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Government of Odisha
Handlooms, Textiles & Handicrafts Department

Notice

No. HTH-HC-24/18/ 4694 /HT&H, Bhubaneswar dtd. the 18/7/18

The formulation of a Handicraft Policy for the State has been under consideration of Government. In this connection views /suggestions are invited from the Stake holders on the draft policy before its finalisation. The views/ suggestions may be furnished to this Department within 15 days of publication of this Notice in the Department website.

The copy of the draft policy is annexed herewith for reference.


18.7.2018

Joint Secretary to Government

Memo No. 4695 Dated 18/7/18

Copy with copy of the draft Handicraft Policy (hard & soft) is forwarded to the Head, State Portal with request to publish the notice in the Department website immediately for wide publicity.


18.7.2018

Joint Secretary to Government

Memo No. 4696 Dated 18/7/18

Copy forwarded to the Director, H&CI, Odisha/MD, OSCHC Ltd. / Member Secretary, SIDAC for information and necessary action.


18.7.2018

Joint Secretary to Government

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HANDICRAFTS POLICY

Modified Draft

2018

GOVERNMENT OF ODISHA

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1.0 Introduction

Odisha the land of enchanting beauty is well known for its exquisite handicrafts. The State was known as "Utkal", which meant place of art of highest degree. It has a rich tradition of handicrafts, unique in its characteristics that have evolved along with its art & sculpture, temple architecture, folk art, dance & music. The craftsmanship is unique for its technical perfection and artistic excellence. Having an ancient tradition of making splendid pieces of art by hands Odia artists have long been presenting their awe inspiring master pieces to the world. Age has not withered the beauty and dynamic diversity of Odisha's traditional arts and crafts. Even today, despite the industrial revolution and availability of cheap machine made products the handicraft industry has not only survived but also flourished amidst stiff competition.

Almost each district of the State makes a rich contribution to the numerous ranges of handcrafted articles available. Each article is a class by itself and is also perceived as a painstaking self expression of the artisan and the locale culture. As an industry it is highly labour intensive and decentralized, being spread all over the state in rural and urban areas and has contributed significantly to employment and also to GDP of the State. Also, many artisans are engaged in certain crafts work on a part-time basis. However, despite the large production base the domestic as well as export market still remains under-tapped.

A huge potential exists in the state for economic development in rural areas through employment and income generation by promoting handicrafts. Next to the handloom sector, they are the major providers of employment in the non-farm sector. Based on assessment of the socio-economic status, employment and market position, the handicrafts of Odisha, which are 50 in number, may be broadly categorised under the following heads:

(a) popular crafts such as stone carving, wood carving, silver filigree work, applique work, pattachitra, palm leaf engraving, golden grass craft, wooden painted toys, sea-shell work, terracotta & clay toys, costume jewellery,

dhokra casting, paper mache, cane and bamboo work and the like. These are called popular crafts because of their good market potential and they provide employment to a large number of artisans in the state.

(b) Rare and languishing crafts, those are on declining trend and some of them are on the verge of extinction. For example, the Jari work of Cuttack, solapith of Puri, Jaikhadi work of Parlakhemundi, cloth flower garlands of Tusra in Bolangir and Baleswar town, glass beads of Berhampur and theatrical dress making of Cuttack, Keora leaf work of Ganjam and Kendrapara, artistic footwear of Barang, paddy crafts of Koraput, Kalahandi and Bolangir, musical instruments of Koraput, Baragarh and Nawrangpur, lacquered toys of Nawrangpur, Bargarh ritual toys, durry and carpet work of Bolangir, flexible brass fish of Ganjam, betelnut work of Aska and Berhampur and the like. There are very few artisans now left to run these crafts and keep them alive. Craftsmen practicing such crafts are not in a position to earn their subsistence due to poor market of the items produced in a very highly unorganized and isolated environment.

