

**Minutes of the 71st Meeting of Hank Yarn Price Monitoring Committee held on 26.02.2016
in the Office of the Textile Commissioner, Mumbai-400 020.**

The 71st meeting of Hank Yarn Price Monitoring Committee under the Chairpersonship of the Textile Commissioner was held on 26.02.2016 at 2.30 P.M in the Conference Hall of the Office of the Textile Commissioner, Government of India, Nishtha Bhawan (New C.G.O. Building), 48, New Marine Lines, Mumbai-400 020.

The list of participants is enclosed at **Annexure-I**.

At the outset, the Textile Commissioner welcomed all the participants. Thereafter, the Chairperson requested Shri Ashok Hazra, Director to proceed with the Agenda. Accordingly, the Director proceeded with the Agenda points and the Points emerged out of the discussion are as under,

I Confirmation of minutes of the 70th meeting of Hank Yarn Price Monitoring Committee held on 03.06.2015.

Since no comments have been received, the Minutes of the 70th Meeting held on 03.06.2015 were taken as confirmed.

II Follow up action on the decisions taken during the last meeting held on 03.06.2015.

Sr. No	Decisions taken during the last meeting held on 03.06.2015.	Follow-up action taken																																																												
1.	The Textile Commissioner informed that compliance of online submission of Hank Yarn Packing Returns is poor and requested to all the Mill Associations to instruct their member mills to register and file online Hank Yarn Packing Returns of Annexure I & II and if any difficulty is faced the same may be reported.	<p>The Committee re-viewed the Regional Office wise No. of units which are registered and submitted returns for the quarter Oct/Dec 2015 online. The details are as under: Position as on 25.2.2016.</p> <table border="1" data-bbox="839 1220 1501 2094"> <thead> <tr> <th>S. No</th> <th>Name of Regional Office</th> <th>Total No. of Units</th> <th>No. of units registered online</th> <th>No. of units submitted online</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Ahmedabad</td> <td>140</td> <td>122</td> <td>58</td> </tr> <tr> <td>2.</td> <td>Amritsar</td> <td>137</td> <td>134</td> <td>117</td> </tr> <tr> <td>3.</td> <td>Bangalore</td> <td>100</td> <td>88</td> <td>68</td> </tr> <tr> <td>4.</td> <td>Coimbatore</td> <td>1582</td> <td>1421</td> <td>1180</td> </tr> <tr> <td>5.</td> <td>Guntur</td> <td>150</td> <td>123</td> <td>109</td> </tr> <tr> <td>6.</td> <td>Indore</td> <td>46</td> <td>45</td> <td>45</td> </tr> <tr> <td>7.</td> <td>Kanpur sub office</td> <td>32</td> <td>16</td> <td>13</td> </tr> <tr> <td>8.</td> <td>Kolkata</td> <td>29</td> <td>29</td> <td>28</td> </tr> <tr> <td>9.</td> <td>Navi Mumbai</td> <td>148</td> <td>144</td> <td>118</td> </tr> <tr> <td>10.</td> <td>Noida</td> <td>169</td> <td>169</td> <td>157</td> </tr> <tr> <td></td> <td>TOTAL</td> <td>2533</td> <td>2291</td> <td>1893</td> </tr> </tbody> </table>	S. No	Name of Regional Office	Total No. of Units	No. of units registered online	No. of units submitted online	1.	Ahmedabad	140	122	58	2.	Amritsar	137	134	117	3.	Bangalore	100	88	68	4.	Coimbatore	1582	1421	1180	5.	Guntur	150	123	109	6.	Indore	46	45	45	7.	Kanpur sub office	32	16	13	8.	Kolkata	29	29	28	9.	Navi Mumbai	148	144	118	10.	Noida	169	169	157		TOTAL	2533	2291	1893
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	<p>The chairperson requested SIMA, Mill Owners Association to take up the matter with the concerned mills who have not yet registered for Submission of online Hank Yarn Returns and insisted them to register & submit the Hank Yarn Packing Returns through online. Otherwise action as per the provisions of Notification in this regard will be initiated. List of mills who have not yet registered is to be forwarded to the associations by Textile Commissioner office for necessary compliance.</p> <p style="text-align: right;">(Action: All R.Os of Tx.C & Mill Associations)</p>
<p>2. <u>Alternative Mechanism for Hank Yarn Supply.</u></p> <p>DC(H) was requested to provide the list of Handloom clusters alongwith number of looms and requirement of Hank Yarn quantitywise, countwise, clusterwise to enable SIMA to work out the modalities for setting up of reeling centers.</p>	<p>The Chairperson requested representative from SIMA and NHDC to come out with a viable/ replicable model for ensuring demand / supply of hank yarn to the handloom sector within a period of one month. The representative of SIMA & NHDC were also requested by the Textile Commissioner to provide the authentic information on supply of Hank Yarn and demand of Hank Yarn clusterwise, quantitywise and countwise requirement of Hank yarn in all the Handloom clusters within a week to take a decision regarding the revision in the percentage of Hank Yarn Obligation. Two proformae were also prescribed and handed over to SIMA for inputs on supply and NHDC for inputs on demand. (Action : NHDC & SIMA)</p>
<p>3. <u>BSM</u></p> <p>It was decided that more BSM should be conducted in order to cover all the Handloom Clusters.</p>	<p>The representative of SIMA and NHDC informed that they are regularly organizing BSM and informed that 15 BSM were organized during the year i.e. 3 at North East region and 12 in other states. Further, they informed that this time new mills have participated in the said BSM and that helped in changing the mindset of handloom weavers who earlier used to demand yarn from particular mills. The Chairperson asked them to provide documented report and asked to provide details such as place of BSM, date, name of the units participated, Count displayed, Order/sales taken place, feedback from the buyers etc alongwith visuals to be provided to this office.</p> <p style="text-align: right;">(Action : NHDC)</p>

