

**TO BE PUBLISHED IN PART-I, SECTION-I, OF THE GAZETTE OF INDIA
EXTRAORDINARY, DATED**

GOVERNMENT OF INDIA

MINISTRY OF TEXTILES

New Delhi,

dated 12th November, 99

NOTIFICATION No. 1/128/99 Exports-I

**Subject:- Garments and Knitweares export entitlement
(quota) policy (2000-2004) - in respect of countries
where such exports are covered by restraints under the
provisions of the Agreement on Textiles and Clothing**

1. INTRODUCTION:

Pursuant to provisions contained in Item No.8 of Appendix I, schedule 2 of ITC (HS) classifications of Export and Import published under the Export and Import Policy (1997-2002) in respect of export of readymade garments and knitwear to the USA, Canada and the European Union, the Policy for Allotment of Entitlements (hereinafter referred to as the Allotment Policy) for the years 2000 to 2004 shall be as hereinafter detailed.

2. ADMINISTRATION:

- i. Unless otherwise directed, the Director General, Apparel Export Promotion Council, New Delhi (DG, AEPC) shall allocate export entitlements. The DG, AEPC shall also do the necessary certification for exports of all readymade garments and knitwear covered in this Notification. DG, AEPC shall also function as 'Quota Administering Authority' as mentioned elsewhere in this Notification.
- ii. For the purpose of this Notification, the DG, AEPC shall mean and include such other officials of the AEPC to whom the DG, AEPC

- expressly or otherwise delegates a part or whole of the necessary functions and responsibilities.
- iii. The DG, AEPC, notwithstanding any delegations effected by him, shall be accountable to the Ministry of Textiles for implementation of the Allotment Policy.
 - iv. The Ministry of Textiles shall be the final authority regarding interpretation of any of the provisions of this notification. The Ministry of Textiles may also issue such guidelines as it deems fit from time to time regarding agencies of administration, their functions and responsibilities and may reallocate a part or whole of the functions and responsibilities to such authorities as it deems fit.
 - v. Export entitlements will be allotted only to exporters registered with the competent registering authorities as per the Export-Import Policy prevailing from time to time

1. **BASE YEAR**

The phrase "Base Year" for an allotment year, wherever appearing in this Notification, shall mean the calendar year preceding the year immediately before that allotment year. For example, for the allotment year 2000, the base year shall be 1998.

2. **SYSTEMS OF ALLOTMENT**

- i. Quantities for export in each allotment year shall be allocated under the following systems at rates indicated against each of them:

System of Allotment Percentage of Annual Level

Past Performance Entitlement (PPE) System 70%

(Out of which HVE) (5%)

New Investors Entitlement (NIE) System 15%

Non Quota Entitlement (NQE) System 5%

First Come First Served (FCFS) Entitlement System 10%

- ii. Quantities that become available from time to time on account of surrenders, flexibilities or otherwise shall also be allocated under the First Come First Served (FCFS) System.
- iii. The Ministry of Textiles reserves the right to allocate entitlements in variation with the above, in case it is considered so desirable, in view of changes in the demand pattern and / or other relevant considerations. The Ministry may also reserve quantities for knitwear, woollen products,

children's wear or any other Country/Category. Such reserved quantities will operate in the FCFS system for the products for which they have been reserved, upto 30 September and unallocated balance from the reserved quantities as on 1 October will be made available for applications in the FCFS system, without any reservations for such Countries/Categories.

1. PAST PERFORMANCE ENTITLEMENT (PPE) SYSTEM INCLUDING THE HIGH VALUE ENTITLEMENT (HVE) SYSTEM:

Application and Computation

- i. The quantities earmarked for allotment in this system shall be made available on 1st January and for this purpose, applications shall be invited by the Quota Administering Authority during the previous year.
- ii. The DG, AEPC will compute PPE.
- iii. Available levels will be allotted pro-rata on the value of exports during the base year by the applicants in each country-category. Allotments, however, will be restricted to the average annual export performance of India in the country-category during the base year.

