



Government of India  
MINISTRY OF COMMERCE

**THE EXPORT (QUALITY CONTROL AND  
INSPECTION) ACT, 1963**

( No. 22 of 1963 )

As Amended upto Export (Quality Control and Inspection)  
Amendment Act, 1984

(No. 40 of 1984)

**AND**

**THE EXPORT (QUALITY CONTROL AND  
INSPECTION) RULES, 1964**

(Corrected upto 30<sup>th</sup> September 1986)

**THE EXPORT (QUALITY CONTROL AND INSPECTION)  
ACT, 1963  
( No. 22 of 1963 )  
As Amended upto Export(Quality Control and Inspection) Amendment Act,  
1984  
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**C O N T E N T S**

Section	Page
1. Short title, extent and commencement.	3
2. Definitions	3
3. Establishment of Export Inspection Council	4
4. Director of Inspection and Quality Control	5
5. Functions of the Council	5
6. Powers of the Central Government in regard to quality control and inspection	6
7. Machinery for quality control and inspection	6
8. Powers to recognise or establish marks to denote conformity with standard specifications	7
9. Power to obtain information from exporters etc.	8
10. Finance, Accounts and audit	8
10 A. Power to enter and inspect	9
10 B. Power to search	9
10 C. Power to seize commodities etc.	10
10 D. Power to stop and seize conveyances	11
10 E. Search and seizure to be made in accordance with the code of Criminal Procedure 1973	12
10 F. Confiscation	12
10 G. Confiscation of conveyance	12
10 H. Option to pay fine in lieu of confiscation	13
10 I. Liability to penalty	13
10 J. Confiscation or penalty not to interfere with other punishments	13
10 K. Adjudication	13
10 L. Giving of opportunity to the owner of goods etc.	14
10 M. Appeal	14

Section		Page
10 N.	Powers of revision	15
10 O.	Powers of adjudicating and other authorities	15
10 P.	Continuance of proceedings in the event of death or insolvency	16
11.	Penalty	16
11 A.	Penalty for contravention of order made by adjudicating authority or appellate authority.	17
11 B.	Offences by officers and employees of agency etc.	17
11 C.	Correction of clerical or arithmetical mistakes.	18
12.	Offences by companies	18
13.	Delegation of powers	19
14.	Procedure for prosecution.	19
15.	Officers and employees of agency to be public servants.	19
16.	Protection of action taken in good faith.	19
16 A.	Suspension etc. of operation of the provisions of the Act.	20
17.	Powers to make rules.	20
18.	Act to over-ride other enactments	21
	Date of enforcement of the Act	22
	Date of enforcement of the Amendment Act.	22

**The Export (Quality Control and Inspection)  
ACT, 1963  
( No. 22 of 1963 )**

**(24th August, 1963)**

***An Act to provide for the sound development of the export trade of India through quality control and inspection and for matters connected therewith.***

**Short title, extent and commencement** *BE it enacted by Parliament in the Fourteenth Year of the Republic of India as follows:-*

1. (1) This Act may be called the Export (Quality Control and Inspection) Act, 1963.
- (2) It extends to the whole of India.
- (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

**Definitions**

**2. In this Act, unless the context otherwise requires -**

- (a) "adjudicating authority", means the authority specified in, or under, section 10K;
- (ab) "Appellate authority", means the Appellate authority referred to in section 10 M ]
- (ac) "Council", means the Export Inspection Council established under section 3;
- (b) "export", with its grammatical variations and cognate expressions, means taking out of India to be a place outside India;
- (c) "Inspection" in relation to a commodity, means the process of determining whether a hatch of goods in that commodity complies with the standard specifications applicable to it or any other specifications stipulated in the export contract generally by inspecting either the whole batch or a selected sample or samples which purport to represent the whole batch;
- (d) "notified commodity", means any commodity notified under clause (a) of section 6;

- (e) "prescribed", means prescribed by rules made under this Act;
- (f) "quality control", means any activity having for its object the determination of the quality of a commodity (whether during the process of manufacture or production or subsequently) in order to ascertain whether it satisfies the standard specifications applicable to it or any other specifications stipulated in the export contract and whether it may be accepted for purposes of export.

### **Establishment of Export Inspection Council**

3. (1) The Central Government may, by notification in the Official Gazette, establish with effect from such date as may be specified in the notification a Council to be known as the Export Inspection Council which shall consist of-

- (a) Chairman to be appointed by the Central Government;
  - (b) the Director of Inspection and Quality Control, ex officio, who shall be the Secretary;
  - (c) the Honorary Adviser on Standardization to the Government of India and Director of Indian Standards Institution, ex officio,
  - (d) the Agricultural Marketing Adviser to the Government of India ex officio;
  - (e) the Director-General of Commercial Intelligence and Statistics. ex officio'
  - (f) (fifteen] other members nominated by the Central Government three of whom shall be persons representing the agencies referred to in section 7.
- (2) The Council shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power to acquire, hold and dispose of property and to contract, and shall by the said name sue and be sued.
- (3) The term of office of, and the manner of filling casual vacancies among the members of the Council referred to in clauses (a) and (f) of subsection (1) and the travelling and daily allowances payable to the members of the Council and the procedure to be followed in the discharge of its functions by the Council shall be such as may be prescribed.

- (4) No act or proceeding of the Council shall be invalidated merely by reason of any vacancy in, or any defect in the constitution of the Council.
- (5) Subject to such rules as may be made by the Central Government in this behalf, the Council may appoint such officers and other employees as it considers necessary for the purpose of discharging its functions under this Act.

#### **4. Director of Inspection and Quality Control**

The Central Government shall appoint a Director of Inspection and Quality Control to exercise such powers and perform such duties under this Act as may be prescribed.

#### **5. Functions of the Council**

- (1) The functions of the Council shall generally be to advise the Central Government regarding measures for the enforcement of quality control and inspection in relation to commodities intended for export and to draw up programmers therefore, to make, with the concurrence of the Central Government, grants-in-aid to the agencies established or recognised under section 7 and to perform such other functions as may be assigned to it by or under this Act.
- (2) For the purpose of performing its functions, the Council may co-opt as members such number of persons as it thinks fit who have special knowledge and practical experience in matters relating to any commodity or trade therein and any such person shall have the right to take part in the discussions of the Council but shall not have the right to vote and shall not be a member for any other purpose.
- (3) The Council may also constitute specialist committees for conducting investigations on special problems connected with its functions.
- (4) In the performance of its functions under this Act, the Council shall be bounded by such directions as the Central Government may give to it in writing from time to time.

#### **6. Powers of the Central Government in regard to quality control and inspection**

If the Central Government, after consulting the Council, is of opinion that it is necessary or expedient so to do for the development of the export trade of India, it may, by order published in the Official Gazette

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- (a) Notify commodities which shall be subject to quality control or inspection or both prior to export;
- (b) Specify the type of quality control or inspection which will be applied to a notified commodity;
- (c) Establish, adopt or recognise one or more standard specifications for a notified commodity;
- (d) Prohibit the export in the course of international trade of a notified commodity unless it is accompanied by a certificate issued under section 7 that the commodity satisfies the conditions relating to quality control or inspection, or it has affixed or applied to it a mark or seal recognised by the Central Government as indicating that it conforms to the standard specifications applicable to it under clause (c).

