

No.1/2/2016-DCH/P&S  
Government of India  
Ministry of Textiles  
Office of the Development Commissioner for Handlooms

Udyog Bhawan, New Delhi  
Dated: the 18<sup>th</sup> April, 2018

1. Secretary In-Charge of Handlooms & Textiles of all States/UTs
2. Commissioner/Director of Handlooms & Textiles of all States/UTs
3. Managing Director of Handloom Corporations/Apex Societies
4. Managing Director, National Handloom Development Corporation, Greater Noida.

**Sub: Guidelines of Yarn Supply Scheme for implementation upto 2019-20  
-reg.**

Sir/Madam,

In supersession of this office letter No.6/1/2012-DCH/P&S dated 17.1.2014, forwarding therewith the guidelines for implementation of Yarn Supply Scheme, please find enclosed herewith revised guidelines of the scheme for its implementation upto March 2020. These guidelines have been revised after considering views of the State Governments/Weavers' Service Centres/Implementing Agencies with the following salient features:-

- i) State-wise indicative targets for supply of yarn shall be assigned based on number of looms in the State.
  - ii) 10% subsidy shall be available on reimbursement basis through DBT.
  - iii) 10% subsidy is also available on linen yarn.
  - iv) Freight reimbursement, depot operating expenses and service charge to implementing agency for supply of yarn in Plains, Hills and remote areas and North-Eastern Region have been rationalized.
  - v) Yarn depots shall be opened in the handloom concentrated areas to ensure regular and timely supply of yarn.
  - vi) NHDC shall set up at least one yarn warehouse in every State.
2. You are requested to kindly ensure effective implementation of the scheme. Also, arrange to disseminate the scheme to your field functionaries and to the eligible Implementing Agencies. The guidelines are also available on the website: [handlooms.nic.in](http://handlooms.nic.in). Hindi version of the scheme follows.

Encl.: as above.


Yours faithfully,

  
(Sanjay Rastogi)

Development Commissioner (Handlooms)

Copy to:

1. Officers in-Charge of all Weavers' Service Centres
2. Sr. PPS to Secretary (Textiles)
3. All Officers in the O/o DC (Handlooms)
4. I.F.Wing, Ministry of Textiles
5. Pay and Accounts Officer (Textiles), New Delhi
6. NIC for uploading the guidelines on the website [www.handlooms.nic.in](http://www.handlooms.nic.in)

  
(Satish Rastogi)

Development Commissioner (Handlooms)

## YARN SUPPLY SCHEME

### 1. INTRODUCTION:

1.1 Handloom weaving is a labour intensive occupation spread throughout the country, mostly in villages. The handloom sector employs over 43 lakh persons in weaving and allied activities (as per handlooms census of India 2009-10). The main raw material used by this sector is yarn, which is being produced by spinning mills. The yarn trade was controlled by the traders and most of the handloom weavers were dependent on the traders for their yarn requirement. This had resulted in escalation in yarn prices and shortage of availability.

1.2 Government of India felt the need for formation of a national level apex body to overcome these problems by effective intervention in the yarn market and in 1983, set up the National Handloom Development Corporation (NHDC) Ltd. The main objective of NHDC is to make available to weavers throughout the country, yarn of the appropriate quality, through a well-ordered system. The yarn manufactured in a particular place is based on the quality of cotton available in and around that place, while the yarn consumed by the weavers in a particular area is based on the consumption pattern prevailing in that area. Therefore, in most of the cases, weavers have to depend on yarn produced in other areas. The transportation of yarn from one place to another increases the cost of yarn considerably putting the weavers at a disadvantageous position. Keeping the above in view, Government of India introduced the scheme in 1992 for Supply of yarn at the price in which it is available at the Mill Gate. Under the scheme, transportation expenses involved in supply of yarn are reimbursed by the Government of India.