Computation - H.V.E.

(iv) The average unit value realised by all exporters who have applied for PP Entitlement in a particular country-category during the base year would be worked out and exporters who have realised a higher unit value than the average unit value will be allotted additional quantities from the 5% reserved pool (HVE) on the basis of the difference between the unit value realised by an exporter and the average unit value realised in a country-category multiplied by the quantity exported by individual exporters in that country-category. The HVE of the individual exporters will be added to their PPE and will be subject to all the conditions applicable to PPE.

Allotment, Utilisation and Transferability

- (v) The allotment will be in two parts, each consisting of 50% of the allotment. The first part will be valid from the date of allotment till the 31st of May and second part will be valid till the 30th of September.
- i. In the case of allotment valid till the 31st of May, transfers may be allowed till the last date, but the original quota holder or the transferee shall get the certification/endorsement of shipment in respect of the entitlement by the 31st of May. Such certification/endorsement shall be valid for shipment

upto the 20th of June of the quota year. Unutilised quotas (non-certified or non-shipped) shall lapse.

- ii. In case of allotment valid till the 30th of September, transfers may be allowed till 20th September. The original quota holder or transferee may get an extension thereof till the 31st of December on payment of BG/EMD at the rates given below, subject to the condition that the extension sought is for a specific buyer. One time change of buyer can be allowed by DG, AEPC without changing other conditions applicable.

Product Group EMD/BG Amount

Socks/Gloves in USA Rs.2/- per dozen pair

Underwear in Canada Rs.5/- per piece

Group-A in Canada Rs.12/- per Sq. Mtr.

Group-II in USA Rs.12/- per SME

Categories 4,5 & 24 in EU Rs.12/- per piece

Others Rs.20/- per piece

- iii. The applications for such extension should be submitted, complete in all respects, before the expiry of the initial validity of the entitlement or within a grace period of three working days.
- iv. The transferred PPE will be known as PPT.
- v. Shipments against PPT shall be counted as exports by the transferee.
- vi. Transfer of PPT is not allowed.

Electronic Transfer System (ETS)

- vii. PPE transfers will be regulated by the Director General, Apparel Export Promotion Council through an Electronic Transfer Scheme with the help of an on-line computer network in which the Offers of intending transferers will be displayed in the Regional Offices of AEPC, including the quantity and Offer prices and the intending transferees will request for transfers on the basis of displayed offers. The offers and requests would be received during the working hours to be prescribed by DG, AEPC and all such offers and requests so received will be processed together. The requests will be made only against the available Offers. However, in case there is no offer on display for a particular country / category, there will be no restrictions on the quantities to be requested and the request price to be indicated.

- viii. DG, AEPC may take such steps as deemed necessary for facilitating the smooth and effective implementation of ETS after giving due notice to trade and after informing the Ministry of Textiles.

6. NEW INVESTORS ENTITLEMENT (NIE)

Applications and Computation

- i. Allotments under the NIE system would be made only to exporters registered, as manufacturer-exporters and who have invested a minimum amount of Rs.50 lakhs in new machinery either in an existing unit or in a new unit. Such machinery shall meet the eligibility criterion of the Technological Upgradation Fund Scheme currently in force.
- ii. Allotments under this system shall be only for the export of goods manufactured in the modernised and upgraded production unit.
- iii. The allottees shall also submit an affidavit at the time of certification of shipments that the goods being exported have been manufactured in their production units so modernised/upgraded.
- iv. The base period for NIE will be any consecutive period of 12 months starting from the 1st January of the base year and ending with 30th June of the previous year. Thus, for the quota year 2001, any 12 constitute months from out of the 18 months period from 1.1.1999 to 30.6.2000 will constitute the base period.
- v. Applications for NIE will be received upto 30th September of the previous year by the Quota Administering Authority. An application under this system shall be accompanied by a demand draft of Rs. 500/- drawn in favour of the Quota Administering Authority and payable at New Delhi. The other terms and conditions of the application will be determined by the Textile Commissioner in consultation with the Quota Administering Authority and after seeking the prior approval of the Ministry of Textiles.
- vi. Available quantities under the NIE will be distributed by the Quota Administering Authority on the basis of the production capacity of eligible applicants.
- vii. Allocation to individual applicants will be distributed pro-rata among all eligible applicants on the basis of eligible investment.
- viii. During the year 2000, NIE allocation would meet the committed liabilities under NIE pertaining to the previous years and if the liabilities are more, these would be met on a pro-rata basis but would not be carried over. The eligible persons would be required to rank their options from the available categories.

