

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Handlooms and Textiles Department – Scheme of Reimbursement of Subsidy on purchase of hank yarn and Dyes and Chemicals from NHDC & APCO – Orders – Issued.

INDUSTRIES AND COMMERCE (TEX) DEPARTMENT

G.O.Ms.No.06,

Dated:08-01-2008.
Read the following:-

1. From the Commissioner and Director of Handlooms and Textiles and Development Commissioner for Apparel Export parks, Andhra Pradesh Hyderabad., Lr.Rc.No.6398/2007/S2, dt.10-05-2007.
2. From the Commissioner and Director of Handlooms and Textiles and Development Commissioner for Apparel Export parks, Andhra Pradesh Hyderabad., Lr.Rc.No.6398/2007/S2, dt.14-6-2007.

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ORDER:-

The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh Hyderabad., has stated that the raw Materials used by the handloom weavers i.e., Yarn, Silk, Dyes and Chemicals are produced in different places. The handloom weavers are depending on the traders for the raw materials. Which sometimes result in unchecked escalation in prices and shortage in its availability. The transportation of raw materials from one place to another place increases its cost, putting the weavers in a disadvantageous position. He further stated that the subsidy on raw material is a long pending demand from handloom weavers in the state and representatives of Weavers Co-operative Societies have been requesting for providing subsidy on yarn and Dues and Chemicals which are basis raw material used in production of handloom fabrics. He has stated that the handloom sector is facing new challenges in the post WTO regime and to overcome the challenges as well as to grab the opportunities offered by the free trade and to make the handloom products competitive in the market. It is felt that there is a need to provide 10% subsidy on the raw material.

2. The Commissioner and Director of Handlooms and Textiles and Development Commissioner for Apparel Parks, Andhra Pradesh Hyderabad has further reported that the National Handloom Development Corporation (NHDC) a Government of India undertaking has already been involved in supplying of raw material to Handloom Industry. NHDC., has also sanctioned 74 yarn depots for supply of yarn to the weavers both in Co-operative fold and Outside Co-operative fold through out the State. The NHDC., has supplied Yarn worth of Rs. 3695.34 lakhs during the year 2006-07.

3. The objective of the scheme is to supply the Quality and branded Hank Yarn and quality Dues and Chemicals through NHDC Yarn Depots set up under MGP and APCO to Handloom Weavers Co-operative Societies for production of quality Handloom fabrics in the State and to provide 10% subsidy to Primary Weavers Co-operative Societies.

4. The scheme of reimbursement of subsidy on purchase of hank yarn and Dues & Chemicals from National Handloom Development Corporation (NHDC) & APCO shall come in to effect from 01-01-2008.

5. IMPLEMENTING AGENCY

As National Handloom Development Corporation (NHDC) has already been involved in supplying raw material to the Handloom Industry, the NHDC shall be nodal agency and shall arrange supply of good quality and branded hank yarn and Dyes & Chemicals, from the reputed Spinning Mills/ Suppliers to Primary Weavers Co-operative Societies in the State. Subsidy shall be provided to the Primary Weavers Co-operatives on the procurement of yarn and dyes & Chemicals from NHDC & APCO which are genuinely utilized for production of Handloom fabrics on the societies Accounts.

6. BENEFICIARIES

The Primary Weavers Co-operative Societies who produce handloom fabrics in the State shall be benefited under the scheme by providing 10% subsidy on yarn and Dyes & Chemicals purchased from NHDC & APCO and utilized for production purpose only.

7. PROCEDURE FOR REIMBURSEMENT

The National Handloom Development Corporation (NHDC) & the Andhra Pradesh State handloom Weavers Co-operative Society Ltd., (APCO) will supply the hank yarn and Dyes & Chemicals to the Primary Weavers Co-operative Societies. The Primary Weavers Co-operative Societies will in turn supply the yarn procured from the NHDC & APCO to its members for production purpose. The 10% subsidy will be passed on to the Weavers Co-operative Societies on the yarn and the Dyes & Chemicals purchased from NHDC & the APCO and utilized for production purpose during the quarter. Subsidy will be provided on quarterly basis on receipt of claims from the Weavers Co-operative Societies duly certified by the Assistant Directors on the purchase of yarn and Dyes & Chemicals from NHDC and its depots & APCO by Primary Cooperative Society.

8. DOCUMENTATION

The Primary Weavers Co-operative Societies shall furnish the statement of yarn and Dyes & Chemicals purchases made from the NHDC & APCO along with the copies of the invoices and the particulars of yarn and Dyes & Chemicals utilized for production purpose in the prescribed formats duly certified by the Assistant Directors (H&T) concerned quarterly to the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh Hyderabad. The Director in turn will settle the claims on quarterly basis.

9. Operative guidelines for implementation of the scheme and formats for claiming subsidy will be prescribed and communicated by the Director of Handlooms & Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad separately.

10. This orders issues with the concurrence of Finance (Exp.I&C) Department vide their U.O.No.31988/705/Exp.I&C/2007, dated 12.12.2007.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**Y. SRILAKSHMI,
SECRETARY TO GOVERNMENT.**

To

The Director of Handlooms and Textiles and Development
Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad.

The Managing Director,
National Handloom Development Corporation (NHDC),
10th & 11th Floor, Vikas Deep, 22, Station Road.

LUCKNOW - 226 019, U.P.
The Vice-Chairman and Managing Director,
Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO),
Hyderabad.
The Accountant General, Andhra Pradesh, Hyderabad.
The Pay and Accounts Officer, Hyderabad.
The Director of Treasuries and Accounts, Andhra Pradesh, Hyderabad.
The Finance (Exp.I&C)/BG Department.

Copy to:-
The Additional Secretary to Chief Minister.
The P.S. to Chief Secretary to Government.
The P.S. to Minister for Finance.
The P.S. to Minister for Handlooms & Textiles.
The Planning Department.
The P.S. to Secretary to Government,
Industries and Commerce Department.

// FORWARDED BY: ORDER //

SECTION OFFICER