets, textile designer-cum-marketing executive will be engaged who may be from Weavers' Service Centre (WSC) concerned or from open market. In case, the designer of WSC is engaged, he/she will only be paid actual amount of TA/DA and lodging charges by the cluster. It may also be possible that a pool of designer is set up centrally/state-wise, depending upon the number of clusters sanctioned in a State, vicinity of these clusters, availability of the designers etc. to provide design inputs to the clusters as per their requirements.

Designer will be responsible for developing new designs, product development/diversification, preliminary training to the weavers on transferring newly developed paper designs on the fabric, marketability of newly developed handloom products of the cluster and also, for documentation of the designs/products developed.

For small clusters (51-200 & 201-500 handlooms), one textile Designer-cum-Marketing Executive will be engaged for atleast 2 clusters who will be provided professional fee upto Rs. 15,000/- per month per designer. In case, two clusters are very far and not approachable, designer will be assigned single cluster and will be paid fee of Rs. 15,000/- p.m.

However, textiles designer with graduate degree in designing fashion technology or having good experienced alongwith diploma in fashion designing may be paid Rs. 20,000/- after due approval of DC (Handlooms).

Financial assistance for engaging full-time textile designer-cum-Marketing Executive will be fully borne by the Gol.

Above professional fee includes all expenses including travel, boarding and lodging etc. The textile Designer-cum-Marketing Executive should have atleast two years experience and preferably, he/she should be graduate from NIFT/NID with atleast one year experience. The textile Designer-cum-Marketing

Executive from open market should be appointed in consultation with the State Govt. and WSC concerned. In case, textile Designer-cum-Marketing Executive of other Institutions are to be engaged, he/she should be appointed with the prior approval DC (Handlooms), for which his/her bio-data should be sent to this office along with the proposal.

(7) Purchase of Computer Aided Textile Design System (CATD) System and Card Punching Machine

One time assistance upto Rs.5 lakh towards purchase of requisite hardware and software for Computer Aided Textile Design (CATD) System, colour forecast, trend forecast and other allied requirement, including card punching machine (if required). In case, only one item i.e. Computer Aided Textile Design System (CATD) System or Card Punching Machine is required, financial assistance is restricted to Rs.2.50 lakh per item. Financial assistance for purchase of CATD system and Card Punching Machine will be shared equally between the Central Government and the State Government/Implementing Agency.

(8) Corpus fund for setting up of Yarn Depot

Presently, weaver/agency is required to pay National Handloom Development Corporation (NHDC) an advance amount for purchase of yarn and the delivery of yarn is made by NHDC in a time frame of about 3-4 weeks. This delays the production process. Thus, in order to ensure regular availability of yarn of requisite counts, one-time financial assistance upto Rs.2.00 lakh per cluster (51-200 handlooms) 3 lakh per cluster (201-500 handlooms) and upto Rs. 5 lakh per cluster (501-200 handlooms) will be provided as a Corpus Fund to the NHDC to enable it to ensure supply of yarn to the weavers through the yarn depot at the cluster. Yarn will be supplied to the weavers by the yarn depots against payment.

(9) Skill up-gradation

Training and re-training are critical inputs for handlooms/workers to adapt to produce diversified products with improved quality to meet the changing marketing trends. Financial assistance for skill up-gradation in technical areas like weaving, designing, dyeing, other pre-loom and post loom activities will be dovetailed from Integrated Skill Development Scheme (ISDS) as far as possible. Detailed guidelines of ISDS for handloom sector are available on the website of the DC (Handlooms) at <http://handlooms.nic.in>. However, funding for specialized trainings like value addition, product diversification etc. will be provided under this component.

(10) Setting up of Common Facility Centre/Dye House

Financial assistance would be available for setting up of Common Facility Centre, which may include pre-loom, on-loom and post-loom operations, quality control lab, value addition facility etc. Dye-house as a part of CFC or separately, if required, may also be set up, preferably with Water Treatment Plant and Effluent Treatment Plant (ETP).

Setting up of Common Facility Centre/Dye House will be set up, after considering the demand of the stakeholders, their capacity to form legal entity and run the CFC/Dye House. It should be ensured that Common Facility Centre/Dye House is set up at a centrally located place so that it caters to the requirement of weavers, in and around the cluster on user charge basis.

Financial assistance for setting up of these facilities will be shared between Gol and the State Govt./Entrepreneur/Implementing agency/ Consortium in the ratio of 90:10. The land cost will not include in the project cost and land will be provided by State Government/Entrepreneur/ Implementing agency/Consortium and land cost will be borne by them.

