

CREDIT PLAN SCHEME FOR HANDLOOMS SECTOR/SUBSIDY ON BANK INTEREST TO INDIVIDUAL HANDLOOM UNITS.

Handlooms is the major Industrial activities of our State giving employment to maximum number of persons in this Industry like craftsmen, Artisan, weavers etc majority of whom belong to socio economically backward classes and are below the poverty line. They are unable to carry on their activities for want of adequate capital base and are also subject to guile of the middlemen who take every opportunity to exploit them. Mostly these craftsmen, Artisan and weavers are un-educated and cannot avail the benefit under PMRY, State Self employment Schemes, besides prevailing disturbed condition in the valley in particular have added to their worst plight and many of the Artisans etc. in order to seek higher wages are witching over to un-skilled labour sector.

In order to arrest this trend viz-a-viz check the traditional Industry from extinction and to boost economic conditions of these groups ultimately resulting in employment generation, the State assistance for setting up self employment generating units under Crafts specific schemes at affordable terms to make them free from middlemen and enable them to produce and market their goods giving them better living conditions and improving the general health of Handloom and Handicrafts Sectors. The Credit Plan Scheme aims at providing easy and self credit to the Artisans, Weavers, Members of Cooperative Societies and Craftsmen engaged in different Handicrafts/Handloom activities to start their independent ventures. The scheme envisages 90% financial assistance in the form of loan from the Banks and 10% promoters contribution for setting up of units. There is an element of interest subsidy to the extent of 10% component to be provided by the State Government.

Vide letter No. DHD/P&S/C-67/4121 dated 17-12-2018, the liability accrued in this scheme stands projected to the Administrative Department for one time release against which an amount of Rs 161.50 lacs has been released and expended. An amount of Rs 47.49 lacs has been proposed under this scheme for the year 2019-20.