

GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
OFFICE OF THE TEXTILE COMMISSIONER
POST BAG NO.11500, MUMBAI – 400 020.

No.: 2/TDRO/8/2003/

Dated: 17th April, 2003

HANK YARN PACKING NOTIFICATION

A statutory notification issued for the protection and in the interest of the handloom industry.

PART-I

Preamble

The Textiles (Development & Regulation) Order, 2001, an order issued under section 3 of the Essential Commodities Act 1955, empowers the Textile Commissioner appointed by the Central Government, *inter-alia*, for the protection of the handloom industry (a rural based industry) by way of ensuring that the yarn in hank form is available in adequate quantity at reasonable prices to the handloom industry and for that purpose, to make statutory provisions and for securing compliance to the said statutory provisions by all concerned, regulate, monitor, direct the textiles industry, trade and the related associations, federations, firms, persons, non-governmental organisations, councils, bodies, co-operatives and public sector undertakings, etc. and in this regard to secure co-ordination from the central and state government departments/ offices/organisations and the semi-government/government undertaking organisations.

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 (its raw material) at reasonable prices and on an assured basis. With this objective in view, this statutory notification has been issued by the Textile Commissioner.

PART-II

1. Statutory Provisions

In exercise of the powers conferred on the Textile Commissioner, appointed by the Union of India (hereinafter referred to as the Textile Commissioner), by clauses 3, 8, and 11 of the Textiles (Development & Regulations) Order, 2001, an order issued under section 3 of the Essential Commodities Act, 1955, I, as the Textile Commissioner, hereby stipulate/prescribe the following definitions, directions, regulations, provisions, guidelines and instructions etc., to be complied with by all concerned, namely the concerned textile industry, trade and related associations, federations, persons, non-governmental organisations etc..

2. Short title, extent, commencement and application

- (1) This notification shall be called as the “Hank Yarn Packing Notification 2003” (hereinafter referred to as ‘H.Y.N. 2003’).
- (2) It extends to the whole of India.
- (3) It shall come into force with effect from the 1st of January, 2003.
- (4) It shall continue to be in force until further direction from the Textile Commissioner.

3. Repeal and Savings

- (1) The Hank Yarn Packing Notification No. 16/TDRO/8/1/2000/ dated 31st March, 2000, ceases to have effect from the date the H.Y.N. 2003 comes into force.

(2) Notwithstanding such cessation of the notification referred to in sub clause (1), any order made, anything done or any action taken or rights accrued or penalty incurred or any direction made or notice issued or exemption granted or deemed to have been made, done, taken, accrued, incurred, issued or granted, as the case may be, under the Hank Yarn Packing Notification No. 16/TDRO/8/1/2000 dated 31st March,2000, shall be deemed to have been made, done, taken, accrued, incurred, issued or granted under the corresponding provisions of the H.Y.N. 2003.

4. **Definitions**

- (1) “Captive consumption” shall mean the yarn actually used by a producer of yarn for producing cloth in their own weaving/loom shed and / or knitting department, situated within India.
- (2) “Quarterly period” for the purposes of H.Y.N. 2003 shall mean the period January-March, April-June, July-September and October-December of a calendar year.
- (3) “Transferee mill” shall mean the mill which has packed hank yarn in excess of its own obligation and seeks to accept, to the extent of such excess packing, the obligation on account of another mill with a shortfall in fulfilment of its hank yarn packing obligation.
- (4) “Transferor mill” shall mean the mill which has a shortfall in the fulfilment of its hank yarn packing obligation and seeks to fulfil the said shortfall by transfer of obligation to another mill which has packed hank yarn in excess of its own obligation.

(5) “Yarn” for the purpose of H.Y.N. 2003 shall mean, yarn made/spun wholly out of cotton and/or its waste but does not include the following:

- (a) hosiery yarn ;
- (b) sewing thread;
- (c) industrial yarns, like tyre cord, multiple yarn (more than 2 ply yarn), as defined by the Bureau of Indian Standards from time to time;
- (d) mixed yarn of various counts reeled off from cop bottoms and yarn comprising single count yarn reeled off from cop bottoms having loose ends or knots at short lengths.

