

**REPORT
OF THE
INTER-MINISTRY TASK GROUP
ON
TECHNOLOGICAL, INVESTMENT AND
MARKETING SUPPORT FOR HOUSEHOLD
AND ARTISANAL MANUFACTURING**



**PLANNING COMMISSION
JANUARY 2005**

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EXECUTIVE SUMMARY

ES 1 Overarching Issues

ES 1.1 Household and Artisanal Sector forms the backbone of India's socio economic fabric.

It is estimated that more than 65 lakh persons are engaged in handloom weaving and allied activities, 62 lakh in handicrafts and 191 lakh in village and small enterprises, 62 lakh in sericulture and 73 lakh in food processing. A large segment of artisans and household manufacturers belong to the disadvantaged strata of society – Scheduled Castes, Scheduled Tribes, Other Backward Classes and the minority community. **In order to increase the living standards of this disadvantaged stratum of our society, it is imperative that their main source of livelihood be firmly placed on a sustainable growth trajectory.**

ES 1.2 The need to ensure adequate growth in employment opportunities to provide productive employment for the continuing increase in the labour force is one of the most important problems facing the country. In manufacturing in organized sector, the Net Domestic Product of Rs. 1,27,387 crores accounts for 6.75 million jobs, whereas, in unorganized sector NDP of Rs. 82, 419 crores accounts for 34.04 million jobs. This translates into employment intensity in unorganized sector, which is 7.8 times that of the organized sector. Existence and growth of the unorganized sector in general and household and artisan sector in particular, is important for employment creation. However, in reality the artisan and household manufacturing sector is unable to thrive on its own, in an environment of increasing deregulation and globalization. **In order to address the issue of employment, both the sub-sector specific problems in major household and artisanal areas (Handlooms, Handicrafts, Sericulture, Village & Small Industries, Food Processing Industries); as well as the sector-wide constraints of inadequate technology, improper marketing and insufficient credit, must be addressed. (Chapter 1)**

ES 2 Cluster Based Development Strategy

ES 2.1 Long-term sustainability of this sector depends on developing efficient technology-production-market linkages. Development of these linkages is not easy because artisans are dispersed and unorganized. Infusion of new product and process technologies in this unorganized sector is a challenging task. Due to its highly fragmented nature and low scale of operations, investments at unit level are difficult

to justify. Moreover, organization of extension and outreach itself is a huge task that requires innovative design of new systems of production that are based on common facility centers – carefully planned as per the needs of the artisans.

ES 2.2 Fortunately, even in this unorganized sector, there is a preponderance of co-location amongst artisans of a particular craft. This results in **clusters – defined as a sectoral and geographical concentration of household and small-scale enterprises, identified by its product and by the place where it is located.** A cluster has external economies (i.e., specialized suppliers of raw materials, components and machinery, sector specific skills etc.) and favours the emergence of specialized technical, administrative and financial services. It also has a conducive ground for the development of inter-firm co-operation and specialization as well as co-operation among public and private local institutions to promote local production, innovation and collective learning.

ES 2.3 The Inter Ministerial Group feels that, **the seemingly intractable issues enumerated in para ES 1.3 above can be addressed by following a cluster based development strategy for this sector. The clusters of artisans in a defined geographical area, makes it possible to organize common services and facilities such as:**

- a design center,
- a post-production processing and finishing center,
- a common tooling and machine center,
- an internet enabled market exchange for e-commerce,
- a product standardization and quality control center,
- a bulk merchandising interface forum where bulk orders are received and disaggregated to artisans and finished products are received from artisans and aggregated for delivery to export houses / department stores / chain stores etc.
- common plant facilities for treatment and disposal of hazardous waste.

For this kind of an operation, the common service facility has to establish credibility in quality control and standardization. This can be done in association with established national or international level quality control organizations like SGS-Societe Generale du Surveillance.

ES 2.4 An institutional mechanism needs to be provided for comprehensive handholding, which can provide support to the cluster in all the above stated aspects. It is recommended that an organization undertake the above tasks. To ensure that this organization is sustainable and resilient to the changing market conditions, it is recommended that the organization should represent artisan's interest and be in the private sector. It could take any of the forms of a Special Purpose Vehicle / Society / Cooperative / Not for Profit Company. **This organization would function like “Rural Functional Industrial Estate (RFIE)”.** The Rural Functional Industrial Estate (RFIE) is a well tried concept developed and put into practice successfully in some industrially advanced nations like Japan, Germany and Italy for providing specialized services to small entrepreneurs in establishment, management, technology, training, market development through identification of markets, products, developing brand equity and related professional approaches through escort services. RFIE does not undertake directly any manufacture and related functions mentioned above. But it works as an “incubator” for developing enterprise. Through professional presence RFIE in each important cluster of artisans, should mentor and do handholding in comprehensive manner. This organization should be the only single window for development of small household and artisanal business opportunities. It must have its own national e gateway with hyperlinks to NIC's Rural Bazaar and others. Access to it should be multiplied by establishing linkages with electronic kiosks through Panchayati Raj Institutions. A massive awareness campaign about its services should be launched as soon as it is in a position to deliver service. **(Chapter 2)**

ES 3 Addressing sub-sector specific issues in Handlooms

Handloom being the largest non-farm employer needs immediate attention. The IMG recommends:

1. Ensuring availability of “Cotton” / Hank Yarn, as the critical raw material for handloom sector, and implementing **price regulation as an essential commodity**.
2. Specific short term training programmes in management and merchandising for the staff of the Handloom primary and apex cooperatives.

3. Integration of each product with specific market niches so that there is a continuous flow of information from producer to the user and back.
4. Continuous sharing of “design banks” at the **Weavers’ Service Centers** with the weavers, co-operatives, NGOs and similar organizations
5. Extensive imparting of dyeing skills for hand spun, hand-reeled silk and cotton yarn, jute and other similar fibers used in handloom production.
6. The policy level institutional framework of the sector needs to be revamped and professionalised and funded in formula based performance driven manner.
7. Networking should be promoted between NIFT,NID, Weavers’ Service Centres, Apex marketing bodies, ACASH, IIHTs, State handloom departments, eminent fashion personalities in order to take the industry forward with a new momentum.
8. International Exchange Programme of handloom workers should be established by training arrangement with other countries. The programmes should be at least of six months to two years duration.

(Chapter 3)

ES 4 Addressing sub-sector specific issues in Handicrafts

The IMG recommends:

1. Reviewing the existing schemes with active association of the craft community representatives, with the objective to open up channels for credit (working capital), technology upgradation and market.
2. Bringing management, finance and design institutions together towards a synergy for meeting global challenges.
3. Funding of “research” and “documentation” and publication through institutions and craft expert bodies. Publications should reach both the artisans and the concerned public.
4. Revival of local marketing structures as well as those at the national level.
5. Special attention to the Northeast and Jammu & Kashmir where **crafts** represents the **lifeline** for populations living under stress.

6. Treat our master craftsmen as national treasures as is done in Japan.
7. An arm of RFIE could be opened in each of these clusters for comprehensive handholding by networking with institutions dealing with technology, credit, marketing etc. These franchises should be electronic kiosks fully equipped in all respects (hardware/software, technical and business management).

(Chapter 4)

ES 5 Addressing sub-sector specific issues in Sericulture

Against a background of constantly increasing demand and imports, and need for greater productivity through automation of silk weaving, the IMG made the following recommendations:

1. For greater competitiveness of Indian Silk, productivities have to be increased by introducing automated reeling machines. Instead of reinventing the wheel available technologies / reeling machines may be imported from China as they are easily available.
2. For this strategy to be effective, quality and cost of seed production must be improved by better productivities in on-farm and post-farm systems.
3. **The Task Force recommends that centrally sponsored funds for bivoltine farming should be made available only to states that give time bound attention to silk market reforms on the following lines:**
 - a. Introduce a system of adopted seed rearers instead of non-transparent auction. This will directly link the commercial seed producer to the seed cocoon producer, and introduce quality accountability. Pilot projects have been successful
 - b. Permit interstate movement of cocoons and raw silk, so that the farmer can get a better price
 - c. Permit the farmer to enter into direct marketing contracts with reelers with no compulsion to sell only through state controlled auctions.
 - d. Permit rearers and reelers to participate in Online spot markets to be established by Central Silk Board
4. CSB must establish online spot auction systems at the earliest. To support this Xth Plan programme for creation of infrastructure for drying and warehousing of seeds should be upscaled, giving priority to states that adopt online auctions and face seasonal price fluctuations.

5. Enact a regulation, moved by Ministry, for control of production, supply and distribution of seeds to protect the farmer's interests
6. Continue the centrally sponsored package of schemes at farm level for promoting bivoltine sericulture for uniformity in size of cocoons to support upgraded technologies.
7. Give a push to tasar and eri sericulture, with attention to technology upgradation in reeling and spinning, product development, marketing and brand building, in order to promote employment in tribal areas.
8. CSB should undertake pilot projects for automatic reeling cum waste recovery with selected states and selected entrepreneurs to establish the right practices in seeds, rearing, & marketing to ensure the production of internationally acceptable raw silk.
9. Sericulture be taken up as a Technology Mission, with the aim of producing 30,000MT by the end of the XIth Plan, closing the demand supply gap, providing an additional 3 lakh sustainable livelihoods, and increasing exports of silk by a growth rate of 15% per annum. **(Chapter 5)**

ES 6 Addressing sub-sector specific issues in Village and Small Industries

The Task Group recommends:

1. The household sector faces a challenge in marketing its products. If an assured market can be provided, its output would remain steady and its growth, faster. There is, therefore, a need to focus upon (i) market surveys to gather market intelligence, (ii) providing marketing outlets at haats, bazaars, festivals and places of tourist interest, (iii) an assured market through mandatory reservation in government purchases.
2. Incentives to trading houses must be provided for trading in SSI products, specifically on the lines of incentives offered to export houses. This would give a boost to household units. Many smaller units have been affected by the liberal import policy of the government, especially by Chinese goods that have flooded the market.
3. Schemes such as the Rural Industrialization Programme (RIP) started by SIDBI/ SBI/ KVIC/ NSIC/ DC (SSI) need to be promoted in a big way.

4. Business development services for the sector need to be strengthened. A market consortium could be formed by the National Small Industries Corporation (NSIC)/ Small Scale Industries Development Corporations (SSIDCs) for SSI for establishing a brand name for some Indian products for the foreign market.
5. The SSI/ tiny and household sectors need help to upgrade and modernise their set up, for which establishment of Technology Information Centres for Small Enterprises (TBSE) and Technology Resource Centres (TRCs), with the help of SSI associations will be a major step. Funds for this can be lent by commercial banks at discounted rates of interest. SIDBI can be designated as a lender for putting up this technology bank.
6. RBI guideline that collateral guarantee is not required for loans upto a sum of Rs.5 lakh, is not always honoured, especially for applications from the tiny and household sectors. **SIDBI must play a pro-active role in lending to SSI/tiny/household units by entering into direct lending in a big way.**
7. All branches of rural banks must display the facilities available for tiny and household units in the **local language**.
8. Micro financing programmes are an effective tool for providing credit to those who do not have access to institutional credit. Banks should target a growth rate of 15% in lending to SSI units and must attempt to reach the target for allocating 60% of total credit to tiny & household units.
9. State Governments need to prepare a village-wise data bank of potential clusters of different artisanal activities.
10. There is a need to synergise the efforts of all the Ministries/ Departments/ Organizations in order to boost the performance of the household manufacturing and tiny sectors and bring out a compendium of all the schemes that each department offers. **(Chapter 6)**

ES 7 Addressing sub-sector specific issues in Food Processing

1. Region wise and product wise identification and provision for post-harvest infrastructure - harvesting instruments for sorting, grading, packing, pre-cooling and washing operations.

2. Availability of information about new technologies, equipment and machinery used in various stages of food processing should be widely disseminated.
3. Access to easy financial packages from Banks/ FIs at affordable rates of interest.
4. Rationalisation of the tax structure for the food processing industries, by simplifying and moderating the multitude of taxes on agriculture/horticulture produce - infrastructure cess, market cess, sales tax, mandi tax, turnover tax, inter state transfer regulations, excise and income tax, and heavy taxation of packaging.
5. Setting up a network of quality testing/certification laboratories across the country to ensure that the products conform to safety standards of international quality.
6. Modification of the Agriculture Produce Marketing Committees (APMC) Act to enhance (a) transparency, (b) trading in graded varieties of raw material and (c) providing incentives.
7. Setting up a small revolving corpus fund of Rs.300 crore for grants to State governments for setting up demonstration centres for technology, skill upgradation and packaging for effective handholding
8. The Institute of Packaging, Mumbai, must organise a comprehensive “awareness programme” for disseminating information with regard to new packaging materials and packaging machinery. This could be supported through Department of IP&P by providing additional plan funds.

ES 8 Marketing Support to the sector

1. Marketing enterprises should be promoted exclusively for small scale and artisanal products, as Small Scale Service and Business Enterprises (SSSBEs).
2. Artisans and small manufacturers should be encouraged to form consortia. The consortia/associations should be provided financial assistance to prepare brochures and product catalogues of international standard.

3. The concept of *Haats*, as a permanent outlet for the artisanal products, should be extended to all the major cities and tourist places. The scheme of setting up of rural *haats* under implementation by Rajasthan etc. needs to be taken up by all states.
4. Artisans and craftsmen should be given a fair chance to display their skills at tourist festivals in their particular regions.
5. In the upcoming malls some effort should be made to reserve a few outlets for the artisans.
6. Instead of the middleman continuing to exploit the artisans more emphasis should be laid on developing entrepreneurship skills amongst the artisans.
7. Min. of A&RI in consultation with Min. of RD should finalize a list of items that can be reserved for exclusive purchases by Government from this sector.
8. The Ministry of Railways should provide space for souvenir shops at category A & B stations, which have a potential for sale of such items.
9. Ministries / Departments / State Governments / Federations engaged in marketing of products of household and artisanal units should establish generic brands, like those promoted and established by the KVIC, viz. 'Khadi', 'Sarvodaya' and 'Desi Aahar' for village industry products and 'Kaleen' of Development Commissioner (Handicrafts).
10. The artisans should be trained to use alternative raw material that would increase the demand, aesthetic value, and utility as well as reduce its cost.
11. Crafts and giftware exhibitions, with focus on international buyers, should be regularly organized in metro towns and other large cities. Artisans and small scale manufacturers should also be provided financial assistance to participate in important crafts and giftware exhibitions abroad.
12. Grants/ financial help could be given to NGOs, SHGs and cooperative so that through these organizations artisans and craftsmen could take benefit of participation in international trade these events.

13. To increase the convergence and synergy amongst all departments/agencies dealing with promotion of household and artisanal products. The office of DC (Handlooms), DC (Handicrafts), KVIC, M/o Rural Development, Tribal Federations, NGOs etc. separately hold large number of marketing promotion events. Information about these should be made available to all household / artisanal units.
14. The manufacturing capacity and packaging quality of small/artisanal manufacturers should be enhanced to enable them to meet bulk orders. Common packaging facilities conforming with international standards can be provided in the RFIEs in selected clusters. Use of environment-friendly packaging materials should be encouraged.
15. Artisanal and / craftsmen and house hold units should be given information and also *pacca* orders by NGOs / Federations / KVIC / M/o. RD so that they could manufacture and keep ready to make sales in marketing events. Some revolving fund could be set up initially. The units won't mind to pay commission on sales.
16. Information Technology (IT) – enabled “virtual showrooms” of artisanal and small enterprise products should be promoted by the Government with participation of artisans/small enterprise manufacturers. Participants in sector specific trade fairs abroad should be identified through fair directories and attracted to visit the virtual showrooms.
17. Festivals on the lines of “Dubai Festival” should be organized at selected locations. Indian artisans should also be financially assisted to participate and give live demonstrations in “Dubai Festival”, which has emerged as a major event in international tourism.
18. Outreach for products can be increased by replicating projects such as Rajiv Sethi's ‘Silk Road’ on National Mall in Washington, D.C. (See Box 8.1)
19. Technology can increase the value captured by the artisan vis-à-vis the middleman. Electronic commerce should be promoted for this. A Rural Bazaar gateway has been developed by NIC under the auspices of Ministry of Rural Development. Tamil Nadu has already deployed this

software package successfully. Similar successful attempts have been made by the Civil Society Groups also. These endeavors need substantial multiplication as they can help in bulking orders.

20. Seed capital can be provided to artisanal/small enterprise associations to set up showrooms at selected locations and on important highways to promote the sale of their products. (**Chapter 8**)

ES 9 Credit Support to the Sector

To increase the credit support to the sector, the IMG recommends:

1. Put in place a mechanism to ensure strict compliance of **RBI** guidelines by commercial banks.
2. Fixing a credit target for the Household Enterprises and Artisanal sector under the priority sector lending.
3. Extending banking network to unbanked areas like the North-East & Bihar.
4. Create extension services for micro-credit loaning through carefully selected agencies in areas with inadequate service networks of lending institutions.
5. Create a Revolving Fund in the (a) State Financial Corporation, (b) Scheduled Castes and Scheduled Tribes Finance Corporations, (c) Backward & Minorities Development Corporations, (d) KVIC & similar agencies for providing loans to the Household & Artisanal Sector at interest rate of not more than 2% above prevailing bank rate.
6. Need to ensure greater co-ordination between SIDBI & NABARD.
7. Need to encourage “group loaning” so as to increase the ability of artisans to take collective risks.
8. Bank staff to be given training in “project appraisal” of the Small & Tiny sector, and to set up an effective “grievance redressal” machinery in each branch.

9. All rural branches of Banks to display the facilities available for Tiny & Household units in the **local language**.

ES 10 Technological Support to the Sector

Based on the discussions, IMG recommends the following:

1. A coordinated exercise to identify technology packages for each craft, resulting in a shared Technology Bank should be undertaken, by engaging consultants.
2. RFIE to be set up for each major craft sector, should do comprehensive handholding on technology, production and marketing issues, by setting up common facility / nodal centers for each cluster, with suitably designed production-organisation- market linkages. For this study of the existing system of production, distribution of organization and markets should be done.
3. Household Manufacturing and Artisan Cluster Development Scheme should be implemented on the lines explained in Chapter 10.
4. Programme for Support of product development of high export potential clusters should be framed to enable Indian artisans to capture niche markets, with high value products like decorative ceramics, crystal glass and the like.
5. National and International consultants should be engaged to frame market related strategies for new product development, using new materials like tarnish free silver etc.
6. Clusters must be assisted in a comprehensive manner to help them climb the value chain for example Surat cluster should transform from diamond cutting to jewellery making, Moradabad metalware cluster should focus on high quality finishes and lacquering, Pottery and ceramic clusters should move towards decoratives, Firozabad cluster should adopt crystal glass technology, and so on.
7. Induction of technology in the sector should be done in a project / mission mode with international collaboration.
8. In order to make departmentally run technological institutions more responsive to customers needs, existing funding arrangements, should be formula-driven and performance based. There are successful precedents in the developed world of transfer of control of such technological

institutions to beneficiary institutions or to NGOs in a PPP mode This possibility must be explored.

9. The problem of tackling technological obsolescence is complicated by the fact that there is no uniformity in the technology level and quality of products manufactured in different clusters of the same product group in the country. In order to enhance overall technological capabilities in a given product group, preferably all clusters manufacturing similar/same products should be targeted for technological interventions simultaneously.
10. A regional panel of consultants should be maintained for each important craft/product to advise on absorption of new technology, improvement in productivity and reduction in drudgery.
11. Innovations in rural/artisanal products should be captured, documented and disseminated to produce multiplier effect. The possibility of patenting all such innovations should be explored.
12. Improved and high quality tool kits should be made available to the artisans at affordable cost in each important craft/product group.
13. Exchange of master craftsmen should be encouraged between clusters of similar products within the country and with selected clusters abroad. Institutional arrangements with clusters promoting similar products abroad should be encouraged, e.g., ceramic clusters in the U.K., Spain, Portugal and Italy.
14. In several artisanal crafts, knowledge and skills are passed on from generation to generation. In some areas, this knowledge is becoming extinct due to reluctance of the new generation to stick to traditional crafts and its tendency to migrate to urban areas. This skill and knowledge base, which generally is not documented, should be captured through audio-visual means and adapted to suit the present day customer preferences and needs. NGOs/SHGs undertaking such work should be encouraged and assisted technically and financially.
15. Use of non-toxic and environment friendly raw materials should be encouraged in manufacturing and packaging of giftwares/toys because this is now a world-wide concern. **(Chapter 10)**

ES 11 Entrepreneurship & Innovation

For any government support to be successful, the entrepreneurial spirit must be kindled. For this the IMG recommends:

1. Review and reform of school curriculum to introduce project based activity.

2. Inclusion of Project assessments as criteria for University level admissions
 3. Setting up incubation centers for household sector in Universities
 4. Initiating a Business Plan contest specifically for Household and Artisan Manufacturing Sector.
 5. Encourage clusters to register geographical indications for protection of producers and entrepreneurs.
 6. In order to encourage SSSBEs engaged in the marketing of small scale/artisanal products, the enterprise building/management programmes conducted by EDIs and management institutions should be suitably modified.
- (Chapter 11)**

ES 12 Institutional Issues

- ES 12.1 Multiplicity of organizations dealing with this sector does not permit a coherent response to the difficult challenges faced by this sector. As such it is important to rationalise policy level institutions and professionalise delivery mechanisms for focused attention on artisans and household workers. For this, **a new Ministry for Artisans and Household manufacturing may be carved out, by consolidating all the activities of different departments pertaining to this sector.** Specifically, handloom, handicrafts, sericulture and wool should be carved out of the present Ministry of Textiles and placed under the new Ministry. Simultaneously, non-cellulose part of textile industry that is presently under the control of Ministry of Chemicals and Fertilizers (Department of Chemicals and Petrochemicals) could be brought under Ministry of Textiles. Ministry of Agro and Rural Industries should be merged in the new Ministry for Artisans along with the similar schemes from other Departments such as Rural Development. It is recommended, that the new Ministry should be directly under the charge of the Prime Minister. Alternatively, if PM is not to head the new ministry, a department could be set up in the Ministry of Rural Development, or an independent ministry could also be considered.
- ES 12.2 In order to synergise the efforts of Central Government and State Governments, a **National Council on Artisans could be set up under the Prime Minister, with Chief Ministers and relevant Central Department as Members.**

ES 12.3 There is a need to reorient institutions like the KVIC, SIDBI and NABARD from supply driven to demand driven mindsets. **This requires that these institutions are professionalised.** In terms of turnover and net block KVIC matches Hindustan Lever Ltd (HLL), but whereas HLL operates in a commercial mode and creates enormous wealth, KVIC requires perpetual support of a few hundred crores every year. **Clear accountability and management control systems should be put in place. A quality brand for KVIC products is missing and needs to be created.** All this can be achieved by **inducting business management professionals** who alone can organize it into relevant profit and cost centres. **(Chapter 12)**

ES 13 Six pronged Strategy

Integrating all the elements discussed above, the Task Group has identified the following six broad elements, to be viewed together as a part of a coherent strategy for vulnerable cross-section of society comprising artisans and household workers:

- Accelerating economic growth through cluster based interventions in a comprehensive handholding and continuous mentoring doorstep service mode **(Chapter 2: Cluster based strategy for development).**
- Upward movement on value chain by technology, design inputs and product development support aiming high value niche global markets where substantial absorptive capacity exists for such products **(Chapter 10: Technology support).**
- Implementing focused high profile fashion and advertising initiatives for brand building promotion and marketing (including e-Commerce) **(Chapter 7: Marketing).**
- Pursuing suitable capacity building programmes for entrepreneurship, innovation, training and skill development, which would upgrade the quality of the labour force and make it capable of supporting a growth process which generates high quality jobs. **(Chapter 10: Entrepreneurship and Innovations).**
- Arranging for credit needs especially micro finance with self-help group linkage **(Chapter 8: Credit)**
- Rationalising policy level institutions and professionalising delivery mechanisms for focused attention on artisans and household workers. **(Chapter 11: Institutional Aspects)**

CHAPTER 1 EMPLOYMENT & SOCIOECONOMIC IMPLICATIONS

1.1 Employment Scenario

It is estimated that more than 65 lakh persons are engaged in handloom weaving and allied activities, 62 lakh in handicrafts and 191 lakh in village and small enterprises. Women constitute a major segment of handicrafts workers, i.e., around 47.42 per cent of the total workforce. There are certain crafts, which are practiced predominantly by women like embroidery, beadwork, appliqué, durries, shawls, cane and bamboo, artisans weaving, mat weaving. Among weavers, 65 per cent are women and 32 per cent belong to SC/ ST category (as per the joint census of handlooms and powerlooms 1995-96). Sericulture being an agro based and labour intensive cottage and unorganized industry, 30-70 per cent workers belong to SC/ ST categories and over 50 per cent is estimated to be women workers.

1.2 Demography of the Household & Artisan Manufacturing Sector

- 1.2.1 Sustainable Development demands a judicious combination of inter-generational, inter-state and intra-generational equity with economic growth. The demographic dimensions and socio-economic profile of artisanal and household workers deserves a careful consideration.
- 1.2.2 The Work Participation Rate (WPR), defined as the percentage of total workers to total population, at All India level is highest among the Scheduled Tribes being 49.1 percent followed by Scheduled Castes (40.4 percent) and General population (30.3 percent). Although this would suggest that the Scheduled Tribes and the Scheduled Castes appear to be doing well on the employment front, an in-depth examination of the data in terms of the availability of work throughout the year and the type of activity provides clearer picture of the deprivation. According to Census definition a Worker is categorised as 'Main Worker' if she/he has worked for 6 months or more, otherwise she/he is considered to be a 'Marginal Worker'. The percentage distribution of total workers between main and marginal workers is given below in Table 1.1:

Table 1.1: Extent of Work Participation

Category	Percentage of main workers	Percentage of marginal workers
Total	77.8	22.2
General	80.2	19.8
Scheduled Castes	73.0	27.0
Scheduled Tribes	68.9	31.1

1.2.3 While 80 percent of the workers among the general population are main workers, the share of main workers among Scheduled Castes is 73 percent and that among Scheduled Tribes is 69 percent. The situation is similar in the states with Jharkhand having the largest proportion of marginal workers among the Scheduled Castes (41.8 percent) and J&K and Orissa among the Scheduled Tribes (42.6 percent).

1.3 Importance of Unorganised Sector for Employment

1.3.1 The need to ensure adequate growth in employment opportunities to provide productive employment for the continuing increase in the labour force is one of the most important problems facing the country. The organised and unorganised sectors are to coexist satisfying the different needs of development and growth, as has happened in most developed and newly industrialised economies.

1.3.2 The employment strategy has to encourage the use of labour intensive and capital saving technology, in general and to rejuvenate the growth of the unorganised sector in particular, which at present contributes 92 per cent to the country's employment and enjoys more than seven times labour intensity per unit of production, as compared to the organized sector. However, the unorganised sector needs to be made more productive to sustain itself against the domestic and international competition by proper choice of programmes and policies compatible with India's economic reforms and the WTO rules.

1.3.3 Employment objective cannot be defined solely in terms of whether enough job opportunities are created for the projected increase in the labour force. This purely quantitative approach ignores the very important issue of the low "quality" of employment, which is the source of much of the current unhappiness with the employment situation. This is evident from the fact that while unemployment according to the CDS measure was only 7 percent in 1999-00, the percentage of the

population in poverty was 26%. In other words, large numbers of those currently employed according to the NSS definition earn income levels, which are insufficient to take them above the poverty line. In this situation, an employment strategy, which focuses on a mere creation of low quality job opportunities, will not address the real nature of the problem. A successful employment strategy must bring about a substantial structural change in the pattern of employment, with certain types of traditional low quality, low income, employment opportunities gradually disappearing, and being replaced by higher income, better quality employment. **Employment policy in future must therefore focus not just on creating new employment opportunities in quantitative terms, but also on improving the quality of employment. This could be done by following an integrated strategy for development of the artisan and household manufacturing sector.**

1.4 Globalization and De-regulation Challenges for the Sector

The viability of a large segment of the unorganised sector against the present ever increasing competition from the domestic and global market is likely to be of great concern in the future. This has serious implications for the employment and income security for a large segment of the population. Until now, the sector has withstood the pressure from major competition and contributed to more than 40 per cent of our exports. But now new challenges are coming from more deregulation and globalization. As such, the sector needs an integrated support initiative.

1.5 Proposed Strategy

Keeping in mind the foregoing quantitative, qualitative and demographic and socio-economic dimensions of the super-ordinate employment generation objective, the Task Group has identified the following six broad elements, to be viewed together as a part of a coherent strategy for vulnerable cross-section of society comprising artisans and household workers:

- Accelerating economic growth through cluster based interventions in a comprehensive handholding and continuous mentoring doorstep service mode (Chapter 2: Cluster based strategy for development).
- Upward movement on value chain by technology, design inputs and product development support aiming high value niche global markets where substantial absorptive capacity exists for such products (Chapter 9: Technology support).

- Implementing focused high profile fashion and advertising initiatives for brand building, promotion and marketing (including e-Commerce) (Chapter 7: Marketing).
- Pursuing suitable capacity building programmes for entrepreneurship, innovation, training and skill development, which would upgrade the quality of the labour force and make it capable of supporting a growth process that generates high quality jobs. (Chapter 10: Entrepreneurship and Innovations).
- Arranging for credit needs especially micro finance with self-help group linkage (Chapter 8: Credit)
- Rationalising policy level institutions and professionalising delivery mechanisms for focused attention on artisans and household workers. (Chapter 11: Institutional Aspects)

CHAPTER 2 CLUSTER BASED STRATEGY FOR ARTISANAL DEVELOPMENT

2.1 The Cluster Concept

2.1.1 According to UNIDO, a “Cluster” can be defined as a sectoral and geographical concentration of enterprises, in particular small-scale enterprises, faced with common opportunities and threats. A Cluster is generally identified by its product (or product range) and by the place where it is located. A complete industry or a sector (like the leather sector) cannot be referred to as a Cluster. The common opportunities and threats can:

- (i) give rise to external economies. (i.e., specialized suppliers of raw materials, components and machinery, sector specific skills etc.)
- (ii) favour the emergence of specialized technical, administrative and financial services; and
- (iii) create a conducive ground for the development of inter-firm co-operation and specialization as well as co-operation among public and private local institutions to promote local production, innovation and collective learning.

2.1.2 The phenomenon of a large number of Small Scale Industrial Units manufacturing the same (or similar products) existing or historically developing in close proximity to each other (in “ Clusters”) has been observed in different periods and diverse industrial environments. “Clustering” as an engine of growth was noticed internationally in the well-networked Clusters (usually referred to as “Industrial Districts”) in developed countries, especially in Italy. This realization has led to increased interest and research in clustering as well as attempts to replicate the process through planned interventions in the developing countries including India. Much of the research and interventions have been done by the UNIDO, on the international level and particularly in India with the Ministry of Small Scale Industries as the counterpart agency and partner at the national level.

2.2 Handloom & Craft Clusters in India

2.2.1 According to information reported to this Task Group, there are 903 craft clusters, 95 handloom clusters and 44 silk and sericulture related clusters, spread over 593 districts in India. A GIS based mapping of these clusters has been carried out by the Task Group. The corresponding maps are included at the end of the chapters on Handloom, Handicrafts and Sericulture. A paintbrush analysis of these clusters is shown in the following tables:

Table 2.1: Handloom Clusters: District wise distribution

Districts with one cluster	69
Districts with more than one Cluster	26
Total Handloom Clusters	95

Table 2.2: Craft Clusters: District wise distribution

Districts with no clusters	179
Districts with one cluster	158
Districts with more than one Cluster	256
Total Districts	593
Total Craft Clusters	903

Table 2.3: Craft Clusters: Product wise Analysis

Textile, Jute, Coir	232
Stone, wood caning toys	316
Jewellery	90
Cane and Bamboo	101
Leather & leather goods	41
Other Miscellaneous	123
Total Craft Clusters	903

Table 2.4: Silk & Sericulture Clusters: District wise distribution

Districts with one clusters	24
Districts with more than one cluster	20
Total Handloom Clusters	44

2.2.2The United Nations Industrial Development Organisation (UNIDO) has identified 358 SSI clusters in India. These are listed at Annexure-I to this chapter. Further, several clusters have been reported by Khadi and Village Industries Commission (KVIC).

Although the precise total number of clusters remains somewhat uncertain. There is no doubt that in one form or the other, cluster based artisanal activity exists across the length and breadth of the country. This is an immense strength of the sector. We need to build upon this strength. **An institutional mechanism needs to be provided for comprehensive handholding which can provide support to the cluster in all aspects including technology, quality testing, standardization of product, continuous R&D, positioning the products under different markets and credit.** Several alternative forms such as public sector banks, NGOs, District Industry Centres set up, public private partnership with large business houses are possible ways of fulfilling this requirement.

2.3 Present Approach to Cluster Development

2.3.1 The presently adopted approach for Cluster Development consists of drawing lessons from the experience of successful clusters and then replicating them through building up of local capabilities with the active participation of various Cluster Actors such as Small Scale Industrial Units, Industry Associations, Business Development Services Providers, Policy Makers etc. The process of cluster development usually consists of the following steps: -

- Selection of the Cluster
- Selection of a Cluster Development Agent
- Diagnostic Study
- Preparation of Action Plan for intervention
- Approval of the project and release of funds through leveraging
- Implementation of Trust Building between Cluster Actors and Cluster Development Agent, and also among Cluster Actors
- Monitoring and Evaluation
- Self Management Phase

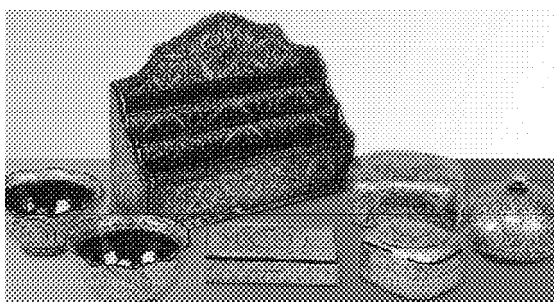
2.3.2 **Cluster Development through Sectoral National Programmes in collaboration with UNIDO:** Four National Programmes for Development of Toy, Stone, Lock and Machine Tools in collaboration with UNIDO through its International Centre for Advancement of Manufacturing Technology (ICAMT), Bangalore. The National Programmes are industry and demand driven programmes aimed at bridging the technology divide by promoting manufacturing technology and innovations as the means to industrial competitiveness in selected Indian sectors and fostering international cooperation. These are developed and pursued for technology led interventions in selected sectors for enhanced performance in totality covering Technology Upgradation, Market Development, Capacity Building and Sustainability. **Although these programmes are sectoral in nature, and do not take up any particular cluster directly, the activities are designed for intensive coverage of several clusters under each programme for the sake of achieving maximum output through the interventions.** These programmes are:

National Programme for the Development of Indian Stone Industry (NPDSI)

The programme objectives: Technological upgradation, development of international market for the dimensional stone items, development of a National Centre for the Stone Industry with facility for testing, certification and human resource development, development of state-of-the-art mining technologies for quarrying of stones to reduce the pollution of the environment and also to improve health standards for the workers.