Allotment, Utilisation and Transferability

- ix. NIE shall be allocated in two parts, each consisting of 50% of the allotment. The first part will be valid from the date of allotment till the 31st of May and second part will be valid till the 30th of September.

- x. In case of NIE valid till 31st May, the quota holders will get the certification of shipment in respect of the entitlement by 31st May. The certification will be valid for shipment upto 20th June of the quota year. Unutilised quotas (non-certified or non-shipped) shall lapse.
- xi. In case of NIE valid till 30th September, the quota holders can get the extension till 31st December on payment of BG/EMD at the rates mentioned in 5(vii), subject to the condition that the extension sought is for a specific buyer.
- xii. The applications for such extension should be submitted, complete in all respects, before the expiry of the initial validity of the entitlement or within a grace period of three working days.
- xiii. NIE shall NOT be transferable.

7. NON QUOTA EXPORTERS' ENTITLEMENT (NQE) SYSTEM

Application and Computation

- i. Exporters of garments to non-quota countries and non-quota garments to quota countries shall be eligible for allotment under this system provided the payment is received in free currency, and the exporter has a minimum export performance of Rs. 20 lacs during the base year. Exports of garments to Russia will, however, not be taken into account for NQE allotments.
- ii. The quantities earmarked for allotment in this system shall be made available on 1st January and for this purpose, applications shall be invited by the Quota Administering Authority during the previous year.
- iii. The 'Quota Administering Authority' will compute NQE.
- iv. Entitlements under this system will be calculated and allotted by the Quota Administering Authority on the basis of value of admissible exports during the base year. The exports of quota garments, which are covered under this Allotment Policy, to non-quota countries will, however, be given double weightage for the purpose of determining entitlements. The levels available will be distributed pro-rata on the basis of the value of exports of individual applicants.
- v. An exporter shall be permitted a choice of ten country-category combinations for allotment.

Allotment, Utilisation and Transferability

- vi. All conditions applicable to PPE shall also be applicable to NQE, mutatis-mutandis.
- vii. NQE is transferable (such transferred entitlements hereinafter referred to as NQT) and the conditions of transfer will be the same as in the case of PPE.
- viii. All conditions applicable to PPT shall also be applicable to NQT, mutatis-mutandis.

8. FIRST COME FIRST SERVED (FCFS) SYSTEM:

Release Schedule

- i. Entitlement under the FCFS System shall be opened twice in the year. 50% of the entitlement under FCFS will be released on the 10th of January and the other 50% on the 10th of April.
- ii. In addition to the quantities under this system, those that become available by way of surrenders, flexibilities or otherwise, if any, will be released on 10th April, 10th July and 10th November. While considering any such releases, inter-alia, availability of quantities in different categories will also be taken into account. The quantities to be released on these dates along with the country categories and segments where the releases are made, will be announced by the Quota Administering Authority sufficiently in advance before the schedules release.
- iii. The Ministry of Textiles may decide to release quantities in FCFS system in any dates other than the dates stipulated in (ii) above, as may be found necessary. On receipt of such a decision, the Quota Administering Authority will release such quantities in FCFS system after giving adequate notice to the trade.

Applications

- iv. Quantities shall be allocated against applications and on a day when available quantities are oversubscribed, eligibility shall be decided on the basis of unit value realisation among the applications received on that day.

Validity of allotments

- v. Allotments will be valid for 75 days from the date of such allotment and no extension will be granted.

