



## **NOTE ON FUNCTIONING OF NHDC LTD.**

### **1. INCORPORATION**

**National Handloom Development Corporation Limited (NHDC)** was set up in February, 1983 by the Government of India as a public sector undertaking, under the Companies Act, 1956 in pursuance of the imperative need for a national level agency to assist the speedy development of the handloom sector by coordinating all actions covering the procurement and supply of inputs at reasonable prices, augmenting the marketing efforts of state handloom agencies and initiating developmental activities for upgrading the technology in the handloom sector and improving productivity.

### **2. MISSION**

*TO SERVE AS A NATIONAL LEVEL AGENCY FOR THE PROMOTION AND DEVELOPMENT OF HANDLOOM SECTOR.*

### **3. ORGANISATION**

#### **3.1 Head office:**

The Corporation has its registered and corporate office at Lucknow.

#### **3.2 Field offices/ regional offices:**

To reach the weavers, the corporation has set up its regional offices and branch offices at different places.

#### **3.3 (a) Regional offices – Yarn activity**

**Panipat**

**Varanasi**

**Kolkata**

**Hyderabad**

**Coimbatore**

**Kannur**

#### **(b) Zonal offices – Dyes & chemical activity**

**North zone – Panipat**

**South zone – Tirupur**

### 3.4 Branch offices

There are 33 branch offices mostly either at state capital or handloom concentrated areas.

## 4. HUMAN RESOURCES

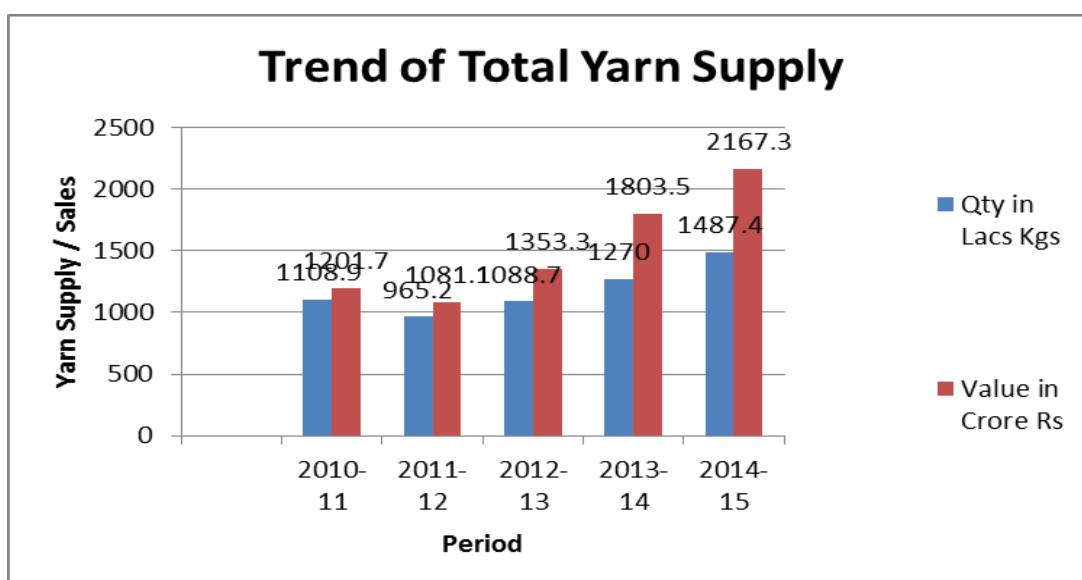
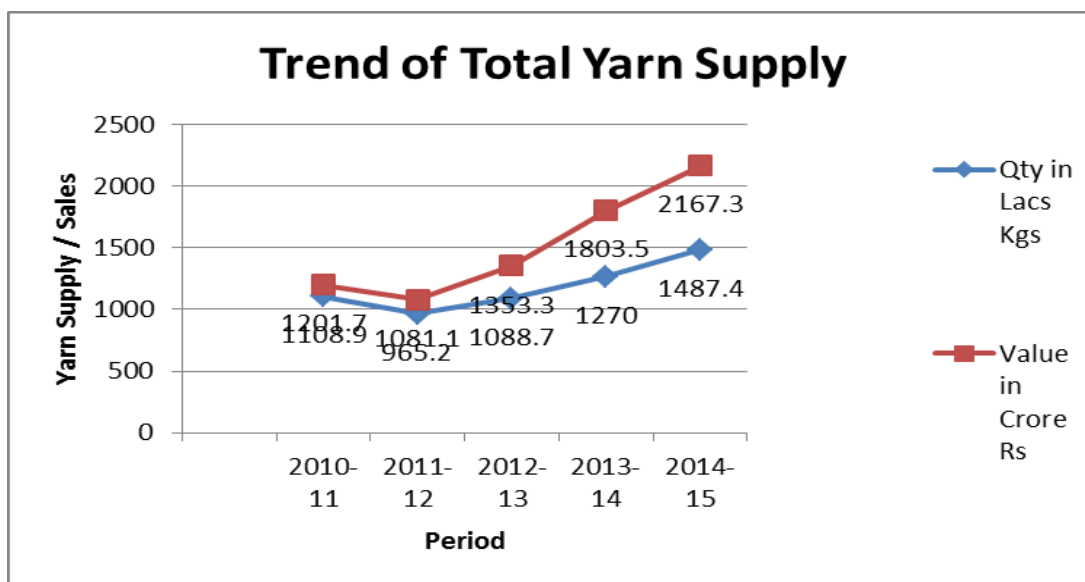
Total strength of the employees of the corporation is 208 (As on 31.03.2015).