4	Online submission of Hank Yarn Return Mandatory.	Notification has been issued and published in Gazette of India on 02.09.2015
5	<p><u>New Units</u> The Chairperson instructed that Textile Commissioner Office should take up the matter with the concerned Dept. to make mandatory to inform the registration of new mills to Textile Commissioner.</p>	<p>The matter was taken up with concerned State Government Authorities and this office has received replies from some authorities viz Govt of Maharashtra, Govt of Goa, Govt of Bihar, Govt of Telangana, Govt of West Bengal, Govt. of Mizoram. Respective ROs have been requested for necessary follow up with concerned authorities. Further, it is informed that Ministry of MSME has activated a portal http://udyogaadhar.gov.in for online filing of Udyog Aadhar</p> <p>The Chairperson asked to prepare list of New Mills and handover to mill associations for pursuing with concerned mills and to register and submit hank yarn returns online.</p> <p>(action R.O / Hqrts and mill associations)</p>
6	<p><u>FIRs against Defaulters</u> It was observed that total 365 FIRs /complaints have been filed against defaulters since, 2010. SIMA has to pursue the matter with concerned mills. If the mills have fulfilled the obligation belatedly, the matter may be taken up with the concerned Authorities by SIMA.</p>	<p>List of mills against which FIRs have been filed was handed over to representative from SIMA for necessary action.</p> <p>(Action : SIMA)</p>

III Action taken on the decisions taken during the meeting held on 02.12.2015 regarding supply of hank yarn of finer counts to handloom sector and its improvement.

NHDC has submitted the requirement of finer counts of hank yarn (cotton) per quarter as follows:

Sr No	count	Quantity in Lac Kgs
1	2/80s	0.519
2	80s	3.703
3	92s	0.069
4	94s	0.002
5	100	0.971
6	2/100s	1.290
7	2/120s	0.346
		6.899

Representative of NTC informed that they can supply following quantity of Hank Yarn

- a. 80s Cbd DHPR2/100 – 45000 kgs per quarter
- a. 80s Cbd DHCR-9600 kgs per quarter
- b. 2/80s Cbd DHPR – 7300 kgs per quarter
- c. 2/80s Cbd DHCR – 6500 kgs. Per quarter

They are working out for supplying of other counts which will be provided shortly.

The Chairperson requested SIMA to take care of supplying remaining quantity through mills in private sector.

The representative of NHDC confirmed that there is no shortage of hank yarn of super fine counts, provided Handloom weavers do not insist for hank yarn from particular mill.

(action NTC/NHDC/SIMA)

IV. Requirement of Cotton Hank Yarn

It was informed to the Committee that the Office of the DC(H) submitted (estimated) requirement of Cotton Hank Yarn as 525.6 Mn. Kgs annually, while the supply of cotton hank yarn by NHDC is 115.7 Mn. Kgs. She noted that there is wide variation between the two figures. The Chairperson requested NHDC and SIMA to provide the authentic information on cluster wise, quantitywise, countwise Hank Yarn requirements in each Handloom Cluster of each state within a week to take a decision regarding the revision in the percentage of hank yarn obligation and improving the existing arrangement for supply of raw material to the handloom sector.