1.3 To mitigate the cost disadvantage of handloom sector, Government of India in the past exempted cotton hank yarn used by the handloom sector from excise duty, whereas cotton cone yarn had 9.2% CENVAT levied on it. Subsequently, in 2004, CENVAT on cotton cone yarn was removed. As a result, the price differential between the two vanished and handlooms no longer enjoyed price advantage in the crucial raw material. Since handloom products are inherently more expensive due to long lead time in weaving due to complex and exquisite designs, and lower productivity as compared to powerloom, it is essential to provide explicit subsidy on hank yarn. In view of this, 10% price subsidy on cotton yarn, domestic silk yarn and woollen yarn in hank form is provided since 12<sup>th</sup> Plan to the handloom sector. The subsidy has been provided upfront to the beneficiary. Accordingly, Yarn Supply Scheme was approved for implementation during 12<sup>th</sup> Plan having components namely, (i) Supply of yarn at Mill Gate Price and; (ii) 10% Price Subsidy on cotton, domestic silk and woollen yarn in hank form.

No.1/2/2016-DCH/P&S  
Government of India  
Ministry of Textiles  
\*\*\*\*

1.4 For the protection of handloom sector by ensuring that the yarn in hank form is available in adequate quantity at reasonable price to the handloom sector, Hank Yarn Packing Notification dated 17.04.2003 was promulgated under Essential Commodities Act, 1955. Notification prescribes that every producer of yarn (yarn made/spun wholly out of cotton and/or its waste) who packs yarn for civil consumption, shall pack at least 40% of yarn packed for civil consumption in hank form on quarterly basis and not less than 80% of the hank yarn packed shall be of counts 80s and below.

1.5 It is experienced that Linen Cloth has gained popularity amongst all age and class since the Linen fabric is very absorbent and garments made of Linen are valued for their coolness and freshness in hot weather. Some States have also requested to include linen in 10% price subsidy component. In view of this, it is decided to include linen yarn under 10% price subsidy component. The products made from linen will enable handloom weavers in getting more work, resulting in higher earnings.

1.6 Accordingly, Yarn Supply Scheme has been approved for implementation during period from 2017-18 to 2019-20 with following components:

1. **Supply of yarn at Mill Gate Price**
2. **10% Price Subsidy on Hank Yarn**

1.7 The reimbursement of 10% price subsidy will be available through DBT to the beneficiaries instead of upfront subsidy. 10% price subsidy will be available on cotton, domestic silk, woollen and linen yarn in hank form with quantity restrictions.

**2. SUPPLY OF YARN AT MILL GATE PRICE:**

- 2.1 The purpose of this component of the scheme is to make available all types of yarn at Mill Gate Price to the beneficiaries for production of handloom items, so as to facilitate regular supply of basic raw material to the handloom sector and help utilize the full employment potential of the sector.
- 2.2 The mill gate price means the price at which the yarn is procured from the registered license holders of silk exchange in case of Indian silk yarn, ex-warehouse price for DGFT registered importer and landed price (inclusive of C&F and any other applicable port charges) at Indian ports for import by NHDC in case of imported silk yarn, state bodies engaged in manufacturing/ supplying silk yarn, reelers/ twistors registered with SERIFED, manufacturers of domestic silk/ coir/ jute yarn and pashmina fibre, processors/ dye houses in the case of dyed/ processed yarn and the spinning mills covered under the Hank Yarn Packing Obligation in case of cotton and other types of yarn.
- 2.3 For supply of cotton yarn, the supply will be taken from the mills producing hank yarn under Hank Yarn Packing Obligation as per the records of the office of the



No.1/2/2016-DCH/P&S  
Government of India  
Ministry of Textiles  
\*\*\*\*

Textile Commissioner. For supply of other types of yarn, NHDC will empanel the supplier mills in adequate number in a transparent manner, after due diligence and following the GFR and the CVC guidelines.