National Programme for the Development of Indian Lock Industry (NPDLI)

Programme Objectives: Technological upgradation of Indian Lock Industry to the global standards, Technological upgradation of NSIC Technical Services Extension Centre, Aligarh, Setting up of Special Purpose Machine (SPM) at the Aligarh Centre as per Indian requirements for development of Pin Cylinder Mechanism, Creation of Common Facility Centre for the Lock artisans at Dindigul, Tamil Nadu, Establishing a marketing network by participating in International and National Fairs and conducting vendor development programmes, Sourcing of lock components by leading Lock manufactures (Godrej etc.).



National Programme for the Development of the Toy Industry (NPDTI)

Programme Objectives: Technological upgradation of Toy sector, Establishing a Toy Design and Development Institute (TDDI) at Greater Noida as a common facility for providing technological know-how, testing and certification facilities and training programmes, Establishing a marketing network by participating in International and National Fairs and conducting vendor development programmes.

2.4 Proposed Approach to Cluster Development

2.4.1 While models of success stories need to be replicated, the new approach recommended by this Task Group is that of comprehensive handholding and mentoring.

2.4.2 The necessary support in terms of organization for marketing, supply of technologies, backward and forward linkages, and escort services to the entrepreneurs may be made available. Where found necessary, it is recommended that an organization (either as society, a co-operative or Section 25 Company) undertake the above task. This organization would function like Rural Functional Industrial Estate (RFIE)". The RFIE will provide the necessary support in technology, quality testing, standardization of products, continuous R & D, value addition and positioning the products in different markets etc. and also provide the required escort services at the doorsteps to the entrepreneurs. Then only there could be an assurance of technology and viability with economic sustainability.

2.4.3 The Rural Functional Industrial Estate (RFIE) is a well tried concept developed and put into practice successfully in some industrially advanced nations like Japan, Germany and Italy and many other countries like Spain for providing specialized services to small entrepreneurs in establishment, management, technology, training, market development through identification of markets, products, developing brand

equity and related professional approaches through escort services. RFIE does not undertake directly any manufacture and related functions mentioned above. But it works as an “incubator” for developing enterprise. In fact Quality Circle, KAIZEN, JIT etc. are some of the management concepts developed and successfully applied in Japan. Similar other innovations have been adopted by the country in post-1980 industrial development period through mostly small enterprises especially in mid-Italy, which was designated as “Third Italy” in Industrial Development History.

- 2.4.4 Through professional presence RFIE in each important cluster of artisans, should mentor and do handholding in comprehensive manner. This organization should be the only single window for development of small household and artisanal business opportunities. It must have its own national e gateway with hyperlinks to rural bazaar and others. Access to it should be multiplied by establishing linkages with electronic kiosks through Panchayati Raj Institutions. A massive awareness campaign about its services should be launched as soon as it is in a position to deliver service.

CHAPTER 3 HANDLOOMS

3.1 Sector Profile

3.1.1 The handloom industry is the largest non-farm rural employer in the country today. It engages 65 lakh families in weaving alone, which does not include the number engaged in pre and post loom services. Its composition is mixed as weavers include minority community, lower castes and other backward classes especially women. It is an indigenous enterprise and does not require any foreign expertise, equipment or raw material. Nor does it consume any electric power for production. Handloom products reflect a wide variety of techniques and traditions, which range from the simple cotton “Dhoti” to the rich silk saris of Benaras and Kancheepuram. Even now, the sector contributes over 5000 million sq. meters. of cloth to the total quantum produced in the country.

3.1.2 A GIS mapping of 95 handloom clusters is Annexed to this Chapter, as Plate 3.1. Analysis of these clusters shows following results:

Table 3.1: Handloom Clusters: District wise distribution

Districts with one cluster	69
Districts with more than one Cluster	26
Total Handloom Clusters	95

3.2 Level of Employment

3.2.1 A joint handloom and powerloom census conducted in 1995-96 revealed, the following break up of the handloom weavers and workers is as follows:

TABLE 3.2: Category wise Employment in Handloom Industry
(Figures in Lakhs)

i.	Full time weavers	16.5
ii.	Part time weavers	18.2
iii.	Full time workers engaged in preparatory work	5.4
iv.	Part time workers engaged in preparatory work	11.9
v.	Workers engaged in other activities	13.5
vi.	Total	<u>65.5</u>

- 3.2.2 The census also showed that a large segment of weaver households belonged to the disadvantaged strata of society, with 10.76% of weavers belonging to the Scheduled Castes, 25.50% to the Scheduled Tribes and 42.65% to other backward classes and the minority community.

3.3 Decentralised and Unorganised Sector

The handloom sector is also highly decentralized and a majority of the weavers operate as household units. But it is inherently in this dispersed profile that we find its dormant strength. The sector's potential lies in the fact that all its components are "indigenous", such as (a) raw material, (b) skills, (c) design and (d) infrastructure. Its vast and dispersed production base is "eco-friendly", and its scope for expansion with modest infrastructure investment is limitless. Other advantages lie in its huge employment potential with a minimum of training and investment.

3.4 Poor State of Handloom Cooperatives

Because of its decentralized profile efforts were made to organize the weavers into cooperatives in the mid 1950s. However in spite of efforts, current estimates show that only 17% of "handloom" weavers come under the cooperative fold. This again does not project an accurate picture, as many cooperatives have become defunct due to financial mismanagement. (This is because most weavers' cooperatives have only a rudimentary idea of "management" and their members virtually no idea of the market's changing trends.) Others have slowly ground to a halt because of accumulation of stock and liquidity crunch on account of choking of credit by the banks. The schemes of the Central Government, which are channelised through the office of the Development Commissioner (Handlooms), unfortunately address only this miniscule 17%. Efforts must be made to strengthen the primary co-operative societies as well as, open up the scheme to the remaining 83% who work either for "master weavers" or through "mahajans".

3.5 Attitude of Government

- 3.5.1 Upto now the government has always looked at the sector as one needing "protection". As an incentive, the government provided a subsidy for production of hank yarn to the mill owners, and exempted it from payment of excise duty. Sale of handloom cloth was also encouraged by the introduction of "rebates" during festive

seasons and the handloom reservations of articles for production under the Handloom (Reservation of Articles) Act 1985 provided statutory protection to 11 items of textile products, which were not permitted to be manufactured by the mills.

3.5.2 However, the scenario began to change towards the end of the last decade. While subsidy on “production” was withdrawn during the Ninth Plan span, the last two years have seen an erosion of fiscal protection that had earlier existed in favour of the handloom sector with the replacement of exemption from payment of excise duty on “hank yarn” by the imposition of a uniform levy of excise duty on yarn of all categories. Furthermore, the Hank Yarn Packaging Notification, which obliged the spinning mills to pack a certain proportion of cotton yarn in “hank” form, for the handloom weavers, has also been amended in January 2003 with the reduction in the level of obligation from 50% to 40%. As a consequence, the quantity of hank yarn delivered in the market fell from 540 million kg. in 2001-2002 to 366 million kgs. in 2003-04. And finally, in the Budget announcements for 2004-05, a level playing field was introduced by the exemption of excise duty on ALL categories of yarn – whether used for the handloom, powerloom or mill sectors – thereby effectively eroding the protective tilt that had earlier been available for the handloom sector.

3.5.3 The sector also unfortunately suffered from a lack of long-term vision. Intervention in support of the sector was based on “schemes” which were implemented through the state governments. However, no mechanism was put in place to monitor these programmes – neither by the state nor the central government. Nor was “policy” based on any “data” since no reliable figures were or are still available.

3.5.4 In spite of all odds, the sector’s inherent buoyancy helped it to survive. Handloom production in the country has grown tenfold over the last five decades, and exports have steadily increased to over Rs. 2600 crore in 2002-2003. The sector witnessed a significant diversification in terms of new designs, new products and newer markets and established itself as an important player in the highly competitive Fashion Industry both at the national and international levels.

3.6 Recommendations

Based on the discussions, which took place for the inter-ministerial Task group the following suggestions are made:

1. “Cotton” or Hank Yarn, which is the critical raw material for the handloom sector, needs to be readily available and its price regulation as an **essential commodity implemented**.
2. Emphasis should be laid on management and merchandising with specific short term training programmes for the staff of the Handloom primary and apex cooperatives.
3. As the market is varied, there must be correct and adequate market intelligence and each product should be integrated with specific market niches so that there is a continuous flow of information from producer to the user and back again.
4. Moreover, the “design banks” at the **Weavers’ Service Centers** should be shared with the weavers and co-operatives on a continuous basis and also with other NGOs and similar organizations
5. Dyeing skills need to be imparted extensively for hand spun, hand-reeled silk and cotton yarn, jute and other similar fibers which are used in handloom production.
6. Instead of looking upon the sector as the one that needs a crutch, it should be looked upon as an important source for generating employment.
7. The policy level institutional framework of the sector needs to be revamped and professionalised and funded in formula based performance driven manner
8. Networking inter-alia, with the following institutions is necessary in order to take the industry forward with a new momentum.

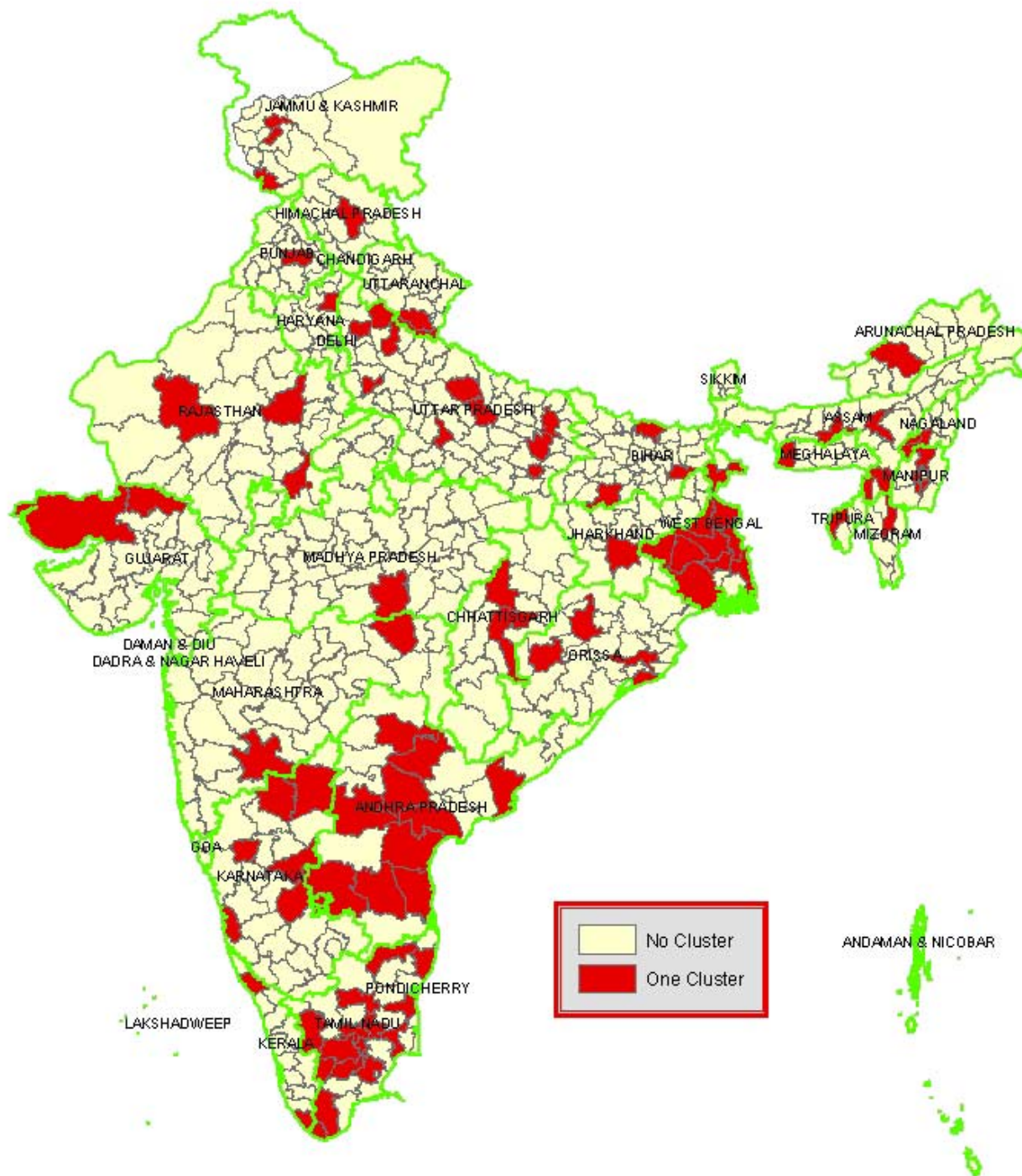
- NIFT
- NID
- Weavers’ Service Centres
- Apex marketing bodies
- ACASH

- IIHTs
- State handloom departments
- Eminent fashion personalities

9. International Exchange Programme of handloom workers should be established by training arrangement with other countries. Their programmes should not be of short duration nature but at least for six months to two years.
10. An arm of RFIE could be opened in each of these clusters in order to do comprehensive handholding and mentoring by networking with institutions dealing with technology, credit, marketing etc. These franchises should be electronic kiosks fully equipped in all respects (hardware/software, technical and business management) on the pattern of ITC's e-chaupals.

Plate 3.1
Distribution of Handloom Clusters

Total Number of Clusters : 95



CHAPTER 4 HANDICRAFTS

4.1 Sector Profile

4.1.1 Handicrafts are a part of India's rich heritage. One finds relics of their existence in the artifacts unearthed in the different archaeological excavations, which speak, of their excellence both in terms of form and functionality and in museum collections belonging to all periods of India's history. But the relevance of this sector is not confined merely to a romance with the past. Nor it is limited to an elitist few. Handicrafts cater to the everyday needs of people belonging to all classes and are generally items, which combine utility with beauty. According to estimated figures, around 62 lakh people are employed which makes it roughly one tenth of the total manufacturing sector. This number includes people belonging to the weaker sections and minorities and also a large segment of women. Together with gems and jewellery, handicrafts products account for one fifth of the country's total exports and are a major source of foreign exchange for the country.

Table 4.1: Craft Clusters: District wise distribution

Districts with no clusters	179
Districts with one cluster	158
Districts with more than one Cluster	256
Total Districts	593
Total Craft Clusters	903

Table 4.2: Craft Clusters: Product wise Analysis

Textile, Jute, Coir	232
Stone, wood caning toys	316
Jewellery	90
Cane and Bamboo	101
Leather & leather goods	41
Other Miscellaneous	123
Total Craft Clusters	903

4.1.2 In order to get an overview of the range and skills available and the different mediums used, an illustrative list of Handicrafts (mediums, skills and products) is given below. The range is vast. This list is illustrative and not exhaustive and inter-mixing of mediums and skills is common.

Table 4.3: Illustrative List of Crafts in India

Mediums	Skills	Products
Metal	Casting, engraving, etching, inlay, embossing, repousse, enameling, etc.	Brass and copper art ware, bronze cast items, icons, decoratives, kitchen & tableware, furniture, and jewellery, etc.
Stone	Cutting, shaping, carving, turning, inlay etc.	Statues, decoratives, jewellery, tableware & kitchenware etc.
Wood	Carving, engraving, turning, lacquering, painting, inlay, marquetry	Statues, furniture, toys, decoratives, kitchen and tableware
Cane and bamboo	Cutting, shaping, weaving, coiling, engraving, painting etc.	Baskets, mats, furniture, tableware, toys, panels etc.
Straw grass fibres	Weaving, coiling, dyeing	Mats, bags, baskets, knickknacks
Textiles incl. yarns of cotton, wool, jute etc.	Hand painting, tie and dye, batik, artistic weaving, embroidery, appliqué, knotting, felting, knitting, painting etc.	Carpets, durries, druggets, namdahs, lace and lace goods, embroidered, appliqué and hand printed textiles for all uses, garments etc.
Leather	Artistic cobblery, embroidery, appliqué, embossing, painting etc.	Artistic footwear, bags, purses, garments, saddlery, jewellery, furniture related items etc.
Ivory, bones, horns, shells	Engraving, carving, etching, painting, turning, shaping and polishing etc.	Decoratives, paintings, statues, jewellery etc.
Clay & ceramic	Moulding, shaping, etching, painting	Pottery of artistic shapes and designs
Glass	Moulding, cutting, beading, painting	Paintings, decoratives, jewellery, tableware
Misc. (paper, papier mache, zari, solapith & other local materials)	(depending on the medium)	Decoratives, and utilitarian articles of artistic shapes and designs.

4.1.3 The cultural importance of handicrafts pertains to:

- preservation of our heritage in the traditional art forms
- preservation of traditional skills and talents
- relevance to people's history and lifestyles, and
- their role as a unifying factor in the country's cultural profile.
- The economic importance of handicrafts pertains to its
- high employment potential

- low capital investment
- high ratio of value addition
- high potential for export and earning of foreign exchange, and
- large-scale involvement of persons from the weaker sections and the minority community, for whom it has been a sustainable source of livelihood for generations.

4.1.4 from the “planning” point of view, what is important is to find a definition for the sector. Its association with “Village and Small Industries” has often been misleading, for “handicrafts” are not always village based, and the units are, almost always, smaller than what is normally meant by a “small industry” in government parlance. A very apt description perhaps would be “Cottage Industries” which together with the allied sectors within the broad description of “Cottage Industries” are Handlooms and the Khadi and Village Industries. There are areas, which overlap between the Handicrafts and KVI sectors, just as there are between “Handicrafts” and “Handlooms” and between “Handlooms” and “KVI”. However, the areas covered by the three are largely separate.

4.2 Socio-Economic Profile

4.2.1 In India, the artisan communities are dispersed, often inaccessible, and almost invariably unorganized with low levels of literacy and education. Most of them belong to the marginalized communities (such as leather workers) or the minority community (textiles, stone, wood) and have a low position in society and, therefore, low self-esteem. Because of their dispersed profile, they cannot band together and, as a consequence lack political weight and clout.

4.2.2 The sector also lacks economies of scale and the performance of “cooperatives” is low. Usually, most groups have difficulty in accessing credit from financial institutions, which together with the high cost of forest-based raw materials give them a further disadvantage. This accounts for their high level of indebtedness. Often unable to access professional marketing channels, they are perennially dogged by a sense of anxiety, bordering on crisis. Social security in the form of medical insurance, basic shelters and old age pensions are conspicuous by their absence.

4.3 Poor Sectoral Data Base

Generally believed to be the second largest employer after agriculture, the scale and estimates of numbers vary from 12 million (1980), 23 million, 36 million to 200 million (!) The lack of a reliable database is one of the reasons which makes it difficult to prepare a plan for a sector whose numbers are so uncertain and fluid. As the third largest foreign exchange earner with 6000 export establishments, its turnover is estimated to be Rs.10,000 crores through sales in the emporiums, exhibitions, retail outlets through cooperatives and private channels. These figures do not include the large number of artisans who fall outside the purview of the KVIC and the Development Commissioner (Handicrafts) such as the manufacturers of pots, brooms, kites, chiks and crafts associated with architecture and buildings. **It is therefore critically important to conduct a census for obtaining a database for the sector in order to understand its socio-economic profile.**

4.4 Research and Documentation

- 4.4.1 Any purposeful planning has to be based on research and documentation as this forms the foundation for any intelligent intervention. While the census will provide data in terms of numbers of persons involved, it is important to also understand the craft traditions. These traditions speak of cultural factors that are not always available from a mere head count. Research and documentation will also lead to identification of interventions needed for protecting traditional skills and transferring them into the requirements for the contemporary market. It goes without saying that such craft-wise research cum documentation requires time and investment.
- 4.4.2 Documentation of this kind goes hand in hand with craft collections, which have been put together over time with dedication and care. One such resource centre is the Calico Museum in Ahmedabad (for textiles), the Crafts Museum in Delhi and the Dakshin Chitra in Chennai which showcases actual houses and the way people lived in traditional times. It is also important to ensure that artisans have access to such collections.

4.5 The Marketing Challenge

- 4.5.1 Outside a few exceptions, most artisans lack professional marketing support that alone can provide sustainability. As earlier mentioned, market research can provide

the clues for market segmentation by location (local, regional and export), by product or end-use (utility, home furnishings, apparel, decoration, collection, gift, ceremonial). Socio-economic and cultural understanding together with market research can suggest opportunities for reviving traditional markets. They can also diversify into new ones such as embroidery, patch work, woven home furnishings, tableware from marble inlay bidri and bell metal and moving from leather harnesses to leather bags.

- 4.5.2 Sustained investment in research-based product design, development and diversification can ensure advance information on market trends and the ability to influence them. Professionalism of this kind can build the artisan's own capacity for innovation while empowering him to negotiate with the market.
- 4.5.3 In the Handicraft sector, the definition of marketing is still confined to "selling" rather than to the identification of needs. Confusion over the "middleman" still prevails, and many still perceive him as a principal exploiter. Yet few are capable of substituting this middleman for providing credit (when needed), correct market feedback, distribution, promotion and merchandising. The major needs are for an intelligent understanding of the marketing structures of this sector that can absorb planned production.
- 4.5.4 The issues of scales are also vital. As earlier mentioned, the artisan sector lacks economies of scale. A particular marketing challenge is to link production with delivery capacity of quality standard. Crafts can become trash when mass-produced, and the "Moradabad Brass" is one such sad example. For artisans, the Trade Fairs are an important exposure to market trends and consumer tastes. It is critically important, therefore, for him to be present in order to make his own assessments. It is also important to revitalize the links with architecture and interiors as this sector represents a huge and stable market for craftsman.
- 4.5.5 In view of changing lifestyles and the emergence of new markets, the scenario has become highly competitive particularly in view of the globalization. The artisan is confronted with items of mass manufacturer from countries like China who are also able to undercut costs in an incredible way.

4.6 Technology and Training

Apart from the market, the next important area needing attention is technology upgradation. This is required to reduce drudgery and improve working conditions. Training through master craftsmen or at institutions like the NID, Cane and Bamboo Institute (in Agartala), Weavers' Service Centres and Craft Design Centres are essential. It is also necessary to train craftsmen in the use of new and modified tools and implements. The craftsman should also be taught to link costs and prices to earnings in order to be able to earn a sustainable livelihood in the context of market realities.

4.7 Availability of Raw Materials

4.7.1 One of the causes of the sector's vulnerability is on account of critical shortages in raw materials. These include wood, leather, quality cane and bamboo and other forest-based products. The solution lies in raw material surveys and in making things easy through inter-departmental/inter-ministry consultations. Training in the use of new and modified materials may also be imparted. The problem of raw materials apart, the sector is also handicapped by the lack of working capital. As in most economic activities, the need for credit can be for both investments in fixed capital or working capital. In the Handicrafts sector, the need for credit is preponderantly for working capital, as craftsmen need funds for raw material. In the household and artisan sector, micro credit is a key requirement. Since most artisans lack market intelligence, there is a need for partnerships with institutions that can help link this dispersed sector with credit disbursing institutions.

4.7.2 It is also important to teach costing/pricing know-how and the norms of Sales Tax and Octroi. Insurance against natural calamities/man-made calamities need to also be taken as artisans hit by the Orissa or Andhra cyclones, the Bhuj earthquake and the Gujarat riots have still to stabilize themselves.

4.8 Opportunities

As will be seen, this sector offers vast employment opportunities for India's most marginalized sections. For India, hand skills are our USP, as while exports range at 2% of the global trade, China's share is 10%. There is, therefore, a limitless opportunity, which needs to be tapped.

The Textiles Sector contributes 14% of the total industrial production of the country and 4% towards GDP. It provides direct employment to 37 million workforce. Insofar as the Handicrafts Sector is concerned, it provides employment to 62 lakhs [6.2 million] persons. The share of Indian Handicrafts is about 2% of the global trade.

4.9 Government and NGOs

The Government's role over the years has shifted from one of patronage to that of a facilitator. It now encourages "partnerships" rather than aiming to plan and control. It is important therefore to understand the need to organize craft communities and introduce concepts of fair-trade. India needs to draw on the experience of its artisan neighbours like Sri Lanka, Thailand and Philippines to lift their craftsmen to positions of excellence. In partnership with NGO's, entrepreneurship capacities need to be built both for the domestic and export markets. NGO's can help in monitoring Government schemes and assist the artisan communities to access them. Similarly, together they can help to improve products and disseminate market intelligence. The existing programmes for micro credit need to be made user-friendly and explained to the communities in their local language. This partnership should build towards a goal to enable the artisans to secure and retain a fair share of earnings towards a quality of life that will encourage the next generations to practice the trade and perpetuate its cultural values. It goes without saying that a key task should be to organize craft communities to wield greater social influence.

4.10 Recommendations

The Task Force, which met on 31st August and on 20th October 2004, made the following recommendations: -

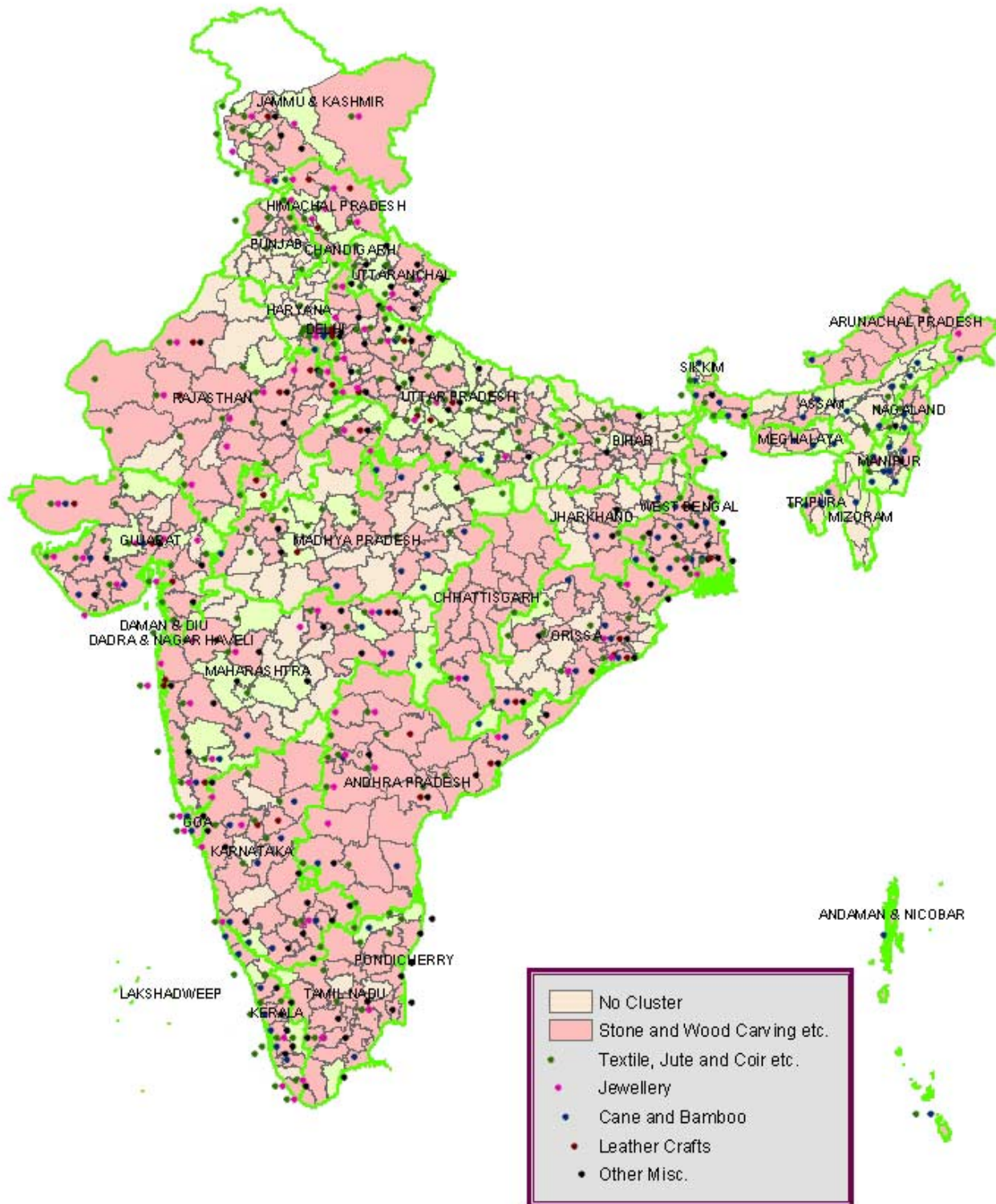
1. Review the existing schemes in the perspective of the current policies and challenges and emphasize the need to open up channels for credit (working capital), technology upgradation and market.
2. In this exercise, the craft community representatives should be actively associated.

3. Bring management, finance and design institutions together towards a synergy for meeting global challenges.
4. Funding should be made available for “research” and “documentation” and publication through institutions and craft expert bodies. These should reach both the artisans and the concerned public.
5. Revival of local marketing structures as well as those at the national level.
6. Provide special attention to the Northeast and Jammu & Kashmir where **crafts** represents the **lifeline** for populations living under stress.
7. Finally, recognize the importance of hand skills outside the so called Handicraft Sector, and treat our master craftsmen as national treasures as is done in Japan.
8. An arm of RFIE could be opened in each of these clusters in order to do comprehensive handholding and mentoring by networking with institutions dealing with technology, credit, marketing etc. These franchises should be electronic kiosks fully equipped in all respects (hardware/software, technical and business management) on the pattern of ITC's e-chaupals.