For setting up Common Facility Centre/Dye House, a project report will be submitted by the Implementing Agency through the State Government and the same will be approved by a Committee set up in the office of the DC (Handlooms) after considering its viability and the existing facilities available in the nearby area. However, experience shows that response for setting up of the CFCs in XI Plan has not been encouraging.

(11) Credit Support

Credit support to the handloom weavers of the Cluster in terms of margin money, interest subvention and guarantee cover will be provided under concessional credit from “Revival, Reform and Re-structuring Package for the Handloom Sector”. Detailed guidelines are available on the website: handlooms.nic.in

(12) Documentation of cluster activities

After the cluster development programme is over, it is necessary to document the activities undertaken so that a record is built up. For this purpose, financial assistance upto Rs. 25,000 per cluster will be provided by the Gol for preparing 10 copies of the document.

(13) Construction of worksheds

Financial assistance will be provided to those weavers who do not have a work place of their own to house the handloom and are working on the handloom of the Master Weaver/Co-operative Society etc. at some other place. Details of the financial assistance to be provided are as follows:

| | | |
|---|--------------|---|
| Construction of workshed (20 sq. mtrs.) | Rs. 40,000/- | 100% by Gol for BPL weavers, 75% by the Gol and 25% by the State Govt. for APL weavers. |
|---|--------------|---|

Title of the land should be in the name of the weaver.

While the Central assistance will be limited to the level mentioned above, the State Governments/UTs/Implementing Agencies/Beneficiaries will be free to meet the additional cost, if any, by means of their own contribution or loans from financial institutions.

Under this component, preference will be given to the weavers Below the Poverty Line (BPL). For construction of houses, the weavers may avail assistance under Indira Awas Yojana of the Ministry of Rural Development while assistance towards Workshed can be availed by them under this Scheme. Weavers other than BPL will be considered only after the weavers falling under BPL are covered as far as possible. The entire assistance of Rs 40,000 will be met by the Central Government in the case of weavers falling under BPL, while the weavers other than those falling under BPL will be assisted by the Central Govt. to the extent of 75% i.e. 26,250/- and the remaining to be borne by the State Govt./beneficiary. A certificate to the effect that the title of land is in the weaver's name has to be furnished.

(14) Project Management Cost

To implement, co-ordinate and manage the activities of the Cluster, Cluster Development Executive (CDE) will be engaged by the Implementing Agency in consultation with the State Government and the Weavers' Service Centre concerned. The CDE should be qualified technical personnel, preferably from Indian Institute of Handloom Technology (IIHT)/State Government Polytechnic/ITI etc. with a field experience of atleast 2 years in Textile Unit/Cluster etc. CDE shall be located in the cluster and responsible for implementation of the scheme in the assigned cluster. Responsibilities of the CDE will include conducting the baseline survey, diagnostic study, preparation of a detailed project report (DPR) and implementation of the project within the time frame as per the cluster action plan, formation of self help groups (SHGs) of weavers and linking these with banks/financial institutions, building the local governance framework, linking the weavers of the clusters with the National Handloom Development Corporation Ltd., Lucknow for ensuring availability of quality yarn, dyes & chemicals in requisite quantity etc. With the objective of involving the cluster level stakeholders in the process of cluster development, supporting and monitoring the activities of the CDE, a Cluster Development Coordination Group (CDCG), headed by the State Assistant Director of Handlooms concerned or any other officer (dealing with the handloom work) designated by the State Director of Handlooms & Textiles will be formed at the cluster level comprising of the representatives of the weavers, self help groups, Primary Weavers' Cooperative Societies, Handloom entrepreneurs/enterprises, exporters and support service Institutions, National Bank for Agriculture and Rural Development (NABARD), Banks, State Government Agencies.

Rs.15,000/- p.m. per CDE will be paid. This includes the fee/salary of the CDE, travel, internet & telephone rent and other office/miscellaneous expenses. If clusters are adjoining, then one CDE will look after 2-3 clusters.

(15) Any other component

Financial assistance for any other component not covered under the Cluster Development Programme for new Clusters will be provided with the approval of the Empowered Committee.

(16) Implementing agency for new clusters

Agencies eligible to implement new clusters are as follows:

1. State Directorate of Handlooms & Textiles/Industries (where handlooms are under their control)
2. National Level Handloom Organizations
3. State Handloom Development Corporations
4. State Apex Handloom Weavers' Co-operative Societies
5. Central Government Organizations
6. Non Government Organizations, engaged in the handlooms
{(recommended by the State Govt. and approved by the DC (Handlooms)}
7. Any other Organization, engaged in the handlooms {(recommended by the State Govt. and approved by the DC (Handlooms)}

A format for grading the NGOs is at **Annexure A.3.** NGOs securing at least 60 marks, out of total 100 marks shall only be considered.