System of allotment

- vi. Allotments under the FCFS system would be subject to EMD/BG @ 5% of FOB value of the quantity involved.

- vii. The Textile Commissioner may fix the maximum quantity that can be applied for by an applicant for each country-category under this system per day in consultation with the Quota Administering Authority.

Transferability

- viii. FCFS allotments shall NOT be transferable.

9. HANDLOOM GARMENTS:

Special quantities reserved for handloom garments for certain countries would be allotted under the FCFS system.

10. VALIDITY OF CERTIFICATION

- i. Validity of certification on shipping bills in respect of FCFS allotments would be 75 days from the date of allotment unless otherwise specified.
- ii. Validity of PPE/NIE/PPT/NQT will be 75 days from the date of endorsement of the shipping bill or till the expiry of the entitlement certificate, whichever is earlier.
- iii. Notwithstanding anything contained in para 8(v) above, the Textile Commissioner may grant extension of validity period upto three working days in individual cases if he is satisfied that the exporter concerned could not export within the period due to circumstances beyond his control.

11. Slow-moving items

i) An item shall be notified as slow-moving, if, during the base year the utilisation has been less than 75% of the annual level for that year. The Quota Administering Authority shall notify the items that are slow moving, latest by 1st December of the previous year.

- i. Notwithstanding anything else contained in any of the provisions of this Notification, for slow-moving items, EMD/BG would be charged @ 1% of FOB value for shipment under the FCFS system.
- ii. The quantitative ceiling stipulated for the FCFS system vide para 8(vii) above shall not be enforced.
- iii. This relaxation may, however, be withdrawn at any time without any notice.

12. Provisions regarding submission and forfeiture of Earnest Money Deposit/Bank Guarantee/Post Dated Cheque

(A) Submissions

- i. EMD shall ordinarily be furnished by way of Demand Draft, FDR unilaterally encashable by AEPC or Bank Guarantee. However, Legal Undertaking or Post Dated Cheques will also be accepted as EMD in systems other than FCFS, subject to the conditions stipulated below :

Legal Undertaking (LUT)

(ii) An Export House/Trading House/Star Trading House/Super Star Trading House/ Public Sector Undertaking/Manufacturer Exporter who has not been penalised by way of forfeiture order under this Allotment Policy or the previous Allotment Policy (1997-1999) and has entitlements of not less than 25,000 pieces for all country-categories taken together under the PPE, NQE and NIE systems (including PPT, NQT) may submit a Legal Undertaking (LUT) in place of EMD/BG, for extension and revalidation of the entitlements subject to the following conditions :

- a. If the DG, AEPC raises a claim, in terms of the Export Entitlement Distribution Policy, for any forfeiture amounts in respect of entitlements covered by a Legal Undertaking, the exporter concerned who had submitted the Legal Undertaking, would have to remit the amounts so claimed by the DG, AEPC within a period of 90 days from the date of such claim without demur or protest, failing which the exporter shall not be eligible to apply for or obtain any certification of shipping bills, transfer of Entitlements or return of EMD/BGs in any system until the amounts are remitted and the DG, AEPC decides to re0instate these facilities for the exporter.
- b. The DG, AEPC may withdraw the facility of submitting LUT in place of EMD/BG for any exporter who is otherwise eligible for the facility, but has failed to remit any forfeiture amount within the stipulated period of 90 days.
- c. The stipulations relating to release / forfeiture of the LUT would be the same as applicable to the other forms of EMD/BG.

Post Dated Cheques (PDC)

(iii) Post Dated Cheques will be accepted as EMD, in systems other than FCFS, for extension of entitlements subject to the condition that if the cheque is dishonoured on deposit for any reason, the quantities extended against such cheques would be debited to any future entitlements of the concerned exporter and he will not be allotted any further entitlements until the amount covered by the forfeiture is remitted by way of Demand Draft.

- i. The Post Dated Cheques should be dated 1st June of the year following the year of allotment and shall be valid for presentation during a period of 6 months from that date.
- ii. The stipulations relating to release / forfeiture of the Post Dated Cheques would be the same as applicable to the other forms of EMD/BG.