Plate 4.1

Distribution 903 Craft Clusters

Craft Clusters include 316 Stone & Wood Carving, Toys, Pottery Clusters; 232 Textile, Wool, Jute & Coir, Carpets Clusters; 90 Jewellery Clusters; 101 Cane and Bamboo Clusters; 41 Leather Clusters and 126 other Miscellaneous Clusters



Source: Development Commissioner, Handicrafts - December, 2004

Plate 4.2

Distribution of Craft Clusters

Craft Clusters include 316 Stone & Wood Carving, Toys, Pottery Clusters; 232 Textile, Wool, Jute & Coir, Carpets Clusters; 90 Jewellery Clusters; 101 Cane and Bamboo Clusters; 41 Leather Clusters and 126 other Miscellaneous Clusters

Total Number of Clusters : 903

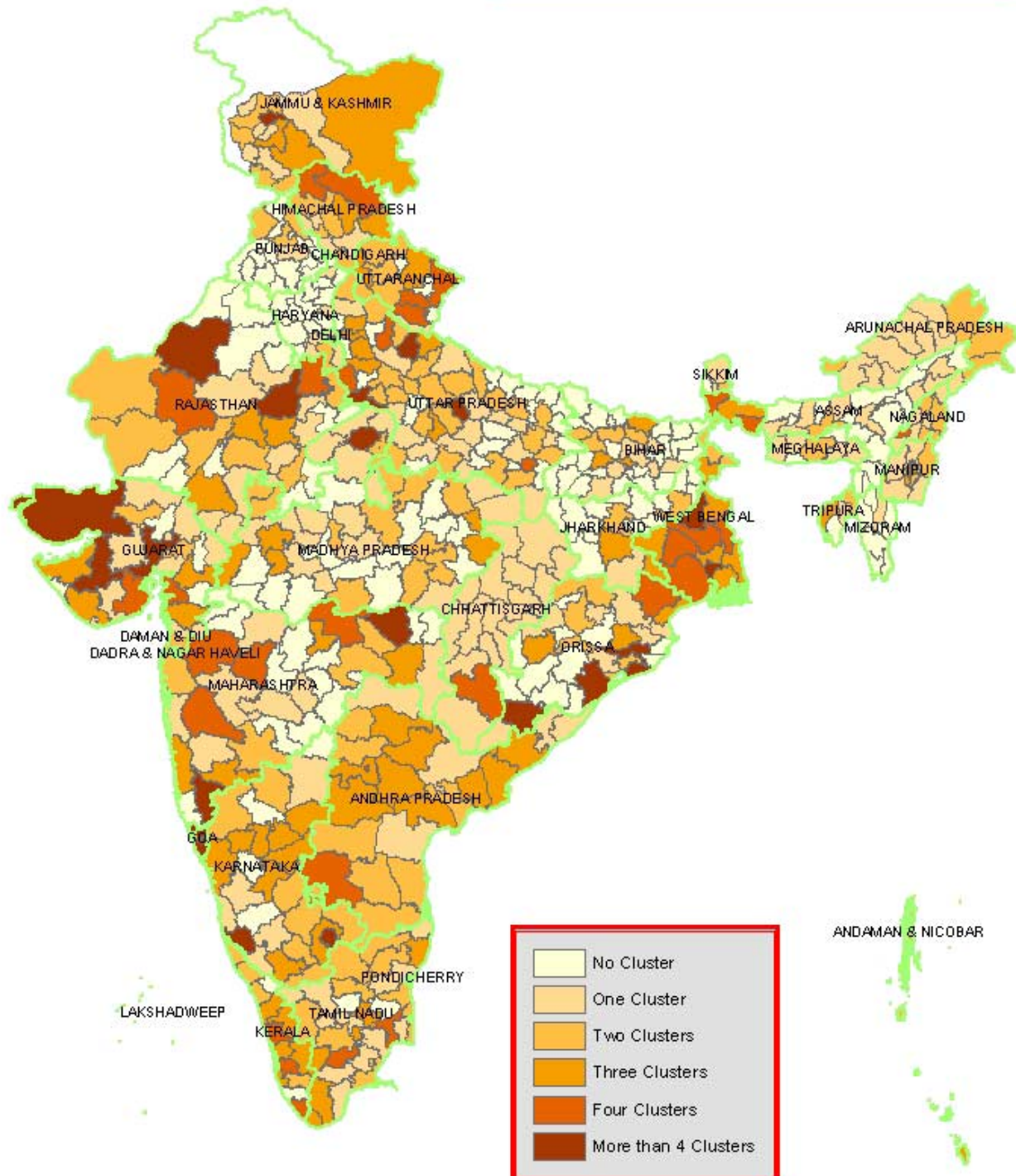


Plate 4.3
Distribution of Craft Clusters

90 Jewellery Clusters

Total Number of Clusters : 90

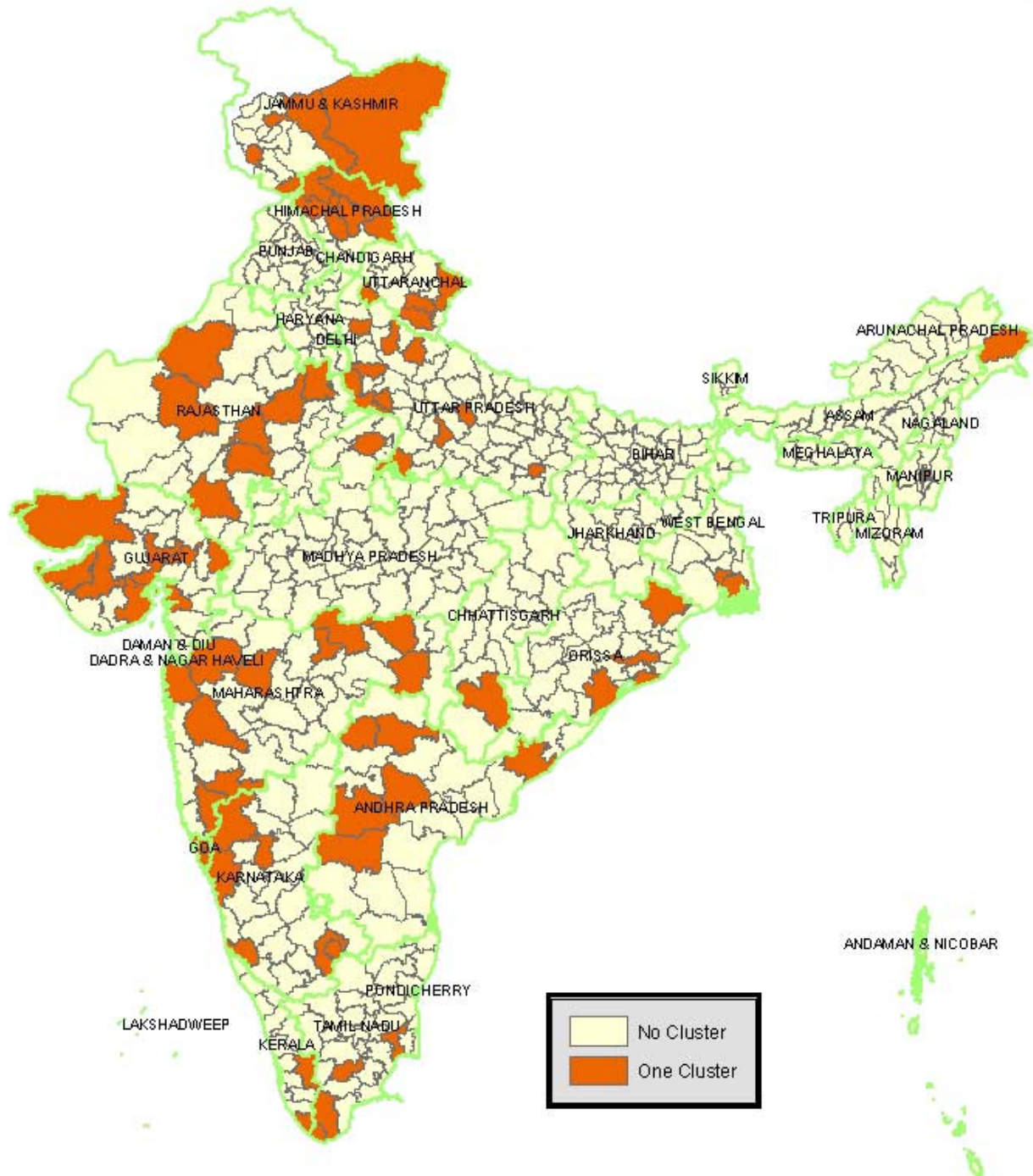


Plate 4.4

Distribution of Craft Clusters

101 Cane & Bamboo Clusters

Total Number of Clusters : 101

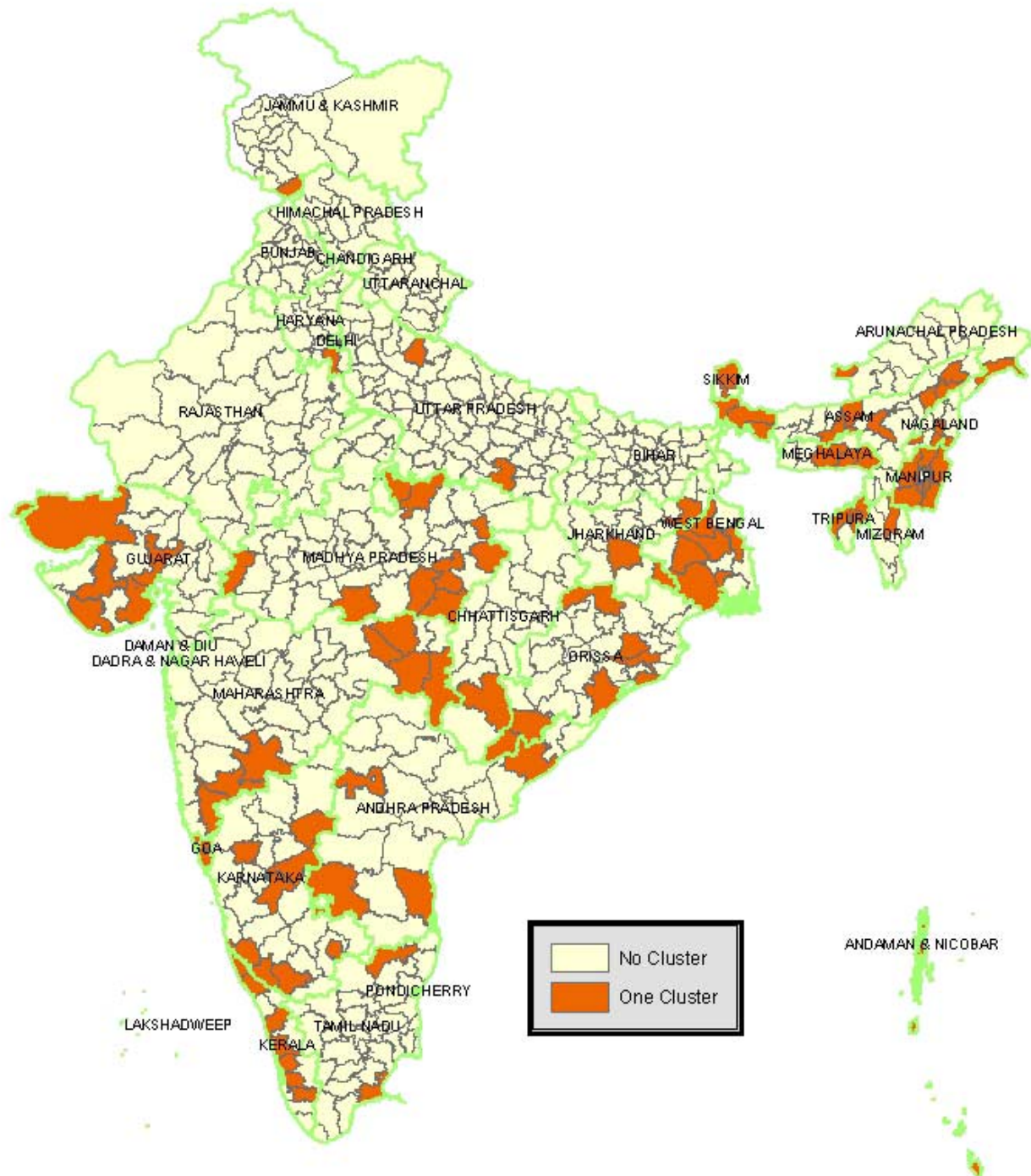


Plate 4.5
Distribution of Craft Clusters

316 Stone & Wood Carving/Ivory, Toys, Paintings, Pottery Clusters

Total Number of Clusters : 316

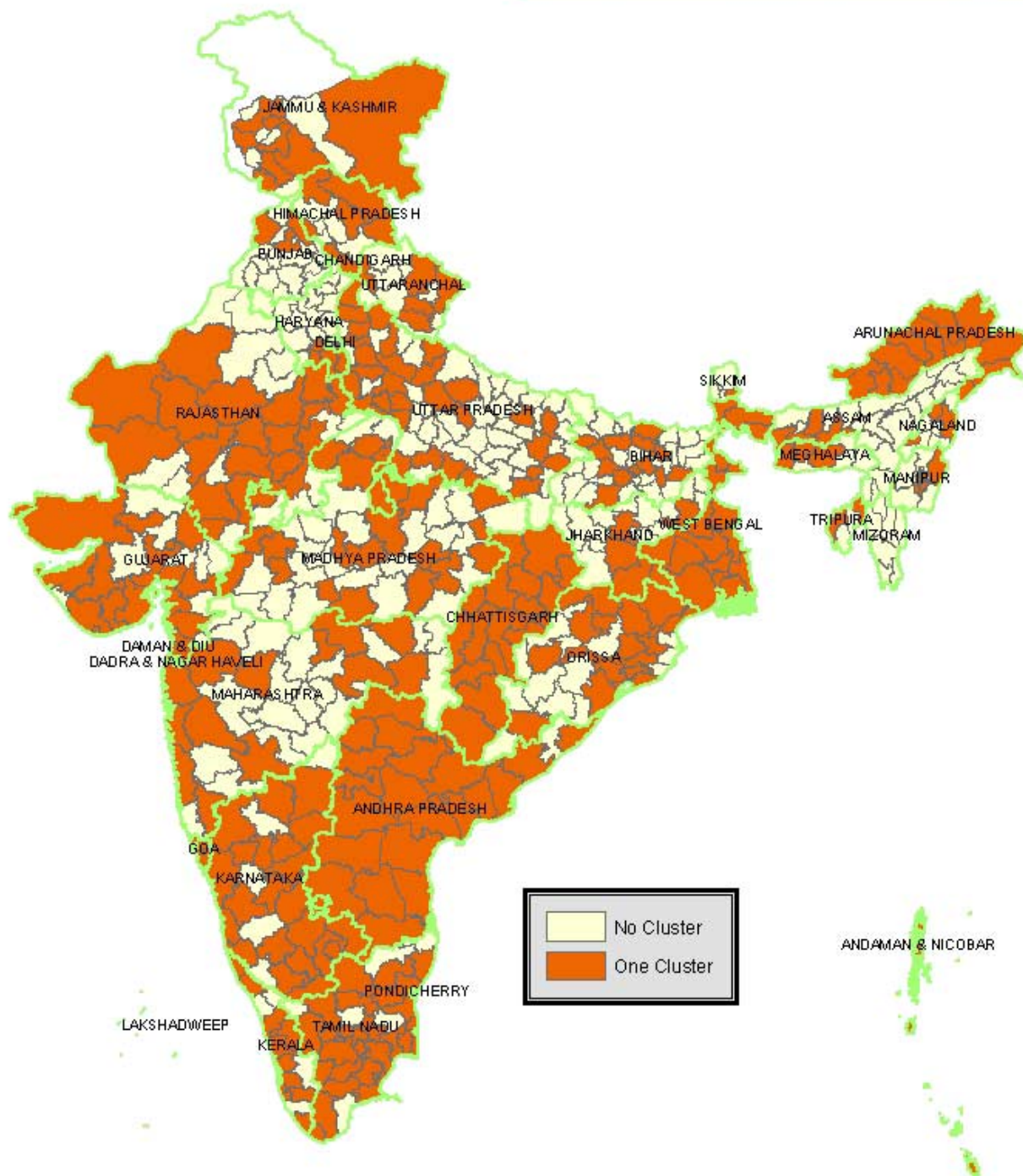


Plate 4.6
Distribution of Craft Clusters

232 Textile, Wool, Jute & Coir and Carpets Clusters

Total Number of Clusters : 232

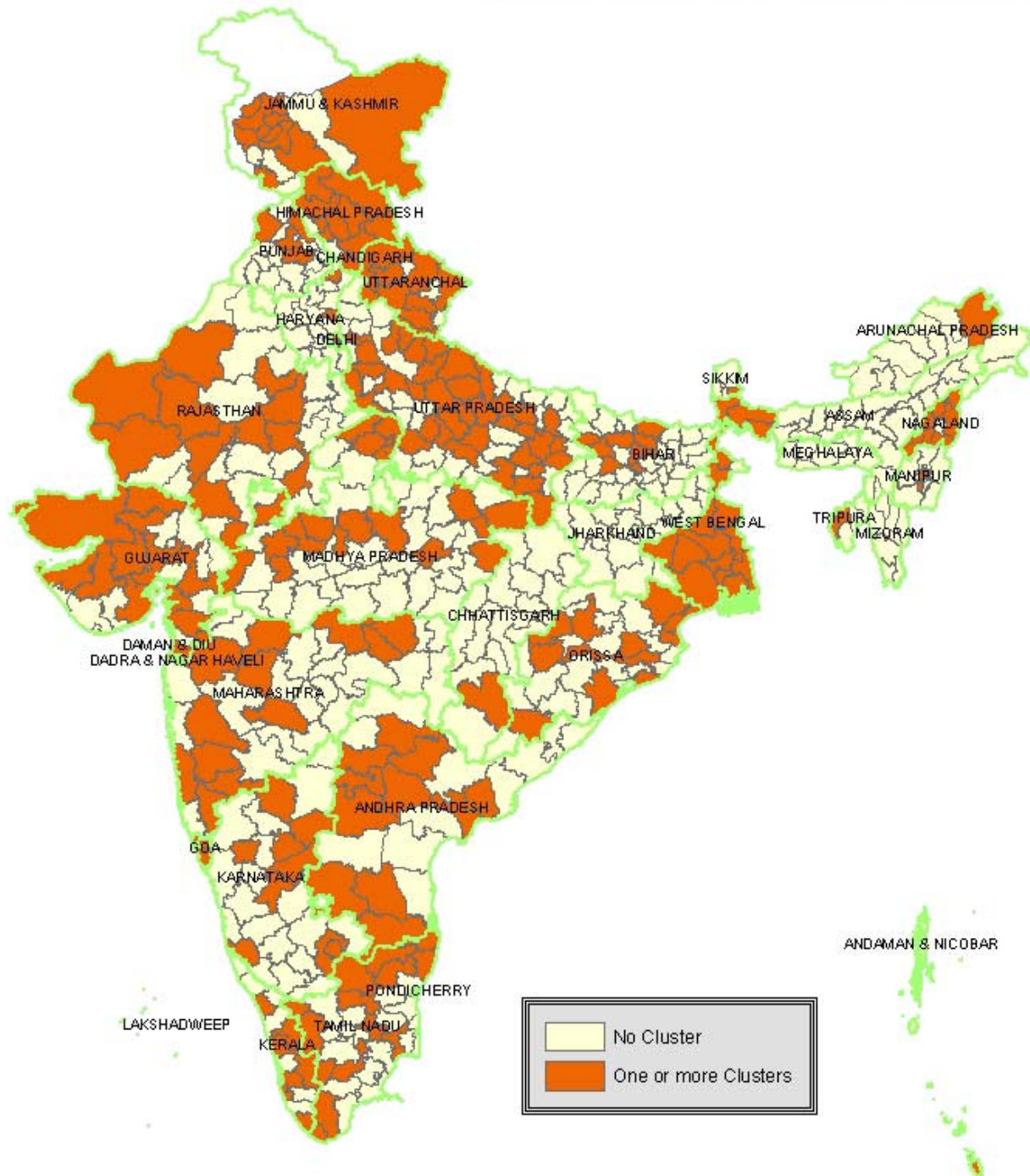


Plate 4.7 Distribution of Craft Clusters

41 Leather and Leather Goods Clusters

Total Number of Clusters : 41

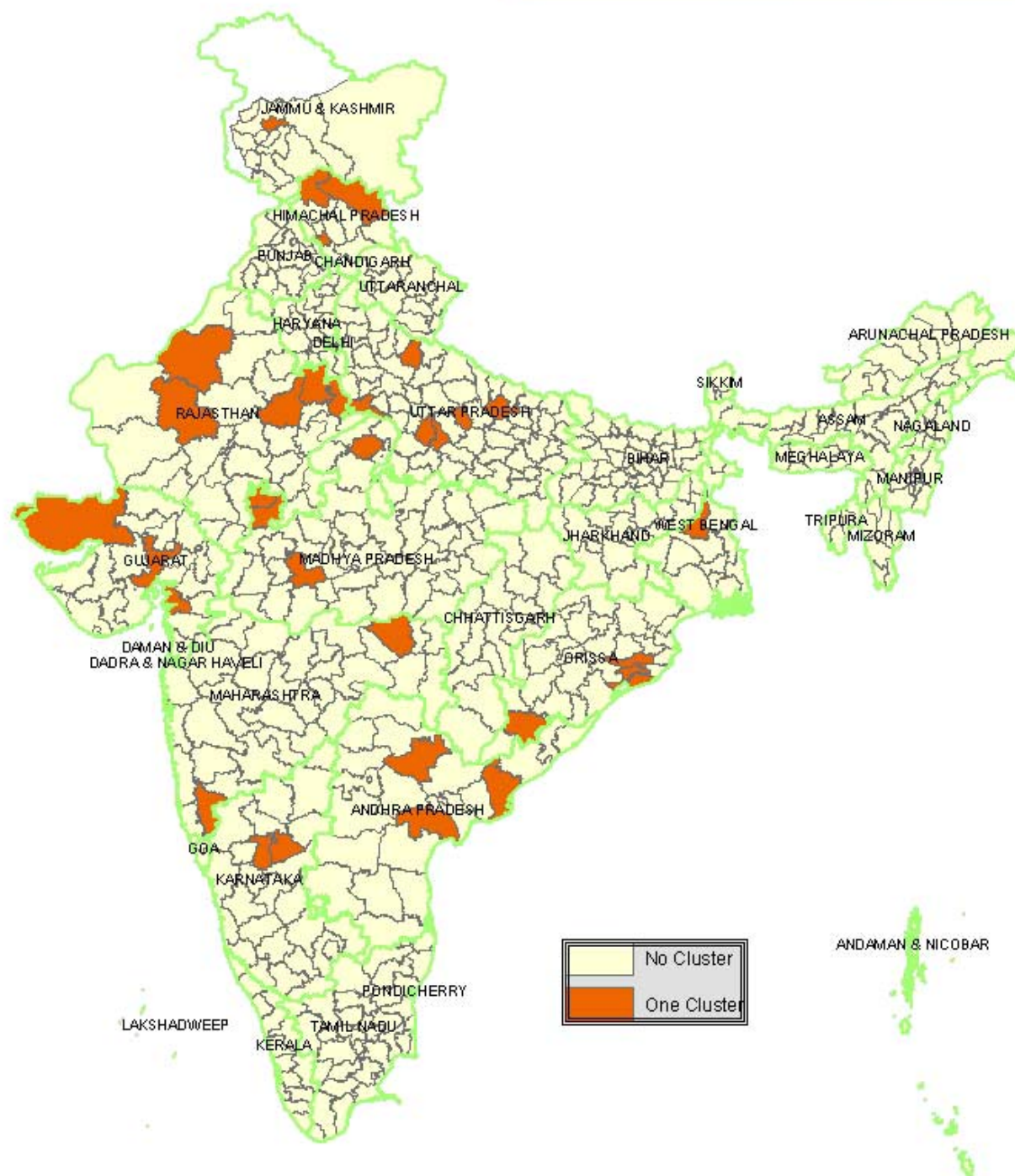


Plate 4.8
Distribution of Craft Clusters

123 Other Miscellaneous Clusters

Total Number of Clusters : 123

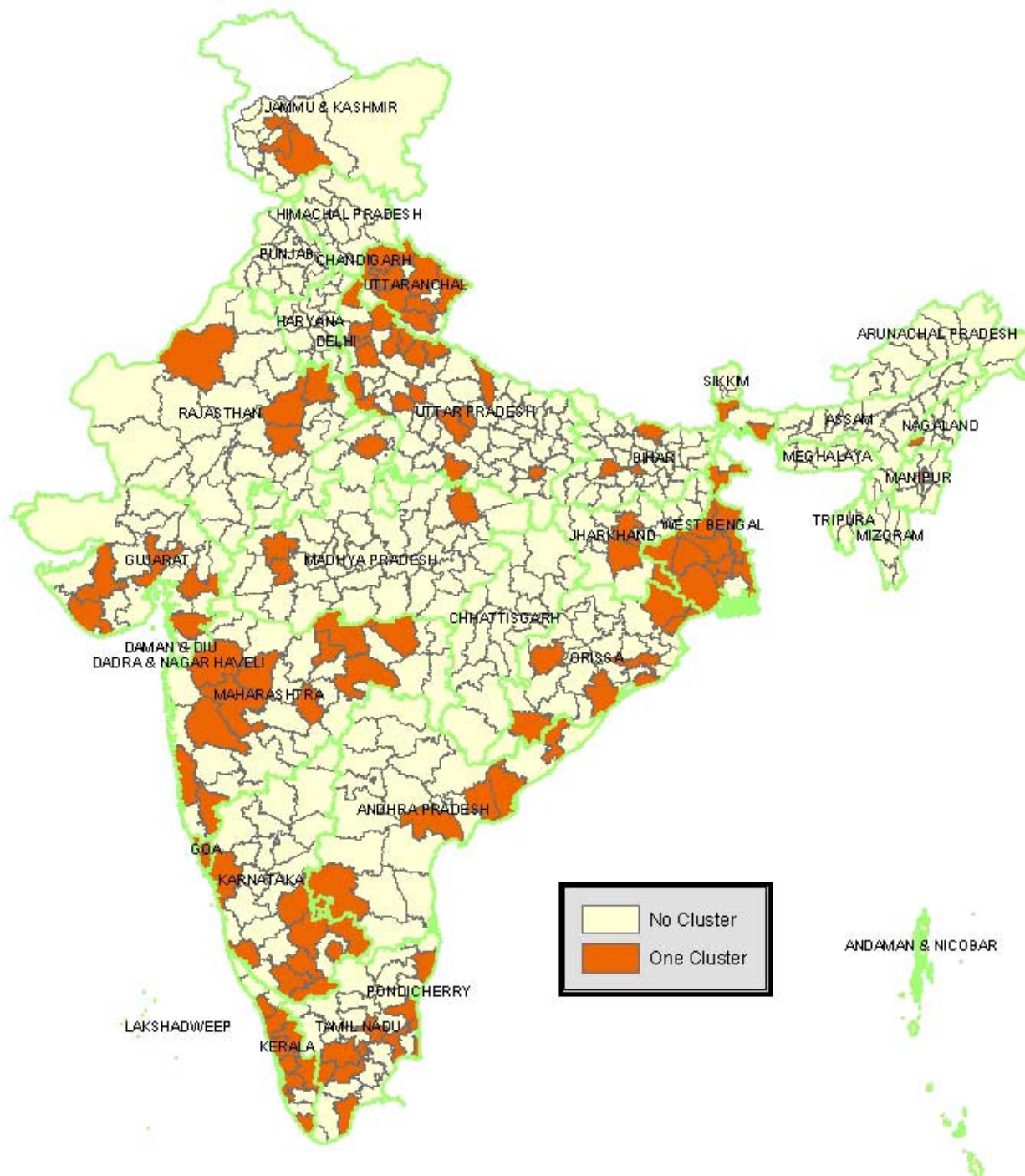


Plate 4.9

Number of Different Craft Clusters : Selected States

(Source : Development Commissioner, Handicrafts; December, 2004)

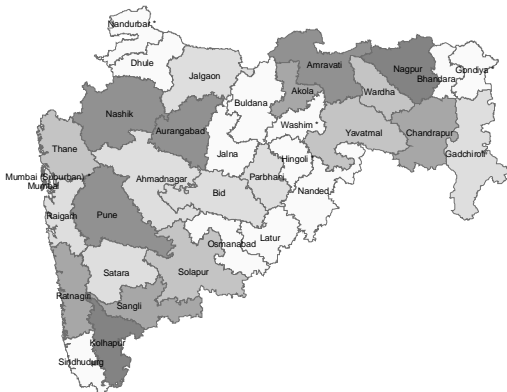
UTTAR PRADESH (105)



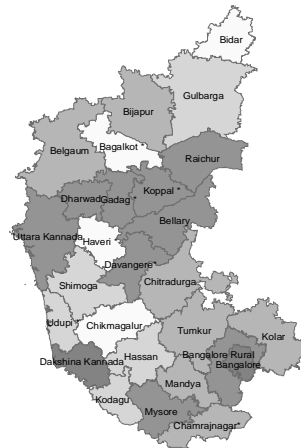
WEST BENGAL (64)



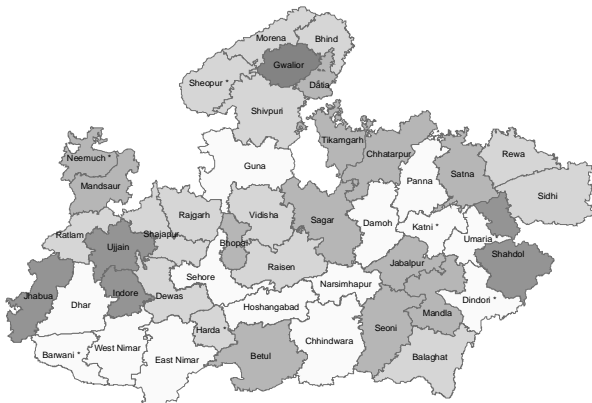
MAHARASHTRA (61)



KARNATAKA (56)



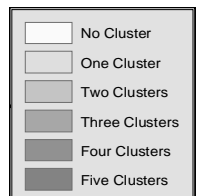
MADHYA PRADESH (55)



GUJARAT (51)



LEGEND



CHAPTER 5 SERICULTURE

5.1 Sector profile

- 5.1.1 India is the second largest producer of silk after China and has the unique distinction of producing all five kinds of silk, namely: (a) mulberry, (b) oak tasar, (c) tropical tasar, (d) eri and (e) muga. The mainstay of Indian sericulture is mulberry, 70 per cent of which is produced in Karnataka. Other States like Andhra Pradesh, Kerala, Maharashtra, West Bengal, and J & K also have a tradition of silk rearing and silk weaving. As India is also the largest consumer of silk, large quantities of silk yarn are imported to meet this demand.
- 5.1.2 A GIS mapping of 44 silk and sericulture clusters is Annexed to this Chapter. Analysis of these clusters shows following results:

Table 5.1: Silk & Sericulture Clusters: District wise distribution

Districts with one clusters	24
Districts with more than one cluster	20
Total Handloom Clusters	44

- 5.1.3 Indian sericulture today presents a picture of a well established, employment intensive industry spread over almost all states of the country. It supports 60 lakh livelihoods - a large part of them among scheduled castes, scheduled tribes and other socio-economically backward sections of people, of whom a sizable number are women. The industry contributes about Rest. 6000 crores to the GDP annually, and obtains about US \$ 540 million per annum in foreign exchange.
- 5.1.4 The demand for raw silk in the Indian market - which is the largest in the world for silk – has been estimated at 25000 MT, and is growing at the rate of about 5 % per annum. Of this, the domestic demand meets about 17000 MT, the rest coming in - ever-increasing figures – by way of imports, mainly from China. Increasing silk imports have put a strain on the domestic market, causing prices to fall which again, have exerted enormous pressure for increasing efficiencies in the production and supply chain management at all stages.
- 5.1.5 The Central Silk Board, which is concurrently responsible with the States for development of the silk industry, is the premier R&D Institution for sericulture in the

country. It has recently been able to develop and popularise tropicalized bivoltine mulberry silk worm races and a package of practices that can more than double farm productivity, and also make possible production of mulberry raw silk of international quality, with the tensile strength suitable for powerlooms.

- 5.1.6 The X Plan strategy for sericulture has supported the expansion of bivoltine mulberry silk with developmental assistance through centrally sponsored plan schemes that concentrate on improving farm infrastructure for sericulture and cocoon farming, and support post farm activities on technologically improved reeling and spinning devices. In the non-mulberry sector, similar schemes have R&D successes in seed cocoon systems, private grainages and low cost reeling, twisting and spinning technologies thereby leading to a resurgence of interest in non-mulberry silk.

5.2 Competitiveness of Indian Silk

- 5.2.1 Despite these encouraging developments, Indian silk is still not competitive enough compared to the Chinese. The major shortcomings now lie in (i) the reeling of silk and (ii) in the marketing of cocoons, both activities organised, historically, for the traditional handloom silk industry, and still anachronistically clinging to the regulations and patterns of the past.
- 5.2.2 Chinese silk gains the competitive edge over India in reeling. Silk reeling in China is carried out on fully automatic machines with grade and denier control and full waste recovery. In India, reeling is still a low cost activity, carried out in household units with low investment, low technology, poor infrastructure and a great deal of wastage. The multiend reeling machines being popularised by the CSB are an improvement over the previous generation of machines, but lack denier and other controls, proper cooking systems, and waste recovery technology. There is need for investment in technology upgradation in reeling, and for this purpose, to encourage the import of automatic reeling machines.
- 5.2.3 Mere import of machinery, however, will not ensure its success. Automatic reeling units require a uniform size and grade of cocoon to be able to meet the productivity factor for profitability. For this condition, the prerequisite is the reform and reorganisation of sericulture marketing so as to ensure a steady and assured availability of cocoons of uniform size and grade.

5.3 Reforms in Silk Marketing

- 5.3.1 Marketing of sericulture produce is regulated by state laws that prohibit inter-state movement and compel producers to physically bring their produce to the market yards for auction. Here, traditional eye-appraisal systems and the need to dispose of perishable stocks before the day's end still govern systems. Little attention is given to establishing quality and grade related pricing, or to drying. Other quality regulating mechanisms that hedge against price instability for the farmer or reeler are also lacking. Marketing suffers further from being concentrated in the southern states, mainly Karnataka, subjecting the producers of the northern states to price disadvantages that often amount to distress sales. While on the cocoon farmer this lack of emphasis on grade and quality works as a disincentive to produce the better quality bivoltine mulberry cocoon, for the reeler the lack of an assured supply of a specified quality and grade of cocoon means that he cannot guarantee nor meet the standards and grade of raw silk demanded by the weaver for his market.
- 5.3.2 While such lack of emphasis on quality may have passed muster when the handloom weaver commanded the silk market, now, with power looms slowly eroding the handloom silk market, both domestically and globally, uniform denier and strength of raw silk has become the critical factor for the weaver's productivity. Consequently, as powerlooms gradually take over the larger share of the global silk weaving industry, the need to reform the practices and systems of the silk market so as to ensure a steady supply of guaranteed grade of cocoons to the reeler becomes more urgent. It is very clear that if emphasis is not given on changing and upgrading the sericulture markets so as to emphasize and instill quality consciousness, the gains by the CSB in the cocoon and farm sector will be dissipated, and Indian raw silk will be replaced by Chinese, and the enormous potential to create rural livelihoods severely curtailed.

5.4 Recommendations

The Task Force discussed in depth the existing approach and strategy for sericulture, the schemes and programmes being implemented by the CSB and the sericulture states, and the inputs needed for escalating employment generation in the sector, and made the following recommendations:

1. There is need to take a supply chain approach to sericulture, so that the various stages and activities in the silk supply chain are organised and planned keeping in mind all constraints and compulsions, as well as the changing profile of the silk weaving industry which is moving towards greater automation for higher productivity.
2. The on-farm package of practices and schemes of the CSB in the X Plan for expansion of sericulture is by and large well designed, in as much as it has been successful in establishing bivoltine sericulture. However, its efficacy is constrained by a supply side view of the sector, and the **failure to provide for the essential linkages** from seed production through farming to marketing and reeling that join the supply chain vitally to the consumers.
3. Cost competitiveness and quality are the two imperatives of the supply chain approach, requiring schemes to be put in place that can ensure the production, marketing and reeling of high grade silk with better productivities in on-farm and post-farm systems.
4. Beginning with seeds, there is a need for a system of adopted seed rearers that can directly link the commercial seed producer to the seed cocoon producer, and enable him to keep close watch and control on the quality and performance of his raw material. At present, states spend a great deal of subsidy on seed rearers for production of seed cocoons, but do so in a manner that encourages waste. They are marketed in an auction system that obscures source and therefore accountability for performance. A direct linkage between seed cocoon rearer and graineur has been established in pilot projects, that has appreciably improved seed performance and reliability. There is a need for all states to adopt this system quickly. There is also urgency to enact a regulation for control of production, supply and distribution of seeds to protect the farmer's interests. The Task Force has been assured that the Ministry has moved a regulation for control of production, import and export of seeds on the lines of the Agriculture seed Act.
5. At the farm level, the centrally sponsored package of schemes need to be continued, with any further amendment or fine-tuning that may be required on

the basis of mid term feedback. This is needed for promoting bivoltine sericulture, for uniformity in size of cocoons to support upgraded technologies in reeling. At the same time, keeping in view the income and employment potential in the country's tribal and arid agricultural areas, there is need to give a push to non-mulberry silk, especially tasar and eri sericulture, with attention to technology upgradation in reeling and spinning, product development, marketing and brand building.