It is estimated that Odisha houses about 1.30 lakh artisans. Interestingly, they constituted 22.78 per cent of the total manufacturing, processing, servicing and repair sector workforce of the state. The total amount of production generated by the handicraft sector is about Rs.150.00 crore. The direct export of handicraft goods exported to foreign countries is around Rs.5.00 crore. The export oriented crafts of the state mostly consist of dhokra casting including brass metal wares, stone carving, appliqué & patch work, silver filigree, natural fibre craft etc.

Despite the obvious strength the handicraft sector in the state faces many handicaps because of lack of adequate infrastructure, marketing network, credit support from financial institutions and lack of entrepreneurship. The handicraft sector has also been adversely affected by the failure of co-operative structure that had been painstakingly created to support the sector. In brief some of the challenges identified in handicraft sector are as follow:

- Old production techniques leading to higher cost and compromise in quality.
- Production Schedules not in synchronization with orders
- Product design and development not based on the craft/ craft person and the market
- Non-availability of Raw Material with proper standards and specifications
- No standardization in pricing of the products
- Lack of Convergence
- Lack of capital (lack of access to credit for working capital requirements)
- Absence of adequate handicraft marketing outlets for direct marketing
- Difficulty to access urban markets

2.0 Preamble

Recognizing the importance of Handicraft Industries/ Enterprises/ Related Industries in providing employment to rural artisans particularly to women and other weaker sections, realizing the present constraints of the sector, lack of infrastructure and financial support and lack of entrepreneurship, the Odisha Handicraft Policy 2014 is being enunciated as follows after discussions with various stake holders at different points of time.

3.0 Vision

The broad vision of the policy aims at to create a vibrant and sustainable handicraft sector in the state with enhanced market share in the domestic and international market, improve the income and living standards of the handicraft artisans of the state at par with other organized sectors, create Employment Opportunities and preserve the cultural heritage and unique identity of Odisha Handicrafts.

4.0 Definitions

Handicraft: *Item or product produced through skills that are manual, with or without mechanical or electrical or other processes, which appeals to the eye, due to the characteristics of being artistic or aesthetic or creative or ethnic or being representative of cultural or religious or social symbols or practices, whether traditional or contemporary with or without functional utility.*

Handicraft Artisan: *Any person engaged in/ practicing handicraft production as a source of his/ her livelihood.*

Handicraft enterprise: *Any enterprise exclusively engaged in production of handicrafts goods/ CFC for handicraft producers/ marketing of handicraft goods. It may be owned and managed by an artisan/entrepreneur/SHG/Co-operative Society/NGO/ Partnership firm or a Company.*

Handicraft entrepreneur: *Entrepreneurs having own handicraft enterprise or interested to set up own handicraft enterprise.*

Handicraft SHG: *Self Help Group formed by 10-20 handicraft artisans only.*

Handicraft Co-operative Society: *Co-operative Society formed by handicraft artisans only registered under Societies Registration Act 1962*

Craft Village: *A craft village would be a village or group of contiguous villages within a radius of 3-5 Kms having at least 30 traditional artisans practicing the same/similar crafts.*

Cluster: *A cluster would be a village or group of contiguous villages within a radius of 5-10 Kms having at least 100 traditional artisans practicing the same/similar crafts.*

5.0 Objectives

The main objectives of the policy are:

- To empower handicraft artisans as lead partners of development

- To ensure sustainable livelihood for existing artisans
- To maximize employment opportunities
- To enhance Odisha's share of export of handicraft goods
- Revival of languishing crafts
- Preservation of craft heritage
- To transform Odisha in to a brand name in Handicrafts
- Welfare of artisans

6. Strategy

Major strategies to be followed for achieving the objectives are:

- To create an enabling environment for growth of handicraft sector
- Cluster development
- To create a pool of highly skillful artisans
- To promote entrepreneurship in the sector
- To ensure adequate credit flow
- To promote Handicraft Parks/ SEZ for handicrafts
- To provide common infrastructure for mass production/ marketing/ warehousing/ Packaging
- To adopt publicity and propagation measures
- To link tourism & culture with development of handicrafts
- To encourage PPP in handicraft sector
- To facilitate availability of raw material/ machinery & equipment/ packaging
- To facilitate marketing and export through product development, exhibitions, urban haats and malls
- To facilitate technology up-gradation, quality control
- To encourage Business Development Service (BDS) providers

7.0 General Policy Framework

The Handicraft Policy 2014 shall have a multi-pronged approach for promotion and development of Handicraft sector including preservation of craft heritage and welfare of artisans.

