

Frequently Asked Questions(FAQs) on Hank Yarn Packing Obligation

1. Q : What is Hank Yarn Packing Obligation under Hank Yarn Packing Notification ?

Ans: Every producer of yarn who packs yarn for civil consumption shall pack yarn in hank form in each quarterly period commencing from Jan – Mar. and every subsequently quarterly period, in proportion of not less than (40%) of total yarn packed by him during each quarterly period for civil consumption provided that not less than eighty percent of the yarn required to be packed in hank form shall be of counts 40s and below.

2. Q : What is objective of the hank yarn packing obligation under Hank Yarn Packing Notification?

Ans: The handloom industry, which caters to the employment and earning capacity of lakhs of poor handloom weavers and their family members, needs to be provided with adequate quantity of yarn in the hank form at reasonable prices and on an assured basis. With this objective, this statutory notification has been issued to protect the interest of handloom industry in the Country by way of ensuring that the yarn in hank form is available in adequate quantity at reasonable price.

3. Q : Under which order the said Hank Yarn Packing Notification has been issued?

Ans: It is issued in exercise of the powers conferred on the Textile Commissioner, by clauses 3, 8 and 11 of the Textiles (Development and Regulation) Order, 2001 an order issued under Section 3 of Essential Commodities Act, 1955.

4. Q : What is extent of obligation for packing the hank yarn under Hank Yarn Packing Notification?

Ans: In proportion of not less than forty percentage (40%) of total cotton yarn (excluding exempted variety) packed during each quarterly period for civil consumption.

5. Q : Which are the yarns exempted from the obligatory variety of yarn ?

Ans:

- a) Hosiery Yarn
- b) Sewing thread
- c) Industrial yarn
- d) Mixed yarn
- e) yarn used for captive consumption
- f) yarn packed for export

6. Q : What are the quarterly returns to be submitted by yarn producer under Hank Yarn Packing Notification ?

Ans: True and accurate information in the form at Annexure – I appended to the Notification to the concerned Regional Office of the Textile Commissioner, so as to reach on or before the 10th of the second month after expiry of each quarterly period. In case of fulfillment of the obligation by transfer, the information is to be furnished in the form at Annexure – II. Appended to the notification so as to reach the concerned Regional Office of the Textile Commissioner on or before the end of second month after the expiry of each quarterly period.

7. Q : What are the quarterly period for packing the hank yarn under Hank Yarn Packing Notification ?

Ans: During each quarterly period i.e. Jan - March, Apr. - June, July - Sept. and Oct. - Dec. of a calendar year, 40% of total cotton yarn packed for civil consumption is to be packed in Hank form.

8. Q : What are the offence and penalties for non-compliance of Hank Yarn Packing Notification?

Ans: No person shall, with intent to evade the provisions of this notification, refuse to give any information lawfully demanded from him in terms of the Notification or conceal, destroy, mutilate or deface any book or other documents or articles kept by him in the course of his business. Any such acts of the omission or commission shall constitute a violation of provisions of the notification read with the Textiles (Development and Regulation) Order, 2001 and Essential Commodities Act, 1955. Non-compliance of Hank Yarn Packing Notification is offence and punishable under Essential Commodities Act, 1955.

Note: Full details may be seen from Hank Yarn packing notification 2003, which is available on website