6. Reform in sericulture markets is long overdue. The Task Force recommends reform in two directions – there is urgent need to dismantle state controls to permit interstate movement of cocoons and raw silk, so that the produce can be sold by a farmer anywhere in the country where he will get a better price.
7. Reform should also permit the farmer to enter into direct marketing contracts with reelers, with no compulsion to sell only through state controlled auctions. This will encourage the entry of corporates and large houses in reeling, permitting economies of scale in raw silk production and the investment in new technologies.
8. It will also obtain reeler support and extension advice for the sericulture farmer in the manner it has spread for other commercially important crops. The Task Force recommends that centrally sponsored funds for bivoltine should be made available **only to states that give time bound attention to such reform.**
9. Secondly, given the skewed distribution of the reeling industry, and the need to ensure a good price to sericulture farmers in all states, markets may also mean virtual or online markets, as well as physical ones. CSB must establish online spot auction systems at the earliest, and states should permit rearers and reelers to participate in them by loosening current restrictions. The Task Force was happy to learn that the Ministry and CSB have taken steps to introduce Silk Futures in cocoons and Raw silk within this year. This reform requires the simultaneous creation of infrastructure for drying and warehousing. Already started in the Xth Plan for far-flung states such as J&K, the Task Force recommends that this input be strengthened and upscaled,

giving priority to states that adopt online auctions and face seasonal price fluctuations.

10. There is need to upgrade reeling. While CSB's low cost reeling technologies have made an impact, they have not been able to ensure the production of raw silk that meets internationally acceptable standards. Technologies for raw silk of such quality are easily and affordably available from China. There should be no reason why we should wait for CSB to re-invent the wheel and develop those machines indigenously. As in the rest of the textile sector, imports should be encouraged, and assistance provided to entrepreneurs to undertake the risks till the supply chain is established and the advanced technology successfully embedded in the Indian reeling industry.
11. The Task Force places such emphasis on this aspect that it recommends CSB should undertake pilot projects for automatic reeling cum waste recovery in a participatory research and development methodology with selected states and selected entrepreneurs to establish the right practices in seeds, rearing, & marketing to ensure the production of internationally acceptable raw silk. The demonstration effect of such pilot projects should provide the necessary impetus for investment in this backward industry.
12. Seeing the potential for growth in employment and exports in sericulture, the Task Force recommends that Sericulture be seriously taken up as a Technology Mission, with the aim of producing 30,000MT by the end of the XIth Plan, closing the demand supply gap, providing an additional 3 lakh sustainable livelihoods, and increasing exports of silk by a growth rate of 15% per annum.
13. An arm of RFIE could be opened in each of these clusters in order to do comprehensive handholding and mentoring by networking with institutions dealing with technology, credit, marketing etc. These franchises should be electronic kiosks fully equipped in all respects (hardware/software, technical and business management) on the pattern of ITC's e-chaupals.

CHAPTER 6 VILLAGE & SMALL ENTERPRISES

6.1 Sector profile

- 6.1.1 The Village & Small Enterprises (VSE) sector includes industries such as Small Scale Industries (SSI), handlooms, handicrafts, powerlooms, sericulture, khadi, wool, and coir, etc. This sector has emerged as a dynamic and vibrant component of our economy over the years. The Small Scale Industries (SSIs) sector plays an important role as producers of goods and providers of employment at considerably less investment than the large and medium scale industries sector, thereby addressing problems of poverty and unemployment. There are about 114 lakh small scale enterprises in the country, which accounts for more than 40 per cent of the gross value of output in the manufacturing sector and about 34 per cent of the total exports of the country. It provides employment to about 271.36 lakh persons (2003-04), which makes it second only to “agriculture”.
- 6.1.2 The growth of the SSI sector has generally been higher than the medium and large-scale sectors by two to three percent. However, over the last few years, the sector has been hit by the opening up of the economy through competition from imports.
- 6.1.3 The Third Census of the SSIs (2001-02) has been completed. The results of this census indicate a very interesting scenario. The number of SSI units in the country is 105.21 lakh out of which just 13.75 lakh units are registered. The remaining 91.46 lakh units are unregistered. Around 55% are located in the rural areas. Single owner units account for 96% (100.84 lakh) out of which 12.21 lakh are registered and 88.62 lakh unregistered.
- 6.1.4 As per definition, an industrial undertaking whose fixed assets in plant and machinery do not exceed Rs.1 crore is deemed to be a SSI unit. (However, for 71 high tech/export oriented items in the hosiery hand-tools and pharmaceuticals sectors, the investment limit in plant and machinery is Rs.5 crore). A service/business (industry-related) enterprise with investment in fixed assets (excluding land and building) upto Rs.10 lakh is also recognised as a small-scale service and business enterprise (SSSBE). At present 605 items are reserved for exclusive production in the SSI sector and 358 items are reserved for exclusive

purchase by the govt. This sector includes all units within the given limit of investment in plant and machinery and its share in the GDP has been estimated at 6.67 per cent (2001-02).

- 6.1.5 Of these units 92 per cent have a gross output equal to or less than Rs.1 lakh. Hence, it can be seen that most of these units are “tiny”, a majority of them being actually “household” units. As per definition, units with an investment in plant and machinery upto Rs.25 lakhs are classified as “tiny” units. The bulk of them are in the unorganised sector. As per a survey conducted by the National Sample Survey Organisation (NSSO) in July 2000-June 2001, 77% of household enterprises dealt in products relating to food and beverage, wood and wood products, apparels, textiles and tobacco products. This sector has the potential not only for increasing production, but also for generating more jobs at a lower investment than the large industries sector. Over the last 3 years, job creation in the organised sector has remained static, while the SSI sector added around 50 lakh jobs.

6.2 Problems Facing Village & Small Industries

- 6.2.1 Household/tiny units use traditional technology, which is perhaps one of the reasons for their low productivity. They are apprehensive about switching over to newer technology and do not have ready access to institutional credit. The bulk of credit flow meant for the SSI sector is normally cornered by a few large SSI units, leaving the rest with no option but to go to the moneylender. In fact, over the last three/ four years the percentage of credit flow to the SSI sector from the banks has come down from 17 per cent to 10 per cent of Net Bank Credit. There is a lack of awareness about the schemes being implemented by the government, both among the “entrepreneurs” and also by junior bank officials posted in the rural branches.
- 6.2.2 The second disadvantage is their lack of access to organised markets. Because of inadequate market intelligence, they are not aware of the consumers’ changing tastes and requirements. Poor dissemination of information on existing as well as emerging markets (including exports) is another handicap. Ignorance about, and indifference to use of better packaging materials is yet another shortcoming, which together with absence of any organised effort on the part of such units towards marketing leads to poor price realization.

6.3 Government Support to Village & Small Industries

The Government has been encouraging and supporting the promotion of small scale industries through policies such as infrastructural support, preferential access to credit, reservation of products for exclusive manufacture in the SSI sector and preferential purchase by Government. Some of the schemes introduced by the Government to strengthen the SSI, tiny and household units are:

Prime Minister's Rozgar Yojana (PMRY): The Prime Minister's Rozgar Yojana (PMRY) was started in 1993 with the objective of providing large scale employment to the educated unemployed youth by assisting them in securing institutional credit, backed by subsidy, in setting up self-employment ventures for all economically viable activities. Under PMRY, subsidy upto Rs.7,500 per beneficiary is given for setting up projects with a maximum cost of Rs.2.00 lakh for industries and services and Rs.1.00 lakh for business. Based on the data for 2001-02 and 2002-03, the average loan under PMRY for beneficiary comes to Rs.57000 and the average subsidy to Rs.6,700. The recovery of loan overdues under PMRY for the half year ending March 2004 is, however, only 35 per cent.

Rural Employment Generation Programme (REGP): The Government, through the Khadi and Village Industries Commission (KVIC) launched the Rural Employment generation Programme (REGP) on 1 April 1995 to generate more employment opportunities in rural areas as well as small towns with population up to 20,000. Under the REGP, an entrepreneur can establish a village industry by availing of margin money assistance from the KVIC and loans from any public sector scheduled commercial bank, for projects with a maximum cost of Rs.25 lakh. Margin money (subsidy) @ 25 per cent (30 per cent in case of weaker sections/backward areas) of the project cost up to Rs.10 lakh is provided. For projects above Rs.10 lakh and up to Rs.25 lakh, margin money is Rs.2.5 lakh (Rs.3.00 lakh in case of weaker sections/backward areas) plus 10 per cent of the balance project cost. About 1.86 lakh projects have been set up under the REGP up to 31 March 2004".

Small Industry Cluster Development Programme (SICDP): This programme has been launched by the Ministry of SSI for holistic development of SSI clusters of various products, spread all over the country. Under this programme, various needs of the clusters like technology upgradation, marketing and export promotion, skill

upgradation, development of common facility centers, infrastructure, etc., are addressed on the basis of diagnostic study conducted in the clusters. The programme adopts a participative approach (public private partnership) for its implementation.

Credit Guarantee Fund (CGF) Scheme: Based on the recommendations of the Study Group on the Development of Small Enterprises under Dr. S.P. Gupta, Member, Planning Commission, a scheme for setting up a Credit Guarantee Fund (CGF) has been approved. Under this scheme, loans upto Rs.25 lakh would be provided for tiny units without collateral security and it would be guaranteed to the lender/bank by the CGF. The expenditure of the scheme would be met from the interest earned by the CGF and guarantee charges upto ½ per cent charged. On default of an account, upto 75 per cent of the loan (subject to a maximum of Rs.7.5 lakh) would be paid upfront by the CGF to the lender/bank and the balance would be paid after disposing off the assets. A corpus of Rs.932 crore has been created which needs to be raised to Rs.2,500 crore.

Credit Linked Capital Subsidy Scheme (CLCSS) for modernisation of Household units: To help the tiny and SSI units to upgrade and modernise their units a scheme is being implemented through the CLCSS. The government provides a one-time subsidy upto 12 per cent of the cost of the modernisation programme. Loans from banks are available for meeting the remaining cost along with contribution from the unit, which is around 15 to 20 per cent. This scheme is not popular among tiny units although the Ministry of SSI is sparing no pains to popularise it through an “awareness” campaign involving more banks. The scheme is however, rapidly gaining popularity among the SSI and tiny units and the off-take of subsidy is on the increase.

Assistance to SSI Units for Acquiring ISO Certification: SSI and tiny units are provided reimbursement of 75 per cent of the expenditure incurred by these units to obtain ISO 9000/ISO 14001 certification, subject to a maximum of Rs.75,000/-. So far 7226 SSI units have taken advantage of this scheme. **Publicity for this scheme needs to be increased among household units more intensively.**

Khadi and Village Industries Commission (KVIC): The Khadi & Village Industries Commission is a statutory organization established under the Khadi and Village Industries Commission Act, 1956. The KVIC is engaged primarily in expanding non-farm employment opportunities in the rural areas. For the development of the Khadi and Village Industries (KVI) sector, the Government is implementing various programmes/schemes through the KVIC. These include Rural Employment Generation Programme (REGP), Rebate Scheme, Interest Subsidy Scheme, Rural Industries Service Centres (RISC) Scheme, Product Development, Design Intervention & Packaging (PRODIP) Scheme, Research & Development and Other Support Services, viz., Marketing, Exhibitions at District, State, Zonal & National levels, etc. During 2003-04, the estimated value of production in the KVI sector was Rs.9681.77 crore, generating employment for 71.19 lakh persons.

Coir Sector: As a result of the efforts of the Government through the Coir Board, India has retained its position as the largest producer and exporter of coir and coir products in the world market. The Coir Board is a statutory body established under the Coir Industry Act, 1953 for promoting the overall development of the coir industry. The share of India in the global production of coir is 80 per cent (in terms of fibre). More than 5.5 lakh workers are engaged in this sector, of whom 80 per cent are women. The schemes/programmes of the Coir Board for promotion of coir industries include development of new products and designs, domestic and export market promotion activities, training for women workers, financial assistance for improved equipment, etc.” s

National Small Industries Corporation (NSIC)

The National Small Industries Corporation (NSIC) Limited was established in 1955 by the Government of India to promote the growth of commercial aspects of small industries in the country. At present, NSIC acts as a catalyst in promoting small industries in the country through its schemes of technology, marketing and credit related support. NSIC has repositioned its strategies and adopted a focused sectoral approach through cluster based operations aimed at assisting the small industries in adoption/application of new technologies, providing marketing and raw material support and linking them to the global markets. NSIC has taken several new initiatives in the recent past. These include:

- Performance and Credit Rating Scheme for small industries formulated in consultation with Indian Banks Association and the leading Credit Rating Agencies.
- Mentoring and Advisory Services to address to the problem of inadequate and unbalanced management skills in small enterprises.
- Technology and Business Incubators to nurture and productionise innovative entrepreneurial ideas in a supporting environment.

6.4 Recommendations

The Task Group has discussed in detail the measures required to be taken up to strengthen household manufacturing units and to provide inputs of technology, investment and marketing. These recommendations are given below:

1. The household sector faces a challenge in marketing its products. If an assured market can be provided, its output would remain steady and its growth, faster. There is, therefore, a need to focus upon (i) market surveys to gather market intelligence, (ii) providing marketing outlets at haats, bazaars, festivals and places of tourist interest, (iii) an assured market through mandatory reservation in government purchases.
2. Incentives to trading houses must be provided for trading in SSI products, specifically on the lines of incentives offered to export houses. This would give a boost to household units. Many smaller units have been affected by the liberal import policy of the government, especially by Chinese goods that have flooded the market.
3. Schemes such as the Rural Industrialization Programme (RIP) started by SIDBI/ SBI/ KVIC/ NSIC/ DC (SSI) need to be promoted in a big way.
4. Business development services for the sector need to be strengthened. A market consortium could be formed by the National Small Industries Corporation (NSIC)/ Small Scale Industries Development Corporations (SSIDCs) for SSI for establishing a brand name for some Indian products for the foreign market.

5. The SSI/ tiny and household sectors need help to upgrade and modernise their set up, for which establishment of Technology Information Centres for Small Enterprises (TBSE) and Technology Resource Centres (TRCs), with the help of SSI associations will be a major step. Funds for this can be lent by commercial banks at discounted rates of interest. SIDBI can be designated as a lender for putting up this technology bank.
6. RBI guideline that collateral guarantee is not required for loans upto a sum of Rs.5 lakh, is not always honoured, especially for applications from the tiny and household sectors. **SIDBI must play a pro-active role in lending to SSI/tiny/household units by entering into direct lending in a big way.**
7. All branches of rural banks must display the facilities available for tiny and household units in the **local language**.
8. Micro financing programmes are an effective tool for providing credit to those who do not have access to institutional credit. Banks should target a growth rate of 15% in lending to SSI units and must attempt to reach the target for allocating 60% of total credit to tiny & household units.
9. State Governments need to prepare a village-wise data bank of potential clusters of different artisanal activities.
10. There is a need to synergise the efforts of all the Ministries/ Departments/ Organizations in order to boost the performance of the household manufacturing and tiny sectors and bring out a compendium of all the schemes that each department offers.

CHAPTER 7 FOOD PROCESSING INDUSTRIES

7.1 Sector Profile

- 7.1.1 The Food Processing Industries (FPI) sector had been identified as a sunrise industry which could play a significant role in increasing the value addition in agricultural and horticultural produce, diversification and commercialization of agriculture, preserving of horticulture produce, and thereby generating employment and export. FPI includes grain-processing, fruit and vegetable products, milk products, meat and dairy products, fish and fish processing, beverages, aerated drinks, etc. The product range is exhaustive, out of which a few items mentioned are: (a) sun-dried fruit and vegetable products, (b) aam papad, (c) pickles, (d) chutney, (e) preserves, (f) sauces, (g) syrups, (h) sherbats, (i) candied and crystallized fruit and vegetables, (j) bakery products, (k) namkeen, (l) milk products such as khoya, paneer, ghee, (m) local ethnic foods, etc.
- 7.1.2 India leads in milk and fruit production and is second in the production of vegetables in the world. India's milk production is expected to touch 90 million tons by the end of the 10th Plan. While about 80 per cent of the fruit and vegetable produce are processed in countries like Brazil, in India only about two per cent of the horticultural produce is processed. About 30 per cent of the horticultural produce goes waste on account of non-availability of post-harvest processing facilities, cold storages and cold chains. A strong and effective food processing sector could play a significant role in diversifying the basic products by value addition and, in turn result in the export of agro-products. This sector has limitless potential for increasing production, enhancing exports, generating employment, not to speak of self-employment.
- 7.1.3 Food processing industries in the household sector has a special role in providing employment in rural areas as well as in the production of food products from local raw materials based on traditional skills. Pickles, papad, preserves and sun-dried fruit and vegetable products are made in every household of our country for self-consumption. However, these household units also produce processed food items for the domestic market, which, in turn, is sold for a profit.

- 7.1.4 Every region in our country has a variety of fruit products, which finds flavour in the regional cuisine. Some products have crossed their home-based boundaries and now sell throughout the country. Some illustrative names are (a) Pancharanga Pickles, (b) Lijjat Papads, (c) Bikaneri Bhujia, (d) Ganesh Sambar Powder (Chennai)

7.2 Government Support

- 7.2.1 The Ministry of Food Processing Industries was established in 1988 and looks after the development and growth of the Food Processing Industries. This sector includes large public corporations, MNCs, as well as small scale and household units. The SSI and household units contribute more than 40 per cent towards the total production, and comprise about 80 per cent of the total number in terms of units.
- 7.2.2 The functions of the Ministry broadly cover areas like development, regulation, and consultancy. The Ministry also provides financial assistance for establishing infrastructural facilities for promoting food processing industries in accordance with out national priorities.
- 7.2.3 To provide hygienic and quality food products to consumers, the Food Products Order (FPO) has been in vogue since 1955. It is mandatory for all manufacturers of fruit and vegetable products to obtain FPO licenses and to ensure that products are manufactured under hygienic conditions. The FPO is being amended at the instance of the Central Fruit Products Advisory Committee, which has members from the government, Central Food Technology Research Institute (CFTRI) at Mysore, Bureau of Indian Standards (BIS), fruit and vegetable processors representing the processing industry.
- 7.2.4 Under the Hazard Analysis and Critical Control Point (HACCP) quality assurance system, which is based on food safety systems, the department provides grants upto a maximum of Rs.10 lakh, towards the cost for implementing Total Quality Management (TQM) and obtaining ISO: 9000 certification, etc.

7.3 Issues in Food Processing Industries

- 7.3.1 The existing infrastructural facilities for the FPI sector are inadequate and need to be upgraded and modernised. Facilities for quality testing and certification need to be stepped up for meeting the demands of the domestic as well as the highly

competitive export market. The MFPI has laid considerable importance in setting up Food Processing Parks by State/Promotional organisations.

7.3.2 Household units in the FPI sector are generally unaware of the facilities and incentives that are available from the government, financial institutions, trade organisations, quality testing laboratories, etc. The first and foremost priority should be to make all household FPI units aware about the incentives and schemes that exist to support this industry. These include the latest information on technological development, availability of standard manufacturing equipments for processes like frying, peeling, washing, slicing, juice extraction, grading and packaging. These units are also not aware about the latest packaging materials developed such as plastic polythene paper coating, which can make their products not only easily transportable but also gain in shelf life.

7.3.3 Dissemination of information about the above points, combined with demonstrations at fairs, seminars and workshops would go a long way in helping to upgrade these household units. As there is no single organisation to look after this sector, each state government should set up a department/directorate to look after the food-processing sector. Some states like Maharashtra, Karnataka, etc, have already set up organisations, which provide this decentralized sector a support.

7.4 Recommendations

The Task Force recommends the following policy measures for household manufacturing units in order to enable them to develop to their full potential:

1. Provisions for post-harvest infrastructure to be made in the form of harvesting instruments for sorting, grading, packing, pre-cooling and washing operations. These would have to be identified product-wise and region-wise depending upon the requirement.
2. Availability of information about new technologies, equipment and machinery used in various stages of food processing should be widely disseminated.
3. Access to easy financial packages from Banks/ FIs at affordable rates of interest would also go a long way in strengthening their base.

4. There is a need to also rationalise the tax structure for the food processing industries. The agriculture sector has been exempted from all taxes (such as excise and income tax). But the agriculture/horticulture produce attract a host of levies like infrastructure cess, market cess, sales tax, mandi tax, turnover tax, inter state transfer regulations, etc. At the point of conversion, i.e., value addition, excise, income tax and other taxes are levied. The packaging material used is also subject to heavy taxation. All these taxes increase the basic cost and make it a commodity for the rich.
5. There is also a need to set up a network of quality testing/certification laboratories across the country in order to ensure that the products conform to safety standards of international quality. Alternatively, the Quality Testing Laboratories of the Dept of Women & Child Development could also be accessed by the Ministry of Food Processing Industries.
6. Need to modify the Agriculture Produce Marketing Committees (APMC) Act to enhance (a) transparency, (b) trading in graded varieties of raw material and (c) providing incentives.
7. A small revolving corpus fund of the order of Rs.300 crore needs to be set up for enabling hand holding of new household units. This fund would provide grants to state governments/ UTs for setting up demonstration/ training centres for technology, skill upgradation and packaging.
8. The Institute of Packaging, Mumbai, must organise a method for disseminating information with regard to new packaging materials and packaging machinery through a comprehensive “awareness programme”. Additional plan funds for this purpose can be made available to the Department of IP&P.

CHAPTER 8 MARKETING SUPPORT

8.1 Background

- 8.1.1 It has been said that if we were to celebrate our birth and wedding anniversaries by wearing, gifting and receiving products made in artisanal and household sector, not only will the problem of unemployment and poverty disappear but also would the fruits of economic development be shared in a more balanced manner across different parts of the country as well as amongst all cross-sections of society. After all, the concept of sustainable development demands inter-generational and intra-generational equity being combined with efficiency. This indeed is the USP (unique selling point) of the artisanal and household sector.
- 8.1.2 India has a rich cultural heritage of the traditional Arts and Crafts. Crafts started mainly as utility items later became part of the decorative pieces, having a limited market. A few years ago the household and artisanal products were mainly sold through the local haats, bazaar's or the melas there by limiting the reach of the products. The rural industry in India has been perceived for decades as catering to the local or regional markets or at the best to the urban elite class at the national level through very limited channels. However, with the effect of globalization on the rural markets, the scenario has changed considerably.
- 8.1.3 The potential value of rural resources as a major component for the rural and consequently national development is being increasingly realized. It has also been realised that during the whole task of promoting rural manufacturing, marketing is the weakest link. The most critical part of the product cycle is marketing that finally sets the whole process in motion. This final exercise puts to test the entire exercise of planning and product development. This is also the most important and crucial service one can do to craftsmen or the artisans to make sure that their ultimate product sells.
- 8.1.4 The government has made appreciable efforts to promote the marketing channels for the village and small-scale enterprise products. These include the various state Govt. emporiums for cottage industries, the Central Cottage Industries Corporation (CCIC), Handloom and Handicrafts Export Corportaion (HHEC) and the

organizations of craft bazaars and expos by the office of DC (Handloom & Handicrafts).

8.2 Markets for different types of handicraft products

- 8.2.1 The Indian traditional arts and crafts offer a whole range of products but one needs to look and analyze at the kind of market required for different set of crafts.
- 8.2.2 The functional crafts or what we call in layman's term, as the utility items require a market outlet where in the customer has the access throughout the year. These functional arts and crafts products like pottery, jute brooms, purses and many such items are not easily available throughout the year. For this the customer waits for the special *haats* or exhibitions to be organized or simply goes in for the alternatives available in the market.
- 8.2.3 Another range of artifacts belongs to what is called as the architectural crafts that find their place not only in the household but also in hotels and offices. The architectural crafts are products such as the specially carved furniture, marble work, and stone-carved statutes. For all such products there is no outlet and the designers or interior decorators have to wait for the urban *Melas* and *Haats* so that the artisans can be contacted. And on the other hand there are art objects, which can be purchased by the urban elite or the foreign tourists only.
- 8.2.4 The most imperative task is to market the art and craft product to the right kind of customer. The task now is to provide the right kind of market place for the functional as well as the architectural crafts.

8.3 Marketing Strategies

- 8.3.1 The sector requires structural changes in its approach to marketing. To begin with it needs to increase its reach to high-end niche segments of market. The group is of the considered opinion that on the basis of the sustainable development and equity related USP of artisan manufactured products, high value artisanal products can be positioned in niche global markets where proven substantial absorptive capacity exists for them.

- 8.3.2 This could be made possible by networking with centers of excellence and eminent personalities in the world of film and fashion. Demonstration effect through them can pay rich dividend. Gandhiji's firm view "the real root of taste lies not in the tongue but in the mind" is relevant. Creative advertisements and promotional measures help in demand creation.
- 8.3.3 Further, innovative efforts to build a genuinely unique brand image should be taken. With so many malls coming up in the country, outreach for products can be increased by replicating projects such as Rajiv Sethi's recent 'Silk Road' on National Mall in Washington, D.C., details of which have been provided in the Box 8.1.
- 8.3.4 Market identification: the artisans should look at the kind of market they are aiming for their product. If it is the local or regional market then the product should be made accordingly, and if it's the national market then some modifications in the colors and designs have to be made. This is all because marketing will have no effect if the product made is not aimed beforehand, marketing of a product which is not acceptable is all the more difficult to sell. So it is important to identify the right market for the right product.
- 8.3.5 Quality: this is a very important aspect for any artisanal product. Unless and until the quality is acceptable to the consumer they would not buy it. At all the crafts bazaars normally people do not buy the items to preserve the cultural heritage of the country or to help the artisans. They buy the products because of their good aesthetic value and the fact that the product is not virtually made by machines but by hand. So the artisans on their behalf should maintain the quality of the product.
- 8.3.6 Costing and pricing: costing of the product needs to be done very technically by adding up the fixed and the variable costs etc. And while pricing two major factors have to be considered the actual cost of production and the competition from the market. The product should be appropriately priced and then accordingly the artisans should approach the customer having the suitable purchasing power.
- 8.3.7 Advertising and marketing: the promotion of the fares, exhibitions, melas have to be decided according to the budget available. These days there are unlimited channels of marketing like the radio, TV, internet. The Goa government have made a website to sell the handicrafts, this is a relatively a new concept. Especially for the success of

any melas a correct type of publicity is required. On special melas the station master of Doordarshan and AIR can be requested for free and wide publicity. Banners, posters, handbills, e-mails all media can be used accordingly.

Box 8.1: The Silk Road: Connecting Cultures

Much of the silk was spun in India for this year's Folklife festival, which takes the legendary Silk Road to Washington, D.C. This huge exhibition recreates stops along the ancient route from Japan to Italy. Chief architect is India's own Rajeev Sethi.

For the first time since it began in 1967, the festival focuses on a single and very timely theme, "The Silk Road: Connecting Cultures, Creating Trust." Between June 26-30 and July 3-7, visitors sampled Asian culture in its myriad forms: from the silk textiles for which the Silk Road got its name, to paper-making and the blue pottery that was ubiquitous along the trade route, to typical tea stalls and noodle feasts. And as Center for Folklife and Cultural Heritage director Richard Kurin observed, "Never before has the Smithsonian depended upon such a massive collaborative effort in the production of its highly prestigious festival." It is a festival that typically attracts a cool million visitors each year.

Ambitious, yes. The Silk Road involves hundreds of traditional artists, artisans, musicians, dancers, storytellers, and even cooks, from more than 20 nations. An eight-hectare area along the National Mall provides ample space for them to demonstrate their skills. Scaffolding, tents, canopies, hundreds of bolts of silk, hand-painted canvases, silk screens, pottery and other decorative items were transported from India's villages to Delhi for checking and onto ships bound for the United States.

The 2001 Folklife Festival is produced in partnership with the Silk Road Project with funding by the Smithsonian with sponsorship from the Aga Khan Trust for Culture, the Ford Motor Company, and Sony Corporation, among others. The bold design concept was meticulously mapped out by India's Rajeev Sethi Sceneographers and the Asian Heritage Foundation. Sethi is well known in culture circles for his innovation, versatility and wide-ranging knowledge of the Asian arts territory. He has mounted successful exhibitions before, notably the "Aditi" show for the Festival of India, which debuted in the U.S with a "Mela," an earlier collaboration with the Smithsonian's Folklife Center. The Basic Needs Pavilion at Expo 2000 in Germany was designed by Sethi and his team. He is also part of a World Bank "mentor" group, along with Yo-Yo Ma and Amartya Sen, who are consulted on crafts and design industries in developing countries.

The amount of work that went into creating the Silk Road exhibition, from the research, scanning of art to be reproduced, organizing the artisans to paint and make, and finally, pulling all the silken threads together, was immense. It was a task that Sethi obviously relished. He is doubtless animated by the spirit of entrepreneurship passed on from his own forbears who traded along the Silk Route. He discovered this family history when he began to research the project. "They were living in Kashmir but they used to go to Yarkand," astonishing people with their display of succulent fruits from their orchards, an uncommon sight in the plains in those days.

To Sethi the Silk Road is a theme with great relevance in today's world. "It's been energizing," he said, while in the throes of packing out 25 shipping container loads to Washington. "I think about all that one must have gone through in those days, be it issues of property rights, human rights or issues of diversity, cultural dialogue. In some way or another it manifested itself in the phenomenon of the Silk Route, which is the world's first globalization." He adds: "All the things that vex us now are there because we don't let our history teach us what it can."

And teaching diversity in an intimate, human way is all the more relevant in a post-September 11 world. "America always benefits when it knows more about other people," Sethi says. The Silk Route countries had technologies that existed long before America was even discovered. He continues, "Every time we see a cultural manifestation, we get a sense of geography and people in a very personal way. So when we read something about that place in cold print in a newspaper the next day, we don't just dismiss it as a piece of news. It has a very different resonance." After "sipping a good tea in the chai khana in Uzbekistan [one has been duplicated on the Mall], the next time some horrible thing happens there, people's hearts will connect." "A 21st century perspective often makes it difficult to visualize the past, much less to understand it," Sethi avers. "Present-day communications have irrevocably altered old notions of time and space." Yet the primary goals and struggles of humanity remain the same, particularly in the Silk Route countries. The diaspora from these countries has brought many millions of Asians to the United States, so the exchange continues in the modern New World.

For four months Delhi was the hub of a network that drew on talent from everywhere in India. Japanese screens and ikats that would ultimately embellish the recreated gateway of Nara were fashioned in villages of Andhra Pradesh and Bihar. So were rugs, dhurries and silk. Painting of other exhibits was done by artists in Indore, Bhilwara and Mumbai. Furniture and ethnic fabrics came from Jaipur and Udaipur. Turkish tiles were painted in Khurja and Jaipur. Screens, tents, canopies, mats and rugs, pottery, damascene and other items fabricated in India fill the bazaars set up along the Mall. The Sackler and Freer museums both have special silk road events to coincide with the festival.

One of Rajeev Sethi's goals is to improve conditions for artisans, to help them preserve their crafts and lead dignified lives at the same time. It is a goal he hopes will be furthered by the Silk Road exhibition. Sarthi, an organization of which he is a co-founder, helps artists and artisans achieve their basic needs for housing, medical care, education and training while promoting their work. In a day when digitalization is taking over, even cinema poster painters are hard pressed to find work. Sethi had them copying murals from the Dun Huang caves or painting the rocky expanse of Bamiyan—as it was before the Taliban destroyed the Buddhas—on panels destined to line the Mall. "Iconic monuments" from the Silk Route that are rendered in the exhibition represent all great religions and include historic mosques, cathedrals and temples, from Kyoto to Venice.

Of the common motifs prevalent in Silk Route art—lions and tigers, angels and apsaras, stars and sunbursts—the Tree of Life is, to Sethi, the most evocative of the essence of this exhibition: the viable, blooming tree whose tendrils and shoots reach into the present. Connecting cultures, creating trust, The Silk Road exhibition, as envisioned by Folklife Center director Kurin, should provide a space of pause, consideration and peace "in a world sometimes gone mad with demonization, where differences have become the cause for the murder of innocents." "

8.4 Electronic Commerce

8.4.1 Today, the middleman takes away the major part of the sector's revenue receipts with very little going to the artisan. Technology can rescue this situation. Electronic commerce is rapidly emerging as an effective and efficient mode of conducting business. A Rural Bazaar gateway has been developed by NIC under the auspices of Ministry of Rural Development. Tamil Nadu has already deployed this software package successfully. Similar successful attempts have been made by the Civil Society Groups also.

8.4.2 These endeavors need substantial multiplication as they can help in bulking orders. For this, substantial strengthening in terms of software and hardware support. Is required. Technological support for enhancing productivity of artisanal and household manufacturing needs to be substantially upscaled.

8.5 Marketing channels

8.5.1 It is imperative to note that the marketing channels can be broadly categorized in the following ways:

- Direct sales by the craftsmen/ artisan/ manufacturer etc.
- Public Marketing Organisations (Cooperatives / Cooperation)
- Voluntary organizations
- Private business

8.5.2 It has to be realized that major share of the market, both domestic and overseas still belongs to the private sector, and it is futile to hope that the public sector or voluntary sector will ever be able to replace it. Therefore the role of middlemen or marketing intermediary cannot be ruled out.

8.5.3 Melas in India have been organized since ages mostly for religious purposes. The fairs have not only a festive significance but also a strong commercial aspect. The urban mela is a modernized version of its village counterpart, a potentially viable concept, where rural crafts and village industry products are offered to the city people possessing higher purchasing power. Artisans find that the melas held in big cities and those attended by wide sections of society offer better sales, which is

otherwise not possible. In mela' artisans sell at much more lucrative prices and with ready cash in hand.

8.5.4 Urban melas are gaining popularity in recent years and special efforts have been made by NGOs and the government in this regard. The Gramshree mela of CAPART and other such melas are organized by Dastakar, SEWA, Tilonia, DC (Handlooms/ Handicrafts) are examples of such efforts. KVIC and its state units also organize fares in major towns and cities. The Surajkund festival is another good example of the mela by the government. Leather corporations, jute corporations, coir boards and other rural marketing institutions also organize such melas regularly.