7.1 Cluster Development

Govt. shall make concerted effort to develop the existing craft clusters/villages in the state as strong production base through need based interventions such as formation of SHGs/Co-operative of artisans for collective participation, capacity building of the artisans/artisan organizations, modernization of production process, design inputs, CFCs, raw material banks, credit linkage and marketing etc. Handholding support shall be provided for a minimum period of 5 years. Critical mass i.e. artisans can be added to the existing clusters by imparting skill training. The master craft persons/entrepreneurs shall be assisted to play a catalytic role in development of the cluster

7.1.1 Formation of SHGs/ Cooperatives/ Federation of artisans/ SPVs

Artisans shall be organized and brought under SHG/ Cooperative fold for collective participation to undertake production and marketing activities. SHGs in turn will be encouraged to form federations/ SPVs.

7.1.2 Enterprise Development

Artisans/ entrepreneurs in clusters shall be also encouraged to set up handicraft enterprises.

7.1.3 Capacity Building of artisan organizations

Training shall be imparted to Group leaders on SHG Management along with exposure visit to successful clusters. Initially managerial grant may be provided to the artisan organizations for 3 years on tapering scale. EDPs also will be conducted.

7.1.4 Capacity Building of Artisans/ Entrepreneurs

Skill up-gradation training shall be provided to the artisan as per the need. The artisan shall be deputed to state level/ national level training institutes for advanced training and exposure visit of the artisans will be organized to reputed clusters inside and outside the state and to the marketing events.

Incentives

(a) Skill up-gradation training

Stipend: Rs.1000/- per month for the training period

MCM Remuneration: Rs.80/- per hour limiting to Rs.10,000/- per month

House Rent: Rs.1000/- per month

Raw Material: Rs.200/- per artisan per month

Tools & Equipment: Rs.1350/- per artisan

Training Contingency: Rs.4000/-

(b) Margin Money Assistance for Bank Linkage: Rs.900/- per artisan

(c) Social Mobilization (for 2 SHGs) : Rs.4500/-

(d) CDA Remuneration (for 2 SHGs) : Rs.10,000/-

7.1.5 CFCs/Raw Material Banks

Financial assistance shall be provided for establishment & management of Common Facility Centres/ Raw material banks by artisan organizations or on PPP mode.

7.1.6 Credit Support

Margin Money Assistance shall be made available to eligible artisan organizations for availing bank finance.

7.1.7 Marketing Support

- Marketing Support through participation in different exhibitions inside and outside the state.
- To develop marketing tie-up with OSCHC Ltd. and other marketing agencies.
- Financial assistance to artisan organizations for opening up sales outlets.

- Financial assistance for printing of product catalogue/ brochures
- Marketing tie up with exporters

7.1.8 Technology & Design Support

Reputed designers shall be engaged on short/long term basis to conduct Design Development and Product Development programmes in clusters to develop market oriented products. Similarly financial assistance in shape of subsidy shall be provided for mechanization and up-gradation of technology for mass production, standardization and quality control.

Norms for Design Development Programme

Duration: 2 months (one month for market survey and one month for training)

No. of samples: 2 sets of minimum 10 new products

Raw Material: Rs.40,000/-

Wage compensation: Rs.100/- per day per artisan

Documentation & Photography: Rs.15,000/-

Space rent, contingency & Misc. expenses: Rs.20,000/-

MCM Support: Rs.15,000/- per month including TA/ DA

Market Survey, Intelligence gathering and test marketing, modification and participation in one marketing event: Rs.35,000/-

Designer Fees: Rs.30,000/- per month including TA/ DA

7.2 Enterprise Development

It is felt that entrepreneurs should be involved in this sector to take it forward to the national and international level. Enterprise Development is necessitated in order to increase the production base, self & wage employment, create a pan-India presence for odisha handicrafts and also boost export. Craft Tourism (Fusion of handicraft with tourism & culture) shall be treated as an enterprise to promote integrated craft centres at strategic locations with facilities like production, sales, spa etc. Registration of handicraft enterprises shall be made similar to that of MSME sector. Additional incentives shall be provided to women/ handicapped entrepreneurs over & above the IPR incentives.