(17) Duration of the Cluster Development Project

Duration of the cluster is maximum 4 years from the date sanction of 1stinstalment.

(18) Submission of the proposal of new clusters and release of financial assistance

Development of each Cluster will be done by the Implementing Agency through the State Government concerned as a Centrally Sponsored Scheme in a project mode. State Government will invite proposals/projects from Implementing Agencies. The Project Report will comprise Baseline Survey, Diagnostic Study report and a concrete Action Plan for the first year and tentative action plan for the

second, third and fourth years. The Project Report will be considered by a State Level Project Committee (SLPC), headed by State Commissioner/Director of Handlooms concerned for scrutiny, verification etc.

Only proposals that are found viable and beneficial for the socio-economic development of the weavers in the cluster will be recommended by the SLPC. The State Government will forward such project proposals to the Development Commissioner for Handlooms for approval. After due scrutiny & approval of such proposals by the Office of the Development Commissioner for Handlooms, financial assistance shall be released in three instalments i.e. upto 30% of the total GoI share as 1st instalment, upto 40% as 2nd instalment and balance as 3rd instalment. 1st installment will be released as advance, 2nd instalment will be released on utilization of 70% of the 1st instalment and 3rd instalment will be released on full utilisation 1st instalment and 70% of the 2nd instalment. Release of Central assistance will be made to the IA through the State Government based on submission of utilization certificates, audited accounts, physical progress as per action plan etc. as specified in the project. IA will maintain the records as per the relevant General Financial Rules (GFR).

(19) A committee, headed by Principal Secretary/Secretary (in-charge) Handlooms will review the progress on quarterly basis and submit the report to DC (Handlooms) Office. DC Handlooms will arrange to develop a web enabled application for seeking report on progress of handloom development in north eastern region. State Governments will be required to submit the report on this application on quarterly basis.

(20) State Government will arrange to carry out social audit of the weavers engaged in cluster and submit report with regard to their social upliftment etc. on yearly basis.

(21) The concurrent audit of the progress will be carried out by the O/o DC Handlooms through an independent agency.

(22) 5% of the project cost will be earmarked for IEC activities in NER. The funds of IEC activities would be kept with the Ministry of Textiles for centralised publicity of the scheme and popularisation of north eastern handlooms of the clusters in India and abroad.

(23) Efforts should be made to open extension centres at block level and improvised loom, accessories should be displayed there for demonstration and awareness of weavers.

PROFORMA FOR SELECTION OF ORGANISATIONS FOR CONDUCTING DIAGNOSTIC STUDY & BASELINE SURVEY AND PROFILE OF SELECTED HANDLOOM CLUSTERS

ANNEXURE-A

A. Profile of the Organisation/Implementing Agency (IA):

| | | |
|----|--|--|
| 1. | Name of the Organisation (With full address) | |
| 2. | Registration Number and date of Registration. | |
| 3. | Name & Designation of Office bearers with Phone No., FAX No. and E.mail etc. | |
| 4. | Total number of regular manpower with the Organisation. | |
| 5. | Balance sheet and profit/ loss account for the last three years (enclosed) | |
| 6. | Experience if any in Textiles/Handloom Sector | |
| 7. | Bye laws/Resolution of the Organisation. | |
| 8. | Previous experience in Cluster development. | |
| 9. | Scoring of the IA (NGO) as per the pattern for grading. | |

Certified that:

- The Implementing Agency has been recommended by the State Level Project Committee in its meeting held on _____for Baseline Survey and Diagnostic Study. The minutes of the meeting are enclosed.
- There is no reason to believe that these organizations are involved in corrupt practice.
- Certified that no UC is pending for rendition in respect of the above grantee organisation towards any grant(s) received by it under any scheme of the office of Development Commissioner for Handlooms or Ministry of Textiles or any Department in the Ministry of Textiles.
- It is certified that the Implementing Agency is in existence and functioning.
- Certified that the above particulars are correct.
- Certified that no complaint(s) in respect of the above mentioned agency have been received in the State in respect of disbursement of assistance released by the GOI and State Govt. in the past.