(B) Release/Forfeiture

- iii. The EMD/BG/LUT/Post Dated Cheque of an exporter who exports 90% or more of the entitlement would be released in full. However, in the case of slow moving items, this percentage will be 75% or more.
- iv. The 'Quota Administering Authority' shall forfeit the EMD/BG, in case utilisation is 75% or more but less than 90% in case of fast moving items, and 50% or more but less than 75% in case of slow-moving items, proportionate to the shortfall in utilisation.
- v. If utilisation is less than the above, i.e. 75% in case of fast moving items and 50% in case of slow moving items, the EMD/BG/LUT/Post Dated Cheque shall be forfeited in full.
- vi. For the above purpose, utilisation shall be compiled on the basis of individual entitlements or on the basis of each System separately or on the request of the exporter for his performance in all systems (except FCFS System) clubbed together.
- vii. A show cause notice shall be issued before forfeiture.
- viii. The quota administering authority should despatch the order of forfeiture of BG/EMD/LUT/PDC etc., by registered post with acknowledgement due card or preferably through speed post. Evidence of despatch of an order through the means specified above as also of acknowledgement/receipt thereof or otherwise should be kept on the file concerned.
- ix. The Quota Administering Authority, for ensuring the recovery of the amount of forfeiture may temporarily debar the exporter from obtaining entitlements and participating in the Export Entitlement Distribution Scheme for a specified period.

(C) Public Deposit Account (PDA)

- x. All forfeited EMD/BG/Post Dated Cheques shall be deposited into a Public Deposit Account of the Government in such manner as Government directs from time to time.

13. Guidelines for obtaining release of held-up consignments

- a. When a shipment effected in an unrestrained category is reclassified by the importing country into a restrained category or when a shipment effected in a restrained category is reclassified by the importing country into another restrained category, Export Certificates / Visas will be issued in the reclassified category after the exporter surrenders the quantity involved in the reclassified category. For this purpose, the exporter can surrender the quantity from own entitlements in systems other than FCFS or by obtaining the quantity by transfer. If the case is to be cleared after 20th September, when transfers are not permissible, and an exporter does not have own entitlements to surrender, an undertaking to surrender the requisite quantity by the 31st January from the succeeding year's entitlement (own or transferred) shall be taken from such an exporter. Such an undertaking should be backed by BG/EMD to the extent of 50% of the FOB value of the quantity. Once the quantity is surrendered, the BG/EMD may be released. If the quantity is not surrendered as per the undertaking, the BG/EMD may be forfeited. In such cases, PPE allotments in any country-category to the exporter for the succeeding year may be allotted, only after the requisite quantity is so surrendered.
- b. If unallocated balance is available in the reclassified categories from the quantities released by the Quota Administering Authority in FCFS system, the Export Certificate / visas for the held up consignment will be issued after debiting such balance and the exporter will not be required to surrender any quantity.
- c. The stipulations of (a) and (b) above will also apply to cases where a change of buyer is required for a shipment that had been effected under the FCFS system or under the PPE system after obtaining extension beyond 30th September and to cases where a change of importing country is required.
- d. Where a shipment exported in a restrained category reclassified into another restrained category as above, the entitlement used for sending the shipment from the country may be returned to the exporter, subject to the following conditions :

- i. The exporter returns the Original Export Certificate / Visa to the Quota Administering Authority.
 - ii. The Entitlement Certificate which had been debited at the time of export, remains valid for the concerned quantity when the add-back is requested.
- a. In the case of items exported as handloom garments exempted from restraints or as "India Items", which are reclassified by the importing countries as restrained items, Visas/Export Certificates will be issued by the Quota Administering Authority after obtaining the approval of the Ministry of Textiles.