## **7. Machinery for quality control and inspection**

- (1) The Central Government may, by notification in the Official Gazette, establish, or recognise subject to such conditions as it may deem fit, agencies for quality control or inspection or both; Provided that if the Central Government is of opinion that any recognition granted to any agency under the sub-section should, in the public interest, be withdrawn, the Central Government may, after giving a reasonable opportunity to that agency to make representation in the matter, withdraw by like notification, the recognition granted to it.
- (2) Any agency referred to in sub-section f1), may, on application made to it or otherwise, hold or cause to be held such examination as it thinks fit relating to quality control or inspection of notified commodities either at the time of export or earlier, in such testing houses or by such surveyors or samplers as are approved by the Central Government in this behalf and may charge such fees as may be prescribed for the purpose of such examination.
- (3) If, after the examination, the agency is of opinion that the commodity satisfies the standard specifications laid down in respect of it under section 6 or, as the case may be, any other specifications stipulated in the export contract, it may issue a certificate that the commodity satisfies the conditions relating to quality control and inspection.
- 3A) [ W Where the agency has reason to believe that a certificate issued under sub-section (3) has been obtained fraudulently or by misrepresentation, or the commodity in relation to which the certificate is issued has been changed or has deteriorated in quality, the agency may, by order, amend, suspend or cancel the

certificate in such manner and subject to such procedure as may be prescribed. Provided that before amending, suspending or cancelling any such certificate the holder thereof shall be given a reasonable opportunity of being heard ]

- (4) Any person aggrieved by the refusal of any agency referred to in subsection (1) to issue a certificate <sup>5^o?</sup> by the amendment, suspension or cancellation of a certificate under sub-section.3A may prefer an appeal within such time as may be prescribed to such authority as the Central Government may, by notification in the Official Gazette, constitute for the purpose of hearing appeals.
- (5) Subject to the provisions of sub-section (6). the decision of the agency where no appeal is filed, and the decision of the appellate authority where an appeal is filed, shall be final and shall not be questioned in any court of law.
- (6) The Central Government may, at any time, call for and examine the record of any proceeding relating to any decision of an agency or appellate authority under this section for the purpose of satisfying itself as to the legality or propriety of such decision and may pass such order thereon as it thinks fit.

**8. Powers to recognize or establish marks to denote conformity with standard specifications**

- (1) The Central Government may, by notification in the Official Gazette, recognise or establish any mark or seal in relation to a notified commodity for the purpose of denoting that such commodity conforms to a standard specification applicable to it.
- (2) Any such mark or seal affixed or applied to a notified commodity or to any covering containing, or label attached to, such commodity being in conformity with the standard specifications applicable to it under this Act:

Provided that nothing in this sub-section shall prevent any officer or customs from examining any consignment of a notified commodity intended for export if he has reason to believe that the seal or mark is not genuine or has been affixed or applied fraudulently or if such an examination is necessary for the purpose of any other law for the time being in force.

**9. Power to obtain information from exporters etc.**

The Central Government or any officer or authority authorised by it in this behalf may, by notice published in the Official Gazette, require-

- (i) persons manufacturing, dealing in or exporting notified commodities; and
- (ii) such other persons as may be prescribed, to furnish any information, return or report which the Central Government or such officer or authority may consider necessary for carrying out the purposes of this Act.

**10. Finance, Accounts and audit**

- (1) For the purpose of enabling the Council to discharge its functions under this Act, the Central Government may, after the due appropriation made by Parliament or law in this behalf, pay to the Council such sums of money as that Government considers necessary by way of grants, loans or otherwise.
- (2) For the purpose of discharging its functions under this Act, the Council may receive grants or donations from bodies and institutions approved by the Central Government in this behalf.
- (3) The Council shall have its own fund to which shall be credited the sums of money referred to in sub-section (1) and (2) and the moneys in the fund shall be applied for-
  - (a) meeting the pay and allowances of the officers and other employees of the Council and other administrative expenses of the Council;
  - (b) carrying out the functions of the Council under this Act.
- 4.
- (4) The Council shall prepare, before the commencement of each financial year, a statement of programme of its activities during that year as well as a financial estimate in respect thereof.
- (5) A statement prepared under sub-section f4) shall, not later than three months before the commencement of each financial year, be submitted for approval to the Central Government.

- (6) The Council shall maintain such accounts and prepare the balance-sheet in such form as may, in consultation with the Comptroller and Auditor-General of India, be prescribed.
- (7) The accounts of the Council shall be audited in such manner and at such times as may, in consultation with the Comptroller and Auditor-General of India, be prescribed.

#### **10.A. Power to enter and inspect**

The Director of Inspection and Quality Control or any officer of the Central Government authorised by him in writing in this behalf (hereinafter referred to as the "authorised officer") may enter at any reasonable time, any premises in which -

- (a) Any commodity which has been changed after inspection by any agency referred to in sub-section (1) of section 7; or
- (b) Any books of account or other documents or things which, in his opinion, will be useful for, or relevant to, any proceeding under this Act, are suspected to have been kept or concealed, and inspect such commodity, books of account, other documents or things and may take such notes or extracts from such books of accounts or other documents as he may think fit.

#### **10.B. Power to search**

If the authorised officer has any reason to believe that-

- (a) any commodity which has been changed after inspection by any agency referred to in sub-section (1) of section 7; or
- (b) any books of account or other documents or things which, in his Opinion, will be useful for, or relevant to, any proceeding under this Act, are secreted in any place, he may enter into and search such place or premises for such commodity, books of account, other documents or things.

#### **10.C. Power to seize commodities etc.**

- (1) If the authorised officer has any reason to believe that any Commodity is liable to confiscation under this Act, he may seize such commodity together with the package, covering or receptacle, if any, in which such commodity is found and where such commodity is found to have been mixed with any other goods or materials, he may seize such commodity together with the goods or materials with which it is so

mixed :Provided that where it is not practicable to seize any such commodity, the authorised officer may serve on the owner of the commodity an order that he shall not remove, part with, or otherwise deal with, the commodity except with the previous permission of such authorised officer.

