

Frequently asked questions (FAQs)

(1.) What is the role of NHDC in handloom sector?

NHDC was set up in Feb., 1983 as a public sector undertaking by Government of India in pursuance of the imperative need for national level agency to assist the speedy development of the handloom sector by coordinating the actions covering the procurement and supplies of the inputs at reasonable prices, initiating developmental activities for upgrading the technology in handloom sector and improving productivity. The inputs supplied to handloom sector include Yarn and Dyes & Chemicals.

(2.) What are the schemes run by NHDC for handloom sector?

NHDC is implementing the Mill Gate Price Scheme (MGPS) of Ministry of Textiles, Government of India for supplying all types of yarn to the eligible handloom agencies. The other schemes in the form of developmental activities being implemented by NHDC for the handloom sector are as below:-

- (i.) Appropriate Technology Exhibition (ATE) – to keep the weavers abreast of latest technological developments in the handloom sector.
- (ii.) Dyers' Training Programme – for dyers and weavers for upgrading the dyeing techniques and educating them with the latest developments in the area.
- (iii.) Workshop on Sensitization – with a view to disseminate the information on various government schemes for the handloom sector.
- (iv.) Special Handloom Expos – to provide marketing support to the handloom agencies by organizing the expos in various parts of the country.

(3.) What is Mill Gate Price Scheme (MGPS)?

MGPS is a flagship scheme of Ministry of Textiles, Government of India to make available all types of yarn at Mill Gate price (i.e. price at which the yarn is procured from the supplier/ manufacturer) to the eligible handloom agencies.

(4.) What type of yarn can be supplied under the MGPS?

All types of yarn viz; cotton, silk, wool, polyester, acrylic, rayon, zari, jute and blended yarn etc., can be supplied under the scheme.

(5.) Who can avail the benefit under MGPS?

The agencies which are eligible to avail the benefit of the scheme are as under:-

- (i) All handloom organizations of national/ state/ regional/ primary handloom level
- (ii) Handloom development centers, members of recognized/ approved handloom associations and NGOs fulfilling CAPART norms.
- (iii) Handloom producers/ exporters/ registered with HEPC/ any other Export Promotion Council under Ministry of Textiles/ Director of Industries/ handlooms of state/ UT and all approved export houses/ trading houses/ star trading houses for production of handloom items.
- (iv) Any other agency approved by the office of Development Commissioner (Handlooms), Ministry of Textiles, Government of India.

(6.) How can the benefit under MGPS be availed?

The eligible handloom weaver agency shall place its indent on National Handloom Development Corporation Ltd. (NHDC), who is the implementing agency under MGPS. NHDC will tie up the yarn supply from the suppliers as per demand specifications.

(7.) What is the quantum of subsidy under MGPS?

The Government of India through NHDC provides the subsidy towards freight reimbursement as follows:

(%age of yarn value)

Item	In Plains	Hill/ remote Area	NE Area
Other than silk/ jute yarn	1.00%	1.75%	3.00%
Silk Yarn	1.00%	1.25%	1.50%
Jute/ Jute Blended Yarn	7.00%	8.00%	8.50%

The actual cost of the transportation or the above freight reimbursement, whichever is less, will be allowed.

The Government of India through NHDC is also providing the subsidy towards depot charges @ 2.5% of the yarn value.

(8.) How to contact NHDC for obtaining its services?

For serving the handloom weavers, NHDC is operating 06 Regional Offices, 02 Zonal Offices and 28 Branch Offices mostly either at state capital or handloom concentrated areas. The address and contact number of all these offices is available on the website of NHDC (www.nhdcltd.co.in).

The General Manager at Head Office may be contacted over phone nos.:

GM (D) : 0522 – 2635147

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