GOVERNMENT OF INDIA
MINISTRY OF COMMERCE

NEW DELHI **THE 27TH FEBRARY 1965** **8TH PHAL 1886 (S)**

NOTIFICATION

C.S.R. (NO.25(38)-Tex (A)/63 - In exercise of the powers conferred by section 22 of the Textiles Committee Act, 1963 (41 of 1963), the Central Government hereby makes the following rules the same having been previously published as required by sub-section (1) of the said section, namely :

1. **Short Title**

These rules may be called the Textiles Committee Rules, 1965

2. **DEFINITIONS:**

In these rules, unless the context otherwise requires;

a) "Act" means the Textiles Committee Act, 1963 (41 of 1963);
b) " Bank" means a nationalized bank as defined in clause (da) of section 2 of the Industrial Development Bank of India Act, 1964 (18 of 1964).
c) "Secretary" means the Secretary of the Committee appointed under Section 9;
d) "Section" means a section of the Act;
e) "Standing Committee" and "Ad hoc Committee" respectively means the Standing Committee and Ad hoc Committee constituted under Section 8;
f) All words and expressions used but not defined in these rules and defined in the Act shall have the meanings respectively assigned to them in the Act.

3. **Composition of the Committee:-**

(1) The Committee shall consist of the following Members, namely :-
  (a) A Chairman to be appointed by the Central Government.
  (b) A Vice-Chairman who shall be the Textile Commissioner, ex-officio.
  (c) The Joint Secretary to the Government of India in the Ministry of Textiles, In-charge of Textiles Committee, ex-officio.
  (d) Director/Deputy Secretary, Internal Finance, Ministry of Textiles, ex-officio.
  (e) Secretary, Textiles Committee, ex-officio.
  (f) Chairman, Indian Cotton Mills Federation.
  (g) Chairman, Indian Powerloom Federation
  (h) Chairman, Southern Indian Mills Association.
  (i) Chairman, Cotton Textiles Export Promotion Council.
  (j) Chairman, Synthetic and Rayon Textile Export Promotion Council.
  (k) President, Textile Machinery Manufacturers Association.

(l) Secretary General, Confederation of Indian Industry.
(m) Chairman, Apparel Export Promotion Council.
(n) Chairman, Wool and Woollens Export Promotion Council.
(o) President, Federation of Indian Art Silk Weaving Industry.
(p) Chairman of any other Mills Association (other than those mentioned in the items (f), (g) and (h) to be appointed by the Central Government.
(q) Director of one of the Textile Research Association to be appointed by the Central Government.
(r) 5 persons representing Woollen, Silk, Handloom Industry, Processing Sector and Consumer Interests to be appointed by the Central Government.
(s) 4 persons having interest and familiar with the work of textile industry, to be appointed by the Central Government.
(t) One person having specialized knowledge of quality standard and inspection of the textile machinery, to be appointed by the Central Government.

(2) In addition to the members mentioned in sub-rule (1), the Central Government may co-opt two members from an interest which may have not been represented on the Committee.

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4. **Casual vacancies:**

Every casual vacancy in the membership of the Committee, arising out of death, resignation, incapacity or disqualification, shall be filled by appointment of another person by the Central Government under Section 3.

5. **Terms of office:**

1) Subject to the provisions of Rules 8, the term of office of every member of the Committee, other than ex-officio member, shall be for two years from the date of his appointment as a member under Sub-section (3) of Section 3.
2) A person appointed to fill in a casual vacancy shall hold office for so long only as the member whose place he fills would have been entitled to hold office if the vacancy has not occurred.

6. **Disqualification for membership:**

An undischarged insolvent or a person convicted of any offense involving moral turpitude shall not be eligible for becoming a member and if the insolvency or the conviction as the case may be, occurs after the appointment of the person as a member, the Central Government shall remove him from the membership of the Committee.

7. **Termination of membership before the expiry of term:**

When a person is appointed as a member by virtue of an office held by him, his membership of the Committee shall be terminated when he ceases to hold that office and the vacancy so caused shall be deemed to have been filled by his successor to that office.

8. **Resignation:**

1) The Chairman may resign his office by writing under his hand addressed to the Central Government.

2) A member other than the Chairman may resign his office by writing under his hand addressed to the Chairman who shall forward the resignation to the Central Government.