7.2.1 Identification of Entrepreneurs and Capacity Building

Entrepreneurs with aptitude and financial soundness shall be identified and groomed through capacity building trainings to set up handicraft enterprises. At the same time capacity building of the existing entrepreneurs/ key personnel of handicraft enterprises will also be taken up.

7.2.2 Credit Support

Margin Money Assistance shall be provided for availing bank finance to set up handicraft enterprise. Sanction & disbursement of loan to the entrepreneurs will be facilitated by the State Govt.

Incentives under Silpi Unnati Yojana (SUY)

Margin Money Assistance under Silpi Unnati Yojana: 20% of the Project Cost
(Maximum Rs.20,000/-)

7.3 Handicraft Training

Skill is the basic requisite for handicrafts. Hereditary transfer of skill is a general feature of this sector. However, training schools have been established by the State Govt. at district & state level for imparting skill training to create new artisans. For effective skill transfer it is proposed to provide the following support.

7.3.1 INSTITUTIONAL TRAINING

- Strengthening infrastructure of State Institute of Handicraft Training, Bhubaneswar with deployment of adequate no. of instructors and supporting staff
- Strengthening of district level craft schools with requisite infrastructure and instructors
- Establishment of new Craft Schools in potential areas by Govt. or on PPP mode or by private parties.
- Introduction of craft training courses in Government (culture dept.)/ private Art and Craft schools affiliated to Lalit Kala Academy.
- Development of proper course curriculum, evaluation and certification by SIDAC
- Introduction of modular courses in handicraft with approval of NCVT
- Private craft schools operating in the State shall be recognized and affiliated with a common syllabus.
- Financial Assistance shall be provided to affiliated private craft schools

Institutional Training Norms

(a) State Level

Stipend: Rs.2000/- per month

MCM Remuneration: Rs.80/- per hour limiting to Rs.10,000/- per month

Raw Material: Rs.200/- per artisan per month

Tools & Equipment: As per actual requirements

(b) District Level

Stipend: Rs.1000/- per month

MCM Remuneration: Rs.80/- per hour limiting to Rs.10,000/- per month

House Rent: Rs.2000/- per month

Raw Material: Rs.200/- per artisan per month

Tools & Equipment: As per actual requirements

7.3.2 Training under Master Craft- Persons

Temporary training centres shall be opened by engaging master craft persons for imparting training at grass root level for skill up-gradation of existing artisans and for transfer of skill to unemployed youth.

Financial Norm

Remuneration to MCM: Rs.80/- per hour limiting to Rs.10,000/- per month

Stipend to Trainees: Rs.1000/- per month

Raw Material: Rs.200/- per trainee

Tools & Equipments: Rs.500/- per trainee

House Rent: Rs.1000/- per month maximum

Documentation: Rs.2000/- per programme

Contingency: Rs.500/- per month

Remuneration for EDP: Rs.3000/- @ Rs.300/- for maximum 10 sessions of 2 hours duration each

7.3.5 Empanelment of Master Crafts Persons

Master Craft Persons in different crafts shall be empanelled by Directorate/ SIDAC.

7.3.4 Training of Trainers

Orientation training will be provided to the trainers/ master craft-persons to update their knowledge on change in technology, market demand and on present policy/ strategy/ schemes of Govt.

7.4 Preservation of Craft Heritage

Handicraft is an integral part of our tradition, art and culture. Odisha is famous for her rich craft heritage. It is imperative to preserve the craft tradition for the posterity.

