



# Van Dhan Producer Companies

## Why in News

The **Ministry of Tribal Affairs** has planned to **set up 200 'Van Dhan' producer companies** in all the 27 states **in the next five years** with priority to the [Aspirational Districts](#) under the [Van Dhan programme](#).

- Aspirational Districts are those districts in India that are **affected by poor socio-economic indicators**. The **Transformation of Aspirational Districts' Programme (TADP)** is being anchored by the **NITI Aayog** at the central level.

## Key Points

### ▪ Van Dhan Programme:

- **About:** It is a **market-linked tribal entrepreneurship development program** for forming clusters of tribal [Self Help Groups \(SHGs\)](#) and strengthening them into **Tribal Producer Companies**.
  - The initiative targets **livelihood generation** for tribals by harnessing the wealth of forest i.e. **Van Dhan**.
- **Launch:** The scheme was launched in 2018 as **Pradhan Manti Van Dhan Yojana (PMVDY)**.
- **Implementation:** It is being implemented by the **Tribal Cooperative Marketing Development Federation of India Limited (TRIFED)**.
- **Aims:**
  - To tap into **traditional knowledge & skill sets of tribals** by adding technology & IT to upgrade it at each stage and to convert the tribal wisdom into a viable economic activity.
  - To promote and leverage the **collective strength of tribals** to achieve a viable scale to take on the predatory market forces in the areas where these are still prevalent.
  - Proposition is to set-up tribal community-owned **Minor Forest Produce (MFP)-centric multi-purpose Van Dhan Vikas Kendras** in predominantly tribal districts.

### ▪ Tribal Cooperative Marketing Development Federation of India Limited (TRIFED):

- TRIFED is a **national-level apex organization** functioning under the administrative control of the Ministry of Tribal Affairs.
- TRIFED aims to **empower tribal people with knowledge, tools and pool of information** so that they can undertake their operations in a more systematic and scientific manner.
- It organises **Tribal Artisan Melas (TAMs)** to identify new artisans and new products at the sourcing level in States/Districts/Villages for expanding the tribal producers base.
- It is also involved in [Minor Forest Produce \(MFP\) Through Minimum Support Price \(MSP\)](#) and [TRIFOOD](#) Schemes.

- TRIFED is also expanding the **Skills Development and Micro entrepreneurship programme**, together with the **Tribal Livelihoods program**.

### Tribal Livelihood Programmes

- **Forests Rights Act, 2006**: It has given adequate ownership powers for the tribals. It is a very path breaking Act in a sense that for the very first time it not only recognised the traditional forest dwellers as the legitimate owners of the forest land but also for the very first time made conservation accountable.
- **PESA (Panchayati Raj Extension to Scheduled Areas) Act 1996**: It provides Gram panchayat the ownership and the authority to deal with forest produce and tribal issues.
- **Education of Tribals**: Many girls' hostels and Ashrams have been set up in tribal dominated blocks for the education of tribal children.
  - The **Eklavya model of residential schools** is set up for the education of tribal students.
- **Vanbandhu Kalyan Yojana**: It has been launched by the Central Government of India for holistic development and welfare of the tribal population of India.
  - The scheme proposes to bring the tribal population of the country at par with other social groups and include them in the overall progress of the nation.
  - The government aims for holistic development of tribals by plugging in the infrastructural gaps and lags in human development indices.
- **Tribal Handicrafts**: Employment opportunities for the tribals are shrinking on the account of shrinking forest cover.
  - TRIFED has set up TribesIndia, a chain of showrooms where several categories of handicrafts are being marketed like tribal textiles, tribal jewellery.
  - TRIFED is also working on the capacity building of the tribes.

**Source: PIB**

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