3) The office of the Chairman or the member, as the case may be, shall fall vacant from the date on which his resignation is accepted by the Central Government or on the expiry of thirty days from the date of receipt of intimation of resignation whichever is earlier.

   Provided that in the event of acceptance of resignation of the Chairman and no person is appointed as chairman, the Vice-chairman of the committee shall function as the Chairman of the Committee till a new Chairman is appointed by the Central Government.

9. **Register of members:**

1) The Committee shall maintain a register in which the name and address of each member shall be entered.

2) If a member changes his address, he shall notify his new address to the Secretary and the Secretary shall amend the relevant entry in the register accordingly.

10. **Absence of member from India:**

1) Before a member leaves India, he shall inform the Chairman and intimate to him the date of his departure and the date of his expected return to India.

2) If he intends to be or is actually absent from India for a period longer than six months, he shall tender his resignation unless the Chairman, as his discretion allows him to continue as a member.

3) If a member is continuously absent from India for a period longer than six months and has not informed the Chairman under sub-rule (1) the Central Government may remove him from the membership of the Committee.

11. Member absenting himself from two consecutive meetings of the Committee:

Any member who without the permission of the Chairman absents himself from two consecutive meetings of the Committee shall be liable to be removed from the membership of the Committee by the Central Government.

12. Substitute members :

Where any member is unable to attend any meeting of the Committee or on of any Standing Committee or Ad hoc Committee due to illness or otherwise, he may, with the previous sanction of the Central Government depute any other person on his behalf to attend that meeting and the person so deputed shall have all the rights and privileges of a member.

13. Allowances of members:

1) Save with the previous sanction of Central Government and subject to the provisions of this rule, no remuneration other than travelling and daily allowances shall be paid to any member on account of his services as such.

2) A non-official member, being a residence at the place where a meeting of the Committee is held, shall be entitled to conveyance allowance at the rate as may be fixed by the Central Government, provided that such allowance shall be restricted to the actual cost of conveyance hired.

3) A non-official member, not resident at the place where a meeting is held shall be entitled to travelling and daily allowance in respect of the meeting which he attends, at the rates as may be fixed by the Central Government, provided that travelling allowance shall be restricted to the actual cost of conveyance hired.

4) The grant of Travelling and daily allowance to an official member of the Committee shall be governed by the rule relating to the grant of traveling and daily allowance to officers of the Central Government for the time being inforce and any expenditure towards the payment of such allowance shall be borne by the office of the member.

14. Maintenance of office:

The Committee shall maintain an office for the transaction of its business and may open branch offices if it considers necessary to do so.

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15. Method of appointment, conditions of service and scale of pay of Secretary :

1) The Secretary shall be a full time officer of the Committee and shall be appointed by the Central Government.
2) The terms and conditions of service of the Secretary shall be the same as those of officers of the Central Government or of the Committee, of equivalent grade.

3) The scale of pay of the Secretary shall be fixed by the Central Government on the basis of the recommendations made to it in this behalf by the Committee.

16. Discharge of secretary's functions in his absence:

When the Secretary is unable to discharge his functions for any reason whatsoever the Chairman or in his absence, the Vice-Chairman may, by order in writing and with the approval of the Central Government authorise any other officer of the Committee, to discharge such of the functions of the Secretary as may be specified in the order.

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17. Working year of committee :

The working year of the Committee shall be the Financial year.

18. Statement of accounts and balance sheet :

The annual statement of accounts and balance sheet shall be prepared by the Committee as provided for under sub-section (1) of section 13.

19. Head of receipts :

The receipts of the Committee shall include all sums received by the Committee during the year to which the accounts relates and shall be shown under the following heads, namely:

a) sums received by the Committee by way of grant from the Central Government under section 6 or otherwise;
b) sums received by the Committee by way of fees levied under sub-section (1) or section 12;
c) Interest accrued on investments; and
d) Miscellaneous.

The opening balance shall be shown at the head of the amounts on the receipt side.

20. <u>Head of expenditure</u> :

The expenditure incurred by the Committee shall be shown under the following heads or any other heads which may be decided upon by the Committee from time to time subject to the approval of the Central Government, namely;

a) pay of officers;
b) pay of Establishment;
c) travelling and other allowances;
d) grants-in-aid for promotion of exports of textiles and textile machinery and for carrying on propaganda for that purpose;
e) measures taken for promoting scientific, technological and economic research in textile industry and textile machinery;
f) other charges relating to items like stationery, printing, postage, telephones and rent.