## 5. (IMPORTANT ACTIVITIES & PARAMETERS OF CORPORATION'S FUNCTIONING)

### a. SUPPLY OF YARN

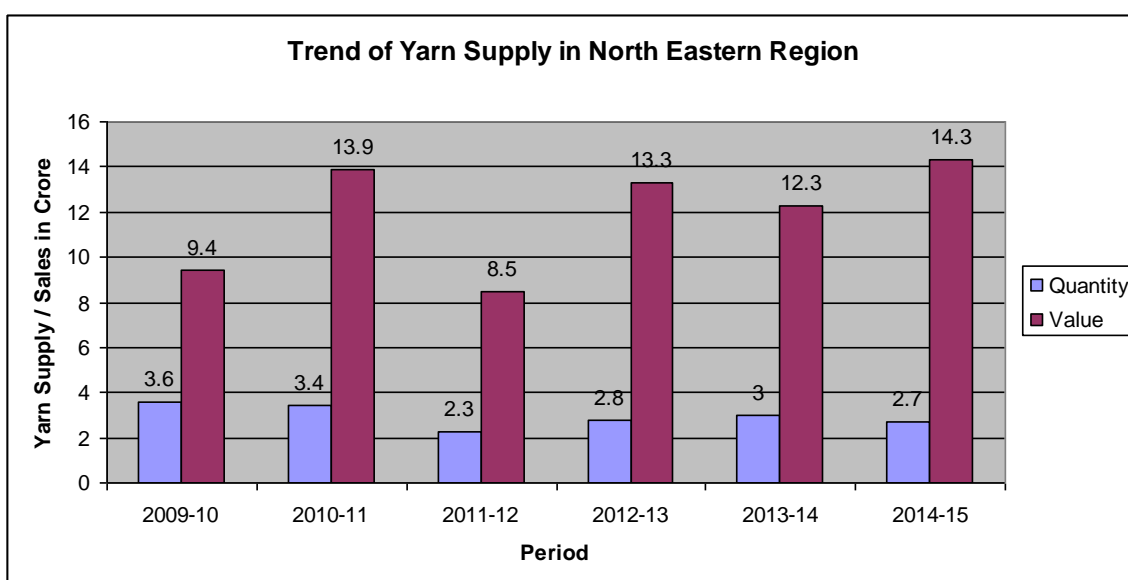
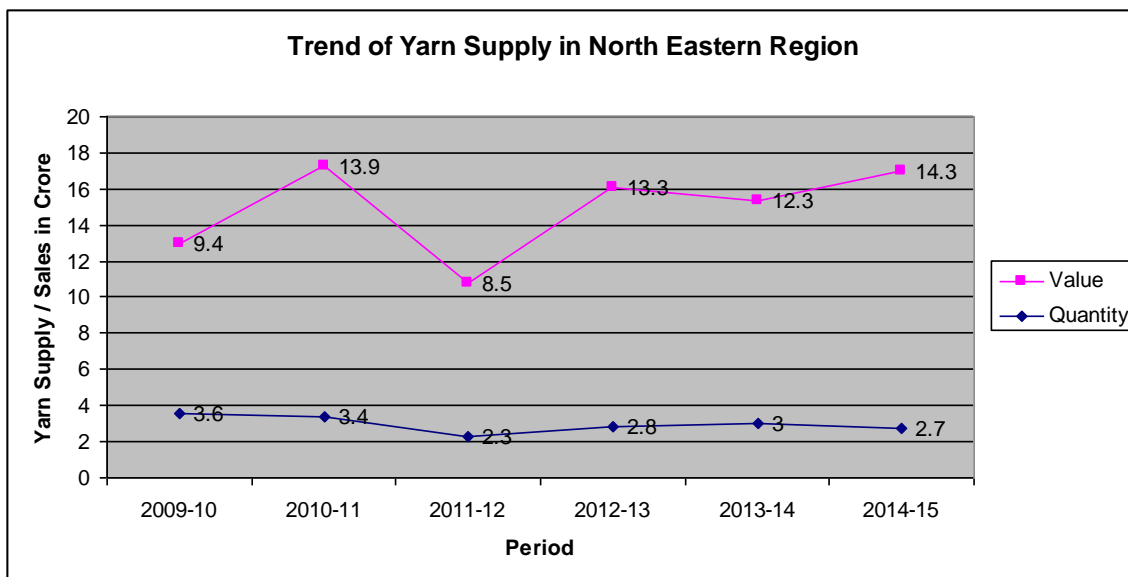
Yarn is the basic input for the handloom production. Therefore, its regular and adequate availability at reasonable prices has always been a matter of prime importance to Government for ensuring continuous employment in the handloom sector. Presently, Corporation is arranging supplies of yarn for the benefit of handloom weavers in almost all states. The major supplies are under Govt. of India's **Yarn Supply Scheme (YSS)** through the state level handloom corporations/ apex bodies, handloom development centres/ weaver cooperatives, manufacturers engaged in production of handloom goods for exports, NGOs, weaver entrepreneurs, SHG/ JLG, individual weaver etc. The supplies of yarn in the last 5 years are tabulated below.

Sr. No.	Year	TOTAL SUPPLIES		(Qty. in lac kgs & Value in crore Rs.) YARN SUPPLIED UNDER YARN SUPPLY SCHEME		
		Quantity	Value	Quantity	Value	% (Qty.)
1.	2010-11	1108.9	1201.7	1106.0	1195.5	99.7 %
2.	2011-12	965.2	1081.1	942.7	1041.3	97.8 %
3.	2012-13	1088.7	1353.3	1070.8	1318.6	97.4 %