- (2) Where any commodity is seized under sub-section (1) and no notice in respect thereof is given under section 10L within six months of the seizure of such commodity, it shall be returned to the person from whose possession it was seized; Provided that the aforesaid period of six months may, on sufficient cause being shown, be extended by the Director of Inspection and Quality Control by a further period not exceeding six months.
- (3) The authorised officer may seize any documents or things which, in his opinion, will be useful for, or relevant to, any proceeding under this Act.
- (4) The person from whose custody any documents are seized under subsection
- (5) shall be entitled to make copies thereof or take extracts therefrom in the presence of the authorised officer. 5.If any person legally entitled to the documents or things seized under sub-section (3) objects, for any reason, to the retention by the authorised officer of the documents or things, he may make an application to the Central Government stating therein the reasons for such objection and requesting for the return of the documents or things. 6. On receipt of an application under sub-section (5). the Central Government may, after giving the applicant an opportunity of being heard, pass such order as it may think fit. 7. Where any document - a. is produced or furnished by any person or has been seized from the custody or control of any person under this Act or any other law for the time being in force; or b. has been received from any place outside India (duly authenticated by such authority or person and in such manner as may be prescribed) in the course of the investigation of any offence alleged to have been committed by any person against this Act, and such document is tendered in evidence against the person by whom it is produced or from whom it was seized or against such person and any other person who is jointly tried, or proceeded against, with him, the court, or, as the case may be, the adjudicating authority shall, notwithstanding anything to the contrary contained in any other law for the time being in force,- iii. presume, unless the contrary is proved, that the signature and every other part of such document which purports to be in the handwriting of any particular person or which the court or

the adjudicating authority may reasonably assume to have been signed by, or to be in handwriting of, any particular person, is under the person's handwriting, and, in the case of a document executed or attested, it has executed or attested by the person by whom it purports to have been so executed or attested; iv. admit the document in evidence notwithstanding that it is not duly stamped, if such document is otherwise admissible in evidence.

**10. D. Power to stop and seize conveyances**

Any authorised officer may, if he has any reason to suspect that any conveyance or animal is being, or is about to be, used for the transportation of any commodity which is liable to confiscation under this Act and that by such transportation any provision of this Act has been, is being, or is about to be, contravened, at any time, stop such conveyance or animal or, in the case of an aircraft, compel it to land, and

- (a) rummage and search the conveyance or any part thereof,
- (b) examine and search any goods or materials in the conveyance or on the animal,
- (c) if it becomes necessary to stop any conveyance or animal, he may use all lawful means for stopping it and where such means fail, the conveyance or animal may be fired upon,

and where he is satisfied that it is necessary so to do to prevent the contravention of any provision of this Act, he may seize such conveyance or animal.

**Explanation** - Any reference in this section to a conveyance shall, unless the context otherwise requires, be construed as including -a reference to an aircraft, vehicle or vessel.

**10. E. Search and seizure to be made in accordance with the code of Criminal Procedure 1973**

The provisions of the Code of Criminal Procedure, 1973, relating to searches and seizures shall so far as may be, apply to every search of seizure made under this Act.

**10.F. Confiscation**

Any commodity in respect of which -

- (a) certificate has been obtained from any agency referred to in sub section (1) of section (7) fraudulently or by misrepresentation, or
- (b) any provision of this Act has been, is being, or is attempted to be contravened,

shall, together, with any package, covering or receptacle in which such commodity is found, be liable to confiscation and, where such commodity is so mixed with any other goods or materials that it cannot be readily separated, such other goods or materials shall also be liable to confiscation:

Provided that where it is established to the satisfaction of the adjudicating authority that any commodity, which is liable to confiscation under this Act, belongs to a person other than the person who has. By any act or omission, rendered it liable to confiscation, and such act or omission was without the knowledge or connivance of the person to whom it belongs, such commodity shall not be ordered to be confiscated; but such other action as is authorised by this Act may be taken against the person who has, by such act or omission, rendered such commodity liable to confiscation.

**10.G. Confiscation of conveyance**

Any conveyance or animal which has been, is being, or is attempted to be, used for the transport of any commodity which is liable to confiscation under this Act, shall be liable to confiscation unless the owner of the conveyance or animal proves that it was, is being, or is about to be, so used without the knowledge or connivance of the owner himself, his agent, if any, and the person in charge of the conveyance or animal and that each of them had taken all reasonable precautions against such use;

Provided that in the case of a conveyance or animal used for the transport of goods or passengers for hire the owner of the conveyance or animal shall be given an option to pay, in lieu of confiscation of the conveyance or animal, a fine not exceeding the value of the commodity which has been, is being, or is attempted to be, transported by such conveyance or animal.

#### **10. H. Option to pay fine in lieu of confiscation**

Whenever confiscation of any commodity is authorised by this Act, the officer adjudging it shall, without prejudice to the provisions of the proviso to section 10G, give to the owner of the commodity an option to pay in lieu of confiscation such fine not exceeding the value of the commodity.

#### **10. I. Liability to penalty .**

Any person, -

- (a) who, in relation of any commodity, does or omits to do any act which act or omission would render such commodity liable to confiscation under this Act, or abets the doing or omission of such an act; or
- (b) who acquires possession of or is in any way concerned in carrying, removing, depositing, keeping, concealing, selling or purchasing, or in any manner dealing with, any commodity which he knows or has reason to believe is liable to confiscation under this Act,

shall be liable to a penalty not exceeding five times the value of the commodity or five thousand rupees, whichever is more, whether or not such commodity has been confiscated or is available for confiscation.

#### **10.J. Confiscation or penalty not to interfere with other punishments**

No confiscation made or penalty imposed under the foregoing provisions of this Act shall prevent the infliction of any other punishment to which the person affected thereby is liable under the provisions of this Act or under any law for the time being in force.

#### **10.K. Adjudication**

Any confiscation may be adjudged or penalty may be imposed under this Act by the Director of Inspection and Quality Control, or where he so directs, by a general or special order, by any officer subordinate to him.

**10.L. Giving of opportunity to the owner of goods etc.**

No order of adjudication of confiscation or imposing a penalty shall be made unless the owner of the commodity, conveyance or animal or other person concerned, is given a notice in writing -

- (a) informing him of the grounds on which it is proposed to confiscate such commodity, conveyance or animal or to impose a penalty;
- (b) giving him reasonable opportunity of making a representation in writing within such reasonable time as may be specified in the notice against the confiscation or imposition of penalty mentioned therein, and, if he so desires, of being heard in the matter.

**10.M. Appeal (1)** Any person aggrieved by any decision or order made under this Act may prefer an appeal, -

- (a) where the decision or order has been made by the Director of Inspection and Quality Control, to the Central Government;
- (b) where the decision or order has been made by any officer subordinate to the Director of Inspection and Quality Control, to the Director of Inspection and Quality Control,

within a period of forty-five days from the date on which the decision or order is served on such person;

Provided that the Appellate authority may, if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal within the aforesaid period of forty-five days, allow such appeal to be preferred! within a further period of forty-five days:

Provided further that in the case of an appeal against an order imposing a| penalty, no such appeal shall be entertained unless the amount of the penalty| has been deposited by the appellant;

Provided also that where the Appellate authority is of the opinion that the deposit to be made will cause undue hardship to the appellant, it may, at its discretion, dispense with such deposit either unconditionally or subject to such conditions as it may impose.