- 2.4 Suitable steps will be taken by the NHDC to ensure that supply of yarn under the scheme is ensured in a transparent and competitive manner leaving no room for cartelisation or creation of a monopolistic situation, so as to supply the yarn at the cheapest price to the beneficiaries. The NHDC would be procuring yarn in large bulk, so the mill gate price should generally be lower than that paid by wholesale purchasers at the mill gate.
- 2.5 As the Government of India is bearing the transportation cost, the transportation rates will be fixed by the NHDC in a transparent and competitive manner following GFR and CVC guidelines.
- 2.6 Gradually, only GPS enabled vehicles should be deployed for transportation of yarn. This should be completed within one year of issue of the guidelines. GPS data should be integrated with e-Dhaga app so as to enable the beneficiaries to determine precise location of vehicle which is carrying yarn against the indents placed by them. GPS system should also have the facility of recording position of the vehicle at regular intervals.
- 2.7 To facilitate regular and timely supply of yarn, yarn depots will be opened in handloom concentrated areas. To begin with, each sanctioned Block level handloom cluster shall have at least a yarn depot. Gradually, yarn depots will be opened in all handloom pockets. The beneficiaries covered under para 4 will be eligible to operate yarn depots.
- 2.8 The following charges will be provided towards freight reimbursement, depot operating expenses and service charges:

**2.8.1 For supply in plains:** (% of value of yarn supplied)

Type of Yarn	Maximum freight reimbursement	Depot operating expenses	Service charge to implementing agency
Silk Yarn	1.0 %	2.0%	1.25%
Jute/Coir Yarn	10.0 %	2.0 %	1.25%
Other than Silk and Jute/Coir yarn	2.5 %	2.0 %	1.25%

No.1/2/2016-DCH/P&S  
Government of India  
Ministry of Textiles  
\*\*\*\*

**2.8.2 For supply in Hills and Remote areas:** (% of value of yarn supplied)

Type of Yarn	Maximum freight reimbursement	Depot operating expenses	Service charge to implementing agency
Silk Yarn	1.25 %	2.0 %	1.5 %
Jute/Coir Yarn	10 %	2.0 %	1.5 %
Other than Silk and Jute/Coir yarn	2.5 %	2.0 %	1.5 %

**2.8.3 For supply in North Eastern Region:** (% of value of yarn supplied)

Type of Yarn	Maximum freight reimbursement	Depot operating expenses	Service charge to implementing agency
Silk Yarn	1.5 %	2.0 %	2.0%
Jute/Coir Yarn	10 %	2.0 %	2.0%
Other than Silk and Jute/Coir yarn	5.0 %	2.0 %	2.0%

- 2.9 In order to reduce the delivery period and supply the yarn in smaller quantities, the NHDC will open more warehouses at different locations to store a reasonable quantity of the yarn to meet future requirements. NHDC must open at least one warehouse in every State having weavers' presence. The warehouse should be located in or near the most populous cluster or pocket. NHDC will be given depot operation charges @ 1.0 % (one percent) of the value of yarn supplied directly to the individual weavers from the warehouse.
- 2.10 To facilitate easy accounting of the transportation cost, the NHDC shall forward the goods on freight "to pay" basis and the amount paid by the depot operating agencies shall be reimbursed to them in full by the NHDC, on submission of claim bills supported with LR/GR etc. The actual cost of transportation or the freight admissible under Paragraph 2.8, whichever is less, will be reimbursed to NHDC by the Government of India on Bi-monthly basis. The payment for

No.1/2/2016-DCH/P&S  
Government of India  
Ministry of Textiles  
\*\*\*\*

transportation charges to the user agencies by the NHDC shall be made through the RTGS/ NEFT within 10 days.

