

# Yarn Supply Scheme

## Ministry

Union Ministry of Textile- National Handloom Development Corporation (NHDC).

## Status of Implementation

### About

The Mill Gate scheme was renamed Yarn Supply scheme, it has two important components for weavers- (i) Supply of yarn at mill gate price (ii) 10% Price subsidy on the cotton hank yarn, domestic silk and wool.

### Benefits

The following assistance shall be provided:

1. Freight reimbursement for transportation of yarn (all types)
2. Mobile Van will travel through villages 20 days in a month. It will supply yarn as well as serve as a collection point for handloom products.
3. 10% Price Subsidy on hank yarn (cotton, silk, wool)
4. Service Charges to NHDC. The transport reimbursement to artisan for silk is from 0.1 to 1.5%; for coir is 10% and; for cotton is 2.5% to 5.0%.

Out of these, 10% price subsidy will be paid by NHDC upfront in the invoice for which advance will be given to NHDC by Govt. of India.

The quantity of hank yarn supplied to a weaver or to an eligible agency will be restricted in terms of number of handlooms as below :

- a. Cotton (upto 40s counts) 30 Kgs./loom/month
- b. Cotton (above 40s counts) 10 Kgs./loom/month
- c. Silk Yarn 4 Kgs./loom/month
- d. Woolen Yarn (below 10s NM) 50Kgs./loom/month
- e. Woolen Yarn (10s to 39.99s NM) 10Kgs./loom/month
- f. Woolen Yarn (40s NM and above) 4 Kgs./loom/month

### Eligibility

Those eligible to avail the scheme:

- a) Handloom producers/manufacturers exporting directly and registered with HEPC/ any other Export Promotion Council under Ministry of Textiles/Director of Industries/Handlooms of State/U.T.
- b) Weaver Self Help Groups
- c) Individual weavers and Weavers entrepreneurs.
- d) Weaver cooperatives

## How to apply

1. Download application form from <http://handlooms.nic.in/writereaddata/1230.pdf>. Fill it and submit to the National Handloom Development Corporation (NHDC)