**2.** The Appellate authority may, after giving to the appellant reasonable opportunity of being heard, if he so desires, and after making such further! inquiries, if any, as it may consider necessary, pass such orders as it think fit, confirming, modifying or reversing the decision or order appealed against, or may send

back the case, with such directions as it may think fit, for a fresh adjudication or decision, as the case may be after taking additional evidence, if necessary :

Provided that an order enhancing or imposing a penalty or confiscating commodity of a greater value shall not be made under this section unless the appellant has had an opportunity of making a representation and, if he so desires, of being heard, in his defence.

#### **10.N. Powers of revision**

The Central Government may, on its own motion or otherwise, call for and examine the records of any proceeding in which an order of adjudication of confiscation or imposing any penalty has been made by an officer under this Act and against which no appeal has been preferred, for the purpose of satisfying itself as to the correctness, legality or propriety of such order or decision and pass such orders thereon as it may think fit:

Provided that no decision or order shall be varied under this section so as to prejudicially affect any person unless such person –

- (a) has, within a period of two years from the date of such decision or order, received a notice to show cause why such decision or order shall not be varied, and
- (b) has been given a reasonable opportunity of making a representation and, if he so desires, of being heard in his defense.

#### **10.O. Powers of adjudicating and other authorities**

(1) Every authority making any adjudication or hearing any appeal or exercising any powers of revision under this Act shall have all the powers of a civil court under the Code of Civil Procedure, 1908, while trying a suit, in respect of the following matters, namely: -

- (a) summoning and enforcing the attendance of witnesses;
- (b) requiring the discovery and production of any document;
- (c) requisitioning any public record or copy thereof from any court or office;
- (d) receiving evidence on affidavits; and

(e) issuing commissions for the examination of witnesses or documents.

2. Every authority making any adjudication or hearing any appeal or exercising any powers of revision under this Act shall be deemed to be a Civil Court for the purposes of sections 345 and 346 of the Code of Criminal Procedure, 1973.

3. Every authority making any adjudication or hearing any appeal or exercising any powers of revision under this Act shall have the power to make such orders of an interim nature as it may think fit and may also, for sufficient cause, order the stay of operation of any decision or order.

**10.P. Continuance of proceedings in the event of death or insolvency.**

(1) Where a penalty has been imposed by the adjudicating authority and –

(a) no appeal against the order imposing such penalty has been preferred to the Appellate authority and the person entitled to file such appeal dies or is adjudicated an insolvent before the expiry of the period within which the appeal can be preferred; or

(b) an appeal has been preferred to the Appellate authority against the order imposing such penalty but the appellant dies or is adjudicated an insolvent during the pendency of the appeal,

then, it shall be lawful for the legal representatives, of such person or the Official Assignee or the Official Receiver, as the case may be, to prefer an appeal to the Appellate authority or, as the case may be, to continue the appeal before the Appellate authority, in place of such person and the provisions of section 10? shall, so far as may be, apply or continue to apply to such appeal.

(2) The powers of the Official Assignee or the Official Receiver under subsection (1) shall be exercised by him subject to the provisions of the Presidency-towns Insolvency Act, 1909, or the Provincial Insolvency Act, 1920, as the case may be.

**11. Penalty**

(1) If any person contravenes any order under clause (d) of section 6, or fraudulently obtains a certificate under section 7, or fraudulently affixes or applies any such mark or seal as is referred to in sub-section (1) of section 8, he shall, on conviction, be punishable-

(i) for the first offence, with imprisonment for a term which may extend to two years or with fine which may extend to five thousand rupees or with both;

(ii) for the second or subsequent offence, with imprisonment for a term which may extend to (three years 7 and also within which may extend to five thousand rupees and in the absence of special and adequate reasons to be mentioned in the judgment of the court, such imprisonment shall not be less than three months.

(2) Any person who attempts to commit or abets the commission of an offence punishable under sub-section (1) shall be deemed to have committed such offence.

(3) If any person contravenes or attempts to contravene or abets the contravention of any other provision of this Act or any rules or orders made there-under, he shall be punishable with fine which may extend to one thousand rupees.

**11. A. Penalty for contravention of order made by adjudicating authority or appellate authority.**

If any person fails to pay the penalty imposed by the adjudicating or the Appellate authority or fails to comply with any direction or order made, or deemed to have been made, under this Act, he shall, on conviction, be punishable with imprisonment for a term which may extend to two years or with fine or with both.

**11. B. Offences by officers and employees of agency etc.**

(1) If any officer or employee of the Council or of any agency referred to in sub-section (1) of section 7, or any surveyor, sampler or employee of any testing house, referred to in sub-section (2) of that section enters into, or acquiesces in, any agreement to do, abstains from doing, permits, conceals or connives at, any act or thing where-by any provision of this Act is or may be contravened, he shall, on conviction, be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to five thousand rupees, or with both.

(2) If any officer searches or authorises any other officer of the Central Government to search any place without having reason to believe that any commodity, books of account or documents or things of the nature referred to in section 10B are secreted in that place, he shall, on conviction, be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

(3) If any officer or employee of the Council or of any agency referred to in sub-section (1) of section 7, or any surveyor, sampler or employee of an/testing house, referred to in sub-section (2) of that section, except in the discharge in good faith of his duty as such officer or employee or in compliance with any requisition made under any law for the time being in force, discloses any particulars learnt by him in his official capacity in respect of any commodity, he shall, on conviction, be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

#### **11.C. Correction of clerical or arithmetical mistakes**

Clerical or arithmetical mistakes in any decision or order, or errors, arising therein from any accidental slip or omission may, at any time, be corrected by the authority by which the decision or order was made either on its own motion or on the application of the aggrieved person:

Provided that where any correction proposed to be made under this section will have the effect of prejudicially affecting any person, no such correction shall be made except after giving to that person a reasonable opportunity of making a representation in the matter and no such correction shall be made after the expiry of a period of two years from the date on which such decision or order was made

#### **12. Offences by companies**

(1) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Provided that nothing contained in this sub-section shall render and such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of or is attributable to any negligence on the part of, any director, manager, secretary or other officer of the company, such directors, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation - For the purposes of this section –

(a) "company" means a body corporate and includes a firm or other association of individuals; and

(b) "director" in relation to a firm means a partner in the firm.

### **13. Delegation of powers**

The Central Government may, by notification in the Official Gazette, direct that any power exercisable by it under this Act shall, in relation to such matters subject to such conditions, if any, as may, be specified in the direction, be exercisable also by-

(a) the Council;

(b) such officer or authority subordinate to the Central Government, such State Governments or such officer or authority subordinate to a State Government as may be specified in the direction.

### **14. Procedure for prosecution**

No prosecution for an offence punishable under this Act shall be instituted except by or with the consent of an officer authorised by the Central Government by general or special order in this behalf.