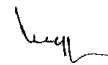
- 2.11 Data recorded by GPS system regarding position of the vehicle at regular intervals should be annexed by the NHDC along with freight reimbursement claim.
- 2.12 The NHDC should draw up a procurement and transportation plan much in advance, in order to ensure that the supplies are made without interruption from the nearest mills situated in the same or nearby areas.
- 2.13 A dashboard is to be created by the NHDC in ERP system which will have the facility to check the details viz. indents placed, PO issued, mill, transporter and vehicle details, real time movement of material, subsidy payment to weavers, type and count wise yarn supplied etc. on real time basis by all stake holders.
- 2.14 Availability of yarn of various types and varieties at each yarn depot should be displayed at yarn depot and also through a dashboard on ERP and e-Dhaga app.

**3. 10% PRICE SUBSIDY ON HANK YARN:**

- 3.1 The objective of this component of the scheme is to make available yarn in hank form at subsidized price to the eligible beneficiaries so as to facilitate handloom sector to compete with mill sector.
- 3.2 Cotton, Domestic Silk, Woollen and Linen yarn required for production of handloom items will be covered under the 10% price subsidy.
- 3.3 For the purposes of yarn subsidy, the maximum quantity of hank yarn to be supplied to a weaver will be as below :

Cotton (upto 40s counts)	30 Kgs./loom/month
Cotton (above 40s counts)	10 Kgs./loom/month
Silk Yarn	4 Kgs./loom/month
Woolen Yarn (below 10s NM)	50Kgs./loom/month
Woolen Yarn (10s to 39.99s NM)	10Kgs./loom/month
Woolen Yarn (40s NM and above)	4 Kgs./loom/month
Linen Yarn (5 Lea to 10 Lea)	20 Kgs./loom/month
Linen Yarn above 10 Lea	7kgs/loom/month

- 3.4 In case weaver requires more quantity than given at per para 3.3 above, he will not be denied the additional requirement. However, 10% subsidy will not be given for the additional quantity meaning thereby weaver will get additional yarn at mill gate price. Subsidy will be available only for the quantity mentioned in para 3.3 above.



No.1/2/2016-DCH/P&S  
Government of India  
Ministry of Textiles

\*\*\*\*

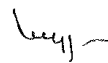
- 3.5 The subsidized yarn will be supplied either to the individual weaver or to a body of which he is a member (i.e. self help group, joint liability group, cooperative society), but never to both. Unique loom number should be mentioned in the yarn pass book and ERP system. The ERP should have an in-built system to capture unique loom number in more than one yarn pass book and reject both until the correction is made.
- 3.6 Individual weaver shall get the type of yarn based on his requirement subject to overall quota per loom per month. He can indent one or more than one type of yarn. In case he opts for more types of yarn, his entitlement will be determined on the basis of usage percentage indicated by him for each type and maximum quantity indicated in para 3.3 above. [Illustration: A weaver who desires 40% cotton yarn(above 40s counts) and 60% silk yarn in a particular month, shall get 4kgs. cotton yarn(above 40s count) (i.e. 10kgs.\*0.4) and 2.4 kgs. silk yarn(i.e. 4kgs.\*0.6) in that month.]
- 3.7 The agencies other than individual weavers can get the quota allocation for different type/ varieties of yarn for different looms for getting the supply under 10% price subsidy component at the time of issue of yarn pass book.
- 3.8 In case of doubled yarn, the resultant count will be considered for deciding the eligible quantity.

**4. ELIGIBLE BENEFICIARIES:**

- 4.1 The benefits of the yarn supply scheme would be available to the following in order of priority:
- (i) Individual weavers.
  - (ii) Agencies in which weavers are members i.e. Self Help Groups(SHG), Joint Liability Groups(JLGs) and Cooperative Societies.
- 4.2 States can also undertake to supply yarn through the Department / Co-operatives / Corporations dealing with handlooms to eligible beneficiaries. In such cases, they will follow the procedure prescribed through these guidelines.

**5. IMPLEMENTING AGENCY:**

- 5.1 The National Handloom Development Corporation (NHDC) will be the implementing Agency. As implementation agency, the NHDC will be responsible for issue of yarn passbook to all the weavers, opening of adequate number of new yarn depots, obtaining the requirements of yarn, action plan for distribution of hank yarn based on hank yarn production by mills as per the Hank Yarn Packing Obligation order, placing purchase order to mills and ensuring supply to eligible beneficiaries.