21. <u>Fees for inspection examination and other service rendered by the Committee</u> ;

1) The Committee may with effect from 1st March, 1965 levy and collect for inspection and examination of textiles and textile machinery specified in column 2 of the Table below, the fee specified in the corresponding entry in column 3 of that table.

S. No	Description of textiles and Textile machinery	Fee
1.	Cotton cloth where the average count of yarn used in the cloth is less than 35s.	6 paise for every 100 sq. metres manufactured.
2.	Cotton Cloth where the average count of yarn used in the cloth is 35s or finer.	10 paise for every 100 sq. metres manufactured.
3.	a) Woollen yarn (excluding shoddy and carpet yarn)	2 paise per Kg. manufactured.
	b) Shoddy and carpet yarn	1 paise per Kg. manufactured.
4.	a) Man-made cellulosic or non-cellulosic filament yarn (other than nylon filament yarn);	2 paise per kg. manufactured.
	b) Nylon filament yarn	6 paise per kg. manufactured.
5.	a) Man-made cellulosic fibre cut to staple length	1 paise per 2 Kg. manufactured.
	b) Man-made non-cellulosic fibre cut to staple length	2 paise per Kg. manufactured.
6.	Textile Machinery (assembled)	8 paise per Rs.100 advalorem on the ex-factory price of the

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		machinery manufactured.
7.	Cotton yarn for export	2 paise per Kg. Inspected.
8.	Natural silk yarn or fabric for export	50 paise per Rs.100/- on F.O.B. price of the goods inspected.

Note 1: In the case of items 1 to 5 of this Table, packed production during a month will be taken as the quantity manufactured during the month.

Note 2: Fents, rags and chindies will be excluded for the purpose of payment of fees in the case of fabrics.

Note 3: Mixed yarn fabrics will be deemed as exclusively made of that material, the content of which accounts for 50% and above by weight in the composition thereof.

2) The Committee may levy and collect, for any other service rendered by it to the manufactures of textiles and textile machinery, such fee as it may fix with the approval of the Central Government.

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22. <u>Maintenance and operation of bank accounts and</u> <u>investments of the funds of the Committee</u> :

1) All moneys accruing or payable to the Fund, either by way of grants from the Central Government under section 6 or accruing from any other source or sources shall be received by the Secretary or such other officer of the Committee as the Committee or the Chairman may authorise in this behalf and the amount or amounts so received shall, as soon as practicable, be duly acknowledged by a receipt and deposited in the Bank to the credit of the Fund.
2) The receipt books shall be numbered serially by machine and the unused forms shall be kept in the custody of the Secretary or such other officer of the Committee as may be authorised by the Committee or by the Chairman or Vice chairman in this behalf.
3) All payments by or on behalf of the Committee shall be made by cheques except for amounts not exceeding Rs.1000/- which may be made in cash from the amount of imprest sanctioned for such purposes.

Provided that payment towards salaries and allowances to officers and servants of the Committee may be made by cheques or in cash as may be convenient.

4) All chqeues and all orders for making deposits or investments or for withdrawal of the same or for the disposal in any other manner of the moneys in the Fund shall be signed by any officer duly authorised by the Committee in this behalf and countersigned by the Vice-Chairman or the Secretary or any other officer duly authorised by the Vice-Chairman.

Provided that no such countersignature shall be required in case of any cheques where the amount payable thereunder does not exceed fifty thousand rupees.

5) No payment shall be made out of the Fund unless the expenditure is covered by a Budget grant.
6) There shall be drawn from the Bank and place at the disposal of the Secretary, a permanent advance of Rs.50,000/- to be recouped as required, and in any case at the end of each month to meet petty expenditure of the Committee.
7) All monetary transactions shall be entered in the cash book as soon as they occur and attested by the Secretary or any other officer of the Committee, authorised by the Chairman, in token of check and the cash book shall be closed daily and completely checked by the Secretary or the officer authorised by him in this behalf and at the end of each month, the Secretary or such other officer shall verify the cash book and the cash in hand and a record signed and dated certificate to that effect.
8) All payments by the Committee shall be made on bills or other documents duly prepared and passed by the Secretary or other officer of the Committee authorised by the Chairman in this behalf.
9) The paid vouchers shall be stamped 'PAID' or cancelled in such a manner that they can not be used a second time and they shall then be kept serially numbered and produced at the time of audit.