4.	2013-14	1270.0	1803.5	1262.1	1788.5	99.4 %
5.	2014-15	1487.4	2167.3	1484.3	2160.8	99.7 %



Corporation is making special efforts for supplying the yarn in **north-eastern region**. In order to help the handloom agencies in north-eastern region, the actual cost of transportation is being reimbursed which is more than the amount admissible under YSS. The extra cost over and above the amount admissible under the YSS is borne by the corporation. The supply in north-eastern region during the last 5 years is as below:-

Sr. No.	Year	(Qty in lac kgs & Value in crore Rs.)		
		NORTH – EASTERN REGION		
		Quantity	Value	Increase on YOY (Value)
1.	2010-11	3.4	13.9	47.9 %
2.	2011-12	2.3	8.5	(-)38.8 %
3.	2012-13	2.8	13.3	56.5 %
4.	2013-14	3.0	12.3	(-)7.5 %
5.	2014-15	2.7	14.3	16.0 %



Out of 630 clusters sanctioned by the Govt. of India under Integrated Handloom Cluster Development Scheme (IHCDS) and Integrated Handloom Development Scheme (IHDS), the corporation has so far covered 409 clusters (upto March, 2015) by allotting depots in the clusters. These depots are working as per the guidelines of Yarn Supply Scheme offering yarn to the handloom weavers at mill gate price.