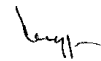


No.1/2/2016-DCH/P&S  
Government of India  
Ministry of Textiles  
\*\*\*\*

- 5.2 In order to provide 10% price subsidy on hank yarn to the eligible beneficiaries, National Handloom Development Corporation (NHDC) will be provided corpus fund to the tune of 40% of the B.E. of the scheme by the Central Government at the beginning of each financial year. The advance will include the unutilised amount of the previous year.
- 5.3 State wise indicative targets for supply of yarn should be assigned by the DC(Handlooms) based on the number of looms in the State.
- 5.4 The targets for supply of yarn to individual weavers within State wise targets as mentioned at para 5.3 will be assigned WSC / handloom cluster wise.
- 5.5 The corpus fund given to the NHDC will be recouped on utilization of 70% fund and on submission of progress report & audited expenditure statement. Recoupment of corpus fund to the NHDC will be linked to the progress made against the targets assigned.
- 5.6 The NHDC will ensure that the yarn supplied to the Department / Co-operative / Corporation / SHG / JLG ultimately reaches the member weavers.

**6. YARN PASSBOOK:**

- 6.1 Yarn Passbook as the basic document of the yarn supply, should be issued to all the individual handloom weavers in a proactive time bound manner without asking application from the weaver. Yarn Passbook should contain the total number of looms available with the beneficiary along with the unique number of each loom.
- 6.2 The NHDC will issue the Yarn Passbook to all the weavers at the time of distribution of weavers' identity card.
- 6.3 In case, weaver missed the handloom census or joins the handloom weaving at a later stage, the NHDC will verify the looms and collect the relevant data and issue the Yarn Passbook to the weaver within 5 days of the verification.
- 6.4 In case of Cooperative Societies, SHGs and JLGs, the verification and collection of data will be carried out by the State Governments. The State Government will forward the data to the NHDC. The NHDC will issue the Yarn Passbook to the Cooperative Societies, SHGs and JLGs within 5 days of the receipt of data from State Government.
- 6.5 In some States, Apex Society / Corporation / Department are supplying the yarn to Cooperative Societies / SHGs / JLGs attached with them. In such cases, Apex Society / Corporation / Department will verify looms and collect the relevant data



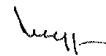
No.1/2/2016-DCH/P&S  
Government of India  
Ministry of Textiles  
\*\*\*\*

and forward the same to the NHDC. The NHDC will issue the Yarn Passbook to Apex Society / Corporation / Department within 5 days of the receipt of data.

- 6.6 In case of Apex Societies / Corporations / Department / Cooperative Societies / SHGs / JLGs, the number of weavers working with them will be indicated in the Yarn Passbook. Demographic details of the weavers along with the AADHAR number, mobile number and bank account number of each weaver should be available with the NHDC.
- 6.7 The yarn passbook serial number will have 9 digits to denote the following information:
- |                    |                         |
|--------------------|-------------------------|
| First two digits   | - State                 |
| Next two digits    | - District              |
| Remaining 6 digits | - running serial number |
- 6.8 Each individual handloom weaver will be tagged with nearest yarn depot for placing the indent and getting the yarn. Name of the yarn depot will be indicated on the yarn passbook issued to him. Cooperative Societies / SHGs / JLGs on request may be designated as yarn depots.
- 6.9 Entries in the Yarn Passbook should be made separately for the yarn supplied with (i) transport subsidy only and; (ii) yarn supplied with price subsidy along with transport subsidy.