23. <u>Deposit in bank or investment in securities of surplus moneys</u> :

1) Any moneys not required for current expenditures may be placed in fixed deposit with the Bank or invested in the name of the Committee in any security in which trust property may lawfully be invested under the Indian Trusts Act, 1982 (2 of 1882).
2) The placing of money in fixed deposit and the investment thereof and the disposal of money so placed or invested shall require the previous sanction of the Chairman.

24. <u>Audit of accounts</u> :

1) The Accounts of receipts and expenditure relating to each financial year, together with the Auditor's Report thereon, shall be submitted to the Central Government as soon as may be, after the close of that year.
2) The annual accounts and the Auditor's Report thereon shall be published in the Gazette of India after they have been laid before each House of Parliament.
3) The initial accounts of receipts and expenditure shall be maintained by the Committee in the form of an ordinary cash book and shall be locally test-audited by the Deputy Account General, Commerce works and

Miscellaneous, or any other officer authorised by the Central Government in this behalf.

4) The items of receipts representing withdrawals from the current account with the Bank shall be supported by counterfoils of the cheque book, and other items, like recoveries made from the employees on account of subscription to the Contributory Provident Fund, by connected bills and other vouchers in which recoveries have been made.
5) Each item of expenditure shall be supported by a payment receipts voucher from the person to whom the amount is disbursed and the general or the special sanction authorising the expenditure shall be duly quoted on the voucher.
6) The annual accounts shall be set out and produced by the Sections before the auditors for scrutiny on or before 31st July each year following the close of the financial year to which relate.

25. <u>Borrowing moneys from the central government</u> :

The Committee may borrow moneys from the Central Government for development or such other work under conditions that may be applicable to such loans from the Central Government.

26. <u>Procedure for execution of contracts</u> :

Every contract to be entered into by the Committee under the Act shall be made on behalf of the Committee by the Chairman or Vice chairman or the Secretary, provided that the previous sanction of the Committee shall be obtained for any contract involving an expenditure exceeding Rs.50,000/-

27. <u>Common seal and affixing the same in contracts</u> :

1) The Common seal of the Committee, shall remain in the custody of the Secretary and the same shall not be affixed to any instrument except in the presence of the Secretary and the Chairman or the Vice-Chairman or two members of the Committee authorised in this behalf by the Chairman and the Secretary and the Chairman or Vice-Chairman or the said two members shall sign the contract in token of the fact that the same was sealed in their presence.
2) An instrument to which the common Seal is duly affixed under sub-rule (1) shall be legally binding on the Committee.

28. <u>Submission of draft contracts for approval</u> :

The draft of all contracts to be entered into by the Committee shall be submitted by the Secretary to a Solicitor approved by the Committee for advice as to the correctness of its form.

29. Preparation and submission of annual budget estimates :

1) The Budget Estimates of the Committee for each financial year shall be prepared by the Secretary in such form as the Central Government may from time to time, direct and shall be submitted by the Secretary with his recommendations to the Committee for approval.
2) A copy of the Budget Estimates shall be sent to each member by registered post atleast five clear days before the meeting of the Committee at which these estimates are to be considered.
3) The Committee shall consider and approve the budget estimates with such changes, as it may consider necessary.

30. Sanction of expenditure not to be operative until appropriation of funds :

No sanction of expenditure shall become operative unless there has been an appropriation of funds under these rules to cover the expenditure.

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31. Supplementary estimates :

1) The Committee may cause a supplementary estimate to be prepared if, in respect of any financial year, further expenditure is likely to be incurred.
2) The provisions of Rule 29 shall, so far as it may be applied to such supplementary estimate.

32. Liabilities :

All liabilities incurred by on behalf of the Committee under any judgement, decree or order of court or any contract or otherwise shall be met from the moneys in the fund.

33. Powers of Committee :

1) Subject to the provisions of Rules 29, 30, 36 the Committee may be resolution, sanction any expenditure or enter into any contract involving expenditure from the Fund in the discharge of its functions under the Act.

   Provided that the Committee shall not sanction any expenditure or enter into any contract involving such expenditure in excess of the budget allotments:

   Provided further that the Committee shall not enter any contract involving an expenditure in excess of twenty five lakhs of rupees, or extending over a period of five years without the previous approval of the Central Government.

Provided also that the Central Government may having regard to the need of the occasion, by writing, authorise the Committee to enter into contracts involving expenditure in excess of the sum or contracts exceeding the period specified in the preceeding proviso.