7.4.1 Gurusishya Parampara Training

Financial assistance shall be provided to Shilpigurus, National Awardees, National Merit Certificate holders and State Awardees to impart training on guru-shisya parampara for transfer of traditional skill to younger generation artisans.

Financial Norm

Remuneration to MCM: Rs.80/- per hour limiting to Rs.10,000/- per month

Stipend to Trainees: Rs.1000/- per month

Raw Material: Rs.750/- per trainee

Tools & Equipments: Rs.1000/- per trainee

House Rent: Rs.1000/- per month maximum

Documentation: Rs.2000/- per programme

Contingency: Rs.500/- per month

7.4.2 Revival of Languishing Crafts

Diagnostic study shall be conducted to make necessary intervention to promote languishing crafts. A state level committee will be constituted to closely monitor revival of such crafts for sustainable development.

7.4.3 Documentation of Crafts

Documentation of various crafts shall be undertaken in a time bound manner to facilitate research & development as well as to improve the general awareness of the craft among the craft lovers.

7.4.4 Training/ Awareness Camps for School Children

During summer vacation/x-mass holiday training/awareness camps shall be organized for school children (School Extension Programmes) to create awareness and propagate the art and crafts of Odisha.

7.4.5 Development of Crafts linked to Jagannath Culture

A number of Sebwats are engaged in performing different art and craft activities for Lord Jagannath. Steps will be taken to ensure continuance of the activities in collaboration with the Temple Administration.

7.4.6 Display of traditional/ethnic handicrafts in govt. buildings/ parks/ public places

The traditional art, craft and culture of Odisha shall be reflected in govt. buildings/ parks/ public places.

7.4.7 Heritage Village and Heritage Sites

A number of important craft centres shall be declared as "Heritage Village" similar to Raghurajpur for focused development. Highly skilled artisans shall be involved for restoration of heritage sites by organizations like ASI, INTACH etc.

7.4.8 Observation of "State Handicraft Day"

"Karigari Diwas"-State Handicraft Day shall be observed and celebrated every year.

7.5 Welfare of Artisans

Welfare and social security of the artisans is most vital for continuance of this traditional craft sector.

7.5.1 Insurance Coverage

The govt. will facilitate coverage of handicraft artisans in various life & health insurance schemes such as Prime Minister Jeevan Jyoti Bima Yojana/ Prime Minister Suraksha Bima Yojana / Aam Admi Bima Yojana. 100% of the premium contribution of artisans shall be paid by the State Government.

7.5.2 Distribution of Solar Lanterns

Each handicraft artisan family shall be provided with one solar lantern to minimize stress on artisan's eyes as support to their continuous works so that they can work for more time to increase productivity for their sustained livelihood..

7.5.3 Old Age Pension

Pension to artists as provided by Culture Department shall be extended to handicraft artisans in the name & style of “Dharmapada Pension Scheme”.

7.5.4 Scholarship for Children of artisans

Scholarship will be paid to artisans/children of artisan family for pursuing higher studies in NID/ NIFT/ART Colleges recognized by government.

7.5.5 Housing-cum-Work shed

Handicraft artisans below poverty line and not assisted under I.A.Y. shall be provided with financial assistance for construction of housing-cum-work-shed to have a congenial environment to work. The cost of each dwelling house with workshed measuring 25 Square Meter would be Rs.1,20,000/- for non-IAP districts and Rs.1,30,000/- for IAP districts.. There will be no beneficiary contribution.

7.5.6 Creation of Artisan Welfare Fund

An artisan welfare fund shall be created to pay premium for insurance coverage, old age pension, scholarship for higher studies, medical treatment for critical illnesses such as cancer, heart disease, lungs disease etc. Besides, State Award to three handicraft artisans and Life Time Achievement to one handicraft artisan shall be provided every year for their outstanding contribution in the field of handicrafts. State Design Award shall be revived.

7.5.7 Electrification and Sanitation of Artisan Households

Priority will be given for electrification/ sanitation of artisan house-holds under ongoing programmes.