**7. SUPPLY MECHANISM:**

- 7.1 The beneficiaries can place the indent for their requirement of yarn for one month at a time.
- 7.2 List of weavers to whom yarn is given against previous indent should be submitted by Cooperative Societies, SHGs and JLGs while placing the new indent.
- 7.3 The indent may be placed through e-Dhaga app or through yarn depot as mentioned in the Yarn Passbook.
- 7.4 Indent placed through e-Dhaga will be directly placed to the NHDC while the indent placed at yarn depot will be forwarded to the NHDC by the depot operating agency. The yarn depot will mention the yarn passbook number of each beneficiary in the indent. Indents will be accepted along with 10% advance and balance payment will be collected against delivery.
- 7.5 The NHDC will tie-up the supplies from the suppliers as per the demand specifications.



No.1/2/2016-DCH/P&S  
Government of India  
Ministry of Textiles  
\*\*\*\*

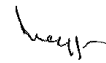
- 7.6 Purchase order & sale invoice will be raised separately by the NHDC. The NHDC will provide sales invoice to yarn depot for collecting the balance payment.
- 7.7 The beneficiaries should use the yarn under the scheme for the production of cloth on their own handloom.
- 7.8 Department / Corporations / Apex Societies / Cooperative Societies / SHGs / JLGs should supply the yarn under the scheme to their member societies/weavers directly enrolled under them by passing on the benefits of the scheme to them in full.
- 7.9 Each beneficiary will furnish to the NHDC an undertaking to this effect in the format prescribed at ANNEXURE -IA/ ANNEXURE -IB as applicable.

**8. Reimbursement of 10% price subsidy:**

- 8.1 When yarn is readily available at the yarn depot / warehouse:  
Beneficiary will be issued yarn against full payment and the 10% price subsidy will be transferred by the NHDC in to the beneficiary' account within 48 hours.
- 8.2 When yarn is not readily available at the yarn depot / warehouse:  
Beneficiary will place the requirement of yarn along with 10% advance payment to Depot operating agency which in turn will place indent to the NHDC along with 10% advance payment. 10% price subsidy amount will be transferred by the NHDC to the beneficiary' account within 48 hours of receipt of 10% advance amount from depot operating agency. If beneficiary does not lift the yarn within one month of receipt of yarn at the yarn depot, the subsidy amount will be recovered from the weaver.

**9. QUALITY ASSURANCE:**

- 9.1 The yarn specifications (type, count, weight etc.) shall be mentioned by the suppliers on the yarn bundles.
- 9.2 Pre-dispatch inspection at the mill site shall be carried out by the NHDC for at least 10% of the yarn quantity.
- 9.3 Office of Development Commissioner for Handlooms will randomly check quality of the yarn supplied under the scheme through Textile Research Associations or any other agency(ies). The quality check will be carried out by collecting samples randomly and testing of the various parameters such as:
- Single yarn strength



- Lea strength
- CSP
- Moisture regain
- Hairiness
- Friction
- Abrasion
- Twist measurement
- U%
- Count
- Yarn elongation

**10. VIOLATION AND ITS CONSEQUENCE:**

In case of misuse of benefit by the beneficiaries for the first time, the Office of Development Commissioner for Handlooms shall be competent to recover the benefit amount with 10% interest. In case of second misuse, besides recovery he shall be deprived from receiving supply for one year. On third misuse, besides recovery and debarment for life, he shall be liable for criminal action under IPC and other criminal laws.

**11. MONITORING:**

Managing Director will be responsible for monthly monitoring of the scheme and will send report to the Office of Development Commissioner for Handlooms indicating the progress under various component viz. yarn type- cotton, silk, jute/coir, linen, wool and others; hank yarn and cone yarn; and highlighting the progress made in hilly and North Eastern regions. Implementation of the scheme will be monitored by the Office of the Development Commissioner for Handlooms monthly. The Development Commissioner for Handlooms will submit a comprehensive progress report along with his observations on the important aspects of the scheme to the Secretary, Textiles every quarter which will be reviewed by a Central Committee to be constituted within the Ministry.

