

# PM Vishwakarma Yojana

## Empowering Artisans

Empowering rural artisans is not only about preserving traditional crafts but also about uplifting the socio-economic status of countless families in rural India. It involves bridging the gap between tradition and modernity, ensuring that these talented individuals can thrive in a rapidly changing world. Undoubtedly, artisans and craftspeople, through their creativity and skills, have been contributing to the socio-economic milieu. The PM Vishwakarma scheme signifies a promising era where the rich tapestry of India's cultural heritage is not only celebrated but uplifted and propelled into a prosperous future, symbolising a harmonious blend of tradition and modernity.



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**R**ural India, often depicted as the agrarian backbone of the nation, is home to a vast pool of untapped and traditional talent. While urban centres have traditionally enjoyed the spotlight in terms of modern and lucrative career opportunities, rural India possesses its own unique reservoir of skills, creativity, and potential. This unique reservoir in the rural economy mainly consists of artisans and craftspeople who work with their hands and tools. These artisans possess exceptional skills

in various traditional crafts like pottery, carpentry, metalwork, etc. Artisanal activities form a significant part of rural economies and these artistic expressions are not only aesthetically valuable but also integral to preserving India's heritage. These artisans are typically self-employed and are generally considered to be a part of the informal or unorganised sector of the economy. In the context of *Guru-Shishya parampara*, these traditional artisans and craftspeople are referred to as *Vishwakarmas*.

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These are the people who touch our daily lives in a meaningful way, but their efforts remain largely unrecognised. The local ecosystem thrives on their relentless endeavour, which makes our lives productive and smoother. They are *vishwakarmas*, creators, and moulders of the local economy. Appropriately, therefore, the Central Government launched the scheme, *PM Vishwakarma*, on the occasion of *Vishwakarma Jayanti* on 17<sup>th</sup> September, 2023 at a programme held in Yashobhoomi, Delhi. The launch of the central sector scheme for *Viswakarmas* within a week of India having hosted the grand event of the G20, showcasing global investment and trade opportunities, and within less than a month of our successful journey of *Chandrayaan* to the moon, indicates the robust reliance of the Government on *sabka saath, sabka vikas, and sabka prayas*.

PM Vishwakarma envisages empowering the artisans by providing them with Certificates and ID cards as recognition as *Viswakarma*, collateral-free loans, skill development support, marketing support, incentives for digital transactions, and toolkit support. PM Vishwakarma truly exemplifies the 'Whole of the Government' approach. Three departments or ministries of the Central Government, viz. the Ministry of MSME, Ministry of Skill Development & Entrepreneurship, and the Department of Financial Services, have converged as co-implementers of the

scheme. Another unique aspect of this scheme is the active role of State Governments in the verification of prospective beneficiaries and in the implementation and monitoring of the scheme. Very constructive discussions have been held with State Governments and UT administrations, and their suggestions have helped design the scheme.

Empowering rural artisans is not only about preserving traditional crafts but also about uplifting the socio-economic status of countless families in rural India. It involves bridging the gap between tradition and modernity, ensuring that these talented individuals can thrive in a rapidly changing world. By recognising and investing in their skills and talents, connecting them to markets, and providing financial support, India can celebrate its artisans while strengthening its rural economies and cultural heritage.

### Trades Covered

Under the PM Vishwakarma scheme, the traditional trades covered are Carpenter (Suthar/Badhai), Boat Maker, Armourer, Blacksmith (Lohar), Hammer and Tool Kit Maker, Locksmith, Goldsmith (Sonar), Potter (Kumhaar), Sculptor (Moortikar, stone carver), Stonebreaker, Cobbler (Charmkar)/ Shoemaker/ Footwear artisan, Mason (Rajmistri), Basket/Mat/ Broom Maker/Coir Weaver, Doll & Toy Maker (Traditional), Barber (Naai), Garland Maker (Malakaar), Washerman (Dhobi), Tailor (Darzi), and Fishing Net Maker. These trades in rural areas help generate small economies, contributing to the development of the rural economy.

As per e-Shram portal, a national database for unorganised workers, more than 2 crore workers falling under the 14 trades, excluding Boat Maker, Armourer, Garland Maker, and Fishing Net Maker, have registered on the portal. The registrations are based on self-declaration of the artisans/craftspeople.