8.5.5 A recent phenomenon that has emerged is to link the melas with the religious festivals in order to attract people at the peak of the holiday season where the general spending capacity is high like the Teej festival, Dushera, Pongal etc. Also the same idea works at the tourist places where fares are organized at the different festivals like the Konark festival, Khajurao festival etc., they not only boost tourism but also provide place for the local artisans. The fares or the melas provide an opportunity for the direct interaction between the artisans and the customer. Melas serve as the platform to observe, assimilate and imitate through the interactive dialogue between the produce and consumer. This traditional way of marketing system offers many benefits to the artisans:

- Elimination of middleman
- Ready cash in hand
- Direct contact with the customer
- Bulk orders
- Better price
- Low marketing overheads

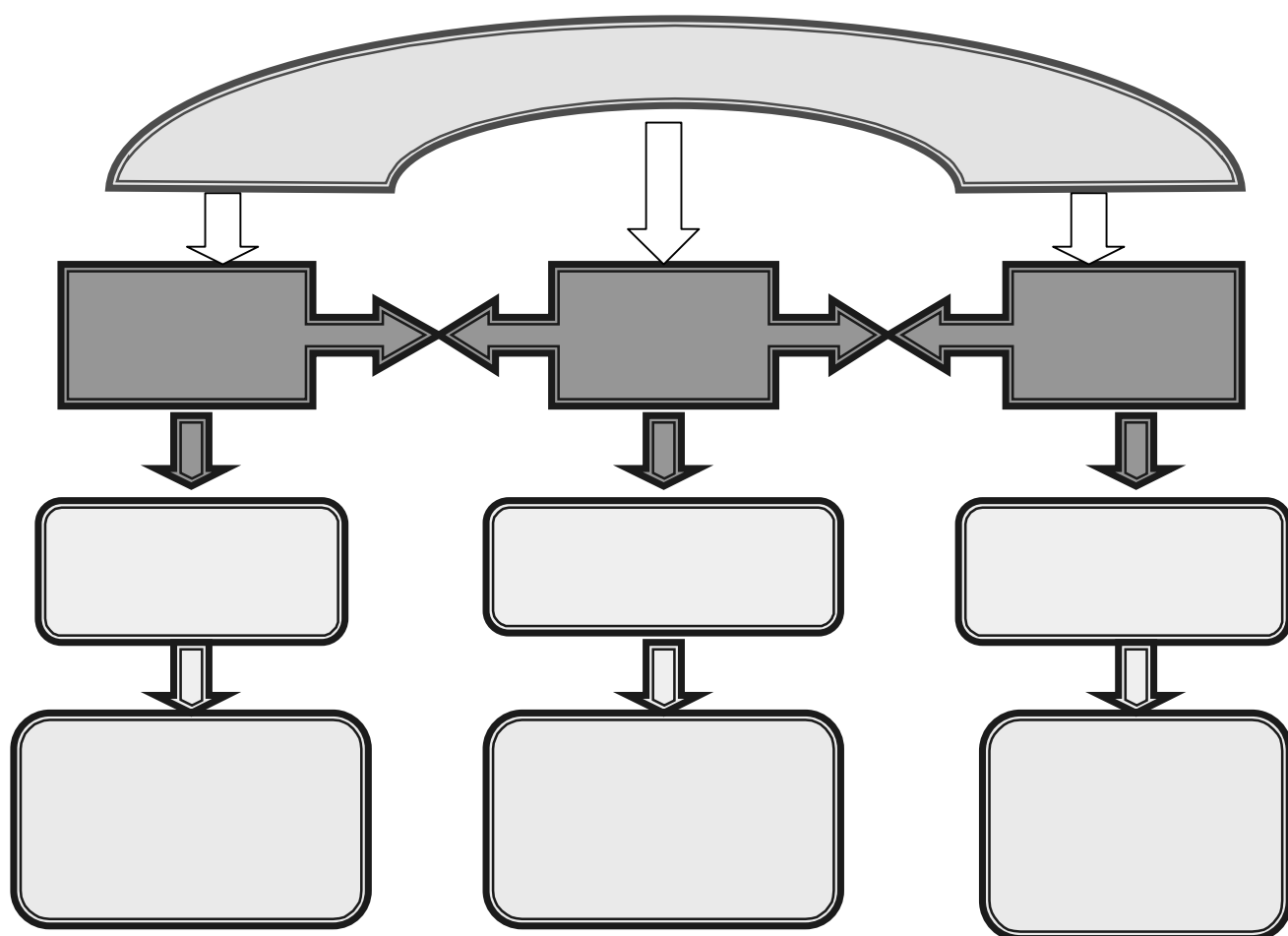
8.5.6 Haats such as the famous Dilli Haat has become an example. It acts as the best place in terms of location and exposure to the artisans throughout the year. Such a model is worth replicating in all the major cities and the important tourist places.

8.5.7 Exhibitions are being organized by either the government or by independent entrepreneurs. NGOs also provide a good channel for the sale of the arts and crafts.

Exhibitions organized by the India Trade Promotion Organization (ITPO) every year at Pragati Maidan New Delhi, also offers a good exposure and market to the artisans from all over the country.

8.5.8 These all are events that are organized once in a year but **it is high time that more permanent markets for the arts and crafts should be set up for the common people**. For this the emporiums have been the most traditional form of outlet. These emporiums are however still out of the reach of the middle class society so there is a need for a different kind of market. Emporiums attract a different class of people who have a higher purchasing power, but still one needs to find a solution to this class specific market. An alternate could be to have super bazaar of crafts. A more viable option could be to have a few outlets in the existing shopping malls for the artisans.

Figure 8.1: Linkages of Market Support



8.6 Role of NGOs

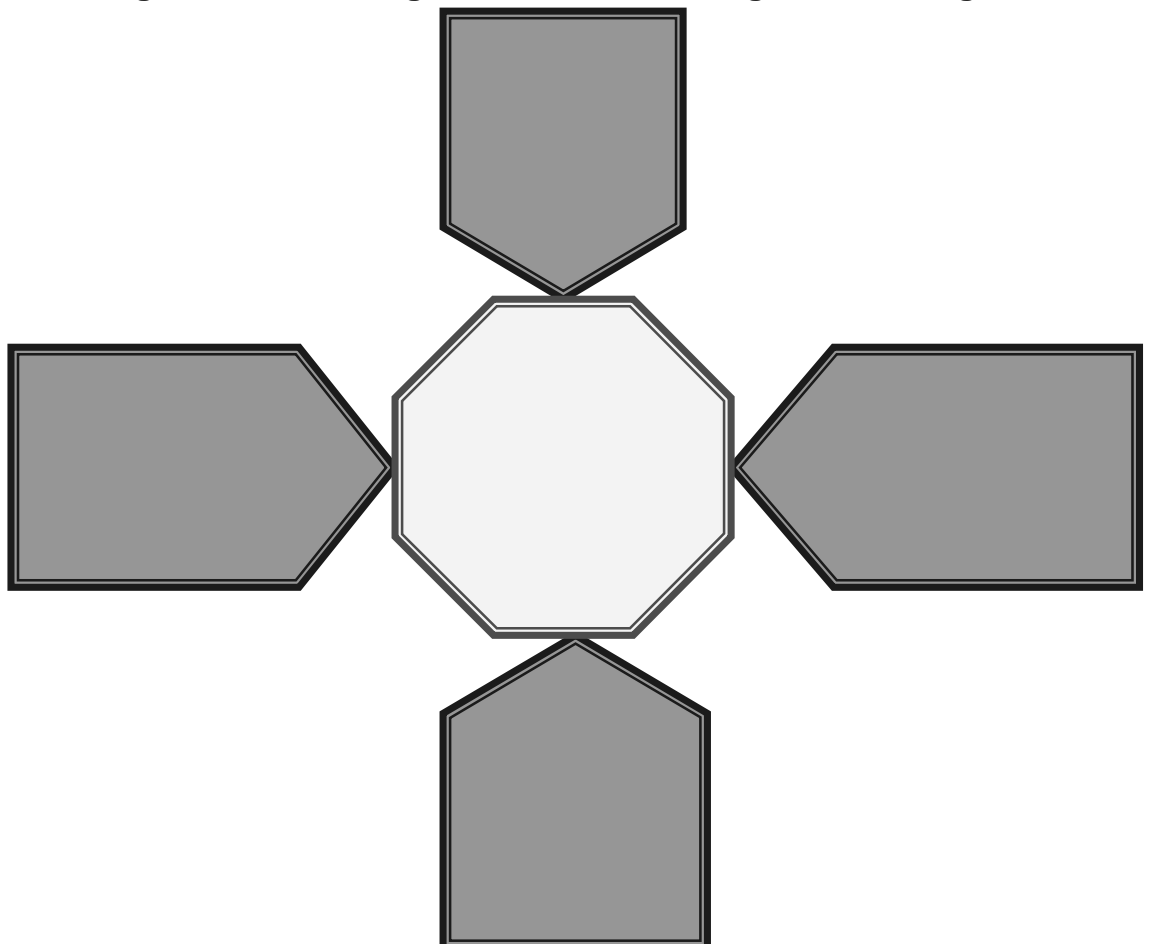
8.6.1 Considering their strength in outreach and orientation, NGOs can play an important role not only in marketing but with overall product development. NGOs have a strong hold at the grassroots level and they can provide marketing assistance and establish marketing linkages for rural artisans. They can work hand in hand with the efforts made by the government to bridge the gap between the artisans and the market.

The NGOs can assist in training in marketing skills; identifying appropriate markets; Pricing and Costing and Building Brand Image

8.6.2 In the recent past NGOs like Dastkar, Sewa, Asha etc. have helped the artisans in Selling, identifying the right market, building of craft communities, etc. The kind of advertising and marketing strategies adopted by the NGOs have made a difference to the popularity of the traditional arts and crafts. These NGOs also have permanent outlets from where various artisanal products can be bought throughout the year.

8.6.3 The NGOs as well as the government agencies need to look at the training requirement of the artisans engaged in different activities. See Figure 8.2

Figure 8.2 Training Needs & Handholding for Marketing

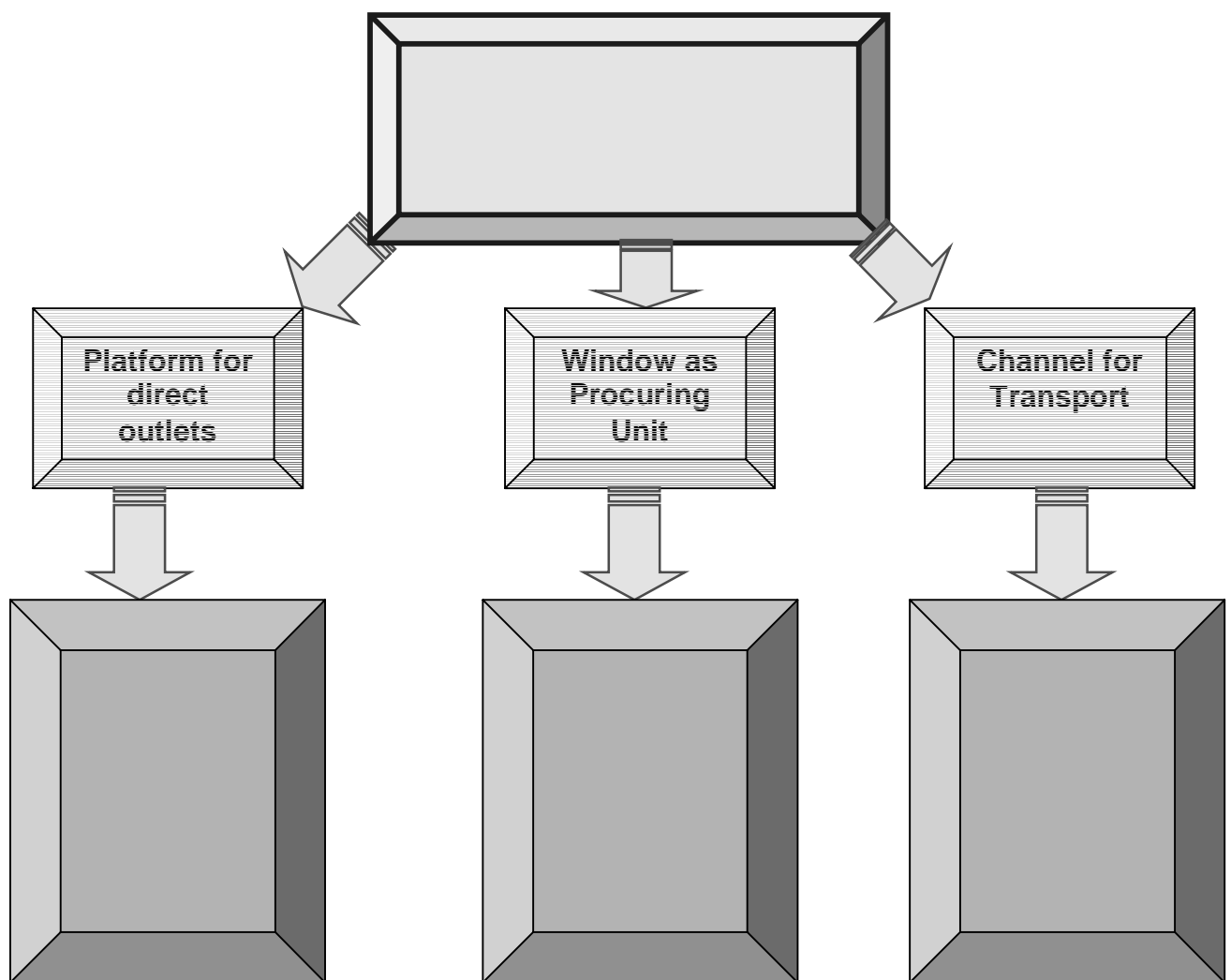


8.7 Role of Railways

8.7.1 Railways has been a market for local goods but has not been tapped properly. It can serve as a major component not just in transportation but also to provide a market for the rural artisanal products. The Railways platforms as probable marketing outlets in the following ways:

- Railways provide Miscellaneous Curio goods stalls.
- KVIC and other handloom units of different States can have such arrangements of sale on Commission sharing basis from existing units.

Figure 8.3: Role of Railways as Marketing Channel



8.7.2 The policy adopted by Railways for allotment of stalls is as follows:

- a) A selection committee allots small catering/vending units at all stations on basis of reputation/business standing, turnover, previous track record.
- b) A Commission of 12% on annual assessed sales turnover is the license fee.

8.7.3 On the above policy Small outlets can be set-up at category A Station. Tendering System for small units at 'A', 'B' and 'C' category station is under process. The categorization of the Railway Stations on the basis of annual passenger earning and number of stations is given in the table below:

Station Category	Definition / Annual Passenger Earning	Number of Stations
'A'	More than Rs. 6 Crore	225
'B'	Rs. 3 Crore to Rs. 6 Crore	283
'C'	Suburban Stations except 'A' & 'B'	427
'D'	Rs. 1 Crore to Rs. 3 Crore	350
'E'	Below Rs. 1 Crore	5101
'F'	Halt Stations	1669
	TOTAL	8055

8.7.4 Railways has initiated a major exercise to identify items manufactured by KVIC and other handloom units of different states that can be considered for sale as souvenirs on Railway platforms & concourse area; and identification of major centers where such items can be sold and the logistics for such items.

Box 8.2: Railways as Market for Handloom & KVIC products

- Indian Railways procure Khadi and Handloom products like bed sheets, pillow covers, face towel, towels, blankets, upholstery, etc. for own use.
- For Khadi products nodal agency is KVIC and for Handloom products nodal agency is Association of cooperatives & Apex Societies of Handloom (ACASH).
- Railways procure these items for trains, rest houses, retiring rooms, etc.
- Total anticipated annual requirement of linen & upholstery of Khadi/Handloom is approximately Rs. 40 crores.
- Instructions already issued to procure Kulhars, Earthen Pots on Indian Railways from KVIC, Tribal Societies, etc.

8.8 Recommendations

1. Marketing enterprises should be promoted exclusively for small scale and artisanal products, as Small Scale Service and Business Enterprises (SSSBEs).
2. Artisans and small manufacturers should be encouraged to form consortia. The consortia/associations should be provided financial assistance to prepare brochures and product catalogues of international standard.
3. The concept of *Haats*, as a permanent outlet for the artisanal products, should be extended to all the major cities and tourist places. The scheme of setting up of rural *haats* under implementation by Rajasthan etc. needs to be taken up by all states. Proliferation of rural *haats* would provide opportunities to increase sale of house hold units, which are scattered all over the country.
4. Artisans and craftsmen should be given a fair chance to display their skills at tourist festivals in their particular regions.
5. In the upcoming malls some effort should be made to reserve a few outlets for the artisans. Setting up of large malls is coming in a large way throughout the country and household units should take advantage of this opportunity.
6. Instead of the middleman continuing to exploit the artisans more emphasis should be laid on developing entrepreneurship skills amongst the artisans.
7. There are 358 items reserved for SSI units for exclusive purchases by Government. Such reservation of items manufactured by household / artisanal / craftsmen units would go a long way in helping these units. Min. of A&RI could be given this task in consultation with Min. of RD to finalize such list.
8. The Ministry of Railways should provide space for souvenir shops at category A & B stations, which have a potential for sale of such items.
9. Ministries / Departments / State Governments / Federations engaged in marketing of products of household and artisanal sectors should establish generic brands on the pattern of brands established and promoted by KVIC, viz., 'Khadi', 'Sarvodaya' and 'Desi Aahar' for village industry products and

‘Kaleen’ of DC (Handicrafts). Household units conforming with the required quality standards could use these brand names in marketing their products on payment of a token/nominal fee to the organization concerned.

10. The artisans should be encouraged trained to use alternative raw material that would increase the demand, aesthetic value, and its utility as well as reduce its cost, so that more number of people could purchase their products.
11. Crafts and giftware exhibitions, with focus on international buyers, should be regularly organized in metro towns and other large cities. Artisans and small scale manufacturers should also be provided financial assistance to participate in important crafts and giftware exhibitions abroad.
12. Artisans and craftsmen should be encouraged to participate in the international trade events in order to discover the potential of export market abroad. Grants/ financial help could be given to NGOs, SHGs and cooperative so that through these organizations artisans and craftsmen could take benefit of participation in these events.
13. Convergence and synergy amongst all departments/ agencies dealing with promotion of household and artisanal products need to be promoted. The office of DC (Handlooms), DC (Handicrafts), KVIC, M/o Rural Development, Tribal Federations, NGOs etc. are holding large number of marketing promotion events. Information about these should be available to all household / artisanal units to enable them to participate in such events e.g. – the office of Handlooms is holding around 400 *melas* throughout a year.
14. The manufacturing capacity and packaging quality of small/artisanal manufacturers should be enhanced to enable them to meet bulk orders. Common packaging facilities conforming with international standards can be provided in the RFIEs in selected clusters. Use of environment-friendly packaging materials should be encouraged.
15. Artisanal / craftsmen and house hold units should be given information and also *pacca* orders by NGOs / Federations / KVIC / M/o. RD so that they could manufacture and keep ready to make sales in marketing events. Some

revolving trend could be set up initially. The units won't mind to pay commission on sales.

16. Information Technology (IT) – enabled “virtual showrooms” of artisanal and small enterprise products should be promoted by the Government with participation of artisans/small enterprise manufacturers. Participants in sector specific trade fairs abroad should be identified through fair directories and attracted to visit the virtual showrooms.
17. Festivals on the lines of “Dubai Festival” should be organized at selected locations. Indian artisans should also be financially assisted to participate and give live demonstrations in “Dubai Festival”, which has emerged as a major event in international tourism.
18. Outreach for products can be increase by replicating projects such as Silk Road.
19. Today, the middleman takes away the major part of the sector's revenue receipts with very little going to the artisan. Technology can rescue this situation. Electronic commerce is rapidly emerging as an effective and efficient mode of conducting business. A Rural Bazaar gateway has been developed by NIC under the auspices of Ministry of Rural Development. Tamil Nadu has already deployed this software package successfully. Similar successful attempts have been made by the Civil Society Groups also. These endeavors need substantial multiplication as they can help in bulking orders.
20. Seed capital can be provided to artisanal/small enterprise associations to set up showrooms at selected locations and on important highways to promote the sale of their products.

CHAPTER 9 CREDIT AND INVESTMENT SUPPORT

9.1 Background

9.1.1 In India, the small, tiny and cottage industry spheres have been the principal source of employment in the manufacturing sector. They are labour intensive and provide employment to nearly 186 lakh persons across the country. They play an important role as producers of consumer goods and as absorbers of surplus labour thereby addressing the problems of poverty and unemployment. They ensure an equitable distribution of national income, enhance a balanced regional industrial development and act as nurseries for entrepreneurship of local skills and resources.

9.1.2 However, the sector's viability is critically dependent on "credit" or "working capital". As in the case of most economic activities, the need for "credit" is usually for investment in "fixed capital" or for "working capital". Generally however, in the household and manufacturing sector, the need for credit is preponderantly for working capital, as artisans need funds for raw material. At the procuring end, an entrepreneur or marketing organization needs funds for raw material and processing charges (or wages.). All these imply essentially "working capital".

9.1.3 Other purposes for which credit may be needed are;

1. for purchase of tools and equipment,
2. for construction of work-sheds,
3. for procurement infrastructure like raw-material depots, godowns, or vans.
4. common facility centers or for
5. setting up marketing outlets.

9.1.4 Funds are also needed to facilitate traveling to the local Haats, Bazaars, Fairs and Festivals where the finished products have traditionally always found a market. Funds are also needed for carting goods to towns & major retail outlets by truck or train.

9.2 Review of Existing Credit Support

9.2.1 The government of India had made it mandatory for the public sector banks to provide 40% of its total bank credit for the following priority sectors namely (a) agriculture, (b) small scale industries, and (c) service sectors. Out of these, 60% had been earmarked for Tiny units. However, because of the pressure of market forces, commercial banks are, by and large, reluctant to extend credit to the household and artisanal sector. Since most artisans belong to the unorganized segment of the market, they do not have access to, or knowledge of facilities that are available for obtaining credit at lower rates from financial institutions and generally approach moneylenders for meeting their requirements. Needless to say, there they are required to pay a higher rate of interest.

9.2.2 At present the credit delivery institutions for this sector are

- Autonomous institutions under the Central and State Governments
- National Small Scale Industries Corporation (NSIC)
- Khadi & Village Industries Board (KVIB)
- Small Scale Industries Development Corporations for Composite Loan Schemes
- Commercial Banks
- Regional Rural Banks
- Small Industries Development Bank of India
- Co-operative Banks
- Private Sector Banks
- Financial Corporations
- Co-operative Societies and
- Informal Financial sources such as Moneylenders, friends & relations.

9.2.3 The Task Group met on October 20th, 2004. The representatives of the banking sector comprising representatives of NABARD, SIDBI and the RBI were present. The problems of credit for the household and artisanal manufacturing sector was

discussed in detail. The bank's representatives briefed the members about the major policy decisions that have been taken to enhance credit flow to this sector, the main initiatives of which are as briefly encapsulated:

1. NABARD has been entrusted with the mandate for promoting the Rural Non-Farm sector, which include the Tiny, Small and Cottage industries sector as well as traditional industries like “**handlooms**” and “**handicrafts**”. Credit is provided by way of “re-finance” to all eligible banks at concessional rates of interest for loans extended to such enterprises for
 - a. setting up new units
 - b. modernization of existing ones,
 - c. expansion and for
 - d. diversification of products.
2. NABARD also provides credit and related support services for promoting gender development by facilitating women to access credit and by addressing the needs of “capacity building” for Self Help Groups (SHGs) of Women.
3. Women's Development Cells have been created in the Regional Rural Banks and Co-operative banks to strengthen their institutional capabilities for dealing with credit and support services for women.
4. **SIDBI** provides re-finance facilities to State level institutions such as **State Finance Corporations** (SFCs) and State Industrial Development Corporations and also extends direct assistance to small scale industries.
5. To ensure collateral free loans to **SSI** units the RBI has issued instructions to commercial banks to dispense with the requirement of collateral for loans upto a ceiling of Rs. 5.00 lakhs. Based on the track record of individual units, this limit can be raised to Rs.15.00 lakhs.
6. The Govt. of India has also set up a **Credit Guarantee Trust** to guarantee collateral free loans to small enterprises upto a limit of Rs. 25.00 lakhs granted by scheduled Commercial and Regional Rural Banks.

9.2.4 Other Facilities offered by commercial banks

- (a) The artisan credit card was launched for the first time by the **Indian Bank** on 11.3.2003 that was later adopted by the Government of India as the **Swarojgar Credit Card**. Under the
- (b) Swarojgar Card scheme the banks charge a concessional rate of interest -- 8.5% p.a. for men and 8% for women. The quantum of loan is Rs. 30,000 for individuals and Rs. 2.00 lakhs for groups of artisans.
- (c) The **Bank of Baroda** launched a Baroda Artisan Credit Card scheme in July 2003 and the Baroda Swarojgar Credit Card in January 2004. Here too, the rate of interest is 8.5% for loans upto Rs. 50,000, 9% for Working Capital and 9.25% for Term loans upto Rs. 2.00 lakhs.
- (d) The **State Bank of India's** Swarojgar Credit card provides collateral free loans upto 25,000/- The bank has also launched an Artisan Credit Card Scheme to encourage purchase of equipments for technology upgradation. Loans for Working Capital are provided upto a ceiling of Rs. 2.00 lakhs.
- (e) **The Punjab National Bank** has also been giving support for uplifting the household entrepreneur. The PNB's Laghu Udyami Credit Card Scheme is meant for the SSI & Tiny units. Other initiatives taken by the bank include waiving of processing fee for loans upto Rs. 2.00 lakhs and no collateral security for loans up to Rs. 5.00 lakhs.
- (f) The **United Bank of India** has introduced four schemes for artisans. These are (i) United Shilpi Card, (ii) Artisan Credit Card, (iii) United Udyogshree and (iv) Laghu Udyami Credit Card. The bank holds "awareness camps" in areas having concentration of artisans, and encourages lending through Self-Help groups. The Bank also provides financial assistance to NGOs for meeting the credit needs of SHGs.

9.3 Recommendations

9.3.1 The Task Group on Credit discussed the existing facilities and thereafter made the following recommendations:

1. Need to evolve a mechanism to ensure strict compliance of **RBI** guidelines by commercial banks.
2. Need to fix a credit target for the Household Enterprises and Artisanal sector under the Priority Lending Sector.
3. Need to chalk out a credit policy for extending a banking network for the unbanked areas such as the North-East & Bihar.
4. Need to create extension services for micro-credit loaning through carefully selected agencies in areas where service networks of lending institutions are inadequate.
5. Need to create a Revolving Fund in the (a) State Financial Corporation, (b) Scheduled Castes and Scheduled Tribes Finance Corporations, (c) Backward & Minorities Development Corporations, (d) similar agencies for providing loans to the Household & Artisanal Sector interest rate of not more than 2% above prevailing bank rate.
6. Need to ensure greater co-ordination between SIDBI & NABARD.
7. Need to encourage “group loaning” so as to increase the ability of artisans to take collective risks.
8. Bank staff to be given training in “project appraisal” of the Small & Tiny sector, and to set up an effective “grievance redressal” machinery in each branch.
9. All rural branches of Banks to display the facilities available for Tiny & Household units in the **local language**.

9.3.2 Since the beginning of the era of National Planning, successive Governments have emphasized the link between improving access to finance and reducing poverty.

Although for the rural poor, the access to finance has somewhat improved over the past decades with the public sector commercial banks being the dominant players in the formal rural finance markets, the vast majority of India's rural poor still do not have access to formal finance. According to the Rural Finance Access Survey (RFES, 2003) conducted by National Council of Applied Economic Research (NCAER). The rural banks serve the needs of richer rural borrowers with 66% of large farmers having a deposit account and 44% access to credit. In contrast, the rural poor face severe difficulties in accessing savings and credit from the formal sector. About 87% of the poorest households surveyed do not have access to credit. This has resulted in heavy reliance among poor rural households on informal finance, mostly moneylenders and shopkeepers. According to the survey 44% of the households surveyed are reported to have borrowed informally at least once in the preceding 12 months. The interest charged on such informal loans averages 48% per annum. While the reasons as to why banks do not want to serve the rural poor are well known (uncertainty, absence of credit information, default risk, high transaction cost and government policy), there are other less well-known but equally important reasons as to why for small rural borrowers, banks remain unattractive. Firstly, rural banks do not provide flexible products and services to meet the income and expenditure patterns of small rural borrowers. Second, the transaction costs of dealing with formal banks are high. Procedures for opening an account or seeking loan are cumbersome and mostly with high rejection rates and clients have often to pay hefty bribes in order to access loans. All this means that the cost to borrowers is very high. Besides, it takes on an average 33 weeks for a loan to be approved by a commercial bank. Finally, banks demand collateral which poor rural borrowers are unable to provide, reminding of the cruel grip of the vicious circle of poverty. **If household and artisanal sector is to be rejuvenated the most critical requirement is that of micro finance institutions with self-help group linkage.**

CHAPTER 10 TECHNOLOGICAL SUPPORT

10.1 Background

10.1.1. In an economic environment that is characterized by competition, demanding customers, quality consciousness, environmental awareness and cost pressures, adoption of newer technology is critical to the success and development of household and artisanal manufacturing sector.

10.1.2 Historically there has been less emphasis on new technology for handicraft and artisanal sector. Consequently, handicrafts manufacturers have been less responsive to customer needs for adoption of newer materials, environmental friendly processes, newer finishes and packaging. This has an adverse effect on image of Indian handicrafts and artisanal produce and has a cascading effect on markets for such products. There is a need for a focused handholding initiative for technology options for improving productivity, adding value and increasing competitiveness of Indian handicrafts.

10.1.3 The artisans and household manufacturers have to be equipped with technological and organizational wherewithal. For this, an effective strategy has to be put in place that marries the following four elements:

1. Design of specific technology packages
2. Design of a system for implementation / dissemination of the technology package that ensures proper linkages in the production-organisation-market environment.
3. Product designs that meet the requirements of emerging markets
4. Linking up the artisans to the markets through use of Information technology and other means, so that artisans can carve out a niche for themselves

10.1.4 In formulating such a strategy, the following issues have to be addressed:

- i. Availability of information about well established and improved sub-sector specific product and process technology interventions.
- ii. Outreach of the technological support initiatives, to the multitude of small household and artisan manufacturing units.
- iii. Innovative ways of use of IT enabled services at cluster level
- iv. Financing of technological upgradation should be integrated with product diversification, skill upgradation and market development.

10.2 Information on product and process technology interventions

10.2.1 The Technology Bureau for Small Enterprises offers access to databases and information on technology. In addition, NSIC has taken up an initiative to enhance technology options for small-scale industries. However, information on technology interventions specific to artisan clusters is very limited and diffused. As such a focused initiative for developing database and information on product and process technology and use of new materials for various handicraft groups must be taken.

10.2.2 An approach similar to that followed for developing technology packages for Pottery, by CAPART with support from Dept. of Science & technology, needs to be adopted for all major artisan and household manufacturing sectors. This approach involved sponsoring a countrywide study of production practices

Box 10.1: Pottery - New Technology Package

- ◆ Suitable treatment, processing and admixture techniques for upgradation of the quality of common or red-clay.
- ◆ Matching non-toxic glazes.
- ◆ Appropriately scaled machinery for use by potter groups.
- ◆ New type kilns for fuel efficiency and reduction of breakage.
- ◆ Innovative product range including sanitary- and table-ware, decorative items and constructing material.
- ◆ Low cost bone ash preparation for bone china.
- ◆ A system-design incorporating clusters of potters, using the technology package, with linkages with S&T institutions and producing the innovative product range with suitable marketing strategy.
- ◆ Data base on diverse clay types, quality upgradation protocols, technical and economic features of clay-based artisanal production and social dimensions of artisanal pottery.

of potters and conducting in-depth R&D work with the help of CGCRI and several voluntary organisations. This led to the evolution of a technology package, which successfully resolved the problems of poor quality and depleting white clay resources by developing a protocol of admixtures for red-clay and appropriately scaled machinery for clay processing. As a result, the potter can now utilize the commonly found red-clay for making excellent quality glazed-ware obviating the dependence on costly white clay. Moreover, with the introduction of this new technology, the product range of the potter expands and thus the dying trade can be rejuvenated.

10.2.3 For replication of this approach to all major sub-sectors, lead consultants could be engaged to help finalize a category wise list of technical interventions through a process of wide consultations and user involvement, for each major category like base metal art ware, wood work, stone work, hand printed Textiles and Scarves, hand knitted and embroidered Goods, Shawls as Art ware, Zari and Zari goods, Imitation Jewellery, carpets, pottery, leather, papier-mâché, agarbatti, coir, folk paintings etc.

10.2.4 Information on technologies available with R&D institutions, CSIR, and its labs, NRDC,DCSSI and its centers, NSIC, SIDBI, APCTT and other institutions should be tapped. Finally the exercise should result in creation of a Technology Bank that can be accessed by users, voluntary organizations and NGOs.

10.3 Nature of Technological Support

10.3.1 Technological support to the handicrafts and artisan-manufacturing sector could aim at disseminating technologies that aim at:

Box 10.2: Efficiency Gains : Case Study of Pottery Cluster at Khurja

Under Small Industry Cluster Development Programme a diagnostic study was done by Tata Energy Research Institute for Pottery industry at Khurja. The study suggested certain technological modifications - replacement of Saggar by Decker plate in tunnel furnace, replacement of conventional kiln car with low thermal mass kiln car, and installation of Auto on / off burner. A pioneering unit was identified with help of Khurja Pottery Association, which acted as the implementing agency, Central Glass & Ceramics Research Institute Khurja was the monitoring agency for the project. Implementation of the three measures together have been evaluated to lead to a saving of about 47% for a pottery unit, with low payback periods. The tested technical modifications should be replicated in technology transfer and facilitation phase.

- (i) Increasing efficiency as in Pottery Industry cluster, Khurja
- (ii) Increase environment friendliness as in Firozabad Glass cluster.
- (iii) Taking artisan manufacturing up the value chain by introducing new higher priced products and associated processes, like introducing higher lead content glass along with required technology for crystal glass making and cutting, migrating to jewellery making rather than diamond cutting
- (iv) Reducing drudgery and cycle times by mechanization of manual operations like raw material preparation through common facility centers.
- (v) Cutting costs and opening new marketing channels through Information Technology enabled services
- (vi) New product development through use of newer materials and finishes.