**12. PUBLICITY:**

The NHDC should widely publicize the Yarn Supply Scheme. Focused publicity of the scheme will be done through print and electronic media in vernacular languages, social media, printing and distribution of pamphlets and hand bills, posters, wall paintings and Buyers-Sellers Meets etc. For this purpose, the NHDC will get the annual media plan approved from the Development Commissioner for Handlooms.

**ANNEXURE-IA**

Format of undertaking to be furnished by the individual weaver to the National Handloom Development Corporation for supply of yarn under Yarn Supply Scheme

UNDERTAKING

Name and address of the weaver:

- i. I own a handloom(s) bearing unique loom number(s).....
- ii. I am engaged in the production of handloom cloth and the yarn procured by me from the National Handloom Development Corporation (NHDC) under the Yarn Supply Scheme is meant for consumption by me.
- iii. The yarn procured by me under the scheme will not be resold to any other organization/weavers.
- iv. In the event of detection of non-fulfilment of anyone or more of the conditions of the scheme, I undertake to pay to the National Handloom Development Corporation, the amount equivalent to the difference between the actual sale price of yarn supplied (since the execution of this undertaking and till the date of such detection) and the market price including the cost of transportation, overheads etc.
- v. I fully understand that in case of any fraud being committed by me, penal action may be taken against me.

Signature of the weaver

Place:

Date :



**ANNEXURE-IB**

Format of undertaking to be furnished by the Department / Corporations / Apex Societies  
Cooperative Societies / SHGs / JLGs to the National Handloom Development  
Corporation for supply of yarn under Yarn Supply Scheme

UNDERTAKING

Name and address of the user agency:

Number of looms and their unique loom number(s):.....

- i. This society/agency is engaged in the production of handloom cloth and the yarn procured by the society/corporation/agency from the National Handloom Development Corporation (NHDC) under the Yarn Supply Scheme is meant for captive consumption in our production centres and/or for supply to our member societies/weavers directly enrolled with us.
- ii. The yarn procured by us under the scheme will not be resold to any other organization/weavers other than those directly enrolled with the society/agency. The benefits of this scheme will be passed on in full to the member societies/weavers directly enrolled with us, when the yarn purchased under this scheme is sold/supplied to them.
- iii. In the event of detection of non-fulfilment of anyone or more of the conditions of the scheme this society/corporation/agency undertakes to pay to the National Handloom Development Corporation, the amount equivalent to the difference between the actual sale price of yarn supplied (since the execution of this undertaking and till the date of such detection) and the market price including the cost of transportation, overheads etc.
- iv. We fully understand that in case of any fraud being committed by this society/corporation/agency, penal action may be taken against us.
- v. **List containing demographic details along with AADHAR number, mobile number and bank account number of weavers working with the society/ agency is annexed.**

Signature of Chief Executive  
(with rubber stamp)

Signature of Secretary  
(with rubber stamp)

Place:

Date :

*Keye*

ANNEXURE-II

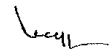
CERTIFICATE

1. We have examined the accounts of the National Handloom Development Corporation in respect of supply of yarn made by them to the eligible agencies under the **Yarn Supply Scheme** for the period \_\_\_\_\_.
2. Certified that the yarn supplied for which the reimbursement has been claimed for the period \_\_\_\_\_ had been made in accordance with the guidelines issued by the office of the Development Commissioner (Handlooms) vide letter No. 1/2/2016-DCH/P&S dated \_\_\_\_\_.
3. The supplies of yarn on which the Government's assistance is being claimed for the period \_\_\_\_\_ have been made only to the eligible beneficiaries.
4. The amount of reimbursement amounting to Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) for the period \_\_\_\_\_ has not been claimed before.
5. The claim for the period \_\_\_\_\_ as per details given in the Appendix "A", Appendix "B" and Appendix "C" has been worked out in accordance with the guidelines prescribed by the Office of the Development Commissioner (Handlooms) vide letter No. 1/2/2016-DCH/P&S dated \_\_\_\_\_ and such other instructions issued in this regard from time to time.
6. This claim for reimbursement is in respect of yarn covered under the Scheme.
7. Certified that the Undertaking as prescribed in the guidelines has been obtained by the NHDC from each of the beneficiaries to which the yarn supplies have been made during the period \_\_\_\_\_.
8. There is no reason to believe that the grantee institution is involved in corrupt practices.