2) The Committee shall have power to write off in any individual case losses upto twenty thousand rupees.
3) The Committee may incur expenditure outside India upto an amount not exceeding fifty thousand rupees on each individual item.
4) The Committee may redesignate after consultation with Central Government any of the sanctioned post or posts to meet its requirements as the work on hand may require from time to time, subject to the condition that such redesignation of posts shall not result in increasing the sanctioned staff strength or incremental expenditure in the pay and allowances.

34. Delegation of powers to Chairman ,Vice-chairman and Secretary:

The Committee may by a resolution, delegate its powers under sub-rule (1) of rule 33 to the Chairman , Vice-Chairman and the Secretary to the extent it considers expedient. *

35. Powers and duties of Secretary :

The Secretary shall work under the general control of the Chairman or in his absence the Vice-Chairman, who may delegate to him such powers and duties as the Committee may consider necessary.

The Secretary shall:

a) Implement all decisions taken by the Committee or any Standing Finance Committee or Ad Hoc Committee;
b) Co-ordinate the work of other officers and establishment of the Committee;
c) convene, under the instructions of the Chairman or the Vice-Chairman meetings of the Committee, Standing Committee or Ad hoc Committee and draw up the agenda for each meeting under the directions of the Chairman or Vice-Chairman and supply the same to the members of the Committee, Standing Committee or Ad Hoc Committee alongwith the notes of the meeting;
d) maintain the Minute Books;
e) Furnish to the Central Government all reports, returns and other documents required to be furnished by or under the Act;
f) Prepare the budget estimates of the Committee;
g) Sanction re-appropriation of grants under such powers as may be delegated by the Committee and within such limits as may be prescribed by the Committee;
h) maintain accounts of receipts and expenditure of the Committee as provided for in sub-section (1) of section 13 of the Act;

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i) sanction tours of officers and staff working under the Committee and necessary advance to them for such tours and countersign all bills relating to pay, travelling allowances, contingencies and the like as may be authorised by the Chairman or the Vice-Chairman.

j) Exercise and perform such other powers and duties as may, from time to time, be delegated to him by the Chairman or the Vice-Chairman.

36. <u>Re-appropriation</u> :

1) If the Committee finds in the course of any financial year that there is likely to be an excess of expenditure over the sanctioned budget estimate under any head, it shall examine the allotment under each head of the budget estimate with the object of discovering probable savings under any other head and effecting a re-appropriation.

2) The Committee shall not sanction re-appropriation from one head of expenditure to another head except with the previous approval of the Central Government.

Provided that the previous approval of the Central Government shall not be necessary in a re-appropriation between the heads :

i) Pay of Officers.
ii) Pay of Establishment.
iii) Travelling and other Allowances and
iv) 'Other charges' relating to Stationary, printing, postage, telephone and rent.

And the Committee may sanction re-appropriation in any of the aforesaid cases.

3) The Committee may sanction re-appropriation between different sub-heads within a head of expenditure.

4) no re-appropriation to meet any expenditure relating to a new service not contemplated in the budget estimates shall be made except with the previous approval of the Central Government.

37. <u>Provident fund for the employees of the committee</u> :

1) The Committee shall establish and maintain a Contributory Provident Fund for the benefit of its employees and require them to subscribe to the fund.

Provided that any employees of the Committee whose services have been lent by the Central Government or a State Government shall continue to be governed by the conditions of service in regard to provident fund which apply to him under the rules governing his service under the Central Government or the State Government, as the case may be.

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2) The Provident Fund shall be administered by an Ad hoc Committee which will act as Trustees of the fund. The Committee shall make regulations regarding the Administration, custody and investments of the fund. Such regulations shall be effective only after they have been sanctioned by the Central Government. The Central Government, in sanctioning these regulations, may amend, vary or rescind any regulation which appears to it to be necessary.

FOOT NOTE:

Principal Rules were published vide notification No.GSR321 dated 27/2/1965 Gazette of India 1965 and subsequently amended by notification No.GSR 459 dated 9/5/1981, GSR514 dated 1/6/1985 Gazette of India, 1985, GSR 21 dated 27/11/1990 Gazette of India 1990 GSR (E) dated 22/1/1996 Gazette of India, GSR 608(E) dated 13/7/2000 Gazette of India. Gazette of India and GSR 25 (E) dated 25.3.2011.

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