(6) “Yarn packed for civil consumption” shall mean, the yarn packed for sale in the domestic market, which includes the following;

- (a) In the case of a producer of both yarn and cloth, the yarn packed for delivery, transfer and sale in India other than exports and deemed exports as defined in the Export and Import Policy in force, in excess of the yarn actually used for producing cloth in their own weaving/loom shed and/or knitting department situated within India, (i.e., captive consumption) irrespective of whether the spinning, and weaving and/or knitting units/departments are located in the same premises or not.
- (b) In the case of a producer of only yarn, the yarn packed by him for delivery, transfer and sale in India other than exports and deemed exports as defined in the Export and Import Policy in force.

- (7) All other terms defined in the Textiles (Development & Regulations) Order, 2001, shall carry the same meaning for the purposes of H.Y.N. 2003 to the extent relevant and necessary.

5. Submission of quarterly return

Every producer of yarn shall furnish true and accurate information regarding packing of yarn in compliance with the directions, provisions, guidelines, etc. contained in HYN 2003, in Annexure-I appended to HYN 2003, to the concerned Regional Office of the Textile Commissioner under whose jurisdiction such producer of yarn is located, so as to reach the said office on or before the 10th of the second month after expiry of each quarterly period, by Registered Post A.D. or by acknowledged hand delivery.

6. Extent of obligation and fulfilment thereof

- (1) Every producer of yarn who packs yarn for civil consumption shall pack yarn in hank form in each quarterly period commencing from January-March,2003 and in every subsequent quarterly period, in proportion of not less than forty percent (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) A producer of yarn who is unable to pack yarn in hank form for any reason or who does not have reeling capacity to pack yarn in hank form, up to the extent of stipulation made/proportion prescribed under sub clause (1) shall fulfil his obligation prescribed under this clause in either of the following manners:-

- (a) A producer of yarn, with the written permission of the concerned Central Excise Department and the Regional Office of the Textile Commissioner, shall get his yarn reeled into hank form, by another producer having surplus reeling facility or through independent reeling unit(s) which is(are) in the records of the respective Regional Office of the Textile Commissioner. A producer of yarn who avails of this facility shall produce a certificate in the 'Form-A' appended to this notification, duly certified by a Chartered/Cost Accountant, to the concerned Regional Office of the Textile Commissioner along with the quarterly hank yarn packing return, i.e., Annexure-I, appended to the HYN 2003, for every concerned quarterly period.

or

- (b) The shortfall in respect of one producer of yarn (called as the transferor) for a particular quarter shall be met by another producer (called as the transferee) after fulfilling his (transferee's) own hank yarn packing obligation to the satisfaction of the concerned Regional Office of the Textile Commissioner, and in this regard, the information shall be furnished by the transferor in Annexure-II appended to HYN 2003, so as to reach the concerned Regional Office of the Textile Commissioner, on or before the end of the second month after the expiry of each quarterly period, by Registered Post A.D. or by acknowledged hand delivery.

7. Carry forward of obligation

If the shortfall in hank yarn packing obligation that is to say, the overall hank yarn packing obligation and/or coarser counts of hank yarn packing obligation is 15% or less than 15%, and if it is not possible to fulfill the same by transfer of obligation within the same quarterly period, the said shortfall hank

yarn packing obligation may be carried forward to the immediately following quarterly period and the same should be fulfilled in the said following quarterly period either by own packing or by transfer.

8. Carry forward of excess packing

The surplus hank yarn packing in a quarterly period can be carried forward by a mill only to the following quarterly period for the purposes of fulfilment of its own shortfall in hank yarn packing obligation in the said following quarterly period, but not for undertaking hank yarn packing obligation of a transferor mill or for any other purpose or for any other quarterly period.

9. Fulfilment of obligation by transfer

(1) The fulfillment of shortfall hank yarn packing obligation by a transferor mill for any quarterly period shall be against the hank yarn packing of the transferee mill in excess of its own obligation in the same quarterly period only.

(2) If a mill which packed hank yarn more than its own hank yarn packing obligation, fails to submit the quarterly return in Annexure – I within the due date prescribed under HYN 2003, it shall not be eligible for undertaking other mill's (transferor mill's) shortfall hank yarn packing obligation even if it submits the quarterly returns later and whether or not the delay in submission of the said quarterly return is condoned or not.

PART-III

10. Exemption

- (1) A spinning mill declared through an appropriate notification or order as a 'relief undertaking' by the concerned State Government shall be exempted from the fulfilment of hank yarn packing obligation for the period specified in the notification or order.
- (2) The spinning mill declared as 'relief undertaking' shall submit a certified copy of such order/notification of the State Government to the Consumer Service Section of the office of the Textile Commissioner, Mumbai, with a copy to the jurisdictional Regional Office of the Textile Commissioner within one month from the date of such notification or order, failing which, the exemption from fulfilment of the hank yarn packing obligation will be admissible from the actual date of submission thereof to the aforesaid authorities.
- (3) Notwithstanding the fact that a spinning mill has been exempted from fulfillment of hank yarn packing obligation under this clause, it shall be required to furnish the Hank Yarn Packing Return (Annexure-I) in terms of clause-5 of H.Y.N. 2003.