### Review of Existing Artisans related Schemes under Implementation

Currently, there are about 20 central sector schemes that seek to support and empower artisans across the country. The National Handicraft Development Programme and the National Handloom Development Programme implemented by the Ministry of Textiles

From Craft to Commerce for Artisans

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## How Will PM Vishwakarma Make Local Artisans and Workers Reach Global Markets?

- Collateral-free loans up to ₹3 lakh & low interest
- Recieve PM Vishwakarma certificate & ID card
- Skill upgradation & advanced training
- Toolkit voucher of ₹15,000
- Incentive for digital transactions
- Branding & marketing support

Total Outlay: ₹13,000 crore



focus on handicraft and handloom artisans, respectively, by providing them with credit, marketing, toolkits, skill training, and social security support. The benefits provided are comprehensive, and the focus group is artisans belonging to the handicraft and handloom sectors. Another impactful scheme is PM SVANidhi, implemented by the Ministry of Housing and Urban Affairs, under which collateral-free working capital loans with interest subsidies and incentives for digital transactions support are provided to street vendors/hawkers vending in urban areas. Upgrading Skills and Training in Traditional Arts/Crafts for Development (USTTAD), implemented by the Ministry of Minority Affairs, provides support for the upgrading of skills and training. However, this scheme is exclusively for artisans belonging to minority communities. The Jan Shikshan Sansthan (JSS) Scheme of the Ministry of Skill Development and Entrepreneurship and Rural Self-Employment Training Institute (RSETI) scheme of the Ministry of Rural Development are other central sector schemes whose main focus is imparting basic and advanced training to targeted beneficiaries.

Furthermore, there are about 30 schemes providing support to different artisans and craftspeople implemented by various State Governments. Prominent among them are the Vishwakarma Shram Samman Yojana of the Government of Uttar Pradesh and Shri Vajpayee Bankable Scheme of the Government of Gujarat. The Vishwakarma Shram Samman Yojana provides credit, modern toolkits, and training support to artisans engaged in trades such as basket weavers, potters, blacksmiths, masons, tailors, carpenters, barbers, etc. Shri Vajpayee Bankable Scheme extends concessional loans to artisans/craft persons of cottage and rural industries sector. Further, the Handloom Spinning Weaving Assistance Scheme of the Government of Uttarakhand provides financial assistance up to Rs. 25,000/- to selected women for purchasing toolkits. The Dattopant Thengadi Artisan Interest Subsidy Scheme of the Government of Gujarat provides credit support along with financial assistance in the form of subsidy to traditional craft, art, handloom, and handicraft artisans of Gujarat.

The Government of India has formulated the new Scheme PM Vishwakarma in order to include all the artisans and craftspeople who have not availed any government support so far and to ensure end-to-end holistic support starting from skill training and credit to marketing support to modern toolkits to a large group of artisans engaged in traditional trades.

### Objective of PM Vishwakarma

On Independence Day this year, from the ramparts of Red Fort, the Hon'ble Prime Minister of India made a very significant declaration: one that will have an affirmative impact on the lives of millions of Indians by enhancing, deepening, and strengthening the supply chain and augmenting the demand for certain products and services. It was the announcement that the Central Government will launch a holistic scheme of Rs. 13,000 crore to recognise the immense contribution of our traditional and skilled artisans and craftsmen, working with their hands and tools, towards the nation-building exercise by providing them smooth and hassle-free end-to-end support.

### Benefits

There is a need felt to provide a conducive environment for artisans and craftspeople working with





their hands and tools to enable them to deliver better, to facilitate their access to modern tools, technology, and markets, and to onboard them into the fast-evolving world of digitalisation. A comprehensive approach has, therefore, been advocated in PM Vishwakarma. Thus, the scheme intends to provide end-to-end support to artisans and craftspeople through the following six interventions:

- (i) **Recognition:** The beneficiaries will get a PM Vishwakarma Certificate and ID card after they are registered and verified as per the scheme guidelines.
- (ii) **Skill Upgradation:** Artisans will receive basic training of 5-7 days and advanced training of 15 days or more, along with a stipend of Rs. 500 per day as wage compensation. The Government of India has entrusted the skilling work to MSDE. During the skill training, efforts will be made to impart the highest quality training to the beneficiaries, and master trainers in the trade will be sourced from the industry and the community. At the end of the basic training, an independent assessment will be conducted, and National Skill Qualification Framework (NSQF) certification will be provided to successful candidates. The Government will also arrange board and lodging facilities for the beneficiaries during the training, which will be fully funded by the Government and provided free of cost.
- (iii) **Toolkit Incentive:** In addition to skill training, after skill assessment at the beginning of basic training, artisans and craftspeople will get toolkit incentive of up to Rs. 15,000 through e-RUPI/e-

vouchers. Digital guides and short video tutorials will be presented to Vishwakarmas to acquaint and enable them to skillfully handle modern tools in their respective trades.

