

**GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
OFFICE OF THE TEXTILE COMMISSIONER
NEW CGO BUILDING, NISHTHA BHAVAN,
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CIRCULAR

Sub: Hank Yarn Packing returns submitted by textile mills- Test checks- reg.

You are aware that in order to ensure adequate availability of hank yarn to the handloom weavers on assured basis at all times, the Government of India, through the Textile Commissioner had been issuing Hank Yarn Packing / Obligation notifications since 1970s and the same were being amended from time to time on review. The present such notification in force is the Hank Yarn Packing Notification No.2/TDRO/8/2003 dated 17.04.2003 issued by the Textile Commissioner in exercise of his powers conferred under clauses 3,8 & 11 of the Textile (Development & Regulation) Order,2001, which is an order issued by the Ministry of Textiles under section 3 of Essential Commodities Act, 1955. The Hank Yarn Packing Notification dated 17.04.2003 is being implemented by the Office of the Textile Commissioner through its Regional offices.

- In terms of the said notification dated 17.04.2003, every producer of yarn shall pack at least 40% of yarn packed for civil consumption in hank form, on a quarterly basis, and not less than 80% of the hank yarn packed should be below 40s because the coarse yarn are mostly used in Handlooms.
- In case a producer of yarn is unable to pack yarn in hank form for any reason, he can get his obligation transferred to another producer of yarn

who is having excess packing of yarn in hank form after fulfilling his own obligation.

- Yarn meant for exports, hosiery yarn, industrial yarn, mixed yarn, yarn for captive consumption, sewing thread and yarn spun from other than wholly cotton are exempted from the Hank yarn packing notification.
- Every producer of yarn has to submit the statutory quarterly return, duly certified by a Chartered Accountant for the yarn packed by him during the quarter with in 40 days after the expiry of each quarterly period and in case of fulfillment of obligation by transfer, the same has to be submitted with in 60 days after the expiry of the quarter.
- The hank yarn monitoring price monitoring committee, constituted by the Textile Commissioner is convened on a quarterly basis, to monitor the availability of hank yarn at reasonable prices in the country.

It has been brought to the notice of this office that

- Many mills who do not pack hank yarn, submit the return as if they had packed hank yarn which is a gross misdeklaration.
- Many mills show huge quantities of exempted varieties of yarn like hosiery, deemed exports etc in their return and thereby evade fulfilling their own quantum of hank yarn obligation.
- Many mills show the coarse counts of yarn packed in cheese form (open end yarn) as hank yarn in huge quantities and thereby undertake the obligation of other mills and earn premium for the same.

The above kinds of mis-declarations/violations by the mills contribute to the shortage in the availability of hank yarn to handlooms.

In order to curb the menace of misdeklaration by the mills in respect of their hank yarn packing returns, it is proposed to depute the field officers of this organisation to the mills at random to carry out cross checking of hank yarn packing returns submitted by the mills in respect of quantity

& type of yarn packed by them , exempted varieties shown by them and extent of fulfillment shown by them etc..

All concerned Managing Directors/Directors/Partners/General Managers of individual textile mills and Office bearers of associations of textile mills all over the country are hereby informed of above and requested to extend co operation to the field officers in carrying out the test checks.



(A. B. Joshi)
Textile Commissioner

To

1. All associations of textile mills
2. All textile mills through respective Regional Offices of the Textile Commissioner