### **15. Officers and employees of agency to be public servants**

All officers and employees of the Council or any agency established or recognised under sub-section (1) of section 7 and all surveyors, samplers and employees of testing houses, referred to in sub-section (2) of that section shall, while acting or purporting to act in pursuance of the provisions of this Act or any rule or order made thereunder, be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

### **16. Protection of action taken in good faith**

(1) No suit, prosecution or other legal proceeding shall lie against the Council or any officer or employee of the Government or the Council or any agency referred to in sub-section (1) of section 7 for anything which is in good faith done or intended to be done in pursuance of this Act or any rule or order made thereunder.

(2) No suit or other legal proceeding shall lie against the Government for any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act or any rule or order made thereunder.

## **16.A. Suspension etc. of operation of the provisions of the Act**

(1) If the Central Government is satisfied that circumstances exist which render it necessary or expedient so to do in the public interest, it may, by notification in the Official Gazette, suspend or relax to a specified extent, the operation of all or any of the provisions of this Act in respect of such notified commodity or commodities generally or in respect of any area and for such notified commodity or commodities generally or in respect of any area and for such period as may be specified in the notification.

(2) Where the operation of any provision of this Act has, under subsection (1), been suspended or relaxed, such suspension or relaxation may, at any time be removed by the Central Government by a like notification.

(3) Every notification issued under this section shall be laid as soon as may be after it is issued before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the notification or both Houses agree that the notification should not be issued, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that notification.

## **17. Powers to make rules**

(1) The Central Government may, by notification in the Official Gazette, make rule to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for-

(a) the traveling and daily allowances payable to members of the Council, persons co-opted under sub-section (2) of section 5 and members of specialist committees referred to in sub-section (3) of that section;

(b) the functions of the Council and the procedure to be followed by it;

(c) the appointment of officers and other employees of the Council;

(d) the procedure to be followed for various types of quality control and inspection;

- (e) the conditions which a testing house, surveyor or samples should satisfy for purposes of approval by the Central Government;
- (f) The fees chargeable for the purposes of examination and issue of certificates under section 7;
- (ff) the manner in which and the procedure subject to which, any certificate issued under sub-section (3) of section 7 shall be amended suspended or cancelled.
- (g) the filing of appeals under section 7 and the fees payable therefor;
- (gg) the authority or person by which or by whom, and the manner in which, any document received from a place outside India shall be authenticated;
- (h) the manner in which the accounts of the Council shall be maintained and audited;
- (i) any other matter which is required to be, or may be prescribed.

3. Every rule made by the Central Government under this section shall be laid as soon as may be after it is made before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session [immediately following the session] or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

## **18. Act to over-ride other enactments**

As from the date on which a commodity is notified under clause (a) of section 6, the provisions of this Act or anything done or any action taken thereunder shall have effect in relation to that commodity notwithstanding any provisions (relating to quality control and inspection prior to the export of such commodity) contained in an enactment other than this Act or in any instrument having effect by virtue of any enactment other than this Act.

Date of enforcement of the Act

MINISTRY OF INTERNATIONAL TRADE  
New Delhi, the 30th December. 1363.

SO. 3604 - In exercise of the powers conferred by sub-section (3) of section 1 of the Export (Quality Control and inspection) Act, 1963 (22 of 1963), the Central Government hereby appoints the First day of January 1964 as the date on which the said Act shall come into force.

[No. 30 (4) Ex. Insp./63]

Date of enforcement of the Amendment Act

MINISTRY OF COMMERCE  
New Delhi, the 2nd July, 1984.

S.O. 594 (E) - In exercise of the powers conferred by sub-section (3) of section 1 of the Export (Quality Control and Inspection) Amendment Act, 1984 (40 of 1984), the Central Government hereby appoints the 2nd day of July, 1984, as the date on which the said Act shall come into force.

[F.NO2(27)/77-EI&EP]

**The Export (Quality Control and Inspection)  
RULES, 1964**

**(Corrected upto 30 September, 1986 )**

**C O N T E N T S**

	Rule	Page
1.	Short title and commencement.	24
2.	Definitions	24
3.	Term of Office	24
4.	Casual vacancies	25
5.	Functions of the Council	25
6.	Creation of posts and appointment of officers	25
7.	Authentication of orders and other instruments of the Council	25
7A.	Authority of authentication and the manner of authentication of documents	25
8.	Proceedings of the Council	26
9.	Travelling and daily allowances	26
10.	Specialist Committees	26
11.	Procedure for quality control and inspection	27
11A.	Procedure for Amendment, suspension or Cancellation of the Certificate	28
12.	Agency for quality control or inspection or both	29
13.	Approval of testing houses, surveyors and samplers	30
14.	Fund of the Council and deposit of such fund	31
14A.	Powers and duties of the Director (including as Ex-officio Secretary of the Council)	31
14B.	Re-examination of the goods certified by the Agencies recognised under Sub-section (1) of Section 7 of the Act.	31
15.	Preparation of budget estimates, etc.	31
16.	Audit of Accounts	31
17.	Laying of Annual Reports and Audited Accounts	32
	Form No.I (See rule 13 (1))	33
	Form No.II (See rule 13 (6))	35
	Form No.III (See rule 16 (1))	36
	Form No.IV (See rule 16 (1))	39

**The Export (Quality Control and Inspection) Rules, 1964  
(Corrected upto 30<sup>th</sup> September 1986)**

**NOTIFICATION**

**S.O. 3317.** - In exercise of the powers conferred by section 17 of the Export (Quality Control and Inspection) Act, 1963 (22 of 1963), the Central Government hereby makes the following rules, namely:-

- (1) **Short title and commencement.** (1) These rules may be called the Export (Quality Control and Inspection) Rules, 1964.
- (2) They shall come into force on 1st October, 1964.

**2. Definitions.** - In these rules, unless the context otherwise requires,-

- (a) "Act" means the Export (Quality Control and Inspection) Act, 1963 (22 of 1963);
- (aa) "Additional Director" means the Additional Director of the Council or Agency;
- (b) "Agency" means any agency for quality control or inspection or both, established or recognised under section 7;
- (bb) "Certificate" means certificate issued under sub-section (3) of section 7 of the Act stating that the commodity conforms to the condition relating to Quality Control and Inspection;
- (c) "Chairman" means the Chairman of the Council;
- (d) "Council" means the Export Inspection Council established under section 3;
- (e) "Council Member" means a member of the Council;
- (f) "Committee Member" means a member of any specialist committee;
- (g) "Director" means the Director of Inspection and Quality Control appointed under section 4;
- (h) "Form" means a form set forth in these rules;
- (hh) "Joint Director" means the Joint Director of the Council or Agency;
- (i) "Member" means a member of the Council;
- (j) "Section" means a section of the Act;

- (k) "Specialist Committee" means a specialist committee constituted by the Council under sub-section (3) of section 5;

**3. Term of office. -** (1) The Chairman and the members nominated under clause (f) of subsection (1) of section 3 shall hold office for a period of [(Two years)]

(2) The membership of any person who becomes a member of the Council by virtue of an office held by him shall terminate when he ceases to hold that office and the vacancy so caused shall be filled by his successor holding that office.