V. Review of availability of hank yarn, market price of hank yarn and fulfillment of hank yarn obligation was reviewed. It was noted that:

1. There is no shortage of Hank Yarn.

2. It was observed by the Committee that there is a slight shortfall in fulfillment of Hank Yarn Obligation. The major reason is due to non-fulfillment of obligation by NTC/STC/Co-operative mill sector. The Chairperson instructed to take up the matter with concerned units and also instructed the representative of NTC to fulfill the obligation otherwise action will be initiated against the said units.

(Action : Regional Offices & H.qtrs)

3. The statement submitted with regard to domestic delivery of Cotton yarn, Market price of hank yarn and cone yarn were viewed by all the members and it was noted that there is no shortage of hank yarn and there is no abnormal high price of hank yarn compared to cone yarn.

VI. Request for reduction in percentage of Hank Yarn Obligation by Associations

The Southern Indian Mills' Association (SIMA) informed that:

as per the 1st census conducted during the year 1987-1988, the handloom capacity was estimated at 38.90 lakhs. During the same year, the country had 26.25 million spindles, 1.93 lakhs rotors and produced 1321 Mn. Kgs. of cotton yarn. During the year 2009-2010, the 3rd census conducted and number of handlooms got reduced to 23.77 lakhs handlooms but the spinning capacity increased to 42.03 Million Spindles and 6.74 lakhs rotors and spinning sector produced 3079 Mn. Kgs. of Cotton Yarn. During the year 2014-2015, the spinning sector had 50.14 Million Spindles and 8.32 lakhs rotors and estimated to produce 4057 Mn. Kgs. of Cotton Yarn. Out of 23.77 lakhs handlooms 16.88 lakh handlooms consume Cotton Yarn.

Assuming that, handlooms works for 300 days in a year, the cotton fabric produced out of handlooms is 860.9 million linear meters and 992.6 million sq.mtrs. (assuming 1.153 sq.mtrs. per linear metre). The weighted average of production per loom per day works out to be 1.7 mtrs. Though the existing conversion ratio is 12.4 sq.mtrs. per kg. of yarn, assuming 7.5 sq.mtrs. per kg of yarn, the estimated handloom cotton fabric production is 992.6 million sq.mtrs. which would need around 132 million kgs. of cotton yarn per year. For the domestic delivery of 1611 million kgs of cotton yarn during 2012-13 (only weaving & hank yarn), the actual cotton yarn requirement for the Handloom sector works out to 8.2 %.

On the basis of above analysis a representative from SIMA requested to reduce the obligation from current level of 40% to 25% immediately. The position could be reviewed after 6 months and further reduced to 15% as the actual requirement of hank yarn by the handloom sector is less than 10% for the present production level in the spinning sector.

There being no other points for discussion, the meeting ended with vote of thanks to the chair.

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ANNEXURE - I

LIST OF PARTICIPANTS WHO ATTENDED THE 71ST MEETING OF HANK YARN PRICE MONITORING COMMITTEE HELD ON 26.02.2016 AT 02:30 P.M. IN THE OFFICE OF THE TEXTILE COMMISSIONER, MUMBAI-400020.

Sr. No.	Name of Participant
1	Dr. Kavita Gupta, IAS Textile Commissioner, Office of the Textile Commissioner, Mumbai.
2	Shri S. Balaraju, Additional Textile Commissioner, Office of the Textile Commissioner, Mumbai
3	Shri Anil Raj Kumar Additional Development Commissioner for Handloom, Office of the Development Commissioner Handloom, Ministry of Textiles, New Delhi
4	Shri Ashok Hazra, Director, Office of the Textile Commissioner
5	Shri S. Raj Kumar, Deputy General Manager, NHDC,
6	Shri S.M. Sharma, Deputy General Manager, NTC Ltd.
7	Dr. K. Selvaraju, Secretary General, SIMA, Coimbatore
8	Shri D.H. Kulkarni Regional Manager, DH Office, Chennai
9	Shri T.V.Bhavdas, Secretary, The Mill Owners Association, Mumbai
10	Shri T.K. Dhar Technical Consultant, The All India Federation of Co-Op Spinning Mills Ltd. (AIFCOSPIN), Mumbai
11	Shri Ashok. M. Swamy Chairman, Maharashtra State Co-Operative Textile Federation, Mumbai
12	Shri Satish Bauskar Managing Director, Maharashtra State Co-Operative Textile Federation, Mumbai
13	Shri Sambhaji Desai Secretary, Maharashtra State Co-Operative Textile Federation, Mumbai
14	Shri H.B. Galati, Assistant Director, Office of the Textile Commissioner
15	Shri J.A. Choudhury, Technical Officer, Office of the Textile Commissioner
16	Shri M. Lokesh,