11. Duty to give information, etc.

No person shall, with an intent to evade the provisions of this notification, refuse to give any information lawfully demanded from him in terms of this 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 omission or commission shall constitute a violation of the provisions of this notification read with the Textiles (Development & Regulation) Order, 2001 and the Essential Commodities Act, 1955.

Sd/-

(SUBODH KUMAR)
TEXTILE COMMISSIONER

FORM-A

(Under clause 6(2) of HYN 2003)

CERTIFICATE OF REELING OF HANK YARN FROM OUTSIDE.

“Certified that the following quantity of yarn produced by M/s..... during the quarterly period, has been got reeled into hank form through M/s....., located at (full address)with the due permission of the Central Excise Department vide letter No....., dated (copy enclosed), and the Regional Office of the Textile Commissioner,, vide letter No....., dated ”

Quantity in Kg.

Sr. No.	YARN SENT OUTSIDE FOR THE PURPOSE OF REELING INTO HANK FORM				QUANTITY OF YARN PACKED IN HANK FORM OUT OF THE YARN MENTIONED AT COL. NO.5		
	Category/form of yarn	In counts 40s and below	In counts above 40s	Total	In counts 40s and below	In counts above 40s	Total
1.	2.	3.	4.	5.	6.	7.	8.
1.	Cone						
2.	Cheese						
3.	Cops						

(Signature of the Proprietor/Partner/
Director/ Managing Director/
Authorised Signatory of the
mills who produce yarn, with date)

Seal of the Company / firm

(Signature of the Proprietor/Partner/
Director/Managing Director/
Authorised Signatory of the reeling
unit who reeled the other form of
yarn into hank form, with date)

Seal of the Company / firm

(Signature with date, seal and
Enrollment No. of the Chartered Accountant/
Cost Accountant, as the case may be)

ANNEXURE –II

Application for transfer of Hank Yarn Packing Obligation (H.Y.P.O.)

(Under Clause 6(2) of HYN 2003, No. 2/TDRO/8/2003 dated 17th April.2003).

Note: - The Annexure –II is to be submitted by the transferor mill(s) to the jurisdictional Regional Office of the Textile Commissioner, so as to reach the said offices on or before the end of the second month after the expiry of the concerned quarterly period.

To
The Officer-In-Charge,
Regional Office of the
Textile Commissioner,
_____.

Sir,

In terms of the Hank Yarn Packing Notification No. 2/TDRO/8/2003 dated 17th April,2003, we (transferor) were required to pack _____ kgs. of yarn for civil consumption in hank form (H.Y.P.O.) during the quarterly period._____. Whereas we have packed ____kgs. of yarn in hank form and already transferred _____ kgs of H.Y.P.O of the said quarterly period to other transferee mill(s). Now we the transferor, have shortfall to the extent of ____Kgs. in fulfillment of the H.Y.P.O, for the quarter _____. We therefore approached the transferee mill(s) M/s _____ who have got excess hank yarn packing during the current quarter _____ after fulfilling their own H.Y.P.O., for transfer of our shortfall H.Y.P.O for the quarter _____. We have also confirmed from transferee Mill(s) that they have submitted Annexure – I for the current quarter _____ to their jurisdictional Regional Office of the Textile Commissioner within due date specified in the HYN 2003. The particulars of transfer of H.Y.P.O. by the transferor mill and the particulars of excess hank yarn packing by the transferee mill(s) are furnished below

I. Mill Serial No. of Transferor :

(In kgs.)