(3) The Chairman and the members nominated under clause (f) of subsection (1) of sections shall be eligible for re-appointment or re-nomination, as the case may be, on the expiry of his or their term of office.

(4) The Chairman or any member nominated under clause (f) sub-section 3 may resign his office by writing under his own hand addressed to the Central Government and such resignation shall be effective from the date on which it is accepted by the Central Government or on the expiry of period of one month from the date of its receipt by the Central Government, whichever is earlier.

(5) A member nominated or appointed shall cease to be such member if he dies, resigns, becomes of unsound mind, is adjudicated as an insolvent or is convicted of a criminal offence involving moral turpitude.

**4. Casual vacancies. -** Any casual vacancy in the office of the Chairman or of any member nominated under clause (f) of sub-section (1) of section 3 shall be filled by the Central Government and the Chairman or the member, as the case may be, appointed or nominated to fill that vacancy shall hold office for so long only as the Chairman or the member whose place he fills would have been entitled to hold office if the vacancy had not occurred.

**5. Functions of the Council. -** Besides the functions entrusted to the Council by the Act, the Council shall –

- (i) receive and deal with reports and recommendations of specialist committee;
- (ii). control its finances;
- (iii) deal with such other matters as may be necessary for the administration of its affairs;
- (iv) do all such other lawful acts as would be conducive for the purpose of discharging its functions under the Act.

**6. Creation of posts and appointment of officers. -** For the purpose of discharging its functions under the Act, the Council may create such number of posts, the maximum pay of which does not exceed Rs. 1,800/- per men sum, as it considers necessary and appoint officers and other employees to such posts.

**7. Authentication of orders and other instruments of the Council.** - All orders and decisions of, and all other instruments made by, the Council shall be authenticated by the signature of such officer or officers as may be authorised by the Council in this behalf.

**7.(A) Authority of authentication and the manner of authentication of documents,** - Any document received from any place outside India purporting to have affixed, impressed or submitted thereon or thereto, the seal and signature of any person who is authorised by section 3 of the Diplomatic and Consular Officer (Oaths and Fees) Act, 1948 (41 of 1948), to do any notarial acts shall be deemed to be duly authenticated for the purpose of section 10? (7) (b) of the Export (Quality Control and Inspection) Act, 1963.

**8. Proceedings of the Council.** - (1) The Council shall meet at least once in every four months and all meetings of the Council shall be convened by the Chairman and called by notice issued under the signature of the Secretary of the Council.

(2) Every notice calling a meeting of the Council shall state the date, time and place at which such meeting will be held and shall be issued to every member not less than 15 days before the day appointed for the meeting.

(3) The Chairman shall preside at all meetings of the Council and if at any meeting the Chairman is absent, the members present at the meeting shall elect one from among themselves to be the Chairman of that meeting.

(4) Five members shall form the quorum, provided that if any meeting is adjourned for want of quorum, the subsequent meeting called on the basis of the same agenda may be held, whether a quorum is present or not.

(5) Each member including the Chairman shall have one vote, but if there shall be equality of votes on any question to be decided by the Council, the Chairman shall in addition, have a casting vote.

**9. Travelling and daily allowances.** - (1) The Council members and the Committee members, [including those co-opted under sub-section (2) of section 5 being employees of the Central Government or any State Government or any quasi-Governmental Institution, corporate body or Government undertaking, shall not be eligible to draw any traveling or daily allowance from the funds of the Council but may do so from the source from which their salaries are drawn.

(2) All other Council members and the Committee members [including those co-opted under subsection (2) of section shall be entitled to draw their traveling and daily allowances from the fund of the Council.

(3) The rules governing the payment of traveling and daily allowances to non-official members of any committee constituted by the Central Government shall apply to the payment of traveling and daily allowances to those Council members and the committee members [including those co-opted Under sub-section (2) of section 5] who are entitled to draw such allowances from the fund of the Council.

**10. Specialist Committees.** – (1) The Council may constitute a specialist committee under subsection (3) of section 5 for any commodity;

(2) The specialist committee may consist wholly of Council members or wholly of other persons or partly of Council members and partly of other persons, as the Council thinks fit.

(3) Where a specialist committee consists of persons other than Council members, the Council shall, as far as possible, give representation to all or any of the following namely: -

- (i) scientific and technical institutions;
- (ii) State Governments;
- (iii) concerned industries, and
- (iv) persons having intimate knowledge about quality control or inspection.

(4) The Council may nominate a member of the specialist committee as the Chairman of the specialist committee.

(5) The procedure at meetings of a specialist committee shall be such as may be determined by the committee.

(6) A specialist committee may co-opt additional members, who, by virtue of specific attainment, knowledge or interest, in the opinion of the committee will be able to assist the committee in the discharge of its functions.

(7) A specialist committee may appoint as many sub-committees, panels or working groups as it thinks necessary for the expeditious disposal of its work.

(8) Every specialist committee shall examine all technical matters referred to it by the Council relating to the commodity which should be subjected to compulsory quality control or inspection or both prior to export (including the establishment, adoption or recognition of standards for that commodity) and make necessary recommendations to the Council.

(9) Every specialist committee shall also examine and make recommendations to the Council on the question of recognition and establishment of agencies and approval of testing houses, surveyors or samplers.

**11. Procedure for quality control and inspection,** - (1)Whenever, for the development of the export trade of India, the Central Government is of opinion that any commodity should be subjected to quality control or inspection or both, prior to export, it shall formulate its proposals with respect to the same.

(2) Where any proposals have been formulated under sub-rule (1), the Central Government shall forward the proposals to the Council and simultaneously publish the proposals in the Official Gazette with a direction that any objection or suggestion which any person may like to offer on the proposals may be sent to the Council within thirty days of such publication.

(3) After the receipt of the proposals under sub-rule (2), the Council may, having regard to -

- (i) the objections and suggestions received from the public;
- (ii) the volume and trend of export of such commodity and the scope for expansion of its export;
- (iii) the extent of competition from other countries;
- (iv) the need for enforcing quality control or inspection or both for increasing the sale of such commodity outside India; and
- (v) any other relevant factor,

Consider the proposals either at a periodical meeting or at any special meeting convened for the purpose

(4) At any such meeting, the Council shall formulate its recommendations regarding the type of quality control or inspection or both and standard specifications with respect to the commodity and a marker sea I (together with its design, in cases it is necessary) to indicate that the commodity conforms to (he standard specifications applicable to it or may require a specialist committee constituted for the purpose to make recommendations to it in such matter;

(5) Where a specialist committee has been required to make recommendations under sub-rule (4), it shall, having regard to the matters specified in sub-rule (3), make its recommendations to the Council as expeditiously as possible.

(6) The recommendations of the Council or, in a case where the recommendations have been made by a specialist committee, such recommendations subject to any modifications made by the Council, shall be forwarded by the Council to the Central Government.

(7) The Central Government shall, after considering the recommendations of the Council, issue the necessary notification under section 6 or section 8.