14. CLEARANCE BY CUSTOMS:

A. PRODUCTION UNDER RESTRAINT INCLUDING ITEMS NOT SUBJECT TO SPECIFIC LIMITS IN THE USA

Shipments will be allowed by the Customs Authorities at the port of shipments after verifying the certification of export entitlement in the original and duplicate of shipping bills for individual consignments, issued by the DG, AEPC.

B. HANDLOOM GARMENTS

For export of all handloom garments, corresponding to restrained items in Canada and special quantities reserved for handloom garments in some of the restrained categories relating to the USA, Shipments will be permitted by the Customs on the basis of an Inspection Endorsement by the Textiles Committee in part 2 of the combination form.

C. GARMENTS FALLING UNDER "INDIA ITEMS" :

In respect of 'India item' which are traditional folklore handicraft textile products of India, shipments will be permitted by the Customs for exports to the EU, the USA and Canada on the basis of an appropriate certificate issued by the office of the Development Commissioner (Handicrafts).

15. Export certificates etc.

Export Certificate, Certificate of Origin and Visa

The following certificates required under the relevant Bilateral Textile Agreements will be issued by the DG, AEPC:-

(i) EU (a) Export Certificates and Certificates of Origin for all garment/knitwear items under restraint.

a. Certificates of Origin for all non-restrained garments/knitwear items.

(ii) Canada Export Certificates for garments that are subject to restraint except for properly marked samples valued at Canadian \$ 500 or less.

(iii) U.S.A. Visa for all garment/knitwear consignments except properly marked samples valued at US \$ 800 or less.

Handloom Certificate

In the case of export of all Handloom Garments, corresponding to restrained items to Canada and all Handloom Garments corresponding to the restrained categories to the EU, the Textiles Committee will issue the certificate as prescribed in the Bilateral Agreements for such products.

16. Appeal against forfeiture of EMD/BG/Post Dated Cheque

- i. Any exporter aggrieved by the order of forfeiture of EMD/BG by the quota administering authority may file an appeal to the 1st appellate authority, i.e., the Textile Commissioner within 45 days of the despatch of the order of the quota administering authority. This appeal shall be made in triplicate, accompanied by a demand draft for Rs. 500/-, drawn in favour of the Textile Commissioner and payable at Mumbai.
- ii. The appellant may make a separate application for stay of the order of the quota administering authority.
- iii. The Textile Commissioner shall decide the issue of stay, as early as possible.
- iv. A decision on the appeal shall also be taken as early as possible, preferably within two months. A reasonable opportunity for personal hearing, if requested by the appellant, shall be given. The final order will be despatched through registered post (with acknowledge due card) or

preferably through speed post and the evidence of despatch thereof by the said means, as also of acknowledgement/receipt thereof or otherwise will be placed on the file concerned.

- v. In the case of appeals which have been filed after the due date, the Textile Commissioner shall first decide as to whether such delay is to be condoned or not. The Textile Commissioner shall pass a speaking order in such cases expeditiously.
- vi. For the above purposes, the Textile Commissioner shall mean and include such other officer (not below the rank of Director) to whom the Textile Commissioner, expressly or otherwise delegates the necessary responsibilities.
- vii. An exporter who is not satisfied with the decision of the Textile Commissioner in the matter of a stay application or an appeal, may prefer an appeal against such decision within 45 days of the despatch of the order of the 1st appellate authority to the 2nd appellate authority for a decision thereon.
- viii. The 2nd appellate committee for these purposes will comprise of the following:

(a) Joint Secretary (Exports), MOT, GOI Chairman

(b) An officer of the Ministry of Law & Justice, GOI Member

(not below the rank of Dy. Secy. to the GOI)

(c) An officer of the DGFT, MOC, GOI Member

(Not below the rank of Dy. Secy to the GOI)

(d) Dy. Secretary/Director (Exports), MOT, GOI Member-Secretary

The quorum of the this committee will consist of its Chairman and 2 members.