Sr. No.	Item No.	Particulars of transferor mill M/s _____	Wholly Cotton Yarn	Counts 40s & below (In case of Column 2.)
0	00	1	2	3
1	010101	Total H.Y.P.O.		
2	010201	(i) Hank yarn packed (by own packing including yarn reeled from outside reeler)		
3	010202	(ii) Quantity of H.Y.P.O. transferred so far		
4	010203	(iii)Total of (i) + (ii)		
5	010301	Quantity of H.Y.P.O. now being transferred		
6	010401	Net further shortfall of H.Y.P.O., if any. Sr. No. [1-(4+5)]		

Contd....2/-

:2:

II. Mill Serial No. of Transferee

(In kgs)

Sr. No.	Item No.	Particulars of transferee mill M/s _____	Wholly Cotton Yarn	Counts 40s & below (In case of Column 2.)
0	00	1	2	3
1	020101	Total H.Y.P.O.		
2	020201	Hank yarn packed (by own packing including yarn reeled from outside reelers)		
3	020301	Excess hank yarn packed Sr. No. (2 - 1)		
4	020401	H.Y.P.O. of other mill(s)/producer(s) so far undertaken		
5	020501	H.Y.P.O. of above transferor mill(s) now being undertaken		
6	020601	Remaining (balance) excess, hank yarn packed, if any Sr. No. [3-(4+5)]		

We, the transferee mills have submitted Annexure – I for the current quarter _____ to our jurisdictional Regional Office of the Textile Commissioner _____ within due date specified in HYN 2003.

We the transferor and transferee mills agree with the above arrangement and request you to kindly issue us the registration letter for transfer of above H.Y.P.O. of above transferor mill.

We further certify that the particulars furnished above are true and correct to the best of our knowledge and belief. We fully understand that, if any of the information furnished above is found incorrect at any point of time, the registration letter issued by the jurisdictional Regional Office of the Textile Commissioner shall stand null and void without prejudice to any action that may be initiated against us severally or jointly, by the office of the Textile Commissioner.

Thanking you,

Yours faithfully,

Signature (with date) of Proprietor / Partner/
Managing Director / Director / Authorised
Signatory of transferee mill (with full address
& phone no. of the mill).

Signature (with date) of Proprietor /
Partner/ Managing Director/Authorised
Signatory of transferor mill (with full address
& phone no. of the mill).

CERTIFICATE OF CHARTERED ACCOUNTANT / COST ACCOUNTANT

We certify that the above information furnished by the transferor and the transferee mills tally with the Central Excise documents and other relevant records maintained by them.

Signature (with date) of the
Chartered Accountant / Cost Accountant
of TRANSFEROR mill.
(with Name & Enrolment No. and seal)

Signature (with date) of the
Chartered Accountant / Cost Accountant
of TRANSFEREE mill.
(with Name & Enrolment No. and seal)

Copy forwarded to:

1. Shri Atul Chaturvedi, Joint Secretary, Ministry of Textiles, Government of India, Udyog Bhavan, New Delhi – 110 011.
---- For information.
2. Shri P.K. Gera, Director, Ministry of Textiles, Udyog Bhavan, New Delhi-110 011.
--- For information.
3. Additional Development Commissioner (Handloom), Ministry of Textiles, Government of India.
---- For information
4. All Regional Offices of the Textile Commissioner, Ministry of Textiles, Government of India
---- For necessary action, compliance and wider circulation
5. Textile industry and trade associations/federations, namely ICMF/SIMA/SISPA, etc: -
---- For necessary action, compliance and wider circulation of this Hank Yarn Packing Notification No.2/TDRO/8/2003 Dtd.17th April.2003 among textile industries and trade including their member mills, for wider circulation and compliance.
6. Press Information Bureau
7. Press Trust of India
8. Editor(s) of various daily newspaper/
Periodicals/magazines
9. Director General of Doordarshan
10. Director General of All India Radio.
11. Director General of Audio & Visual Publicity
New Delhi.
12. All Powerloom Service Centres of the Office of the Textile Commissioner, Ministry of Textiles, Government of India ---- For information.
13. Secretary, Textile Committee, 406 Kakad Chamber,132 Dr.A. B. Road, Worli, Mumbai- 400 018.
For information and necessary action for circulation of this Hank Yarn Packing Notification No.2/TDRO/8/2003 dated 17th April,2003.
14. TEXPROCIL/AEPC/SRTEPC/TRAs - For information.

For publishing this Hank Yarn Packing Notification No.2/TDRO/8//2003 Dtd. 17th April, 2003 in the Newspapers, magazines, periodicals etc. for wider circulation among the textile Industry and trade, as it is issued in the interest of industry and trade.

For wider circulation of this Hank Yarn Packing Notification No. 2 /TDRO/8/2003 Dtd. 17th April, 2003 through the media of televisions, radio & government magazines, Periodicals etc. as the same has been issued in the interest of industry & trade.