**11. A. Procedure for Amendment, suspension or cancellation of the certificate.** - (1) Where the Agency has reason to believe that the certificate issued under sub-section (3) of section 7 of the Act suffers from any of the defects mentioned in sub-section (??) of the said section 7, the Agency may carry out re-examination of the goods-

- (i) during storage, at the premises of exporter or manufacturer or clearing agent or shipping agent or at warehouses and cold storage;ii.
  - (ii) during the transportation of good, at any place from the premises as mentioned in clause (i) to the port of shipment;
  - (iii) during unloading, at the port of shipment;iv.
  - (iv) during loading, in vessel or aircraft;
  - (v). during voyage, in vessel.
- (2) The re-examination of goods shall be carried out in the following manner:-
- (a) The re-examination shall be authorised by the Additional Director or the Joint Director by an order, in writing, and on such authorisation, the certificate of inspection issued for the concerned consignment: shall stand suspended.
  - (b) The re-examination shall be carried out by one or more officers of the Export Inspection Council or Agency who have not inspected the concerned consignment earlier.
  - (c) The re-examination shall be carried out in the presence of authorised representative of the exporter and or manufacturer the re-examination of the commodity shall be completed within a period of seven days of the period already prescribed for such commodity or the rules framed under section 17 of the Act, whichever is later, from the date when the certificate stands suspended.
  - (d) After consideration of the results of re-examination, the Additional Director or the Joint Director may order in writing that:-
    - (i) the consignment shall be released for export;
    - (ii) the certificate issued earlier shall be amended to the extent of the part of the consignment that meets the standard specifications;
    - (iii) the certificate issued earlier shall be cancelled;
    - (iv) any other orders which may be deemed fit.

Provided that before amending, suspending or cancelling any such certificate the officer authorised to amend, suspend or cancel the certificate shall furnish the ground which require amendment/suspension and/or cancellation of certificate to the holder thereof who shall be given an opportunity to represent against the grounds within 3 days of the receipt of the said notice and the representation, if any shall be considered by the said officer and thereafter, he shall pass final order within three days from the receipt of the representation

**12. Agency for quality control or inspection or both. -** (1) Any authority or organisation desiring itself to be recognised as an agency under sub-section (1) of section 7 may apply to the Central Government furnishing particulars of its constitution and the resources at its disposal for carrying out the functions of an agency specified in the Act together with an undertaking that it shall comply with the provisions of the Act and these rules or of any order, direction or instruction which may, from time to time, be made, issued or given by the Central Government or the Director.

(2) On receipt of an application from any such authority or organisation, the Central Government, if it is satisfied after making necessary enquiries that the authority or organisation is fit to act as an agency may, by notification in the Official Gazette recognise such authority or organisation as an agency for the purpose of sub-section (1) of section 7, subject to such conditions, if any, as may be specified in the notification.

(3) The recognition shall be granted for a period of one year and may be renewed from time to time for periods not exceeding one year at a time)

[Provided that where an authority or organisation has been recognised as an agency for certifying their own products, such recognition may be granted for a period not exceeding three years at a time and the same may be renewed from time to time for periods not exceeding three years at a time.]

**13. Approval of testing houses, surveyors and samplers. -** (1) For the purpose of obtaining approval of the Central Government under sub-section (2) of section, the officer in-charge of the testing house or the surveyor or the sampler shall submit an application to the Director in Form I, containing a detailed statement of particulars of the equipment and facilities available in the testing house or of the scheme of inspection or test which the surveyor or sampler follows for conducting physical and chemical tests, previous experience, the staff working in the testing unit and a general outlay of the premises in which the testing and sampling is proposed to be conducted.

(2) After the receipt of the application, the Director may direct the applicant to furnish any supplementary information or documentary evidence in support of any statement made by him in the application, within such time as may be specified in the direction and where the applicant fails to comply with such direction, his application shall be liable to be rejected.

(3) The Director shall place the application together with the particulars and other information furnished by the applicant before the Council, which shall, after making such enquiries as it deems fit in the matter, make recommendations to the Central Government as to whether approval may be given or not.

(4) While making the recommendations, the Council shall also specify the amount of cash security or the nature of surety that the applicant shall furnish before approval is given.

(5) After considering the recommendations of the Council, the Central Government may accord approval to the testing house, surveyor or sampler, as the case may be, and where such approval is accorded, the Central Government shall require the officer-in-charge of the testing house or the surveyor or the sampler to execute a bond with such cash security or surety as is necessary for the purpose in the prescribed form.

(6) After the applicant has executed the required bond, the Central Government shall issue the notification under sub-section (2) of section 7 and also issue a certificate in Form II to the applicant which shall be valid for such period not exceeding one year as may be specified therein.

(7) The Central Government may, on an application made in this behalf, at least one month before the expiry of the period for which a certificate has been granted, renew the same for a period not exceeding three years at a time.

(8) Every person in charge of a testing house and every surveyor and every sampler approved under this rule shall, submit to the Directorate a half-yearly statement containing the following particulars namely: -

- (i) number of applications received for testing or sampling or surveying;
- (ii) number of applications attended to;
- (iii) number of cases where certificate of quality has been issued;
- (iv) quality and value of goods dealt with;
- (v) number of cases where certificate of quality has been refused

**14. Fund of the Council and deposit of such fund.** - (1) The fund of the Council shall consist of the following, namely: -

- (i) such sums of money as may be paid by the Central Government to the Council by way of grants, loans or otherwise;
- (ii) grants or donations from bodies and institutions approved by the Central Government;
- (iii) income and receipts of the Council from other sources.

2. All moneys belonging to the fund of the Council shall be deposited in such scheduled banks as may be specified by the Central Government and the Council may authorise any of its officers to operate upon its bank account,

**14 A. Powers and duties of the Director (including as Ex-officio Secretary of the Council).** - The Director shall –

(i) Administer quality control and pre-shipment inspection of the commodities notified under section 6 and matters connected therewith and co-ordinate various activities in this behalf.

(ii) exercise general supervision and control over the functions of the agencies in so far as they relate to quality control and inspection;

(iii) exercise supervision and administrative control over the employees, accounts and records of the agencies established under section 7;

(iv) subject to the supervision of the Chairman, exercise administrative control over the employees of the Council and maintain accounts and records of the said Council

(v) (deleted)

**14 B. Re-examination of the goods certified by the Agencies recognised under sub-section (1) of Section 7 of the Act.** - The Director or where he so desires by a general or special order may authorise any officer not below the rank of a Joint Director to carry out the re-examination of goods certificate of which has been issued by any of the Agencies recognised under section 7 of the Act, in the manner as prescribed under rule 11 A and during such re-examination, a representative of a recognised agency shall be present.

**15. Preparation of budget estimate, etc.** - The procedure relating to preparation and submission of budget estimates, sanction of expenditure, making investments and such other matters shall be such as may be determined by the Council with the approval of the Central Government.