## **b. SUPPLY OF DYES & CHEMICALS:**

Dyes & chemicals are essential for value addition in the handloom fabric. Corporation is supplying all varieties of eco-friendly dyes and essential chemicals in the original form from the leading manufacturers.

The supplies of dyes & chemical in the last 5 years are tabulated below.

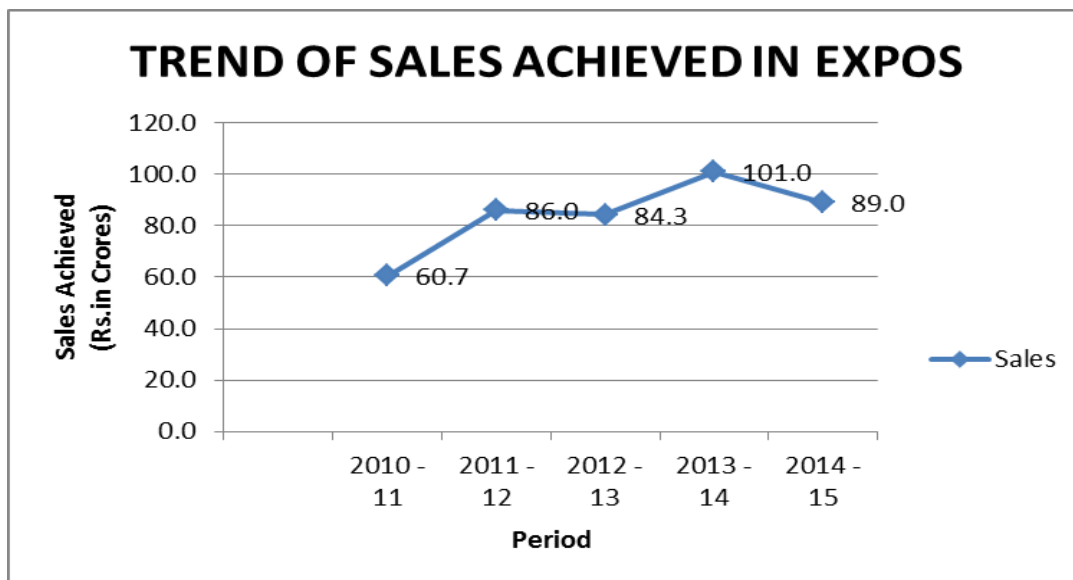
Year	Quantity (in lac kgs)	Value (Rs. in crore)
2010-11	33.9	24.6
2011-12	29.3	18.3
2012-13	27.6	20.9
2013-14	36.3	35.7
2014-15	36.9	49.5