Signature of the President/Secretary/Chief Executives
(Name & Designation)

Countersigned

Director In-charge of Handlooms

CLUSTER PROJECT
PROFORMA FOR BASELINE SURVEY OF A CLUSTER

| Name of the Implementing agency | | | | | | | | | | | | | | |
|--|--------------------|------|--------|-----|--------------|------|------|----------------|-------------|--------|-----------------------|--------------|---------------------|------|
| Registration No. | | | | | | | | | | | | | | |
| Village & P.O. | | | | | | | | | | | | | | |
| District | | | | | | | | | | | | | | |
| State | | | | | | | | | | | | | | |
| No. of Weavers proposed to be covered | | | | | | | | | | | | | | |
| Total assistance required. | | | | | | | | | | | | | | |
| Sl. No. | Name of the Weaver | Male | Female | Age | Covered by | | | | | | Whether the weaver is | | Whether the loom is | |
| | | | | | Cooperatives | SHGs | NGOs | Master Weavers | Independent | Others | With loom | Without loom | Active | Idle |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| | | | | | | | | | | | | | | |

| Family income | Religion | Caste | No. of days engaged in a year | Type of looms | No. of looms | Type of yarn used | Products manufactured | Remarks, if any |
|---------------|----------|-------|-------------------------------|---------------|--------------|-------------------|-----------------------|-----------------|
| 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |

| Details of assistance required | | | | |
|----------------------------------|---------------------|----------------------------|---|-----------------------|
| Workshed | | | Skill up-gradation | Credit (Margin money) |
| Whether workshed exists (Yes/No) | Whether BPL/General | Whether Workshed required? | Discipline of training and discipline – wise number of trainees | No. of beneficiaries |
| 25 | 26 | 27 | 28 | 29 |
| | | | | |

Signature of the Director of Handlooms & Textiles

CLUSTER PROJECT**PROFORMA FOR SUBMITTING THE DIAGNOSTIC STUDY CONDUCTED AND THE ACTION PLAN FOR CLUSTER DEVELOPMENT**

| | | | | | |
|-------------------------------|---|-----------------|------------|--------------|------------------------|
| Sl. No | Parameters | | | | |
| 1. | Name of the Cluster/Ward Village | | | | |
| Profile of the Cluster | | | | | |
| 2. | Geographical location of the cluster (enclose a map of the cluster) | | | | |
| 3. | Total number of handlooms in the cluster | | | | |
| 4. | Type of handlooms in the cluster | | | | |
| 5. | Infrastructure available | | | | |
| 6. | Present skills of the weavers | | | | |
| 7. | Number of handloom weavers | Category | Men | Women | Total |
| | | SC | | | |
| | | ST | | | |
| | | OBC | | | |
| | | Minority | | | |
| | | Total | | | |
| 8. | Status of the weavers. | Existing | | | Proposed to be covered |
| | A) Number of Primary Weavers Cooperative Societies | | | | |
| | B) Number of weavers in Co-operative fold. | | | | |
| | C) Number of Master Weavers | | | | |
| | D) Number of weavers with Master Weavers | | | | |
| | E) Number of NGOs working in handlooms. | | | | |
| | F) Number of weavers | | | | |

| | | | |
|---|---|-------------------|-----------------------|
| | with NGOs. | | |
| | G) Number of SHGs working in handlooms | | |
| | H) Number of weavers with SHGs. | | |
| | I) Number of traders | | |
| 9. | Turnover of the pocket (Rs. in crore) | Present turn over | Anticipated turn over |
| | a) Domestic | | |
| | b) Exports | | |
| | Total | | |
| 10. | Average earning of the weaver per day (In Rs.) | Present | Anticipated |
| 11. | Av. no. of working days in a year | Present | Anticipated |
| 12. | Main handloom products of the pocket. | Present | Anticipated |
| 13. | Number of Powerlooms in the pocket. | | |
| 14. | Whether handlooms of the pocket face competition with Powerlooms? | | |
| Status of Pocket 5 years back | | | |
| 15. | Economic condition of the pocket in relation to the position 5 years back from now. | | |
| SWOT Analysis | | | |
| 16. | a) Strengths | | |
| | b) Weakness | | |
| | c) Opportunities | | |
| | d) Threats | | |
| Justification for recommending the cluster | | | |
| 17. | Justification for recommending the cluster for development | | |
| Strategy | | | |
| 18. | a) Cluster | | |
| | b) Objectives of the development strategy. | | |
| Action Plan | | | |