(SMT. P. L. MUKHIJA)
DIRECTOR

ANNEXURE-I

QUARTERLY HANK YARN PACKING RETURN

(Under clause 5 of HYN 2003, No. 2/ TDRO/8/2003 dated 17th April, 2003)

Note: The Annexure -I, is to be submitted to the jurisdictional Regional Office of the Textile Commissioner so as to reach the said offices on or before the 10th of the Second month after the expiry of the concerned quarterly period.

Part (00) Identification particulars

(4 - 10)

1. Mill's Serial No. _____

2. Mill's Name
and Address _____

Form No.

3. Whether Spg. or Composite Unit

1 2 3

(Write 1 for Spg. and 2 for Composite in the box)

Q 0 3

4. Nature of Management

(Write 1 for NTC, 2 for STC, 3 for Co-op. and 4 for Pvt. /Others in the box)

5. Quarterly return pertaining
to the period ending on

11 12 13 14

Part (01) Packing details of non-obligatory varieties of yarn and yarn exempted from /not falling within the purview of Hank Yarn Packing Notification-2003

(in Kgs.)

Item	Hosiery Yarn (supporting documents should be maintained)	Sewing thread	Industrial Mixed yarn	Yarn reeled off from cop bottoms.	Yarn spun wholly from cotton exported out of India. (supporting documents should be maintained)	Yarn spun wholly from cotton delivered as deemed exports (as defined in Export and Import Policy)	Yarn spun wholly from cotton used for captive consumption (supporting documents should be maintained)	Yarn spun from other than wholly cotton.	Other non-obligatory variety of yarn packed (with generic name)	Total (Col. Nos. 1 to 9)
0	1	2	3	4	5	6	7	8	9	10
(15-20)6	(21-27)7	(28-34)7	(35-41)7	(42-48)7	(49-55)7	(56-62)7	(63-69)7	(70-76)7	(77-83)7	(84-90)7
010101										

Contd..2.

Part (02) YARN PACKED FOR CIVIL CONSUMPTION (OBLIGATORY VARIETIES) FORM Q 03				
Description/Form of packing.	Item No.	Wholly Cotton Yarn		
		Counts 40s and below	Counts Above 40s	Total (1+2)
0	00	1	2	3
(0)	(15-20)6	(21-27)7	(28-34)7	(35-41)7
a) HANK (Including yarn reeled into hank form from outside reelers)	020101			
b) CONE	020201			
c) PIRNS	020202			
d) BEAM	020203			
e) OTHERS	020204			
f) Total quantity of yarn, other than in hank form, packed for civil consumption (b+c+d+e)	020300 (020201+020202+ 020203+ 020204)			
g) Total quantity of Yarn packed for civil Consumption (a+f)	020400 (020101+020300)			
h) Hank Yarn Packing Obligation (H.Y.P.O.)	020501	80% of (h) of column No.3=A (80% of item No. 020501 of Col.3)	X	40% of (g) of column No. 3 = B (40% of item No. 020400 of Col. 3)
i) Shortfall in fulfillment of H.Y.P.O. [(h) - (a)]	020601 (020501-020101)	A - (a) of column No.1		B - (a) of column No. 3
j) Excess hank yarn packing after fulfilling his own obligation. [(a) - (h)]	020701 (020101-020501)	(a) of column No.1 -- A		(a) Of column No. 3 - B

contd..3..

Part (03) STOCK OF HANK YARN HELD in kgs.

Month (1)	Unsold Stock (2)			Stock sold but not lifted (3)			Total Stock (2+3) (4)
	Count 40s & below	Count above 40s	Total	Count 40s & below	Count Above 40s	Total	
a) Stock on last day of the 1 st month of the quarter							
b) Stock on last day of the 2 nd month of the quarter							
c) Stock on last day of the 3 rd month of the quarter							

Certified that the particulars furnished above are true and correct. For fulfilment of shortfall H.Y.P.O., the Annexure -II shall be submitted so as to reach jurisdictional Regional Office of the Textile Commissioner on or before the end of the second month after the expiry of quarterly period for which this Annexure-I is submitted.

Certified that the particulars furnished above are verified and found to be true and correct to the best of my (Mills management) knowledge and belief

Certified that the particulars furnished above are verified and found to be true and correct to the best of my (C.A's) knowledge and belief.

Signature (with date) of the Proprietor / Partner/ MD/Director / Authorised Signatory of the mill.
(Name & Seal of the Mill)

Signature (with date) of the Chartered Accountant / Cost Accountant.
(with Name and Enrollment No. of C.A.)