

Udyog Bhawan, New Delhi
Dated: 21st August, 2015

OFFICE MEMORANDUM

Subject: Promotion of 'e-marketing' for the Handloom Sector

Office of the Development Commissioner for Handlooms under Ministry of Textiles has been implementing various schemes for the promotion of handloom sector. The key features of handloom sector are its flexible production system, diverse design base, ability to provide good designs in small volumes and quick switch over to product diversification. Efficient marketing of quality handloom products is one of the most critical requirements for revival of the sector.

2. To win over the trust of the consumers, 'India Handloom' Brand has been launched. It would assure the customer of genuineness, quality and authenticity of the handloom products. While this office has been supporting handloom weavers through traditional marketing channels, e-marketing is emerging as a new marketing channel with high potential. E-marketing is also highly popular with the younger generation customers. Therefore, in order to promote marketing of handloom in general and to reach the customers of younger generation in particular, a policy frame work has been prepared to promote e-marketing of handloom products in a transparent, competitive and effective manner. The policy frame work has been developed with the key objectives of promoting the interests of both the producers of handloom products as well as the consumers. The policy frame work is given in the ensuing paragraphs.

3. E-commerce entities willing to work for promotion of online marketing of handloom products in collaboration with this office may submit application in the attached proforma alongwith all relevant details.

4. The applications will be scrutinized by the following committee:
- a) Addl. Development Commissioner(Handlooms) – Chairman
 - b) Chairman-cum-Managing Director, Handicrafts and Handloom Export Corporation (HHEC), New Delhi – Member.
 - c) Managing Director, Central Cottage Industries Corporation(CCIC), New Delhi - Member

The committee will scrutinize the applications especially from the angle of the track record of the applicant and reasonability of its turn over with respect to its present area of operation. After satisfying it about good track record and reasonable turn over of the applicant, the committee would give its recommendations on the application keeping in view the proposed handloom fabric producing areas for coverage through e-marketing of handloom products and the proposed roll out plan.

5. Decision on the application will be taken after duly considering the recommendations of the committee. Processing of applications will be completed within a period of 3 weeks.

6. Approval to application for e-commerce of handloom products in collaboration with Office of Development Commissioner for Handlooms will be subject to the compliance of the following conditions:

- i) E-commerce entity will make priority display of handloom products through a banner on its Home page leading to an exclusive section for certified/branded handloom products which either have 'India Handloom' Brand or Handloom mark.
- ii) E-commerce entity will not charge more than 8% of the sale price for provision of all the services including photography, cataloguing, payment gateway charges, collection & courier charges and insurance charges.
- iii) The rate of service charges which the e-commerce entity decides to levy within the limit prescribed at 6(ii) above will be notified to the O/o Development Commissioner for Handlooms so that it can be disseminated to all concerned for transparency.

iv) After deducting the notified charges, e-commerce entity would ensure that the balance sale proceeds are promptly transferred to the bank account of the handloom producers/weavers.

v) The approved e-commerce entity would also comply with any other guidelines/conditions as may be notified by the Development Commissioner for Handlooms in the interest of the handloom producers/weavers.

7. Office of Development Commissioner for Handlooms will promote marketing of handloom products in collaboration with approved e-commerce entities through the following interventions.

a) The name and other details of approved e-commerce entities will be displayed on the web site of Development Commissioner for Handlooms and will also be disseminated through its Weavers Service Centres and the State Governments.

b) Need based awareness generation activities will be taken up through Weavers Service Centres and prominent handloom clusters for dissemination of e-commerce facilities available for the handloom weavers/producers.

c) Brief details of premium traditional handloom products would be posted on the web site of Development Commissioner for Handlooms which can be referred by the approved e-commerce entities in their product catalogues for disseminating the information to customers.

d) Subject to availability, Office space and IT infrastructure would be made available to approved e-commerce entities in Weavers Service Centres, Common Facility Centres and handloom clusters only for handholding and supporting the weavers and weavers entrepreneurs to avail e-commerce facilities.

8. The performance of approved e-commerce entities in marketing of handloom products would be monitored continuously. Approved e-commerce entities would be required to send a brief monthly report to the O/o Development Commissioner for Handlooms about number of handloom producers/weavers who have availed their facilities, numbers of handloom

products and sale price of such products sold during the month. Such monthly report should be sent by e-mail.

9. The approval to the e-commerce entities for this scheme would be for a period of one year which would be considered for further extension depending upon the performance in terms of volume of marketing of handloom products and provision of satisfactory services to handloom producers/weavers

10. This policy frame work would be reviewed from time to time as per field requirements and the experience gained, for safeguarding the interest of the primary producers of handloom products and the consumers.

11. In case, it is found at any time that the approved e-commerce entity has violated any of the conditions as mentioned above, the approval would be withdrawn and the same would be notified on the website of O/o Development Commissioner for Handlooms without prejudice to any other action as per applicable law.


(Alok Kumar)


Development Commissioner(Handlooms)

Tel: 23063684,23062945

Encl:as above

Copy to:

1. Principal Secretaries/Secretaries of State Governments dealing with handlooms.
2. Commissioners/Directors of Handlooms of all the States
3. All Apex Cooperative Societies/State Handloom Corporations
4. All Weavers Service Centres


(Alok Kumar)

Development Commissioner(Handlooms)

To

Development Commissioner for Handlooms,
Office of the Development Commissioner for Handlooms,
Ministry of Textiles, Govt. of India,
Udyog Bhawan, New Delhi 110 011

Proforma of Application for online marketing of Handloom Products

1. Name of the Firm/Company (e-commerce/online marketing): _____
2. Address of the firm with contact details:
 - (a) City/Town/Village: _____
 - (b) Post: _____
 - (c) District _____
 - (d) State _____
 - (e) Pincode _____
 - (f) Telephone & Fax _____
 - (g) E-mail address _____
 - (h) Web address _____
3. Profile of the firm/company in brief _____
4. Online marketing/e-commerce experience of the firm/company _____
5. Annual turnover (last 3 financial years) _____
6. Handloom fabric producing areas proposed for coverage
City/District/State: (i) _____
(ii) _____
(iii) _____
7. Roll out plan with timelines _____

UNDERTAKING

1. We will abide by the policy frame work and conditions as contained in the Office Memorandum No. 13/1/2014-DCH/P&E dated regarding promotion of 'e-commerce' for the Handloom Sector, in addition to any other conditions notified by Development Commissioner for Handlooms in the interest of handloom producers/weavers.
2. I/we, on behalf of _____ (name of the firm/company) do hereby undertake that I/we shall abide by all the guidelines of the e-commerce in true sense and in case of any violation of the guidelines, appropriate action may be taken against me/us.

Date: _____

Place: _____

Signature _____