| | | | | | | | |
|-----|---|--------|---|----------------------|-----------------|-------|----------------------------------|
| 19. | Interventions required for development over a period of 4 years, with financial outlay for each intervention. (Paragraph B.9.2) | | | | | | |
| 20. | Total Project Cost. | S. No. | Name of the component | Amount (Rs. in lakh) | | | Number of weavers to be covered. |
| | | | | GOI | State Govt./ IA | Total | |
| | | 1. | Baseline Survey, diagnostic study and formation of SHGs. | | | | |
| | | 2. | Product Development/ diversification | | | | |
| | | 3. | Engagement of Designer-cum-Marketing Executive | | | | |
| | | 4. | Computer Aided Textile Design System (CATD) including Card Punching machine | | | | |
| | | 5. | Skill up-gradation programme-convergence with Skill Development Scheme (IHDS) | | | | |
| | | 6. | Common Facility Centre/Dye House | | | | |
| | | 7. | Credit (margin money)- Convergence with concessional credit of | | | | |

| | | | | | | | |
|-----|---------------------------------------|--|--|--|--|--|--|
| | | | Revival, Reform and Re-structuring Package (RRRs) | | | | |
| | | 8. | Documentation of cluster activities | | | | |
| | | 9. | Construction of group workshop | | | | |
| | | 10. | Project Management Cost (engaging of CDE) | | | | |
| | | 11. | Solar Lighting in group workshop | | | | |
| | | 12 | Any other component on need basis and approved by the DC(handloom) | | | | |
| | | Total | | | | | |
| 21. | Proposed Action Plan for the cluster. | Year-wise action plan highlighting the physical and financial targets for 4 years alongwith a brief project report should be enclosed. The Action Plan should clearly bring out the deliverables of the project in terms of increase in production, productivity, employment and income of the handloom weavers of the selected cluster. | | | | | |

1. The beneficiary has not availed of similar assistance under any other scheme of the State or the Central Government.
2. It is certified that the Implementing Agency is in existence and functioning.
3. Certified that the assets created out of the assistance under the scheme will not be disposed off without the prior approval of Office of the Development Commissioner for Handlooms.
4. There is no reason to believe that these organizations are involved in corrupt practice.
5. Certified that no UC is pending for rendition in respect of the above grantee organisation towards any grant(s) received by it under any scheme of the office of Development Commissioner for Handlooms or Ministry of Textiles or any Department in the Ministry of Textiles.
6. Certified that the above particulars are correct and are verifiable from Books of accounts of the grantee agency.

7. Certified that no complaint(s) in respect of the above mentioned agency have been received in the State in respect of disbursement of assistance released by the GOI and State Govt. in the past.
8. Certified that the Implementing agency (s) has obtained necessary approval from the Banks/financial institutions for credit linkages, wherever required.
9. Certified that the Implementing Agency has furnished the requisite details in the proforma A-2 (Baseline Survey of Cluster), enumerating, inter-alia, the names of the individual weavers, components required and the assistance required thereof etc. and is verifiable from records.
10. The State Level Project Committee in its meeting held on_____ has recommended the proposal. A copy of the minutes of the meeting is enclosed.
11. Certified that the land of the title is in the name of the weaver.
12. Certified that the proposed cluster does not fall in any of the already sanctioned/approved/taken up handloom clusters (300-500 handlooms, 5000 handlooms, more than 25,000 handlooms)

(Signature)
President/Secretary of Organisation

Countersigned

(Signature)
Director In-charge of Handlooms & Textiles

CLUSTER PROJECT
SCORE PATTERN FOR GRADING OF NGOs

| NAME OF THE ORGANISATION WITH COMPLETE ADDRESS: | | | | |
|--|--|---------------|---------------|---------|
| S.No. | Score Parameters | Maximum score | Points scored | Remarks |
| 1. | Formal Registration | - | | |
| 2. | NGO in existence for more than 3 (three) years | - | | |
| 3. | Registration with any other Government Organisation/Department | 3 | | |
| 4. | Profile of the President/Executive Officer and experience & qualification of field staff | 10 | | |
| 5. | Experience of baseline survey, community mobilization and monitoring & Evaluation method | 10 | | |
| 6. | Experience of Cluster development in handlooms or any other related Sector | 15 | | |
| 7. | Experience of Marketing, Networking | 13 | | |
| 8. | Experience of Technical & Technological guidance | 5 | | |
| 9. | Achievements in Handloom Sector/rural development | 20 | | |
| 10. | Last three years audited accounts & filing IT returns regularly & obtained PAN | 5 | | |
| 11. | Funding by Government | 2 | | |
| 12. | Experience of direct international collaboration | 5 | | |
| 13. | Participation of women, SCs/STs/ Minorities on their Board/staff | 7 | | |
| 14. | Training of staff | 5 | | |
| | Total | 100 | | |
| | Total Marks awarded | | | |
| | Eligible/Ineligible | | | |

Signature of
Director In-charge of Handloom & Textiles

Note: Requisite documents must be submitted in support of the above parameters, else it will not be given weightage.