Box 10.3 Climbing the Value Chain : Surat Gems and Jewellery Cluster



60% of the world's supply of cut and polished diamonds in value India. 80% of this is done in Surat. The cluster employs about 1.5 million workers in the 10000 odd units.

However, the share of non-diamond export in the overall export of gem and jewellery is expected to rise, because the Diamond Trading Corporation (of DeBeers) has been pushing for value addition at source. Moreover value addition in jeweller making is 200% compared to value addition of 40.3% in cutting of rough diamonds.

Accordingly the cluster has to migrate from diamond processing cluster to Jewellery Manufacturing cluster, in order to maintain its highly rated position. Facing stiff competition from other countries like Israel, China and Belgium, the cluster needs support for:

- Setting up Design Centres, to provide impetus to the cluster to move from diamond processing to jewelry manufacturing
- Setting up Centre of excellence for research into new stones, technology and techniques
- Training & HRD for workers to learn higher value added activities
- IT and Communication to enable market linkages and product development
- Power distribution upgradation
- Convention & Display Centre to showcase artisans capabilities

10.4 Outreach of technological initiatives

Technology handholding should be such that need based and cluster specific issues are addressed; dissemination strategies are tuned to local environment and financial support of developmental banks to technology dissemination, is assured.

- 10.4.1 Technology intervention should preferably be on artisan-cluster basis. In a cluster, there is a commonality in the method of production, quality control and testing, energy conservation, pollution control etc. among the units of the cluster. Cluster based intervention will help stimulate percolation of technological interventions.
- 10.4.2 Departmentally run technological institutions alone cannot drive the massive programme of technological handholding and outreach that is required for the revival and growth of household and artisanal manufacturing. Effective collaboration between user groups, technology and system developers as well as crucial intermediaries such as NGOs has to be worked out. This will synergise the capabilities of each stakeholder category and also ensure that design and development is driven by the artisan's need. This is important because hitherto efforts at providing design inputs to artisanal groups have had a tilt towards products relying on ethnic charm. However a large majority of artisans in India are those making and selling utility goods. It is envisaged that demand for hand made products with more universal appeal, will grow. The utility oriented artisans in India are disadvantaged in this emerging scenario, since they lack the technology, production volumes and quality control to cater to this market.
- 10.4.3 For giving a focused thrust to technology development and technology transfer, for artisanal and household industries, based on the cluster approach, a programme should be framed by drawing on CAPART's programme of Technology Resource Centres and KVICs Rural Industries Service Centre. The approach followed by CAPART is:
- Technology Resource Centres are set up and run by Voluntary Organisations which have a high degree of technical competence and proven track record of adaptive R&D and technology transfer.

- Financial support is given in form of one time grant for creation of necessary infrastructure and some recurring expenses
- Centres act as focal points for referral of technology gaps in that area and generation of matching solutions to answer the technology needs.
- They are not expected to be centers of excellence, alienated and distant from the people, but as active instruments of change, equipped to innovate and create, capable of initiating and sustaining S&T based programmes

10.4.4 In respect of Household and Artisanal manufacturing, a similar programme needs to be put in place for each of the major cluster types. These principles should be adopted and the following alterations done to the CAPART programme:

- a) Instead of a technology resource center for each state, specialized integrated resource units should be set up for each major craft.. These units should work on the concept of RFIE enumerated in Chapter 1 of this report. They should be located in a specifically identified cluster within the relevant group.
- b) Outreach to other clusters of same group could be done through a virtual organization. This virtual organization could be in the form of networked computers at common facility centres of satellite clusters. It could draw upon expertise of a panel of national/ international experts through ITES.
- c) Further, development banks should also be involved in this exercise. This could be done by making SIDBI and NABARD responsible for financial support of SPV / society/cooperative/ not for profit company. The RFIE and the development banks will thus be resource partners, and banks will have a stake in supporting dissemination efforts of RFIE, of duly finalized technological packages for each craft.
- d) The RFIE could draw on specialized research institutions like IITs, NID, Indian Institute of Carpet Technology, Metal Handicrafts

Service Centre, Moradabad, National center for Design and product Development, Bamboo & cane Development Institute, Agartala etc.

10.4.5 The RFIEs should concentrate on:

- i. Organising participatory exercises for product and process technology need identification involving user groups, NGO partners, and R&D institutions.
- ii. Detailed study of flow of raw materials and finished goods relevant to the technology sector, distribution of artisans, existing production processes and markets
- iii. Participatory preparation of an action plan, with an envisaged pattern of production, matching organization of artisans and marketing strategies.
- iv. Setting up reasonably priced common facilities / nodal centres so that technological interventions can be effectively disseminated. These centers could include:
 - a) Sample making, grading, a design bank,
 - b) Improved machinery/equipment to be utilised as common utility facilities by the nearby units /artisans to enhance production capacity or value addition of the product
 - c) Testing facilities by establishing laboratory to ensure quality of the products.
 - d) Attractive and appropriate packaging facilities and machineries
 - e) Funding for these facilities could be drawn from proposed Artisanal Cluster Development Scheme / Credit linked capital subsidy.
- v. Advisory and technical services through panels of consultants.

- vi. Creating a sector specific resource bank of books, videos, catalogues, handouts and other teaching and dissemination aids. Technology development, adaptation and induction from wider national and international resources. Provide new design

Box 10.4: ORGANISING THE UNORGANISED ARTISAN SECTOR

System Design for Technology Dissemination for Pottery Package

To disseminate the technology package, **a nodal centre is set up at a location which is easily accessible for a cluster of 5-10 potters' families, to serve as a common facility and houses all the elements of the technology package** including:

- Improved Clay admixtures
- Ball Mill and Pug Mill for clay processing
- Mechanized potters Wheel and Jigger Jolly for new forming techniques that enable higher productivity and greater product diversity
- Facility for matching glaze preparation : small ball mill/ pot-mill. These glazes are made by grinding the frit (crystals) in the small bal-mill / pot-mill, applying it to the biscuit-fired product and then firing it again at higher temperatures.
- A fuel-efficient down-draft kiln, fired with wood that can attain temperatures upto 1200 deg C required for the new product range.

RFIE, as the apex handholding partner for each craft, and run by specialised voluntary organizations etc. can play a role in:

- Setting up Nodal Centres through daughter NGOs / Voluntary organisations
- Training of daughter NGOs in various aspects of the new technology package
- Supervision of trial production at the Nodal Units and provide all necessary technical and managerial backup for the same.
- To identify the diversified new product range and establish its marketing linkages.

A centralized marketing network is also coordinated through the Nodal Centre. Due to the new technology package and economies of scale, productivity is substantially increased. At a later stage, some of the functions can be decentralized. For example, clay processing, forming and low-temperatures firing (upto the 'biscuit' stage) can be done at satellite units while the final firing can be undertaken at the Nodal level.

or new product, diversified product in consultation with experts /agencies for a value addition of rural manufacturing units.

10.5 Finance for technology upgradation

10.5.1 Financial support must be provided to voluntary organizations through SIDBI and NABARD for setting up Integrated Resource Centres on the lines stated above. Moreover, technology dissemination efforts of these centers also have to be adequately supported in form of capital subsidy.

In designing schemes for financial support the following must be provided for:

- Financial Assistance to institutions for design and technology development in handicrafts sector
- Financial assistance to Voluntary organizations to set up Integrated resource Centres
- Grant-in-aid for Assistance to Shilp Gurus (Heritage Masters), Assistance for training under Guru Shishya Parampara, Assistance for training the trainers
- Financial assistance for development supply/ dissemination of modern improved tools, equipments, products and process technologies.

For a greater thrust to the household and artisan sector there should be a review of existing schemes. There is need for a focused initiative for technology development. The components of the initiative are discussed below:

10.6 Household Manufacturing & Artisan Cluster Development Scheme

10.6.1 An integrated technology upgradation and management programme, called Small Industry Cluster Development Scheme is currently being run by Development Commissioner (SSI). As this programme is meant generally for all SSI clusters, it does not provide the required thrust for artisan clusters. Accordingly a new programme on similar lines, but focused on household and artisan sector should be started under the new Ministry.

10.6.2 The programme should be exclusively for artisan clusters and should have the following scope:

- Setting up of RFIE
- Technology status and needs studies of artisan clusters
- Scouting for appropriate technologies and their providers
- Facilitating contract/need based research required to adapt available technology to specific needs of artisan manufacturer.
- Facilitate demonstration, delivery, assimilation and diffusion of technologies to the artisan clusters.

10.6.3 Under the programme, financial support may be provided for:

- Conducting diagnostic study of the cluster
- Setting up technology demonstration plant
- Setting up a common facility center
- Seminars, workshops, study visits and training

10.6.4 This scheme may be executed through RFIE for marshalling the above activities.

10.7 Programme for Support of Product Development in High potential clusters

10.7.1 Certain artisan clusters are well recognized for their produce and have access to export markets. These include Metalware (Moradabad cluster etc), Glass cluster at Firozabad and the like. Such high potential clusters should be identified for in depth study by international consultants with a view to:

- Frame market specific strategies for these high potential clusters
- Suggest product changes that will give greater value addition and access to larger markets
- Suggest use of newer materials, finishes and packaging
- Frame a plan for umbrella brand building
- Frame quality assurance procedures and mechanisms that align clusters to export trading houses and enable Bulking of orders.

10.7.2 In addition the programme should also aim to

- Setting up of design centres,

- Quality awareness programs
- Common facility centres with testing facilities, common effluent treatment plants and other shared facilities.
- Skill development and upgradation
- Backward linkages for sustenance.

10.7.3 The Rural Functional Industrial Estate (RFIE) suggested earlier could be made responsible for driving the exercise of product development in these export-oriented clusters. For this they could tie up with world renowned names in different areas like Lalique, Orrefors, Swarovski, Baccarat, Waterford and Webb Corbett for crystal glass technologies and design; and Dresden, Missen, Kapo-de-Mente, Hummel, Lennox, Noretake, Royal Dolton, Royal Albert in ceramics. Bulk export orders for handcrafted products could be taken by the RFIE and sourced from the artisanal units organized on nodal center basis.

10.8 Technology Mission Mode

The Inter Ministerial Task Group strongly recommends the establishment of a Technology Mission, with the following objectives:

- To promote introduction of new and emerging technologies for household manufacturing and artisanal units.
- To finalize craft wise technology packages to be implemented.
- To set up RFIE / Integrated Resource Centers for identified crafts / clusters
- To set up Technology Bank for sourcing technologies from India and abroad and support institutions for facilitating technology transfer and upgradation.
- To coordinate the efforts of various agencies, technical centres and institutions engaged in technology management.
- To stimulate and promote technology audit studies.
- To encourage Research & Development of indigenous technologies which would help the household manufacturing and artisanal units.
- To create incubator infrastructure facilities in various technical institutions.

- ix. To organize awareness campaigns among household manufacturing and artisanal units pertaining to quality, standardization and customer satisfaction.

10.9 Use of information technology enabled services

- 10.9.1 Technological support should also include promotion of use of IT enabled services for direct marketing on cluster basis. For this, an I.T. Portal should be set up for information dissemination and creating awareness. Alternatively, NICs Rural Bazaar should be further developed.
- 10.9.2 For high export potential clusters, common services could be offered through the common facility center for e-mail, internet surfing, product development and also for applications relating to raw material planning, accounts management, documentation for exports etc.

10.10 Case Studies on nature of technological interventions:

The following case studies are placed at Annexure 10.1 to Annexure 10.8 :

Coir Cluster in Alappuzha, Kerala	Annexure 10.1
Technological Interventions for Cane & Bamboo Clusters	Annexure 10.2
Product Innovations in Metal Cluster, Moradabad: Focus on Finishing	Annexure 10.3
Crystal Glass: Climbing Up the Value Ladder	Annexure 10.4
Decorative Ceramics – the Way Forward	Annexure 10.5
Market for Toys – Use of natural Materials	Annexure 10.6
Making Silverware tarnish-free	Annexure 10.7
Important Technological Interventions for Glass Clusters	Annexure 10.8

10.11 Recommendations

Based on the discussions above IMG recommends the following:

1. A coordinated exercise to identify technology packages for each craft, resulting in a shared Technology Bank should be undertaken.
2. RFIE to be set up for each major craft sector, should do comprehensive handholding on technology, production and marketing issues.
3. RFIE is to be responsible for setting up common facility / nodal centers for each cluster, with suitably designed production-organisation- market linkages. For this study of the existing system of production, distribution of organization and markets should be done.
4. Household Manufacturing and Artisan Cluster Development Scheme should be implemented on the lines explained in the report.
5. Programme for Support of product development of high export potential clusters should be framed to enable Indian artisans to capture niche markets, with high value products like decorative ceramics, crystal glass and the like.
6. National and International consultants should be engaged to frame market related strategies for new product development, using new materials and efficient technology.
7. The problem of tackling technological obsolescence is complicated by the fact that there is no uniformity in the technology level and quality of products manufactured in different clusters of the same product group in the country. In order to enhance overall technological capabilities in a given product group, preferably all clusters manufacturing similar/same products should be targeted for technological interventions simultaneously.

8. A regional panel of consultants should be maintained for each important craft/product to advise on absorption of new technology, improvement in productivity and reduction in drudgery.
9. Innovations in rural/artisanal products should be captured, documented and disseminated to produce multiplier effect. The possibility of patenting all such innovations should be explored.
10. Improved and high quality tool kits should be made available to the artisans at affordable cost in each important craft/product group.
11. Exchange of master craftsmen should be encouraged between clusters of similar products within the country and with selected clusters abroad. Institutional arrangements with clusters promoting similar products abroad should be encouraged, e.g., ceramic clusters in the U.K., Spain, Portugal and Italy.
12. In several artisanal crafts, knowledge and skills are passed on from generation to generation. In some areas, this knowledge is becoming extinct due to reluctance of the new generation to stick to traditional crafts and its tendency to migrate to urban areas. This skill and knowledge base, which generally is not documented, should be captured through audio-visual means and adapted to suit the present day customer preferences and needs. NGOs/SHGs undertaking such work should be encouraged and assisted technically and financially.
13. Use of non-toxic and environment friendly raw materials should be encouraged in manufacturing and packaging of giftwares/toys because this is now a world-wide concern.

Case I: Coir Cluster in Alappuzha, Kerala

Traditional coir industry has been the main source of sustenance to over 1 lakh families in the cluster. The first coir sector industrial unit came up many years back. The industry has developed through household level activity.



COCO FIBRE ENTRANCE MAT

The industry faces competition from other countries and from synthetics. Apart from traditional uses of coir, thrust areas for coir development include replacement of wood doors, furniture, floor tiles and geo-textiles for strengthening roads and embankments. Vietnam has recently exported to USA, pendulums made from coconut husk. Further the use of coconut pith as agricultural nutrient for wasteland development and as absorbent for hazardous chemicals, is increasing. Pith blocks have good export demand. For every ton of coconut fibre generated, the same husk contributes 2 tons of coconut pith, i.e. annual potential of 20 lakhs tons. However utilization of fibres is only 37% or 3.5 lakh tons and only 1.5% for coconut pith or 30000 tons per annum.

A major initiative is required to achieve the potential of this sector. For this the following technological interventions are needed:

- Nodal facilities including new Defibring mills to cover all blocks for the cluster, dyeing, bleaching, processing facilities and effluent treatment.
- Upgradation and modernization of established motorized spinning units
- Establishment of automatic coir yarn spinning units for export quality matting.
- Establishment of new powerloom coir matting units primarily for export.
- Establishment of pith processing units near defibring mills on lines of revolutionary initiatives in Pollachi in TN
- Establishment of coir pith block manufacturing units

Technological initiatives along these lines need to be encouraged across all Coir producing clusters.

Case II: Technological Interventions for Cane & Bamboo clusters



Development of Cane and bamboo industry in India is important from the viewpoint of development crafts of the North East. Certain initiatives already taken, need to be further extended. These are:

Common Facility Centers: Eight CFC have been set up. These include one in each of the seven states of Northeast and one in Kerala. These centers are equipped with electrically/mechanically-operated machines to provide facility for processing of raw material to the artisans/manufactures. These machines have been validated by IIT Guwahati.

This will remove drudgery and save a lot of time of the artisans, which is otherwise wasted in non-craft activity like manual processing of raw material etc. This will result in improving productivity and quality.

Micro Common Facility Centers: 21 such centres are being set up 1 in each cluster where 2 sets of working tools and hand operated processing machines is being provided. These will be used as a CFC by the artisans and help them in augmenting their production. The MCFC have been set up by IIT-Mumbai at Diezhephe (Nagaland), Nalchar (Tripura) and Barpeta (Assam). Establishment of MCFC is on the same lines as setting up of nodal centers for a group of 8-10 potters – illustrated in Box on '*Organising the Unorganised Sector*'

Development of hand operated improved tools, splitting machines, finishing and dyeing techniques etc: Initiatives by IIT Mumbai have been validated by the artisans. Initiatives to encourage training and use of improved toolkits by artisan community should be taken on a wide scale, in order to reach all the artisans. Initially there may be a need to distribute sets of tool kits among artisans on the subsidized rates.

Case III: Product Innovations in Metal cluster, Moradabad: Focus on Finishing

It has been demonstrated that high grade finishing can boost exports of metal ware. Enameling and Plating are of importance for the metal handiwork. Nickel or Chrome plate may be applied over brass as a decorative finish.



Over a period of time, finishes tend to tarnish. To prevent metal ware from tarnishing and to give a long life to the finishes, lacquering is done. **Lacquering** is basically a protective coating used to cover unstable decorative coatings, to protect and preserve the beauty of the brass and silver by sealing it from air, which oxidizes (tarnishes) it. Lacquer does not affect the color of the brass, and it eliminates the need for polishing. Lacquers are used on metals for a variety of reasons:

■ Protection against corrosion that can be caused by water or humid atmospheres, polluted environments and perspiration from contact with skin

■ Colouring, for identification or, by using a transparent dyed lacquer, for changing the colour and appearance of a metal

■ Reducing the gloss of a surface by using a matt or satin finish

The Metal Handicrafts Service Centre set up at Moradabad with UNDP assistance provides facilities for Silver Plating, Powder Coating, Lacquering, Research & Development, Testing of Metal and training of Artisans in the higher skills. However, the reach and dissemination of finishing technologies to the smallest household manufacturing unit can be done by establishing more capacity for finishing at the common facility centers, to be set up and run under supervision of by RFIE. Such common services should be organized on non-profit basis and should be integrated with product development and also bulking of orders.

Finishes: Examples of brass buttons. These are polished and treated with a tarnish resistant finish.



Case IV: Crystal Glass: Climbing up the Value Ladder

There are different types of glass with different chemical and physical properties, that can be made by a suitable adjustment to chemical compositions: Commercial Glass (Soda-lime glass); Lead Glass; Borosilicate Glass and Glass Fibre.

Commercial Glass: Most of the glass we see around us in our everyday lives in the form of bottles and jars, flat glass for windows or for drinking glasses is known as commercial glass or soda-lime glass, as soda ash is used in its manufacture. Additional chemicals have to be added to produce different colours of glass such as green, blue or brown glass. Most commercial glasses have roughly similar chemical compositions of: 70% - 74% SiO_2 (silica); 12% - 16% Na_2O (sodium oxide); 5% - 11% CaO (calcium oxide); 1% - 3% MgO (magnesium oxide) 1% - 3% Al_2O_3 (Aluminium oxide)

Lead Glass: Lead glass is made by using lead oxide instead of calcium oxide, and potassium oxide instead of all or most of the sodium oxide. It was "invented" by George Ravenscroft in England around 1676 although the use of lead oxide to enhance the brilliance of glass had been known in Mesopotamia in ancient times.

The traditional English full lead crystal contains at least 30% lead oxide (PbO) but any glass containing at least 24% PbO can be described as lead crystal. Glass containing less than 24% PbO , is known simply as crystal glass.



Lead glass has a high refractive index making it sparkle brightly and a relatively soft surface so that it is easy to decorate by grinding, cutting and engraving which highlights the crystal's brilliance making it popular for glasses, decanters and other decorative objects.

Cut Crystal Glass: The process of cutting glass involves pressing the completed glass object against a large rotating wheel usually made of iron or stone. The wheel cuts grooves into the glass, which have straight sharp angles, and the effect is to greatly increase the sparkle of the glass, by adding more light-reflecting surfaces.

Due to the popularity of cut crystal glass, there are major glassworks specialising in high-quality hand-cut crystal, such as Baccarat, Waterford, Lalique, Orrefors, Swarovski. **Artisans in Firozabad Glass cluster could gain tremendously by adopting crystal technology.**

Case V: Decorative Ceramics – The Way Forward

Traditional brick and household ceramic products such as big and small jars, teapots and kettles produced in Huong Canh village in Vinh Phuc province of Vietnam, have long been famous across the country. But the local industry was threatened with extinction in the 1980s, by which time industrial ceramic companies had emerged and household plastic and aluminium products had become widely available in Viet Nam. Most local villagers gave up making ceramics and moved to selling rice cakes to earn a living. The practice was rescued, however, by the doi moi (renewal) policy, as the Huong Canh villagers discovered a market for artistic ceramics in nearby Ha Noi. **They discovered that the key was to shift from making household ceramics to decorative wares.**



The local handicraft industry started its revival when one experienced craftsman met with painter Le Duy Ngoan. The painter advised Thanh to make decorative ceramics, instead of the household products that had fallen out of public favour. It was not simple to shift to making fine arts products that require sophisticated and careful designs. But craftsmen created new designs based on paintings, pictures and catalogues as well as from the painter Le Duy Ngoan.

Compared with a similar amount of material to make a jar that sold in the market of VND10,000, they can now make a table lamp that fetches VND200,000-300,000. Now, the craftsmen hope to bring their wares to foreign markets.

Such success story can be replicated in pottery / ceramic clusters in India. Efforts could be made to tie up with world leaders in porcelain and decorative ceramics like Dresden, Missen, Capo De Monte, Lladro, Hummel, Goebells, Lennox, Noretake, Royal Doulton, Royal Albert.



Case VI: Market for Toys- Use of natural materials



Many regions in India specialise in making toys. In Andhra Pradesh for instance, Kondapalli, Nirmal, Ettikoppakka and Tirupati, are associated with wooden toys crafted with great style.

Kondapalli toys are made in and around Kondapalli, a little village in the Vijayawada district of Andhra Pradesh. The traditional craftsmen who make famed toys are called *Aryakshatriyas*. This traditional art form continues to be the main livelihood of the people of Kondapalli.



Kondapalli toys are made of softwood, known as Tella Poniki. Sawdust, tamarind seed powder, enamel gums and water colours are used in making these toys. Every small detail, including the appearance of the face, is looked into and carefully carved. It takes a very long time to fashion each one.

On account of the rising cost of making natural dyes, these artisans have switched over to synthetic dyes.. A toy made of natural dyes costs four times more than that made with synthetic dyes. The toys from Kondapalli, once famous and sought-after, were being rejected in the European markets of late, as the importers are now more health-conscious. The artisans and craftsmen are also developing respiratory and other problems due to the chemicals used in the manufacturing process. ***The following steps could help boost the market for these toys:***

- Research on making natural dye more affordable
- Training to improve designs and colour combinations, expanding on the limited number of traditional motifs and models.

Case VII: Making silverware tarnish free

Sterling silver (92.5% Ag/7.5% Cu) has been the standard alloy for silverware and jewellery for many years - however it is susceptible to tarnishing. Silverware also develops firestain or firescale, a dark coating found on silver that occurs when the metal oxidizes at high temperatures, making welding of silverware infeasible. The following two solutions could greatly enhance the market demand for silverware, by helping preserve the shine and polish of silverware.

Tarnish free silver: What some are calling the most significant development in silversmithing in centuries, a British silversmith Peter Johns and Northern Europe's largest silver manufacturer Kultakeskus OY, have teamed up to produce a patented product - tarnish-resistant silver. By adding Germanium, the silver alloy does not develop firestain and tarnish - both forms of oxidation. This new sterling silver never needs polishing and can be placed in the dishwasher.

Adding germanium adds about 7 to 10 percent to the price of finished products. The development of this new product offers interesting possibilities to the marketplace — from jewelry and silverware to industrial applications. A firm -Vaasa Limited, is engaged in discussions with various manufacturers about introducing this product to consumers.

Tarnish resistant surface finishes: Another approach to prevent tarnish and increase demand and price for silverware is to apply tarnish resistant surface treatments.



By treating the surface where tarnish appears, rather than the bulk of the material, it should be possible to reduce costs, while still achieving the desired effect. Indian artisans like Tarakasi (silver filigree) artisans of Cuttack in Orissa and silver artisans of Kolhapur could use tarnish resistant silver to improve their export markets.

Case VIII: Important technological interventions for Glass Clusters

S. No.	Activity	Technology	Advantages
1.	Melting	Improved Gas Fired 12-Pot Furnace	Better fuel efficiency and longer life as compared to the conventional one.
2.	Pot making	Set up of different machines	The improved Pot making facility will have the machines like Jaw Crusher, Blender, Pug – Mill, Edge Runner etc. for processing of raw materials and also temperature and humidity controlled room for molding and drying of Pot. Conventional Pot making facilities lack these things and does not yield good quality Pots.
3.	Glass Forming	IS-Machine (10-12 Tons/day)	Much higher productivity than Press Machines and Mouth Blowing. Quality will be much better.
4.	Testing & Quality Control	Small Scale Laboratory	Helpful in quality control and improve productivity.
5.	Heat Treatment	Improved Muffle Furnace	Gas fired muffle furnace will improve productivity, the working condition and the working environment.
6.	Raw material handling	Improved Batch House and Batch handling system	Conventional system of Firozabad Glass Industry creates lot of dusting and health hazards to the workers. A properly designed system will be free from dusting and will reduce health hazards by providing improved working condition will improve.
7.	Glass Forming Techniques	Spinning Machine	Flat and round items like Bowls, Plates etc. can be produced in this machine with better surface finish than the same products of Press Machines. Presently, in Firozabad, these are produced mostly by Press machine.
8.	Glass Forming Techniques	Injection Molding Machine	Solid items like stem wares, which are produced manually, can be produced in this machine with much better accuracy & control.
9.	Glass Beads making	LPG fired Bead making Furnace	Multi coloured Glass Beads have very good export value. These are mostly produced domestically in rural areas using Coal fired ovens, which creates very dirty and unhygienic atmosphere. LPG fired Bead making furnace developed by CGCRI, Khurja is clean, simple and easy to operate. It consumes 250 to 300 grams of LPG/hr.

CHAPTER 11 ENTREPRENEURSHIP & INNOVATION

11.1 Entrepreneurship: Driver of Development

- 11.1.1 Entrepreneurship consists of the competitive behaviors that drive the market process. As such entrepreneurship is manifested not only by market entry of new firms, but also by innovative and imitative entries into new markets by established firms. From this perspective, technological innovation is a form of entrepreneurship. The contribution of technological innovation to national economic growth has been well established in the economic literature, both theoretically as well as empirically. However, a closely related concept, entrepreneurship, has for a long time not found a proper place in mainstream empirical economic research on the sources of economic growth.
- 11.1.2 The early work of Schumpeter (1911) established conceptually the **“entrepreneur as innovator” as a key figure in driving economic development**. A large body of empirical work has evolved from the focus on technological progress and innovation. These studies have established that the level of technological innovation contributes significantly to economic performance, particularly at the firm and industry level. **The emergence of world-class enterprises from India needs to be encouraged**. Innovators and entrepreneurs here have to play this critical role.

11.2 Stimulating the Entrepreneurial Spirit

- 11.2.1 Beyond the “hardware” of excellent infrastructure, entrepreneurial success lies in developing the “software” – the creative entrepreneurial spirit and the ability to take calculated risks. Entrepreneurship is thus a state of mind that needs to be cultivated. To prepare for India’s future, we must start cultivating the entrepreneurial state of mind in our youth today. We must, therefore, create an environment conducive to innovation, both inside and outside the classroom. And we should start doing this through the key thrusts.

Box 11.1: Entrepreneurship Program in Singapore

An **Entrepreneurship Program** was initiated at the Centre for Business Research & Development (CBRD) of the National University of Singapore (NUS) in the early 1990s, **to Equip, Empower and Enhance the entrepreneurial potential of individuals**. To pursue the above objectives, the **NUS Entrepreneurship Society (ES)** was formed in July 1992 with the mission: **To Motivate, Prepare and Nurture Students into Innovative, Leading and Successful entrepreneurs**.

ES organizes most of the public seminars, conferences and other formal and informal gathering for entrepreneurs and would-be entrepreneurs. A main activity of the Society is the annual **Best Business Idea Competition**, which aims to bring together students with innovative business ideas and the business community that may pursue the ideas further. The Society also organized social and recreational activities to promote interaction and co-operation among its student members. Through these activities, ES hopes to promote entrepreneurial thinking among students.

ES does not receive any funding from the University administration and has to seek sponsorship to finance its operations and activities. Over the years, the Society has managed to gain continued support from the business sector.

In line with the strategic vision of NUS to become a global knowledge enterprise, the **NUS Entrepreneurship Centre** has been established with the mission to nurture the spirit of entrepreneurship and innovation among the NUS community through education and outreach activities, and to advance knowledge of technology venturing practice through research. A university level centre and a unit of NUS Enterprise, the centre **integrates its three main functions -- entrepreneurship education, research and outreach -- in a synergistic manner** to inject an entrepreneurial dimension to NUS education, to mentor technology spin-offs by NUS professors, researchers and students, and to provide entrepreneurial thought leadership to the venture community of Singapore and beyond.

The Centre has made various educational innovations: a **new MSc (Management of Technology) Program** in 1992; **Technopreneurship Minor Program for NUS undergraduates** in 1999; and expanding the program internationally to **support students on high tech internships in NUS Overseas Colleges** in 2002; summer courses on technology entrepreneurship for overseas students; **technopreneurship workshops** for working technical professionals; the first **nation-wide business plan competition** in Singapore (Start-Up@Singapore); joint organization with Stanford of the **first Global Entrepreneurs Challenge outside the US**.

The Centre is now a leading research centre in Asia focusing on technology entrepreneurship and innovation management, with active research collaboration with leading entrepreneurship and innovation researchers worldwide.

- 11.2.2 We may have to revise our education system and school curricula. Our school system has been emphasizing mainly rote learning and the pure sciences. With the increasing importance of creative thinking, we now need a different mode of learning and may have to remove, say, 25 per cent of the curriculum to allow more time for projects that encourage creativity and analysis, and a more broad-based curriculum, which includes the creative arts. Evaluation criteria for university admissions should include project work and extra-curricular activity participation. At the tertiary level, there should be specialised programmes to guide budding entrepreneurs.
- 11.2.3 Our second thrust should give our students real-life experience and direct interaction with the entrepreneurial community through entrepreneurship programmes, including free market bazaars, business mentorship and business plan competitions.
- 11.2.4 Thirdly, we shall have to develop an extensive network for exchanging ideas, experiences and tacit knowledge. International dialogues, forums and exchange programmes play a vital role.
- 11.2.5 Fourth, mentoring is yet another channel allowing one-on-one interaction and learning. Links of touch will have to be developed between seasoned and qualified business people including those who may have retired, and technopreneurial enterprises that are in need of advice, contacts and strategic insights. All budding entrepreneurs in India should have free access to them.
- 11.2.6 And finally, it should be borne in mind that project-driven internships are another effective way to incorporate real-life entrepreneurship into education. This will go a long way in developing the business and technical skills in the global market and creating networking and mentoring opportunities. Our students, entrepreneurs and venture capitalists will be benefited a lot. This way, our companies can exchange ideas, expand partnerships find new markets and explore new funding opportunities and have the advantage of access to global markets.

Box 11.2 : Idea to Product Technology Commercialization Competition

The Idea to Product technology (commercialisation) competition was started at The University of Texas at Austin in 2001 by a student organization, the Technology Entrepreneurship Society (TES). The first International competition was held at UT Austin in the Fall of 2003. The goal of I2P is unique product ideas, with clear market demand, that use innovative technologies.

I2P™ teams are comprised of students from engineering, business, pharmacy, liberal arts, communications, science and law schools who work together to identify technology innovations within university communities and to create and present commercialization plans for these potential new products.

The overall winner of this international competition will be invited to participate in The University of Texas MOOT CORP® Competition in May 2005. The combination of I2P™ and MOOT CORP® provide students with a natural progression from ideas in a university laboratory to products and services provided to serve broad society needs.

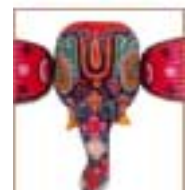
Teams must present to the judges a technology based, innovative product/service idea. The students will make a 10-minute “blitz” presentation followed by a 15-minute question-and-answer session with the judges. Presentations will focus on the innovation of the underlying technology, the creativity of the product/service idea, the market need, the initial customers for the product/service idea and the intellectual property position for the product/service idea.

International Idea to Product Competition enhances cross-disciplinary studies in entrepreneurship, research, technology-based product development and emerging markets. This international program encourages students both to develop technology and to examine applications addressing social needs.

While there are strong programmatic efforts to help individual students succeed, this forum is devoted to the development of ideas through collaboration among the different disciplines – a key element to entrepreneurial success. Mandate is to encourage education in technology commercialization, and the movement of new discoveries from the university to the commercial sector tied to market needs. Such events provide another opportunity to invigorate the economy and re-kindle business growth.

11.3 Protecting Artisan Entrepreneurs: Geographical Indicators

- 11.3.1 Every region has its claim to fame. China Silk, Dhaka Muslin, Venetian glass, Coramandal pearls were all treasures sought by the entire world. Each geographical reputation was carefully built up and painstakingly maintained by the masters of that region, combining the



best of Nature and Man, traditionally handed over from one generation to the next for centuries.