- (iv) **Credit Support:** The Government will provide collateral-free loans of up to Rs. 3 lakh in two tranches of Rs. 1 lakh and Rs. 2 lakh, according to their requirements. This economic stability will help them become self-reliant and improve their lives. These loans can be paid back in 18 months and 30 months, respectively. Furthermore, the loan is provided at a concessional interest rate fixed at 5%, with the Government of India subvention to the extent of 8%. The first tranche of the loan of Rs. 1 lakh will be disbursed to these artisans after they complete basic skill training for 5-7 days. Similarly, the second tranche of the loan of Rs. 2 lakh will be disbursed after they complete advanced training for 15 days and have repaid the first tranche loan of Rs. 1 lakh. Furthermore, no guarantee fee will be charged to the beneficiaries, and the Ministry of MSME will pay on behalf of these artisans. Also, there is no penalty for repaying the loan before the scheduled date if the loan is repaid not before 6 months.
- (v) **Incentive for Digital Transaction:** The world is moving towards digital platforms, which transcends physical barriers. We realised this even more so during the pandemic time. Accordingly, the scheme will encourage beneficiaries to adopt digital transactions. The beneficiaries of this Scheme will be given cashback incentives every time they either sell or receive a digital transaction.





Every month, Re. 1 per digital transaction, up to a maximum of 100 transactions, will be credited to the beneficiary's account for each digital payout or receipt.

- (vi) **Marketing Support:** A marketing strategy has been prepared to promote the products and services of these artisans in both domestic and international markets. This strategy includes elements such as quality certification, branding, advertising, publicity, and other marketing activities aimed at enhancing their connection to value chains. These services will be customised and offered according to the beneficiary's requirements, which may include fee reimbursement for onboarding on e-commerce platforms like GeM, obtaining quality certifications, or participating in trade fairs.

In addition to the above-mentioned benefits, these artisans will also be onboarded on the Udyam Assist Platform as 'entrepreneurs' in the formal MSME ecosystem. This will pave the way for them to transition from entrepreneurs to enterprises.

### Registration

The Government has onboarded the services of Common Service Centres to register artisans/craftspeople through the PM Vishwakarma portal. The registration requires minimum documentation. An Aadhaar number and Aadhaar linked mobile number along with bank details is the minimum requisite for registration. Registration would be followed by three stages of verification –Panchayat/ULB, District and State levels, after which the beneficiary will be provided with PM Vishwakarma Certificate and ID card and thereafter they can avail the benefits of the scheme.

### Eligibility

An artisan or craftsman, aged 18 years or older, working with their hands and tools and engaged in one of the 18 family-based traditional trades, provided they have not availed loans under similar credit-based schemes of the Central Government or State Government. Further, the registration shall be restricted to one member of the family, and a person in government service and his/her family members will not be eligible under the scheme.

### Conclusion

Through PM Vishwakarma, we hope that lakhs of artisans and craftspeople whose entrepreneurship we are proud of are able to establish enterprises of their own. Our plan to support artisans and craftspeople goes well beyond the contours of the scheme. We will ensure necessary linkages with on-going government schemes and programmes. Beneficiaries of PM Vishwakarma will be linked to the Udyam portal, in case they have PAN, or to the Udyam Assist Platform, in case they do not have PAN. Such linkage will help their loans to be categorised as Priority Sector Lending from banks, and also enable them to avail benefits as micro, small, and medium enterprises.

Undoubtedly, artisans and craftspeople, through their creativity and skills, have been contributing to the socio-economic milieu. Our vision is to take their talent to every part of the country and to the global level by ensuring that they are able to work in an enabling environment. The scheme signifies a promising era where the rich tapestry of India's cultural heritage is not only celebrated but uplifted and propelled into a prosperous future, symbolising a harmonious blend of tradition and modernity. Let us come together to provide them sammaan, help in augmenting their samarthya and ensure their samriddhi. □