Date:

Managing Director  
N.H.D.C.

Chartered Accountant  
(with rubber stamp)



No.1/2/2016-DCH/P&S  
Government of India  
Ministry of Textiles  
\*\*\*\*

**APPENDIX "A"**

Statement for claiming reimbursement against supplies under **Yarn Supply Scheme** for  
the period.....

Sl.No.	Name of the State/ Depot Operating Agency	Quantity of yarn supplied (in kgs.)	Cost of yarn at Mill Gate Prices (in Rs.)	Actual cost of transportation (in Rs.)
Total				

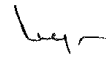
Amount of reimbursement claimed : Rs.  
(.....% of value of yarn supply)

Less advance amount already claimed : Rs.

Balance amount due : Rs.

Managing Director  
N.H.D.C  
(with rubber stamp)

Chartered Accountant  
(with rubber stamp)





No.6/1/2016-DCH/P&S  
Government of India  
Ministry of Textiles  
\*\*\*\*\*

**Summary of state-wise claim for reimbursement of yarn subsidy**

**APPENDIX "B"**

1. Period of Claim :  
2. Summary of yarn supply and subsidy :

Sl. No.	Name of State	Quantity of yarn supplied (in kgs.)	Value of yarn before subsidy (in Rs.)	Yarn Subsidy @ 10% on yarn value before subsidy (in Rs.)	Total claim for yarn subsidy (in Rs.)
1	2	3	4	5	6
<b>Total:</b>					

3. Funds position:

Particulars	Amount (in Rs.)
(i) Amount of reimbursement claimed	
(ii) Less: Advance amount already claimed	
(iii) Balance amount (i - ii)	

Signature of Managing Director of NHDC  
(Name and Designation)  
Place :  
Date :

Chartered Accountant  
(with rubber stamp)



No. 6/1/2016-DCH/P&S  
 Government of India  
 Ministry of Textiles  
 \*\*\*\*\*

**STATEMENT FOR CLAIM REIMBURSEMENT OF DEPOT OPERATION UNDER YARN SUPPLY SCHEME FROM DEPOT  
 OPERATING AGENCY TO NHDC**

**ANNEXURE - III**

Sl. No.	NAME OF THE STATE	OPENING STOCK AT THE BEGINNING OF QUARTER		YARN RECEIVED UNDER YSS		NAME OF MILLS		YARN TOTAL SOLD DURING QUARTER		CLOSING STOCK		REIMBURSEMENT @ 2% OF YARN SOLD DURING QUARTER
		QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE	
<b>TOTAL</b>												

Certified that the above yarn supplies have actually been made and amount of reimbursement for Depot operation has been paid by NHDC.

Amount of reimbursement claimed for depot operation (2% of value of yarn supply on actuals) : Rs.

Signature of Executive Officer

Chartered Accountant

(Name of Depot Operating agency with Rubber Stamp)

No.6/1/2016-DCH/P&S  
 Government of India  
 Ministry of Textiles  
 \*\*\*\*\*

Statement showing Depot Operating Agency-wise details of yarn supplied by NHDC under the Yarn Supply Scheme

ANNEXURE - IV

Name and address of the Depot Operating Agency  
 (to be furnished separately for each agency) : .....

Sl. No	Period/Date	Yarn supplies received		Name of mill and place from which yarn supplied	Destination of yarn supply	LR No./Date	Name of transport company	Amount of freight paid (in Rs.)
		Qty (Kg)	Value (Rs.)					
TOTAL								
_____								

Certified that the above yarn supplies have actually been made by NHDC and the amount of freight has been paid by this agency as indicated above.

Signature of Executive Officer