- 11.3.2 Regional specialties have been taken for granted upto now without suffering many losses. But now, protection for the brand of the region for its very own uniqueness has become necessary and inevitable, and without delay, through the protection of Geographical Indications, or appellations of origins.
- 11.3.3 Artisans and Household Sector needs to be provided Legal Support to protect its Intellectual Property Rights. This aspect would also be an integral part of RFIE proposed in Chapter 2 on Cluster Based Strategy. Geographical Indicators are indications, which identify a good as originating in a place where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin. Some more well known examples of geographical indicators are "Champagne", "Bordeaux" and "Chianti", the first two being regions in France and the third, a region in Italy, all famous for their wines. In the Indian context, Banarasi Saris, Kolhapuri Chappals, Lukhnowi Kurta, Kanchipuram Silk Saree, Kondapalli Toys are some of the examples of possible Geographical Indicators in India, which could help the household and artisan sector.
- 11.3.4 The benefits of registration of Geographical Indications is that, it confers legal protection against unauthorized use of a registered geographical Indication by others, thereby boosting exports of reputed Indian handicraft clusters, and promoting economic prosperity of artisans and household producers.
- 11.3.5 Registration is possible under the Geographical Indications of Goods (Registration and Protection) Act, 1999 (GI Act), which was brought into force on September 15. International protection under WTO rules is also possible.

11.4 Recommendations

7. The IMG recommends that for addressing the basic issues involved in encouraging entrepreneurship and innovation in this Sector, the following needs to be done:
8. Review and reform of school curriculum to reduce learning by rote and introduce project based activity.
9. Project Assessments should be included as criteria for University level admissions
10. To set up incubation centers for household sector in Universities
11. To initiate a Business Plan contest specifically for Household and Artisan Manufacturing Sector, to encourage business brains to be applied to innovative technology-production- marketing linkages for this neglected sector.

CHAPTER 12 INSTITUTIONAL ASPECTS

12.1 Rationalisation of Institutional Framework: New Department of Artisans

- 12.1.1 First and foremost, a rationalization of the institutional framework dealing with artisanal and household manufacturing sector is called for. There are a number of departments implementing a variety of Plan and Non-Plan Schemes for supporting household and artisanal manufacturing. These are Ministry of Agro and Rural Industries, Development Commissioner for Handlooms, Development Commissioner for Handicrafts, Central Silk Board, Wool Directorate, Ministry of Food Processing Industries, Ministry of Small Scale Industries, NABARD and SIDBI. Some part of the diffused activity exists in other departments such as Ministry of Tribal Development, Ministry of Rural Development, Department of Science & Technology etc. As the plethora of these organizations are working in vertically isolated manner, the first and foremost requirement is to bring about a convergence in their functioning. A new Department for Artisans is recommended.
- 12.1.2 This would not only provide a powerful message across the length and breadth of the country, particularly, the marginalized cross-section of society to the effect that they can expect to receive focused attention but also fine tune several ministries to concentrate on their core activity rather than peripheral issues sapping their energies.
- 12.1.3 For instance, carving out handloom, handicrafts, sericulture and wool from the present Ministry of Textiles and placing them under the new Department would help the Ministry of Textiles to face up to the post Multi-Fibre Agreement (MFA) regime ushered in with effect from 1st January 2005. The Ministry is required henceforth to operate in a fierce globally competitive environment. The mill sector today contributes about 4 per cent of the total fabric production in the country. The remaining 96 per cent is contributed by handloom and decentralized powerloom sectors. The proposed institutional rationalization would help the Ministry to concentrate on mill sector and help raise the level of India's share in global textile trade from 3 per cent to 15 per cent. This task would be impossible to achieve in the existing arrangement.

- 12.1.4 It is equally relevant in this context to suggest that the non-cellulose part of textile industry that is presently under the control of Ministry of Chemicals and Fertilizers (Department of Chemicals and Petrochemicals) could be brought under Ministry of Textiles.
- 12.1.5 It is significant to note that the artisanal and household manufacturing sector comprising essentially the handicrafts, handlooms and sericulture, agro and rural industries is characterized by demographic profile comprising predominantly the large cross-section of scheduled caste, schedule tribe, backward classes and most importantly the women. Similar schemes from other Departments such as Rural Development amongst other could also be merged in this new Department for Artisans along with the Ministry of Agro and Rural Industries.

12.2 National Council on Artisans under Prime Minister

As the new Department would need to interface with other financial/technical institutions, State Governments and Panchayati Raj Institutions, the second important initiative required is to evolve a unified command mechanism that can play the role of conductor of an orchestra in order to create a symphony. National Council on Artisans could be set up under Prime Minister. Chief Ministers and Ministers of relevant Central Department could be Members.

12.3 Professionalisation of Existing Institutions

- 12.3.1 The third most important issue, which has emerged, relates to professionalisation of our existing institutions. This emanates from the need to change their orientation from being supply-driven to demand-driven.
- 12.3.2 In none of the existing departments / institutions (with the exception of NABARD and SIDBI) are marketing professionals and business graduates from any of the leading management schools available. Take for example KVIC. In terms of turnover and net block it would match Hindustan Lever Ltd (HLL). Whereas the HLL operates in a commercial mode and creates enormous wealth, the KVIC's operations are so opaque in nature that it would be difficult to comprehend whether it operates in a comparable sustainable business mode with clear accountability and management control systems for

a gamut of its activities. This can only be organized by inducting business management professionals who alone can organize it into relevant profit and cost centers.

12.4 Recommendations

The IMG strongly feels that if artisanal and household manufacturing sectors are to become rapid growth sectors, the institutional aspects need top most priority. As such it is recommended that:

1. A new department for Artisans and Household manufacturing may be carved out, by consolidating under one department all the activities of different departments pertaining to this sector.
 2. Specifically, handloom, handicrafts, sericulture and wool should be carved out of the present Ministry of Textiles and placed under the new Department; Simultaneously, non-cellulose part of textile industry that is presently under the control of Ministry of Chemicals and Fertilizers (Department of Chemicals and Petrochemicals) could be brought under Ministry of Textiles.
 3. Merging of Ministry of Agro and Rural Industries in the new Department for Artisans along with the similar schemes from other Departments such as Rural Development.
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Planning Commission

Yojana Bhavan, Sansad Marg, New
Delhi, 4th August, 2004

ORDER

Sub: Setting up of an Inter-Ministry Task Group on Technological, Investment and Marketing Support for Household and Artisanal Manufacturing

1. In pursuance of the decision taken by the Prime Minister for setting up of Inter-Ministry Task Groups to consider action needed for those areas of National Minimum Programme where the agenda is cross sectoral and requires action encompassing a number of Ministries/Departments, it has been decided to set up an Inter-Ministry Task Group on Technological Investment and Marketing Support for Household and Artisanal Manufacturing.

2. The composition of the Task Group is as under:

i)	Secretary, Planning Commission	- Chairman
ii)	Secretary, Ministry of Textiles	- Member
iii)	Chairman, Railway Board	- Member
iv)	Secretary, Ministry of Finance (Department of Expenditure)	- Member
v)	Secretary, Department of Commerce	- Member
vi)	Secretary, Ministry of Small Scale Industries	- Member
vii)	Secretary, Deptt. of Rural Development	- Member
viii)	Secretary, Deptt. of Science & Technology	- Member
ix)	Secretary, Ministry of Agro & Rural Industries	- Member
x)	Secretary, Ministry of Food Processing Industries	- Member
xi)	Sectoral Officer-in-Charge, Prime Minister's Office	- Member
xii)	Adviser (Industry), Planning Commission	- Convener

3. The Terms of Reference of the Task Group would be developed in the first meeting of the Task Group by the Group itself keeping in view the objectives and priorities laid down in NCMP relating to the subject of the Task Group after sharing with the Prime Minister's Office.

4. The Task Group may constitute a support group of domain specialists in the Ministries (i.e. officers in the rank of Joint/Additional Secretaries) in its first meeting to assist the Task Group in the spadework and in preparing and finalizing its Report.

5. Each Ministry/Department concerning the subject of the Task Group should make a written presentation to the Task Group on what possibilities exist in their areas of concern.

6. The Task Group will have the powers to co-opt/associate professionals/domain experts into the Group. The Task Group will also have the powers to set up Sub Groups/Steering Committees of officials/non officials to finalize its views on specific issues. The Task Group should, however, encourage active participation of the State Governments in the areas of concern of the Group.

7. The expenditure of the members on TA/DA in connection with the meetings of the Task Group will be borne by the Ministry/Department/State Government to which the members belong. In case of private members, TA/DA will be borne by the Planning Commission as admissible to the Class I officers of the Government of India.

8. The Task Group will submit its report to the Planning Commission within Ninety days from the date of its constitution.

The Task Group will be serviced by the Planning Commission.

Sd/-

(Rajan Katoch)

Joint Secretary to the Government of India

To

All Members of the Task Group

Copy to:

1. Deputy Chairman, Planning Commission
2. Minister of State (Planning)
3. Members, Planning Commission
4. Cabinet Secretary
5. Secretary to the President of India
6. Pr. Secretary to Prime Minister
7. Joint Secretary to Prime Minister (Sh. R. Gopalakrishnan) with reference to his UO No.360/31/C/20/04-ES.II, dated 29th July 2004
- 8 Pr. Advisers/Advisers Planning Commission

Minutes of the meeting of the Inter-Ministry Task Group on Technological, Investment and Marketing Support for Household and Artisanal Manufacturing Sector held on 8.2.05 in Yojana Bhavan, under the chairmanship of Secretary, Planning Commission to finalise the draft report of the Task Group

The list of participants is placed as Annexure I.

Welcoming Secretary, Ministry of Small Scale Industries and Ministry of Agro and Rural Industries as well as other participants to the meeting, the chairman informed at the outset that the main purpose of the meeting was to consider the draft report prepared on the basis of earlier deliberations of the Group, which had been circulated for the meeting. He, thereafter, informed the Group that it is proposed to forward the report to the PMO and host it on the website of the Planning Commission. He, thereafter, invited Secretary (SSI/ AEI) and other members to offer their views on specific recommendations and their view on adoption of the report formally by the Group.

2. Secretary (ARI/ SSI) complimented the chairman for the high quality of the draft Report. He expressed his Department's full support on the recommendations and endorsement to adopt the draft report. He, however, offered to edit certain portions of the write-up in order to update facts and elaborate on the following points:

- i. Important schemes such as Rural employment Generation Programme (REGP), Pradhan Mantri Rozgar Yojana (PMRY), Khadi and Village Industries, Coir Industry.
- ii. Definitional issues relating to household and artisanal sector as activities covered by it went beyond the conventional definition of manufacturing/ industry covering auxiliary services.
- iii. The scheme announced by the Hon'ble Finance Minister in his Budget speech (2004-05) on regeneration of traditional industries which is being formulated by the Ministry of Agro and Rural Industries in view of the congruence of the scheme with the essence of the recommendations of the Group.

The above offer of Secretary (SSI/ ARI) was appreciated and accepted by the chair. Secretary (SSI/ ARI) was, however, requested to provide his inputs within 2 to 3 days in view of the urgency of this task.

Secretary (SSI/ ARI) also made a suggestion that copies of the draft report may also be sent to Member Secretaries of the National Commission on Enterprises in the Unorganized/ Informal Sector as also the National Manufacturing Competitiveness Council, as the recent deliberations by them in which he had participated suggest a possible overlap. It was decided to forward

copies of the report to both these august bodies.

3. Representative of the Ministry of Rural Development fully endorsed the recommendations and supported adoption of the draft report. He expressed willingness of his Department to take up the important coordinating role envisaged in the draft report.

4. Additional Secretary, Department of Commerce, while expressing full support for recommendations and endorsement to adopt the draft report, felt that strategy for tapping high value niche export market for products manufactured by this sector should be elaborated in the report and for which he offered to provide draft write-up within 2 to 3 days.

5. Representative of the Ministry of Food Processing Industries also fully endorsed the recommendations and conveyed his Department's support for adopting the draft report.

6. The chairman requested all participants to provide the relevant write-up, if any, expeditiously.

It was decided to adopt the draft report on the basis of the consensus expressed in the meeting by members or their representatives present. The chairman directed Adviser (Industry) to incorporate the material received from the Ministry of SSI/ ARI/ Department of Commerce and others suitably in the report, which, on the basis of the views/ consensus, stands adopted and can be processed further for necessary action without any further delay.

ANNEXURE I

LIST OF PARTICIPANTS

1. Shri Rajeeva Ratna Shah, Secretary, Planning Commission In the chair
2. Shri Anupam Das Gupta, Secretary (SSI & ARI)
3. Shri Satyananda Mishra, Additional Secretary & DC (SSI)
4. Dr. Christy Pernandes, Additional Secretary, Department of Commerce
5. Dr. Amar Singh, Joint Secretary, Ministry of Rural Development
6. Shri R.C. Jhamtani, Adviser (Industry), Planning Commission
7. Shri J.P.Shukla, Director, Ministry of Food Processing Industries
8. Shri A.K. Gupta, Joint Director, Department of Commerce
9. Shri Bhanu Mehrotra, SRO

District-wise List of Handloom Clusters in India

No.	STATE	DISTRICT	HANDLOOM	WOOL-CENTRE	SILK-CENTRE	LOOM-TOTAL
1	ANDHRA PRADESH	Anantapur	1	0	1	2
2	ANDHRA PRADESH	Cuddapah	1	0	0	1
3	ANDHRA PRADESH	East Godavari	1	0	1	2
4	ANDHRA PRADESH	Guntur	1	0	0	1
5	ANDHRA PRADESH	Karimnagar	1	0	0	1
6	ANDHRA PRADESH	Mahbubnagar	1	0	0	1
7	ANDHRA PRADESH	Nalgonda	1	0	1	2
8	ANDHRA PRADESH	Nellore	1	0	1	2
9	ANDHRA PRADESH	Prakasam	1	0	0	1
10	ANDHRA PRADESH	Warangal	1	0	0	1
11	ARUNACHAL PRADESH	Lower Subansiri	1	0	0	1
12	ASSAM	Cachar	1	0	0	1
13	ASSAM	Kamrup	1	0	1	2
14	ASSAM	Karimganj	1	0	0	1
15	ASSAM	Nagaon	1	0	0	1
16	BIHAR	Bhagalpur	1	0	1	2
17	BIHAR	Gaya	1	0	0	1
18	BIHAR	Madhubani	1	0	0	1
19	CHHATTISGARH	Bilaspur	1	0	0	1
20	CHHATTISGARH	Raipur	1	0	0	1
21	GUJARAT	Banas Kantha	1	0	0	1
22	GUJARAT	Kachchh	1	0	0	1
23	HARYANA	Karnal	1	0	0	1
24	HIMACHAL PRADESH	Kullu	1	1	0	2
25	JAMMU & KASHMIR	Jammu	1	0	1	2
26	JAMMU & KASHMIR	Pulwama	1	0	0	1
27	JAMMU & KASHMIR	Srinagar	1	0	1	2
28	JHARKHAND	Ranchi	1	0	0	1
29	KARNATAKA	Bellary	1	0	0	1
30	KARNATAKA	Bijapur	1	0	1	2
31	KARNATAKA	Chitradurga	1	0	1	2
32	KARNATAKA	Dharwad	1	1	0	2
33	KARNATAKA	Gulbarga	1	0	0	1
34	KARNATAKA	Udupi	1	0	0	1
35	KERALA	Kannur	1	0	0	1
36	KERALA	Thiruvananthapuram	1	0	0	1
37	MADHYA PRADESH	Chhindwara	1	0	0	1
38	MAHARASHTRA	Nagpur	1	0	0	1
39	MAHARASHTRA	Solapur	1	0	0	1
40	MANIPUR	Bishnupur	1	0	0	1
41	MANIPUR	Imphal West	1	0	0	1
42	MANIPUR	Senapati	1	0	0	1
43	MANIPUR	Thoubal	1	0	0	1
44	MEGHALAYA	West Garo Hills	1	0	0	1
45	MIZORAM	Aizawl	1	0	0	1
46	NAGALAND	Dimapur	1	0	0	1

No.	STATE	DISTRICT	HANDLOOM	WOOL-CENTRE	SILK-CENTRE	LOOM-TOTAL
47	NAGALAND	Kohima	1	0	0	1
48	ORISSA	Balangir	1	0	0	1
49	ORISSA	Cuttack	1	0	0	1
50	ORISSA	Puri	1	0	0	1
51	ORISSA	Sambalpur	1	0	0	1
52	PONDICHERRY	Pondicherry	1	0	0	1
53	PUNJAB	Ludhiana	1	1	0	2
54	RAJASTHAN	Jaipur	1	1	0	2
55	RAJASTHAN	Jodhpur	1	0	0	1
56	RAJASTHAN	Kota	1	0	0	1
57	TAMIL NADU	Coimbatore	1	0	1	2
58	TAMIL NADU	Cuddalore	1	0	0	1
59	TAMIL NADU	Dindigul	1	0	0	1
60	TAMIL NADU	Kancheepuram	1	0	1	2
61	TAMIL NADU	Kanniyakumari	1	0	0	1
62	TAMIL NADU	Karur	1	0	0	1
63	TAMIL NADU	Madurai	1	0	0	1
64	TAMIL NADU	Salem	1	0	1	2
65	TAMIL NADU	Sivaganga	1	0	0	1
66	TAMIL NADU	Thanjavur	1	0	1	2
67	TAMIL NADU	Theni	1	0	0	1
68	TAMIL NADU	Tiruchirappalli	1	1	0	2
69	TAMIL NADU	Tirunelveli	1	0	0	1
70	TAMIL NADU	Vellore	1	0	0	1
71	TRIPURA	West Tripura	1	0	0	1
72	UTTAR PRADESH	Azamgarh	1	0	0	1
73	UTTAR PRADESH	Barabanki	1	0	0	1
74	UTTAR PRADESH	Bijnor	1	0	0	1
75	UTTAR PRADESH	Gorakhpur	1	0	0	1
76	UTTAR PRADESH	Hathras	1	0	0	1
77	UTTAR PRADESH	Kanpur Nagar	1	1	0	2
78	UTTAR PRADESH	Meerut	1	0	0	1
79	UTTAR PRADESH	Moradabad	1	0	0	1
80	UTTAR PRADESH	Sitapur	1	0	0	1
81	UTTAR PRADESH	Varanasi	1	0	1	2
82	UTTARANCHAL	Nainital	1	0	0	1
83	UTTARANCHAL	Udhamsingh Nagar	1	0	0	1
84	WEST BENGAL	Bankura	1	0	1	2
85	WEST BENGAL	Barddhaman	1	0	0	1
86	WEST BENGAL	Birbhum	1	0	1	2
87	WEST BENGAL	Dakshin Dinajpur	1	0	0	1
88	WEST BENGAL	Hugli	1	0	0	1
89	WEST BENGAL	Kolkata	1	1	0	2
90	WEST BENGAL	Maldah	1	0	1	2
91	WEST BENGAL	Medinipur	1	0	0	1
92	WEST BENGAL	Murshidabad	1	0	1	2
93	WEST BENGAL	Nadia	1	0	0	1
94	WEST BENGAL	North Twenty Four	1	0	0	1
95	WEST BENGAL	Puruliya	1	0	0	1

District-wise List of Wool and Woolen Centres in India

No.	STATE	DISTRICT	HANDLOOM	WOOL-CENTRE	SILK-CENTRE	LOOM-TOTAL
1	DELHI	Central	0	1	0	1
2	DELHI	East	0	1	0	1
3	DELHI	New Delhi	0	1	0	1
4	DELHI	North	0	1	0	1
5	DELHI	North East	0	1	0	1
6	DELHI	North West	0	1	0	1
7	DELHI	South	0	1	0	1
8	DELHI	South West	0	1	0	1
9	DELHI	West	0	1	0	1
10	GUJARAT	Jamnagar	0	1	0	1
11	GUJARAT	Vadodara	0	1	0	1
12	HARYANA	Faridabad	0	1	0	1
13	HARYANA	Gurgaon	0	1	0	1
14	HARYANA	Panipat	0	1	0	1
15	HIMACHAL PRADESH	Kullu	1	1	0	2
16	HIMACHAL PRADESH	Shimla	0	1	0	1
17	KARNATAKA	Bangalore	0	1	1	2
18	KARNATAKA	Dharwad	1	1	0	2
19	MADHYA PRADESH	Bhind	0	1	0	1
20	MADHYA PRADESH	Dewas	0	1	0	1
21	MADHYA PRADESH	Gwalior	0	1	0	1
22	MADHYA PRADESH	Neemuch	0	1	0	1
23	MAHARASHTRA	Mumbai	0	1	0	1
24	MAHARASHTRA	Thane	0	1	0	1
25	PUNJAB	Amritsar	0	1	0	1
26	PUNJAB	Ludhiana	1	1	0	2
27	RAJASTHAN	Bhilwara	0	1	0	1
28	RAJASTHAN	Bikaner	0	1	0	1
29	RAJASTHAN	Jaipur	1	1	0	2
30	TAMIL NADU	Tiruchirappalli	1	1	0	2
31	UTTAR PRADESH	Ghaziabad	0	1	0	1
32	UTTAR PRADESH	Kanpur Nagar	1	1	0	2
33	UTTAR PRADESH	Mirzapur	0	1	0	1
34	WEST BENGAL	Kolkata	1	1	0	2

**District-wise Distribution of 903 Craft Clusters in India
(based on Total Number of Craft Clusters)**

No.	State Name	District Name	Textile, Jute & Coir, Wool & Carpets	Stone & Wood Carving; Toys, Pottery	Jewellery Clusters	Cane & Bamboo Clusters	Leather & Leather Craft	Other Misc. Craft Clusters	Total No. of Craft Clusters
1	DELHI	South	1	1	1	1	1	1	6
2	GUJARAT	Ahmadabad	1	1	1	1	1	1	6
3	MAHARASHTRA	Kolhapur	1	1	1	1	1	1	6
4	MAHARASHTRA	Nagpur	1	1	1	1	1	1	6
5	ORISSA	Cuttack	1	1	1	1	1	1	6
6	ORISSA	Puri	1	1	1	1	1	1	6
7	DELHI	Central	1	1	1	1	1	0	5
8	GOA	North Goa	1	1	1	1	0	1	5
9	GOA	South Goa	1	1	1	1	0	1	5
10	GUJARAT	Kachchh	1	1	1	1	1	0	5
11	GUJARAT	Rajkot	1	1	1	1	0	1	5
12	JAMMU & KASHMIR	Srinagar	1	1	1		1	1	5
13	KARNATAKA	Bangalore	1	1	1	1	0	1	5
14	KARNATAKA	Dakshina Kannada	1	1	1	1	0	1	5
15	MADHYA PRADESH	Gwalior	1	1	1		1	1	5
16	MAHARASHTRA	Mumbai	1	1	1		1	1	5
17	ORISSA	Ganjam	1	1	1	1	0	1	5
18	ORISSA	Koraput	1	1	0	1	1	1	5
19	RAJASTHAN	Bikaner	1	1	1		1	1	5
20	RAJASTHAN	Jaipur	1	1	1		1	1	5
21	UTTAR PRADESH	Agra	1	1	1		1	1	5
22	UTTAR PRADESH	Bareilly	1		1	1	1	1	5
23	UTTAR PRADESH	Lucknow	1	1	1		1	1	5
24	WEST BENGAL	Birbhum	1	1	0	1	1	1	5
25	WEST BENGAL	Haora	1	1	1	1	0	1	5
26	WEST BENGAL	Kolkata	1	1	0	1	1	1	5
27	ANDHRA PRADESH	Anantapur	1	1	0	1	0	1	4
28	ANDHRA PRADESH	Hyderabad	1	1	1		0	1	4
29	CHHATTISGARH	Bastar	1	1	1	1	0	0	4
30	DELHI	East	1	1	0	1	0	1	4
31	DELHI	North		1	1	1	1	0	4
32	DELHI	West	1	1	1		1	0	4
33	GUJARAT	Bharuch	1	1	1		1	0	4
34	GUJARAT	Bhavnagar	1	1	1	1	0	0	4
35	HIMACHAL PRADESH	Chamba	1	1	1		1	0	4
36	HIMACHAL PRADESH	Lahul & Spiti	1	1	1		1	0	4
37	KERALA	Kottayam	1	1	0	1	0	1	4
38	KERALA	Thiruvananthapuram	1	1	1		0	1	4
39	KERALA	Thrissur	1	1	0	1	0	1	4
40	MAHARASHTRA	Amravati	1	1	1		0	1	4
41	MAHARASHTRA	Aurangabad	1	1	1		0	1	4

No.	State Name	District Name	Textile, Jute & Coir, Wool & Carpets	Stone & Wood Carving; Toys, Pottery	Jewellery Clusters	Cane & Bamboo Clusters	Leather & Leather Craft	Other Misc. Craft Clusters	Total No. of Craft Clusters
42	MAHARASHTRA	Nashik	1	1	1		0	1	4
43	MAHARASHTRA	Pune	1	1	1		0	1	4
44	MANIPUR	Imphal West	1	1	1		0	1	4
45	NAGALAND	Dimapur	1	1	0	1	0	1	4
46	ORISSA	Mayurbhanj	1	1	1		0	1	4
47	RAJASTHAN	Alwar		1	1		1	1	4
48	RAJASTHAN	Jodhpur	1	1	1		1	0	4
49	TAMIL NADU	Madurai	1	1	1		0	1	4
50	TAMIL NADU	Thanjavur	1	1	1		0	1	4
51	UTTAR PRADESH	Mathura	1	1	1		0	1	4
52	UTTAR PRADESH	Moradabad	1	1	1		0	1	4
53	UTTAR PRADESH	Varanasi	1	1	1		0	1	4
54	UTTARANCHAL	Almora	1	1	1		0	1	4
55	UTTARANCHAL	Nainital	1	1	1		0	1	4
56	UTTARANCHAL	Pithoragarh	1	1	1		0	1	4
57	WEST BENGAL	Bankura	1	1	0	1	0	1	4
58	WEST BENGAL	Bardhaman	1	1	0	1	0	1	4
59	WEST BENGAL	Darjiling	1	1	0	1	0	1	4
60	WEST BENGAL	Koch Bihar	1	1	0	1	0	1	4
61	WEST BENGAL	Medinipur	1	1	0	1	0	1	4
62	WEST BENGAL	Nadia	1	1	0	1	0	1	4
63	ANDAMAN & NICOBAR	Nicobars	1	1	0	1	0	0	3
64	ANDHRA PRADESH	East Godavari		1	0		1	1	3
65	ANDHRA PRADESH	Guntur		1	0		1	1	3
66	ANDHRA PRADESH	Karimnagar	1	1	1		0	0	3
67	ANDHRA PRADESH	Mahbubnagar	1	1	1		0	0	3
68	ANDHRA PRADESH	Nalgonda	1	1	1		0	0	3
69	ANDHRA PRADESH	Rangareddi	1	1	0	1	0	0	3
70	ANDHRA PRADESH	Visakhapatnam		1	1	1	0	0	3
71	ANDHRA PRADESH	Warangal	1	1	0		1	0	3
72	ANDHRA PRADESH	West Godavari	1	1	0		0	1	3
73	BIHAR	Madhubani	1	1	0		0	1	3
74	BIHAR	Patna	1	1	0		0	1	3
75	DELHI	North East	1	1	1		0	0	3
76	DELHI	South West	1	1	0		0	1	3
77	GUJARAT	Jamnagar	1	1	1		0	0	3
78	GUJARAT	Junagadh		1	0	1	0	1	3
79	GUJARAT	Surat	1	1	0		0	1	3
80	GUJARAT	Vadodara	1	1	0		0	1	3
81	HIMACHAL PRADESH	Kinnaur	1	1	1		0	0	3
82	HIMACHAL PRADESH	Kullu	1	1	1		0	0	3
83	JAMMU & KASHMIR	Anantanag	1	1	0		0	1	3
84	JAMMU & KASHMIR	Doda	1	1	0		0	1	3
85	JAMMU & KASHMIR	Leh (Ladakh)	1	1	1		0	0	3
86	JHARKHAND	Purbi Singhbhum		1	0	1	0	1	3

No.	State Name	District Name	Textile, Jute & Coir, Wool & Carpets	Stone & Wood Carving; Toys, Pottery	Jewellery Clusters	Cane & Bamboo Clusters	Leather & Leather Craft	Other Misc. Craft Clusters	Total No. of Craft Clusters
87	JHARKHAND	Ranchi		1	0	1	0	1	3
88	KARNATAKA	Bangalore Rural	1	1	1		0	0	3
89	KARNATAKA	Bellary	1	1	0	1	0	0	3
90	KARNATAKA	Davanagere	1	1	0	1	0	0	3
91	KARNATAKA	Dharwad	1	1	0	1	0	0	3
92	KARNATAKA	Gadag		1	1		1	0	3
93	KARNATAKA	Koppal	1	1	0		1	0	3
94	KARNATAKA	Mysore		1	0	1	0	1	3
95	KARNATAKA	Raichur	1	1	0	1	0	0	3
96	KARNATAKA	Uttara Kannada		1	1		0	1	3
97	KERALA	Alappuzha	1	1	0		0	1	3
98	KERALA	Ernakulam		1	0	1	0	1	3
99	KERALA	Idukki	1		1		0	1	3
100	KERALA	Malappuram		1	0	1	0	1	3
101	KERALA	Palakkad	1	1	0		0	1	3
102	MADHYA PRADESH	Indore	1	1	0		0	1	3
103	MADHYA PRADESH	Jhabua	1	1	0	1	0	0	3
104	MADHYA PRADESH	Shahdol	1	1	0	1	0	0	3
105	MADHYA PRADESH	Ujjain	1	1	0		0	1	3
106	MAHARASHTRA	Akola		1	1		0	1	3
107	MAHARASHTRA	Chandrapur		1	1	1	0	0	3
108	MAHARASHTRA	Ratnagiri	1	1	0		0	1	3
109	MAHARASHTRA	Sangli	1		1	1	0	0	3
110	MANIPUR	Bishnupur	1	1	0	1	0	0	3
111	MANIPUR	Imphal East	1	1	1		0	0	3
112	ORISSA	Balangir	1	1	0		0	1	3
113	ORISSA	Baleshwar	1	1	0		0	1	3
114	ORISSA	Dhenkanal	1	1	0	1	0	0	3
115	RAJASTHAN	Ajmer	1	1	1		0	0	3
116	RAJASTHAN	Tonk	1	1	0		0	1	3
117	RAJASTHAN	Udaipur	1	1	1		0	0	3
118	TAMIL NADU	Chennai	1	1	0		0	1	3
119	TAMIL NADU	Kancheepuram	1	1	0		0	1	3
120	TAMIL NADU	Kanniyakumari	1	1	1		0	0	3
121	TAMIL NADU	Theni	1	1	0		0	1	3
122	TAMIL NADU	Tiruchirappalli	1	1	0		0	1	3
123	TAMIL NADU	Tirunelveli	1	1	1		0	0	3
124	TRIPURA	West Tripura	1	1	0	1	0	0	3
125	UTTAR PRADESH	Aligarh	1	1	1		0	0	3
126	UTTAR PRADESH	Bulandshahar	1	1	0		0	1	3
127	UTTAR PRADESH	Ghaziabad	1	1	0		0	1	3
128	UTTAR PRADESH	Kanpur Nagar	1		1		1	0	3
129	UTTAR PRADESH	Meerut		1	1		0	1	3
130	UTTAR PRADESH	Pilibhit	1	1	0		0	1	3
131	UTTARANCHAL	Chamoli	1	1	0		0	1	3

No.	State Name	District Name	Textile, Jute & Coir, Wool & Carpets	Stone & Wood Carving; Toys, Pottery	Jewellery Clusters	Cane & Bamboo Clusters	Leather & Leather Craft	Other Misc. Craft Clusters	Total No. of Craft Clusters
132	UTTARANCHAL	Dehradun	1	1	0		0	1	3
133	WEST BENGAL	Hugli	1	1	0		0	1	3
134	WEST BENGAL	Jalpaiguri	1	1	0	1	0	0	3
135	WEST BENGAL	Maldah	1	1	0		0	1	3
136	WEST BENGAL	Murshidabad	1	1	0		0	1	3
137	WEST BENGAL	North Twenty Four	1	1	0		0	1	3
138	WEST BENGAL	Puruliya	1	1	0		0	1	3
139	WEST BENGAL	South Twenty Four	1	1	1		0	0	3
140	ANDAMAN & NICOBAR	Andamans		1	0	1	0	0	2
141	ANDHRA PRADESH	Chittoor	1	1	0		0	0	2
142	ANDHRA PRADESH	Cuddapah	1	1	0		0	0	2
143	ANDHRA PRADESH	Krishna	1	1	0		0	0	2
144	ANDHRA PRADESH	Kurnool		1	1		0	0	2
145	ANDHRA PRADESH	Medak	1	1	0		0	0	2
146	ANDHRA PRADESH	Nellore		1	0	1	0	0	2
147	ANDHRA PRADESH	Nizamabad		1	1		0	0	2
148	ARUNACHAL PRADESH	Changlang		1	0	1	0	0	2
149	ARUNACHAL PRADESH	Dibang Valley	1	1	0		0	0	2
150	ARUNACHAL PRADESH	Lohit		1	1		0	0	2
151	ARUNACHAL PRADESH	Tawang		1	0	1	0	0	2
152	ASSAM	Kamrup		1	0	1	0	0	2
153	BIHAR	Darbhanga	1	1	0		0	0	2
154	BIHAR	Muzaffarpur	1	1	0		0	0	2
155	BIHAR	Saran	1	1	0		0	0	2
156	BIHAR	Siwan	1	1	0		0	0	2
157	GUJARAT	Kheda	1		1		0	0	2
158	GUJARAT	Patan	1	1	0		0	0	2
159	GUJARAT	Valsad	1	1	0		0	0	2
160	HARYANA	Gurgaon		1	0	1	0	0	2
161	HIMACHAL PRADESH	Bilaspur	1		0		1	0	2
162	HIMACHAL PRADESH	Kangra	1		1		0	0	2
163	HIMACHAL PRADESH	Mandi	1		1		0	0	2
164	HIMACHAL PRADESH	Sirmaur	1	1	0		0	0	2
165	JAMMU & KASHMIR	Baramula	1	1	0		0	0	2
166	JAMMU & KASHMIR	Jammu	1	1	0		0	0	2
167	JAMMU & KASHMIR	Kathua			1	1	0	0	2
168	JAMMU & KASHMIR	Punch	1	1	0		0	0	2
169	JHARKHAND	Dumka		1	0	1	0	0	2
170	JHARKHAND	Hazaribagh		1	0		0	1	2
171	KARNATAKA	Belgaum		1	1		0	0	2
172	KARNATAKA	Bijapur	1	1	0		0	0	2
173	KARNATAKA	Chamarajanagar		1	0		0	1	2
174	KARNATAKA	Chitradurga		1	0		0	1	2
175	KARNATAKA	Kolar		1	0		0	1	2
176	KARNATAKA	Mandya		1	0		0	1	2