7.6 Development of Database

Data is important for formulation and effective implementation of different schemes for development of handicraft sector.

7.6.1 Census of artisans

Census of artisans shall be taken up to develop data base of artisans with mapping of villages. It shall be regularly up dated.

7.6.2 Issue of Photo Identity Cards

All the artisans of the state will be issued with Photo Identity Cards.

7.6.3 Other Databases

Other database like database of clusters, artisan organizations, MCMs, entrepreneurs, exporters, marketers, designers, buyers, machine suppliers, handicraft promoting agencies, NGOs , Raw Material with their availability etc will be developed.

7.6.4 Online data entry & reporting

A dedicated website for online data entry & reporting shall be developed.

7.7 Institutional Support

A robust administrative set-up shall be put in position by strengthening the Directorate of Handicrafts & Cottage Industries with its field establishments, SIDAC and Odisha State Co-operative Handicraft Corporation Ltd. "Odisha Handlooms and Handicrafts Development & Promotion Council" has been constituted to advise Government for framing policies for development of handicrafts sector.

7.7.1 Monitoring

State level/ district level committees for handicraft shall ensure proper co-ordination among different development agencies for convergence of schemes, formulation of Action Plan, mobilization of fund, monitoring implementation of programmes, formulation of policy, guidelines etc. Artisans shall be taken as members in all state level & district level committees.

7.7.2 Artisan Grievance Redressal Forum & Helpline

A State Level Artisan Grievance Redressal Forum shall be set up at Directorate with a dedicated helpline number.

7.8 Infrastructure

Lack of infrastructure is also a major bottleneck. So it is proposed to create proper infrastructure in clusters and strategic locations by Govt. or on PPP mode.

7.8.1 Development of SIDAC as “Centre of Excellence”

The infrastructural need of SIDAC will be addressed to develop it as Centre as Excellence.

7.8.2 Infrastructure for Craft Schools

Proper infrastructure shall be provided for the Govt. craft schools/ outreach training centres running in different districts.

7.8.3 Common Facility Centres in Clusters

Facilities such as common work-shed, go-down, Processing of raw material, finishing of products, testing & quality control, packaging etc. shall be created in craft clusters. CFCs shall be also provided with basic amenities like toilets & drinking water facilities.

7.8.4 Handicraft Park

A handicraft park shall be established in and around Bhubaneswar on PPP mode.

7.8.5 Infrastructure for Marketing

Following infrastructure shall be created for promotion of marketing by govt. or on PPP mode.

- Establishment of handicraft mall/ Urban Haats
- Establishment of Craft Centre/ Souvenir Shops at important tourist places

7.9 Raw Material

Govt. shall facilitate easy availability of raw materials required by artisans of different crafts at reasonable price.

7.9.1 Forest based Raw material

Odisha State Forest Development Corporation Ltd./ OBDA/ Other agencies including Panchayats will supply green bamboo, sized wood. Lac etc. at subsidized cost to the artisans/SHGs/Co-operatives/ NGOs/ Entrepreneurs on recommendation of G M ,D.I.C.s/ D.C.I.O/ DHCI

7.9.2 Mineral based Raw materials

O.M.C./OSCHC/SIDAC/ Artisan Coeoperative Societies/ Federations/ SPVs shall be granted mining lease for mining of decorative stones and supply the same to artisans/ SHGs/Co-operatives/entrepreneurs engaged in production of handicrafts on recommendation of G M, D.I.C./ D.C.I.O./ DHCI.

7.9.3 Establishment of Raw material Bank

Financial assistance shall be provided to different Agencies to set up Raw material Bank in clusters or at strategic locations.

7.9.4 Reservation of decorative stone quarries for the artisans

There are limited decorative stone quarries which are used by the artisans for making sculptures/statues. Such quarries shall be reserved for use by the artisans only to prevent industrial use.

7.10 Marketing

Generally handicrafts produced by artisans have market in urban areas. The artisans have limited scope and capability to access the market. The support provided for marketing will be strengthened to have a greater share of the market. Tourist Guides will be sensitized to bring tourists to handicraft markets.