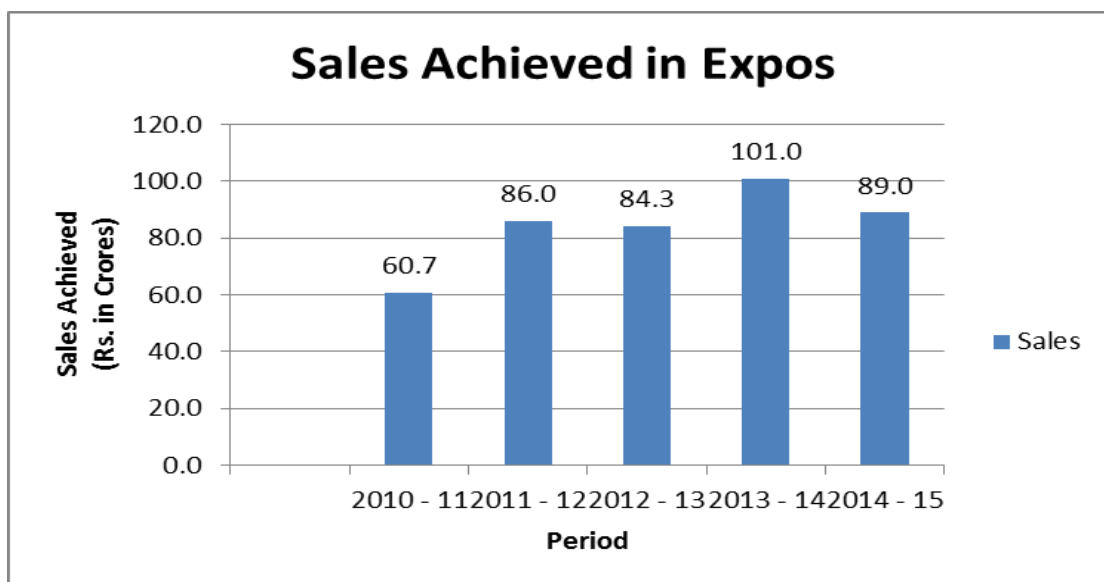
### c. DEVELOPMENTAL ACTIVITIES (Marketing support)

#### i. Organization of expos:

In order to augment the marketing efforts of state handloom agencies and to promote marketing of handloom products in the country, the corporation has been organizing special handloom expos – silkfab and woolfab at various metropolitan cities under the marketing promotion programme of Govt. of India. These exhibitions not only assist in marketing of handloom products but also provide facilities to consumers to purchase genuine handloom products from different part of the country at one place. The exhibitions organized by the corporation in the last 5 years are tabulated below.

Sr. No.	Year	No of Events	No of Stalls	Total sale (Rs. in crore)
1.	2010-11	18	1268	60.7
2.	2011-12	21	1855	86.0
3.	2012-13	19	1834	84.3
4.	2013-14	23	2168	101.0
6.	2014-15	24	1742	89.0





## ii. Establishment of marketing complexes:

Corporation has setup 8 marketing complexes at Jaipur, Kolkata, Ahmedabad, Hyderabad, Kanpur, Indore, Navi Mumbai and New Delhi. To give brand image national handloom marketing complexes have now been named as handloom haveli. Number of emporia in each marketing complex is given below.

Sr.No. Places	No. of showrooms
1. Jaipur (Rajasthan)	11
2. Kolkata (West Bengal)	20
3. Ahmedabad (Gujarat)	13
4. Hyderabad (Andhra Pradesh)	06
5. Kanpur (U.P.)	16
6. Indore (Madhya Pradesh)	09
7. Navi Mumbai (Maharashtra)	09
8. New Delhi (Delhi)	31

Marketing complexes at Kochi and Quilon have been closed as they were housed in rented buildings and rent increase was very high, therefore, affecting profitability of the agencies. At other places, emporia are on outright purchase basis.

## **OTHER DEVELOPMENTAL ACTIVITIES**

- i. Organization of dyers training programmes.
- ii. Organization of workshops on awareness/ sensitization.
- iii. Organization of buyers sellers meet.
- iv. Organization of familiarization/ knowledge sharing visits of weavers to other states.

## 6. FINANCIAL DATA

Financial data for the last 5 years is as follows:-

(Rs. in Crore)						
Sr. No.	Financial Indicators	2010-11	2011-12	2012-13	2013-14	2014-15
1	Sales	1226.75	1101.07	1375.47	1840.03	2216.96
2	Net profit after tax	4.32	2.82	6.97	12.03	25.40
3	Equity share capital	19.00	19.00	19.00	19.00	19.00
4	Reserves & surplus	14.46	16.47	21.64	30.67	49.52
5	Dividend	0.87	0.57	1.41	2.41	5.11
6	Gross block	5.11	6.37	6.59	7.30	14.91
7	Net Block	3.02	4.19	4.25	4.75	12.16
8	Working capital	30.03	30.75	35.26	42.07	54.17
9	Capital employed	33.05	34.93	39.51	46.82	66.33
10	MOU rating	Excellent	Good	Excellent	Excellent	Excellent