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177	KARNATAKA	Tumkur		1	0		0	1	2
178	KERALA	Kannur		1	0	1	0	0	2
179	KERALA	Kasaragod		1	0	1	0	0	2
180	KERALA	Kozhikode	1		0		0	1	2
181	KERALA	Pathanamthitta		1	0	1	0	0	2
182	MADHYA PRADESH	Betul		1	0	1	0	0	2
183	MADHYA PRADESH	Bhopal	1	1	0		0	0	2
184	MADHYA PRADESH	Chhatarpur		1	0	1	0	0	2
185	MADHYA PRADESH	Datia	1	1	0		0	0	2
186	MADHYA PRADESH	Jabalpur	1	1	0		0	0	2
187	MADHYA PRADESH	Mandla		1	0	1	0	0	2
188	MADHYA PRADESH	Mandsaur	1		0		1	0	2
189	MADHYA PRADESH	Neemuch		1	0		1	0	2
190	MADHYA PRADESH	Sagar	1	1	0		0	0	2
191	MADHYA PRADESH	Satna	1		0		0	1	2
192	MADHYA PRADESH	Seoni		1	0	1	0	0	2
193	MADHYA PRADESH	Tikamgarh		1	0	1	0	0	2
194	MAHARASHTRA	Solapur		1	0	1	0	0	2
195	MAHARASHTRA	Thane		1	1		0	0	2
196	MAHARASHTRA	Wardha	1		0	1	0	0	2
197	MAHARASHTRA	Yavatmal		1	0		0	1	2
198	MANIPUR	Thoubal		1	0	1	0	0	2
199	MANIPUR	Ukhrul		1	0	1	0	0	2
200	MEGHALAYA	West Khasi Hills		1	0	1	0	0	2
201	NAGALAND	Mokokchung	1	1	0		0	0	2
202	NAGALAND	Phek	1		0	1	0	0	2
203	NAGALAND	Tuensang	1	1	0		0	0	2
204	ORISSA	Baudh	1	1	0		0	0	2
205	ORISSA	Khordha		1	0		1	0	2
206	ORISSA	Sambalpur	1	1	0		0	0	2
207	ORISSA	Sundargarh		1	0	1	0	0	2
208	PONDICHERRY	Pondicherry		1	0		0	1	2
209	PUNJAB	Amritsar	1	1	0		0	0	2
210	PUNJAB	Hoshiarpur	1	1	0		0	0	2
211	PUNJAB	Jalandhar	1	1	0		0	0	2
212	RAJASTHAN	Barmer	1	1	0		0	0	2
213	RAJASTHAN	Bharatpur		1	0		1	0	2
214	RAJASTHAN	Bhilwara		1	1		0	0	2
215	RAJASTHAN	Jaisalmer	1	1	0		0	0	2
216	RAJASTHAN	Kota	1	1	0		0	0	2
217	RAJASTHAN	Pali	1	1	0		0	0	2
218	SIKKIM	East	1	1	0		0	0	2
219	TAMIL NADU	Coimbatore	1	1	0		0	0	2
220	TAMIL NADU	Cuddalore		1	0		0	1	2
221	TAMIL NADU	Dharmapuri	1	1	0		0	0	2

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222	TAMIL NADU	Dindigul		1	0		0	1	2
223	TAMIL NADU	Nagapattinam		1	0		0	1	2
224	TAMIL NADU	Ramanathapuram		1	0	1	0	0	2
225	TAMIL NADU	Salem	1	1	0		0	0	2
226	TAMIL NADU	Tiruvanamalai	1	1	0		0	0	2
227	TAMIL NADU	Vellore	1		0	1	0	0	2
228	TRIPURA	North Tripura		1	0	1	0	0	2
229	UTTAR PRADESH	Allahabad	1		0	1	0	0	2
230	UTTAR PRADESH	Azamgarh	1	1	0		0	0	2
231	UTTAR PRADESH	Bahraich	1		0		0	1	2
232	UTTAR PRADESH	Banda		1	0		0	1	2
233	UTTAR PRADESH	Basti	1	1	0		0	0	2
234	UTTAR PRADESH	Bijnor		1	0		0	1	2
235	UTTAR PRADESH	Etah	1	1	0		0	0	2
236	UTTAR PRADESH	Farrukhabad	1		0		0	1	2
237	UTTAR PRADESH	Firozabad		1	1		0	0	2
238	UTTAR PRADESH	Ghazipur	1	1	0		0	0	2
239	UTTAR PRADESH	Gonda	1		0		1	0	2
240	UTTAR PRADESH	Gorakhpur	1	1	0		0	0	2
241	UTTAR PRADESH	Hardoi	1	1	0		0	0	2
242	UTTAR PRADESH	Jhansi		1	1		0	0	2
243	UTTAR PRADESH	Kanpur Dehat	1		0		1	0	2
244	UTTAR PRADESH	Mainpuri		1	0		0	1	2
245	UTTAR PRADESH	Mirzapur	1	1	0		0	0	2
246	UTTAR PRADESH	Rampur	1		0		0	1	2
247	UTTAR PRADESH	Saharanpur		1	0		0	1	2
248	UTTAR PRADESH	Shahjahanpur	1	1	0		0	0	2
249	UTTAR PRADESH	Sitapur	1	1	0		0	0	2
250	UTTAR PRADESH	Unnao	1		0		0	1	2
251	UTTARANCHAL	Garhwal	1		0		0	1	2
252	UTTARANCHAL	Hardwar	1		1		0	0	2
253	UTTARANCHAL	Tehri Garhwal	1		0		0	1	2
254	UTTARANCHAL	Uttarkashi	1		0		0	1	2
255	WEST BENGAL	Dakshin Dinajpur		1	0		0	1	2
256	WEST BENGAL	Uttar Dinajpur	1	1	0		0	0	2
257	ANDHRA PRADESH	Adilabad		1	0		0	0	1
258	ANDHRA PRADESH	Khammam		1	0		0	0	1
259	ANDHRA PRADESH	Prakasam		1	0		0	0	1
260	ANDHRA PRADESH	Srikakulam		1	0		0	0	1
261	ANDHRA PRADESH	Vizianagaram			0		0	1	1
262	ARUNACHAL PRADESH	East Kameng		1	0		0	0	1
263	ARUNACHAL PRADESH	East Siang		1	0		0	0	1
264	ARUNACHAL PRADESH	Lower Subansiri		1	0		0	0	1
265	ARUNACHAL PRADESH	Papum Pare		1	0		0	0	1
266	ARUNACHAL PRADESH	Tirap		1	0		0	0	1

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267	ARUNACHAL PRADESH	Upper Siang		1	0		0	0	1
268	ARUNACHAL PRADESH	Upper Subansiri		1	0		0	0	1
269	ARUNACHAL PRADESH	West Kameng		1	0		0	0	1
270	ARUNACHAL PRADESH	West Siang		1	0		0	0	1
271	ASSAM	Barpeta		1	0		0	0	1
272	ASSAM	Darrang			0	1	0	0	1
273	ASSAM	Dhubri		1	0		0	0	1
274	ASSAM	Dibrugarh			0	1	0	0	1
275	ASSAM	Goalpara		1	0		0	0	1
276	ASSAM	Jorhat			0	1	0	0	1
277	ASSAM	Nagaon			0	1	0	0	1
278	ASSAM	Sibsagar			0	1	0	0	1
279	BIHAR	Begusarai		1	0		0	0	1
280	BIHAR	Bhagalpur		1	0		0	0	1
281	BIHAR	Gaya		1	0		0	0	1
282	BIHAR	Munger		1	0		0	0	1
283	BIHAR	Nalanda		1	0		0	0	1
284	BIHAR	Saharsa		1	0		0	0	1
285	BIHAR	Samastipur	1		0		0	0	1
286	CHHATTISGARH	Bilaspur		1	0		0	0	1
287	CHHATTISGARH	Dantewada		1	0		0	0	1
288	CHHATTISGARH	Dhamtari		1	0		0	0	1
289	CHHATTISGARH	Durg		1	0		0	0	1
290	CHHATTISGARH	Janjgir-Champa		1	0		0	0	1
291	CHHATTISGARH	Jashpur		1	0		0	0	1
292	CHHATTISGARH	Kanker		1	0		0	0	1
293	CHHATTISGARH	Kawardha		1	0		0	0	1
294	CHHATTISGARH	Korba		1	0		0	0	1
295	CHHATTISGARH	Koriya		1	0		0	0	1
296	CHHATTISGARH	Mahasamund		1	0		0	0	1
297	CHHATTISGARH	Raigarh		1	0		0	0	1
298	CHHATTISGARH	Raipur		1	0		0	0	1
299	CHHATTISGARH	Rajnandgaon		1	0		0	0	1
300	CHHATTISGARH	Surguja		1	0		0	0	1
301	DAMAN & DIU	Diu			1		0	0	1
302	DELHI	North West	1		0		0	0	1
303	GUJARAT	Amreli		1	0		0	0	1
304	GUJARAT	Anand		1	0		0	0	1
305	GUJARAT	Banas Kantha	1		0		0	0	1
306	GUJARAT	Dohad			1		0	0	1
307	GUJARAT	Gandhinagar		1	0		0	0	1
308	GUJARAT	Navsari		1	0		0	0	1
309	GUJARAT	Sabar Kantha		1	0		0	0	1
310	GUJARAT	Surendranagar	1		0		0	0	1
311	GUJARAT	The Dangs	1		0		0	0	1

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312	HARYANA	Ambala	1		0		0	0	1
313	HARYANA	Faridabad		1	0		0	0	1
314	HARYANA	Jhajjar		1	0		0	0	1
315	HARYANA	Panipat	1		0		0	0	1
316	HARYANA	Rewari		1	0		0	0	1
317	HIMACHAL PRADESH	Hamirpur	1		0		0	0	1
318	HIMACHAL PRADESH	Shimla	1		0		0	0	1
319	HIMACHAL PRADESH	Solan		1	0		0	0	1
320	HIMACHAL PRADESH	Una		1	0		0	0	1
321	JAMMU & KASHMIR	Badgam	1		0		0	0	1
322	JAMMU & KASHMIR	Kargil			1		0	0	1
323	JAMMU & KASHMIR	Kupwara	1		0		0	0	1
324	JAMMU & KASHMIR	Pulwama	1		0		0	0	1
325	JAMMU & KASHMIR	Rajauri			1		0	0	1
326	JAMMU & KASHMIR	Udhampur		1	0		0	0	1
327	JHARKHAND	Pachim Singhbhum		1	0		0	0	1
328	KARNATAKA	Gulbarga		1	0		0	0	1
329	KARNATAKA	Hassan		1	0		0	0	1
330	KARNATAKA	Kodagu			0	1	0	0	1
331	KARNATAKA	Shimoga		1	0		0	0	1
332	KARNATAKA	Udupi		1	0		0	0	1
333	LAKSHADWEEP	Lakshadweep		1	0		0	0	1
334	MADHYA PRADESH	Balaghat			0	1	0	0	1
335	MADHYA PRADESH	Bhind	1		0		0	0	1
336	MADHYA PRADESH	Dewas			0		1	0	1
337	MADHYA PRADESH	Harda		1	0		0	0	1
338	MADHYA PRADESH	Morena	1		0		0	0	1
339	MADHYA PRADESH	Raisen		1	0		0	0	1
340	MADHYA PRADESH	Rajgarh	1		0		0	0	1
341	MADHYA PRADESH	Ratlam		1	0		0	0	1
342	MADHYA PRADESH	Rewa		1	0		0	0	1
343	MADHYA PRADESH	Shajapur	1		0		0	0	1
344	MADHYA PRADESH	Sheopur		1	0		0	0	1
345	MADHYA PRADESH	Shivpuri		1	0		0	0	1
346	MADHYA PRADESH	Sidhi	1		0		0	0	1
347	MADHYA PRADESH	Vidisha	1		0		0	0	1
348	MAHARASHTRA	Ahmadnagar			0		0	1	1
349	MAHARASHTRA	Bid	1		0		0	0	1
350	MAHARASHTRA	Gadchiroli			0	1	0	0	1
351	MAHARASHTRA	Jalgaon	1		0		0	0	1
352	MAHARASHTRA	Mumbai (Suburban)			0		1	0	1
353	MAHARASHTRA	Parbhani			0		0	1	1
354	MAHARASHTRA	Raigarh		1	0		0	0	1
355	MAHARASHTRA	Satara	1		0		0	0	1
356	MANIPUR	Chandel			0	1	0	0	1

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357	MANIPUR	Churachandpur			0	1	0	0	1
358	MANIPUR	Senapati			0	1	0	0	1
359	MANIPUR	Tamenglong			0	1	0	0	1
360	MEGHALAYA	East Garo Hills		1	0		0	0	1
361	MEGHALAYA	East Khasi Hills			0	1	0	0	1
362	MEGHALAYA	Jaintia Hills			0	1	0	0	1
363	MEGHALAYA	West Garo Hills		1	0		0	0	1
364	MIZORAM	Aizawl			0	1	0	0	1
365	NAGALAND	Kohima	1		0		0	0	1
366	NAGALAND	Mon	1		0		0	0	1
367	NAGALAND	Wokha	1		0		0	0	1
368	NAGALAND	Zunheboto			0	1	0	0	1
369	ORISSA	Bargarh	1		0		0	0	1
370	ORISSA	Bhadrak	1		0		0	0	1
371	ORISSA	Debagarh		1	0		0	0	1
372	ORISSA	Jajapur		1	0		0	0	1
373	ORISSA	Kendujhar		1	0		0	0	1
374	ORISSA	Malkangiri			0	1	0	0	1
375	ORISSA	Nayagarh		1	0		0	0	1
376	PUNJAB	Ludhiana	1		0		0	0	1
377	RAJASTHAN	Banswara	1		0		0	0	1
378	RAJASTHAN	Bundi		1	0		0	0	1
379	RAJASTHAN	Chittaurgarh		1	0		0	0	1
380	RAJASTHAN	Dausa		1	0		0	0	1
381	RAJASTHAN	Dungarpur		1	0		0	0	1
382	RAJASTHAN	Nagaur		1	0		0	0	1
383	RAJASTHAN	Sawai Madhopur		1	0		0	0	1
384	RAJASTHAN	Sikar	1		0		0	0	1
385	SIKKIM	North			0	1	0	0	1
386	SIKKIM	South			0	1	0	0	1
387	TAMIL NADU	Erode		1	0		0	0	1
388	TAMIL NADU	Karur		1	0		0	0	1
389	TAMIL NADU	Pudukkottai		1	0		0	0	1
390	TAMIL NADU	Sivaganga		1	0		0	0	1
391	TAMIL NADU	The Nilgiris	1		0		0	0	1
392	TAMIL NADU	Thiruvallur	1		0		0	0	1
393	TAMIL NADU	Thiruvarur		1	0		0	0	1
394	TAMIL NADU	Toothukudi			0		0	1	1
395	TAMIL NADU	Viluppuram		1	0		0	0	1
396	TAMIL NADU	Virudhunagar		1	0		0	0	1
397	TRIPURA	Dhalai			0	1	0	0	1
398	UTTAR PRADESH	Ambedkar Nagar	1		0		0	0	1
399	UTTAR PRADESH	Barabanki	1		0		0	0	1
400	UTTAR PRADESH	Budaun		1	0		0	0	1
401	UTTAR PRADESH	Chitrakoot		1	0		0	0	1

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402	UTTAR PRADESH	Etawah		1	0		0	0	1
403	UTTAR PRADESH	Faizabad	1		0		0	0	1
404	UTTAR PRADESH	Fatehpur	1		0		0	0	1
405	UTTAR PRADESH	Hamirpur		1	0		0	0	1
406	UTTAR PRADESH	Jalaun	1		0		0	0	1
407	UTTAR PRADESH	Jaunpur	1		0		0	0	1
408	UTTAR PRADESH	Kheri	1		0		0	0	1
409	UTTAR PRADESH	Lalitpur		1	0		0	0	1
410	UTTAR PRADESH	Mau	1		0		0	0	1
411	UTTAR PRADESH	Muzaffarnagar		1	0		0	0	1
412	UTTAR PRADESH	Rae Bareli	1		0		0	0	1
413	UTTAR PRADESH	Sonbhadra	1		0		0	0	1
414	UTTARANCHAL	Udhamsingh Nagar	1		0		0	0	1
415	ASSAM	Bongaigaon	0	0	0	0	0	0	0
416	ASSAM	Cachar	0	0	0	0	0	0	0
417	ASSAM	Dhemaji	0	0	0	0	0	0	0
418	ASSAM	Golaghat	0	0	0	0	0	0	0
419	ASSAM	Hailakandi	0	0	0	0	0	0	0
420	ASSAM	Karbi Anglong	0	0	0	0	0	0	0
421	ASSAM	Karimganj	0	0	0	0	0	0	0
422	ASSAM	Kokrajhar	0	0	0	0	0	0	0
423	ASSAM	Lakhimpur (Laksha)	0	0	0	0	0	0	0
424	ASSAM	Marigaon	0	0	0	0	0	0	0
425	ASSAM	Nalbari	0	0	0	0	0	0	0
426	ASSAM	North Cachar Hills	0	0	0	0	0	0	0
427	ASSAM	Sonitpur	0	0	0	0	0	0	0
428	ASSAM	Tinsukia	0	0	0	0	0	0	0
429	BIHAR	Araria	0	0	0	0	0	0	0
430	BIHAR	Aurangabad	0	0	0	0	0	0	0
431	BIHAR	Banka	0	0	0	0	0	0	0
432	BIHAR	Bhojpur	0	0	0	0	0	0	0
433	BIHAR	Buxar	0	0	0	0	0	0	0
434	BIHAR	Gopalganj	0	0	0	0	0	0	0
435	BIHAR	Jamui	0	0	0	0	0	0	0
436	BIHAR	Jehanabad	0	0	0	0	0	0	0
437	BIHAR	Kaimur (Bhabua)	0	0	0	0	0	0	0
438	BIHAR	Katihar	0	0	0	0	0	0	0
439	BIHAR	Khagaria	0	0	0	0	0	0	0
440	BIHAR	Kishanganj	0	0	0	0	0	0	0
441	BIHAR	Lakhisarai	0	0	0	0	0	0	0
442	BIHAR	Madhepura	0	0	0	0	0	0	0
443	BIHAR	Nawada	0	0	0	0	0	0	0
444	BIHAR	Pashchim Champaran	0	0	0	0	0	0	0
445	BIHAR	Purba Champaran	0	0	0	0	0	0	0
446	BIHAR	Purnia	0	0	0	0	0	0	0

No.	State Name	District Name	Textile, Jute & Coir, Wool & Carpets	Stone & Wood Carving; Toys, Pottery	Jewellery Clusters	Cane & Bamboo Clusters	Leather & Leather Craft	Other Misc. Craft Clusters	Total No. of Craft Clusters
447	BIHAR	Rohtas	0	0	0	0	0	0	0
448	BIHAR	Sheikhpura	0	0	0	0	0	0	0
449	BIHAR	Sheohar	0	0	0	0	0	0	0
450	BIHAR	Sitamarhi	0	0	0	0	0	0	0
451	BIHAR	Supaul	0	0	0	0	0	0	0
452	BIHAR	Vaishali	0	0	0	0	0	0	0
453	CHANDIGARH	Chandigarh	0	0	0	0	0	0	0
454	DADRA & NAGAR HAVELI	Dadra & Nagar Have	0	0	0	0	0	0	0
455	DAMAN & DIU	Daman	0	0	0	0	0	0	0
456	DELHI	New Delhi	0	0	0	0	0	0	0
457	GUJARAT	Mahesana	0	0	0	0	0	0	0
458	GUJARAT	Narmada	0	0	0	0	0	0	0
459	GUJARAT	Panch Mahals	0	0	0	0	0	0	0
460	GUJARAT	Porbandar	0	0	0	0	0	0	0
461	HARYANA	Bhiwani	0	0	0	0	0	0	0
462	HARYANA	Fatehabad	0	0	0	0	0	0	0
463	HARYANA	Hisar	0	0	0	0	0	0	0
464	HARYANA	Jind	0	0	0	0	0	0	0
465	HARYANA	Kaithal	0	0	0	0	0	0	0
466	HARYANA	Karnal	0	0	0	0	0	0	0
467	HARYANA	Kurukshetra	0	0	0	0	0	0	0
468	HARYANA	Mahendragarh	0	0	0	0	0	0	0
469	HARYANA	Panchkula	0	0	0	0	0	0	0
470	HARYANA	Rohtak	0	0	0	0	0	0	0
471	HARYANA	Sirsa	0	0	0	0	0	0	0
472	HARYANA	Sonipat	0	0	0	0	0	0	0
473	HARYANA	Yamunanagar	0	0	0	0	0	0	0
474	JHARKHAND	Bokaro	0	0	0	0	0	0	0
475	JHARKHAND	Chatra	0	0	0	0	0	0	0
476	JHARKHAND	Deoghar	0	0	0	0	0	0	0
477	JHARKHAND	Dhanbad	0	0	0	0	0	0	0
478	JHARKHAND	Garhwa	0	0	0	0	0	0	0
479	JHARKHAND	Giridih	0	0	0	0	0	0	0
480	JHARKHAND	Godda	0	0	0	0	0	0	0
481	JHARKHAND	Gumla	0	0	0	0	0	0	0
482	JHARKHAND	Kodarma	0	0	0	0	0	0	0
483	JHARKHAND	Lohardaga	0	0	0	0	0	0	0
484	JHARKHAND	Pakaur	0	0	0	0	0	0	0
485	JHARKHAND	Palamu	0	0	0	0	0	0	0
486	JHARKHAND	Sahibganj	0	0	0	0	0	0	0
487	KARNATAKA	Bagalkot	0	0	0	0	0	0	0
488	KARNATAKA	Bidar	0	0	0	0	0	0	0
489	KARNATAKA	Chikmagalur	0	0	0	0	0	0	0
490	KARNATAKA	Haveri	0	0	0	0	0	0	0
491	KERALA	Kollam	0	0	0	0	0	0	0

No.	State Name	District Name	Textile, Jute & Coir, Wool & Carpets	Stone & Wood Carving; Toys, Pottery	Jewellery Clusters	Cane & Bamboo Clusters	Leather & Leather Craft	Other Misc. Craft Clusters	Total No. of Craft Clusters
492	KERALA	Wayanad	0	0	0	0	0	0	0
493	MADHYA PRADESH	Barwani	0	0	0	0	0	0	0
494	MADHYA PRADESH	Chhindwara	0	0	0	0	0	0	0
495	MADHYA PRADESH	Damoh	0	0	0	0	0	0	0
496	MADHYA PRADESH	Dhar	0	0	0	0	0	0	0
497	MADHYA PRADESH	Dindori	0	0	0	0	0	0	0
498	MADHYA PRADESH	East Nimar	0	0	0	0	0	0	0
499	MADHYA PRADESH	Guna	0	0	0	0	0	0	0
500	MADHYA PRADESH	Hoshangabad	0	0	0	0	0	0	0
501	MADHYA PRADESH	Katni	0	0	0	0	0	0	0
502	MADHYA PRADESH	Narsimhapur	0	0	0	0	0	0	0
503	MADHYA PRADESH	Panna	0	0	0	0	0	0	0
504	MADHYA PRADESH	Sehore	0	0	0	0	0	0	0
505	MADHYA PRADESH	Umaria	0	0	0	0	0	0	0
506	MADHYA PRADESH	West Nimar	0	0	0	0	0	0	0
507	MAHARASHTRA	Bhandara	0	0	0	0	0	0	0
508	MAHARASHTRA	Buldana	0	0	0	0	0	0	0
509	MAHARASHTRA	Dhule	0	0	0	0	0	0	0
510	MAHARASHTRA	Gondiya	0	0	0	0	0	0	0
511	MAHARASHTRA	Hingoli	0	0	0	0	0	0	0
512	MAHARASHTRA	Jalna	0	0	0	0	0	0	0
513	MAHARASHTRA	Latur	0	0	0	0	0	0	0
514	MAHARASHTRA	Nanded	0	0	0	0	0	0	0
515	MAHARASHTRA	Nandurbar	0	0	0	0	0	0	0
516	MAHARASHTRA	Osmanabad	0	0	0	0	0	0	0
517	MAHARASHTRA	Sindhudurg	0	0	0	0	0	0	0
518	MAHARASHTRA	Washim	0	0	0	0	0	0	0
519	MEGHALAYA	Ri Bhoi	0	0	0	0	0	0	0
520	MEGHALAYA	South Garo Hills	0	0	0	0	0	0	0
521	MIZORAM	Champhai	0	0	0	0	0	0	0
522	MIZORAM	Kolasib	0	0	0	0	0	0	0
523	MIZORAM	Lawngtlai	0	0	0	0	0	0	0
524	MIZORAM	Lunglei	0	0	0	0	0	0	0
525	MIZORAM	Mamit	0	0	0	0	0	0	0
526	MIZORAM	Saiha	0	0	0	0	0	0	0
527	MIZORAM	Serchhip	0	0	0	0	0	0	0
528	ORISSA	Anugul	0	0	0	0	0	0	0
529	ORISSA	Gajapati	0	0	0	0	0	0	0
530	ORISSA	Jagatsinghapur	0	0	0	0	0	0	0
531	ORISSA	Jharsuguda	0	0	0	0	0	0	0
532	ORISSA	Kalahandi	0	0	0	0	0	0	0
533	ORISSA	Kandhamal	0	0	0	0	0	0	0
534	ORISSA	Kendrapara	0	0	0	0	0	0	0
535	ORISSA	Nabarangapur	0	0	0	0	0	0	0
536	ORISSA	Nuapada	0	0	0	0	0	0	0

No.	State Name	District Name	Textile, Jute & Coir, Wool & Carpets	Stone & Wood Carving; Toys, Pottery	Jewellery Clusters	Cane & Bamboo Clusters	Leather & Leather Craft	Other Misc. Craft Clusters	Total No. of Craft Clusters
537	ORISSA	Rayagada	0	0	0	0	0	0	0
538	ORISSA	Sonapur	0	0	0	0	0	0	0
539	PONDICHERRY	Karaikal	0	0	0	0	0	0	0
540	PONDICHERRY	Mahe	0	0	0	0	0	0	0
541	PONDICHERRY	Yanam	0	0	0	0	0	0	0
542	PUNJAB	Bathinda	0	0	0	0	0	0	0
543	PUNJAB	Faridkot	0	0	0	0	0	0	0
544	PUNJAB	Fatehgarh Sahib	0	0	0	0	0	0	0
545	PUNJAB	Firozpur	0	0	0	0	0	0	0
546	PUNJAB	Gurdaspur	0	0	0	0	0	0	0
547	PUNJAB	Kapurthala	0	0	0	0	0	0	0
548	PUNJAB	Mansa	0	0	0	0	0	0	0
549	PUNJAB	Moga	0	0	0	0	0	0	0
550	PUNJAB	Muktsar	0	0	0	0	0	0	0
551	PUNJAB	Nawanshahr	0	0	0	0	0	0	0
552	PUNJAB	Patiala	0	0	0	0	0	0	0
553	PUNJAB	Rupnagar	0	0	0	0	0	0	0
554	PUNJAB	Sangrur	0	0	0	0	0	0	0
555	RAJASTHAN	Baran	0	0	0	0	0	0	0
556	RAJASTHAN	Churu	0	0	0	0	0	0	0
557	RAJASTHAN	Dhaulpur	0	0	0	0	0	0	0
558	RAJASTHAN	Ganganagar	0	0	0	0	0	0	0
559	RAJASTHAN	Hanumangarh	0	0	0	0	0	0	0
560	RAJASTHAN	Jalor	0	0	0	0	0	0	0
561	RAJASTHAN	Jhalawar	0	0	0	0	0	0	0
562	RAJASTHAN	Jhunjhunun	0	0	0	0	0	0	0
563	RAJASTHAN	Karauli	0	0	0	0	0	0	0
564	RAJASTHAN	Rajsamand	0	0	0	0	0	0	0
565	RAJASTHAN	Sirohi	0	0	0	0	0	0	0
566	SIKKIM	West	0	0	0	0	0	0	0
567	TAMIL NADU	Ariyalur	0	0	0	0	0	0	0
568	TAMIL NADU	Namakkal	0	0	0	0	0	0	0
569	TAMILNADU	Perambalur	0	0	0	0	0	0	0
570	TRIPURA	South Tripura	0	0	0	0	0	0	0
571	UTTAR PRADESH	Auraiya	0	0	0	0	0	0	0
572	UTTAR PRADESH	Baghpat	0	0	0	0	0	0	0
573	UTTAR PRADESH	Ballia	0	0	0	0	0	0	0
574	UTTAR PRADESH	Balrampur	0	0	0	0	0	0	0
575	UTTAR PRADESH	Chandauli	0	0	0	0	0	0	0
576	UTTAR PRADESH	Deoria	0	0	0	0	0	0	0
577	UTTAR PRADESH	Gautam Buddha Naga	0	0	0	0	0	0	0
578	UTTAR PRADESH	Hathras	0	0	0	0	0	0	0
579	UTTAR PRADESH	Jyotiba Phule Naga	0	0	0	0	0	0	0
580	UTTAR PRADESH	Kannauj	0	0	0	0	0	0	0
581	UTTAR PRADESH	Kaushambi	0	0	0	0	0	0	0

No.	State Name	District Name	Textile, Jute & Coir, Wool & Carpets	Stone & Wood Carving; Toys, Pottery	Jewellery Clusters	Cane & Bamboo Clusters	Leather & Leather Craft	Other Misc. Craft Clusters	Total No. of Craft Clusters
582	UTTAR PRADESH	Kushinagar	0	0	0	0	0	0	0
583	UTTAR PRADESH	Maharajganj	0	0	0	0	0	0	0
584	UTTAR PRADESH	Mahoba	0	0	0	0	0	0	0
585	UTTAR PRADESH	Pratapgarh	0	0	0	0	0	0	0
586	UTTAR PRADESH	Sant Kabir Nagar	0	0	0	0	0	0	0
587	UTTAR PRADESH	Sant Ravidas Nagar	0	0	0	0	0	0	0
588	UTTAR PRADESH	Shravasti	0	0	0	0	0	0	0
589	UTTAR PRADESH	Siddharthnagar	0	0	0	0	0	0	0
590	UTTAR PRADESH	Sultanpur	0	0	0	0	0	0	0
591	UTTARANCHAL	Bageshwar	0	0	0	0	0	0	0
592	UTTARANCHAL	Champawat	0	0	0	0	0	0	0
593	UTTARANCHAL	Rudraprayag	0	0	0	0	0	0	0
Total Number of Clusters :			232	316	90	101	41	123	903

District-wise List of Silk and Sericulture Centres in India

No.	STATE	DISTRICT	HANDLOOM	WOOL-CENTRE	SILK-CENTRE	LOOM-TOTAL
1	ANDHRA PRADESH	Anantapur	1	0	1	2
2	ANDHRA PRADESH	Chittoor	0	0	1	1
3	ANDHRA PRADESH	East Godavari	1	0	1	2
4	ANDHRA PRADESH	Hyderabad	0	0	1	1
5	ANDHRA PRADESH	Nalgonda	1	0	1	2
6	ANDHRA PRADESH	Nellore	1	0	1	2
7	ASSAM	Jorhat	0	0	1	1
8	ASSAM	Kamrup	1	0	1	2
9	BIHAR	Bhagalpur	1	0	1	2
10	BIHAR	Kishanganj	0	0	1	1
11	CHHATTISGARH	Janjgir-Champa	0	0	1	1
12	CHHATTISGARH	Raigarh	0	0	1	1
13	GUJARAT	Bharuch	0	0	1	1
14	GUJARAT	Bhavnagar	0	0	1	1
15	GUJARAT	Surat	0	0	1	1
16	HIMACHAL PRADESH	Kangra	0	0	1	1
17	JAMMU & KASHMIR	Jammu	1	0	1	2
18	JAMMU & KASHMIR	Kathua	0	0	1	1
19	JAMMU & KASHMIR	Srinagar	1	0	1	2
20	JAMMU & KASHMIR	Udhampur	0	0	1	1
21	KARNATAKA	Bangalore	0	1	1	2
22	KARNATAKA	Bijapur	1	0	1	2
23	KARNATAKA	Chamarajanagar	0	0	1	1
24	KARNATAKA	Chitradurga	1	0	1	2
25	KARNATAKA	Kolar	0	0	1	1
26	KARNATAKA	Mandya	0	0	1	1
27	KERALA	Palakkad	0	0	1	1
28	MADHYA PRADESH	Guna	0	0	1	1
29	MAHARASHTRA	Akola	0	0	1	1
30	MAHARASHTRA	Aurangabad	0	0	1	1
31	MAHARASHTRA	Kolhapur	0	0	1	1
32	ORISSA	Koraput	0	0	1	1
33	ORISSA	Nuapada	0	0	1	1
34	TAMIL NADU	Coimbatore	1	0	1	2
35	TAMIL NADU	Dharmapuri	0	0	1	1
36	TAMIL NADU	Kancheepuram	1	0	1	2
37	TAMIL NADU	Salem	1	0	1	2
38	TAMIL NADU	Thanjavur	1	0	1	2
39	UTTAR PRADESH	Varanasi	1	0	1	2
40	UTTARANCHAL	Dehradun	0	0	1	1
41	WEST BENGAL	Bankura	1	0	1	2
42	WEST BENGAL	Birbhum	1	0	1	2
43	WEST BENGAL	Maldah	1	0	1	2
44	WEST BENGAL	Murshidabad	1	0	1	2