7.10.1 Exhibitions

Exhibitions shall be conducted by Government regularly inside and outside state for which a calendar should be drawn. Craft specific exhibitions shall be conducted. The artisans shall also be given assistance for participation in

exhibitions organized by different agencies. Assistance shall be provided to artisan organizations/NGOs to conduct exhibitions inside and outside the State. A clear-cut terms of reference/ guideline shall be laid out for participation in exhibitions.

Norms of Marketing Assistance

- Stalls are provided free of cost
- Travel Expenses as per actual are provided
- DA @ Rs.200/- per day inside the State and @ Rs.300/- per day outside the State for the period of exhibition are provided
- Transportation Charges from Rs.600/- to Rs.1200/- provided

7.10.2 Buyer-Sellers Meet

Buyer-Sellers Meet shall be organized for interface of producers and buyers to understand the market trend.

7.10.3 Marketing through OSCHC Ltd.

Proper restructuring of OSCHC LTD shall be made with renovation of existing showrooms and opening of new Utkalika branches. Assistance shall also be provided for renovation/ opening of branches, printing of product catalogue/brochure, website, publicity and brand building of Utkalika. OSCHC Ltd. shall have a Procurement Policy and shall set up procurement centres at different locations.

7.10.4 Opening of Sales out-let by SHGs/Cooperatives

Financial assistance shall be provided to SHGs/SHGs Federation/Co-operatives for opening of sales out-lets. Shops in market complexes developed by urban bodies/ Panchayat Samities shall be earmarked for sale of handicraft goods. Existing marketing cooperative societies shall be provided with assistance for strengthening marketing infrastructure/ providing discounts to cutomers.

7.10.5 Urban Haat/Craft Bazaars

An autonomous organization shall be constituted under Societies Act, 1860 to look after effective management of existing urban haats at Bhubaneswar, Puri and Konark. Further steps shall be taken for establishment of new haats/craft bazaars in potential towns/tourist places. District level craft complexes for handicrafts shall be established.

.7.10.7 “Odisha Handicraft” Mark

Handicraft goods produced in Odisha and as per quality standards to be laid out shall be marked as “Odisha Handicrafts”.

7.10.8 Govt. Approved Show Rooms

Show Rooms dealing in exclusively handicrafts of Odisha with prescribed quality standards shall be approved by Directorate/ SIDAC to facilitate sale of genuine products to the tourists.

7.11. Export Promotion

Although there is huge potential for export of handicrafts, the direct export from Odisha is very meager. Steps shall be taken for aggressive international marketing with special focus on export-oriented crafts.

7.11.1 Promotion of Exporters

Potential entrepreneurs shall be motivated to come to handicraft sector. Capacity building of the entrepreneurs shall be made to undertake production and export activities. Facilities and incentives shall be provided to set up export oriented production units with modern machineries for mass production of quality products. Design support shall also be provided through Design Cell. Financial support shall be provided to exporters for participation in international fairs.

Assistance for Participation in International Fairs

- Stall Rent for stalls up to 9 Sq. Metres (Maximum Rs.1.00 lakh)
- 100% reimbursement of Travel Expenses (Air Fare in Economy Class) (Maximum Rs.75,000/-)
- 50% of the Fright Charges (Maximum Rs.25,000/-)
- Reimbursement of 50% of Lodging & Boarding Charges (Maximum Rs.5000/- per day for exhibition period)

7.11.2 Handicraft Export Park

A handicraft export park shall be set up in and around Bhubaneswar on PPP mode to house production units with other facilities like CFCs/Raw material Bank/Testing facility/Packaging facility etc

7.11.3 International Marketing Cell

The International Marketing Cell set up in SIDAC with the objective of promoting export of handicrafts shall be strengthened with the induction of professionals to provide handholding support to the local exporters in procuring orders & execution thereof, settlement of disputes etc. The Cell will manage the space acquired in IEML, Greater Noida and facilitate participation of exporters in IHGFs and International Trade Fairs. The cell shall provide proper guidance on pricing/ costing of products. The cell shall also facilitate warehousing of handicraft goods at foreign locations. Logistic provider companies like FEDEX, GATI etc. shall be tied up for transportation of handicrafts to foreign locations for participating in International Exhibitions.