- ix. Any appeal before the 2nd appellate authority shall be addressed to its Member-Secretary in a set of five copies and shall be accompanied by a demand draft for Rs. 500/-, drawn in favour of the Ministry of Textiles, GOI and payable at Delhi.
- x. If matter of the appeal also pertains to a stay and is of an urgent nature, the Chairman of the committee may grant the stay by recording reason(s) in writing expeditiously.
- xi. The 2nd appellate authority shall also decide the case at the earliest, preferably within three months.

17. Procedure to deal with Quota malpractices by exporters

- i. A Committee called the Enforcement Committee is constituted with the following composition:-

1. Textile Commissioner, MOT, GOI Chairman
2. DG, AEPC Member
3. An officer of the Ministry of Law & Justice, GOI Member
(not below the rank of Dy. Secy. to the GOI)
4. Chairman AEPC Member

5) An Officer of the Agency concerned Member-Secretary

(To be nominated by Quota Administering

Authority in consultation with the Chairman

of the Enforcement Committee)

- i. The Chairman and two members will constitute the quorum.
- ii. The Enforcement Committee will deal with cases involving the use of any one of the following, in connection with obtaining, extending, utilising or proving the utilisation of quotas:-

a) Any fraudulent activity

b) Any misrepresentation of facts

c) Any falsification of documents or forgery

d) Submission of post-dated cheques for extension of entitlements which are dishonoured on presentation to his bank.

(iv) The Enforcement Committee will also deal with cases relating to exporters who are found to have exported or who have completed the formalities to export any item, which contains any dyes, chemicals, pigments or other material whose handling is specifically banned by the competent authority of the Government.

(v) In cases where the Committee finds the exporters guilty of fraud or other irregularities, which are violative of any of

the above provisions, after examining his explanation and giving a personal hearing, the exporter may be debarred from obtaining entitlements and participating in the Export Entitlement Distribution Scheme for a specified period.

- i. In serious cases, the exporter may be temporarily debarred by the Quota Administering Authority before personal hearing, pending the completion of the procedures and finalisation of a decision by the Committee.
- ii. The Enforcement Appellate Committee with the following composition will hear appeals against the decision of the Enforcement Committee:

i) Joint Secretary (Exports), MOT, GOI Chairman

ii) An officer of the Ministry of Law & Justice, GOI Member

(Not below the rank of Dy. Secretary to the GOI)

- i. An officer of the O/o the DGFT, MOC, GOI Member

(Not below the rank of Dy. Secretary to the GOI)

iv) Dy. Secretary/Director (Exports), MOT, GOI Member-Secretary.

- i. The quorum of the Enforcement Appellate Committee will consist of the Chairman and 2 members. The Chairman of the Enforcement Appellate Committee will, however, have the power to grant stay on the orders passed by the Enforcement Committee, after giving reasons recorded in writing.
- ii. Any appeal filed before the Enforcement Appellate Committee shall be presented in five sets of papers accompanied by a demand draft for Rs. 500/-, drawn in the favour of the Ministry of Textiles, GOI.
- iii. The Enforcement Appellate Committee may review and amend, modify or quash the orders of the Enforcement Committees on appeal from an aggrieved exporter or by initiating the action suo-moto.

18. Supervisory role of the Textile Commissioner

The Textile Commissioner shall exercise general supervision over the matters relating to implementation of this Policy. In case, any deviation is noticed by the Textile Commissioner, it shall be promptly reported to the Ministry of Textiles seeking directions thereon.

19. Coordination Committee

A Coordination Committee consisting of Textile Commissioner, the representatives of EPCs (AEPC, TEXPROCIL SRTEPC and WWEPC) including the Quota Administering Authorities, ED, HEPC, DC(HC) and Dy. Secretary/Director (Exports) will meet under the chairmanship of the Joint Secretary (Exports) once in three months to review the operation of the policy. The Committee will send a report to the Ministry for taking appropriate actions on any changes desired in the Policy.

20. Right of the Government to make ammendment

Government reserves the right to make amendments to and of the foregoing provisions in the public interest, without giving prior notice.

(N.RAMAKRISHNAN)

JOINT SECRETARY TO THE GOVERNMENT OF
INDIA