7.11.4 Quality Testing & Standardizations

SIDAC shall be the nodal agency for issue of quality certificate for handicraft goods for which a quality testing laboratory will be established.

7.12 Fiscal Incentives (As per IPR-2015 & MSME Dev. Policy 2016)

Handicrafts Sector has been identified as a focus sector for next 5 years and a priority sector for the purpose of availing fiscal incentives under IPR-2015. The following fiscal incentives provided under IPR-2015 and MSME Dev. Policy-2016 shall be made available to handicraft production units/ SHGs/ Cooperatives and developers of handicraft infrastructure projects.

7.12.1 Exemption from payment of premium for land conversion

Handicraft units will be exempted from payment of 100% of the premium for land conversion up to 100 Acres and 50% for balance area

7.12.2 Interest Subsidy

Handicrafts units shall be provided with interest subsidy @ 5% per annum for a period of five years from the date of commencement of production subject to a total maximum limit of INR 10 lakhs for Micro Enterprises and INR 20 lakhs for Small Enterprises for timely repayment of term loan. In backward districts the interest subsidy will be provided for a period of seven years. The guarantee fee charged under Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE) will be also fully reimbursed for handicraft enterprises.

7.12.3 Stamp Duty

(1) No stamp duty shall be required to be paid in respect of land allotted by Govt. to IDCO or by Govt./ IDCO to private developers of Handicraft Parks/ Estates/ Infrastructure Projects.

(2) In respect of transfer of land / shed by Government, IDCO and Private Handicraft Park/ Estate developers to new handicraft production units and existing handicraft production units taking up expansion, modernization and diversification, 75 % of the applicable Stamp Duty shall be exempted.

(3) Loan agreements, credit deeds, mortgages and hypothecation deeds executed by the Handicraft Production Units in favour of Banks or Financial Institutions shall be allowed 100% exemption from stamp duty.

7.12.4 Capital Investment Subsidy

Handicrafts units shall be provided with capital investment subsidy @ 25% of Capital Investment made in Plant & Machinery with upper limit of Rs.1.00 Crore (30% for SC/ST/ Women/ PH/ Technical Entrepreneurs with limit of Rs.1.25 Crore). Additional 5% shall be provided for KBK/ Industrially Backward districts

7.12.5 Marketing Assistance

Handicrafts units shall be provided with 10% Price Preference over local medium & large industries and outside the state units in Government procurement. Additional 3% shall be provided for ISO/ ISI Certified units.

7.12.6 Electricity Duty Exemption

New handicrafts units shall be exempted from payment of electricity duty up to a contract demand of 5 MVA for a period of 5 years from the date of availing power supply for production.

7.13 Brand Building

Following measures shall be taken for brand building of Odisha handicraft.

- G.I Registration of Crafts and logo for Odisha Handicraft.
- Printing of catalogue/brochure/ Documentation/ website
- Research & Development & Mix-media Application Centre
- Advertisement through electronic and print media.
- Publicity hoardings shall be put up on Express Trains, Railway Stations, Airports, Market Places & Tourist Centres.

8.0 Miscellaneous

(a) This policy shall remain in force until substituted by another policy. The State Government may at any time amend any provision of this policy.

(b) A special package of incentives over and above what has been enumerated in this Policy document may be considered for new projects/ schemes on case to case basis taking into account the benefits to the State.

(c) Doubts relating to interpretation of any term and / or dispute relating to the operation of any provision under this policy shall have to be referred to the concerned administrative Department, Government of Odisha for clarification / resolution and the decision of Government in this regard shall be final and binding on all concerned

(d) Implementation of various provisions covering the incentives, concessions etc. will be subject to the issue of detailed guidelines / statutory notifications, wherever necessary in respect of each item by the concerned Administrative Department.