**16. Audit of accounts.** - (1) The Council shall maintain proper books of accounts in respect to all transactions for all sums of money received and expended and the matter in respect of which the receipt and expenditure take place, all sales and purchases, the assets and liabilities so as to give a true and fair view of the state of affairs of the Council and its off ices and to explain its transactions and prepare Income and Expenditure Accounts and Balance-sheet as prescribed by the Comptroller and Auditor-General of India set out in Forms III and IV respectively or as nearer thereto as the circumstances admit; and such Income and Expenditure Account and Balance-Sheet shall be signed on behalf of the Council by the Member Secretary and Director of the Council.

(2) The accounts of the Council shall be subject to audit annually by the Comptroller and Auditor General of India or by any person appointed by him in this behalf and any expenditure incurred by him in connection with such audit shall be payable by the Council.

(3) The Comptroller and Auditor General of India and any person appointed by him in connection with the audit of the accounts of the Council shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor General of India has in connection with the audit of Government accounts and, in particular, shall have right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the office of the Council.

(4) The accounts of the Council as certified by the Comptroller and Auditor General of India or any person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and the Government shall cause the same to be laid before each House of Parliament.

**17. Laying of Annual Reports and Audited Accounts.** - The Annual Reports and Audited Accounts of the Export Inspection Council/Agencies shall be laid before the House of Parliament nine months from the closing of the accounting year.

**FORM I**

**Application for recognition as Testing House/Surveyor/Sampler  
[See Rule 13 (1)]  
PART I**

To  
The Director of Inspection and Quality Control,  
Ministry of Commerce,  
Government of India,  
New Delhi  
Sir,

I/We, the firm known under the name and style..... desire to be recognised as approved Testing House/Surveyor(s)/Sampler(s) for the pre-shipment inspection of the following commodities and furnish the detailed particulars in Part II of the application.

**2.** I/We hereby declare that I/We shall when called upon to do so execute a bond in proper form with such security as may be required binding myself/ourselves to faithfully carry out the duties prescribed under the Act or the Rules or by any order issued by the Director on behalf of the Central Government.

**3.** I/We hereby enclose a crossed bank draft of Rs ..... as fee (The fee is not refundable whether the applicant is given recognition or not).

**4.** I/We agree to undertake the work of testing, survey or sampling at the rates prescribed by the Central Government.

**5.** I/We have read the rules regarding the pre-shipment inspection, testing, survey and sampling and undertake to abide by them.

Yours faithfully,

Signature and Seal or Stamp of the Applicant

**FORM NO. II**  
**[See Rule 13 (6)]**  
**GOVERNMENT OF INDIA MINISTRY OF COMMERCE**  
**Certificate of approval of testing house/surveyor/sampler.**

In terms of section 7(2) of the Export (Quality Control and Inspection) Act, 1963, the Testing House/Surveyor(s)/Sampler(s) whose particulars are given below having complied with the prescribed procedure is/are approved by the Central Government for testing/surveying/sampling, commodities that are intended for export.

Name.....  
Address.....

Location of Laboratory/Testing House.....

II. This approval enables its holder to carry out examination of commodities and to issue certificate of examination in the matter provided in the Export (Quality Control and Inspection) Act, 1963, and rules and orders issued thereunder the further to charge such fee, as is notified by the Central Government, from the owner whose goods are examined.

III. This approval shall be valid from.....to..... and may be renewed as prescribed in the Export (Quality Control and Inspection) Rules, 1964.

Director of Inspection and Quality Control  
for and on behalf of the Government of India

NEW DELHI  
DATE

**FORM III**  
**(See Rule 16 (1) )**  
**EXPORT INSPECTION COUNCIL**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING.....**

EXPENDITURE		INCOME			
Figures for the previous year (Rs.)	Particulars	Figures for the current year (Rs.)	Figures for the previous year (Rs.)	Particulars	Figures for the current year (Rs.)
(1)	(2)	(3)	(4)	(5)	(6)
	<p><b>1. Establishment</b>            To pay of officers            To pay of Staff            To Dearness Allowance            To Other Allowances            (CCA, HRA).            To Travelling Allowance              a) Officers              b) Staff              c) Council and other                Committee Members            To Medical Assistance            To Assistance for Welfare to            employees            To Contribution towards            leave salary and pension or            its equivalent for employees            on deputation to the Council            To Council's contribution to            Contributory Provident Fund            Other Establishment            charges (To be specified)</p> <p><b>2. Other Charges</b>            To stationery To printing            and binding            To postage and telegram To            rent for Office            accommodation            To electricity charges To            telephone To audit fee To            repair and renewals            To advertisement for            recruitment            To subscriptionss and            membership fees            To local conveyance            charges            To depreciation            To other specified items of</p>			<p><b>1. Income other than Government Grant</b>            By Application fee from            Candidates applied for            various posts            By fees for issuing            certificates of origin            under Generalised            System of Preferences            By Foreign Service            Contribution received            By interest            By Other Income (To be            specified)            By Miscellaneous</p> <p><b>2. Government Grant</b></p> <p><b>3. Grant from marketing Development Fund received from Govt. to meet deficit for operation of various preshipment inspection schemes operated by the Export inspection Agencies.</b></p> <p><b>4. Excess of Expenditure over Income carried over to Balance-Sheet.</b></p>	

expenditure To  
miscellaneous To publicity  
To Marketing Development  
Fund-Payment to Export  
Inspection Agencies to meet  
the deficit for operation of  
various preship-ment  
inspection  
To training programme  
abroad  
To training programme for  
"trainees from abroad  
To participation in  
committees/council/ other  
similar bodies abroad  
To participation in 'trade  
fair/delegation  
To certificate of origin under  
Generalised System of  
Preferences  
To organisation of  
seminars/conventions and  
such otheractivities  
To other specified  
expenditure  
Excess of Income over  
expenditure carried  
over to Balance-Sheet

**FORM IV (See Rule 16(1) )  
EXPORT INSPECTION COUNCIL Balance Sheet as on.....**

Figures for the previous year (Rs.)  (1)	Liabilities  (2)	Figures for the current year (Rs.)  (3)	Figures for the previous year (Rs.)  (4)	Assets  (5)	Figures for the current year (Rs.)  (6)
	<p><b>1. CAPITAL ACCOUNT</b> Balance of Excess of Income Over expenditure or vice-versa transferred from the Income and Expenditure Account )</p> <p><b>2. RESERVES AND SURPLUS</b> (To be specified if so created)</p> <p><b>3. SECURED LOANS</b></p> <p><b>4. UNSECURED LOANS</b></p> <p><b>5. CURRENT LIABILITIES AND PROVISIONS</b></p> <p><b>A. Current Liabilities</b> Salary and Other personal claims , payable to employees Contributory Provident Fund, Gratuity Fund. Additional DA. and Wage Deposits, Security Deposits, Other Deposits (To be Specified) Interest accrued but not due on loans.</p> <p><b>B. Provisions, pension and other similar employees benefit schemes, contingencies</b> Other Provisions (To be specified)</p>			<p><b>1. FIXED ASSETS</b> (Distinguishing as far as possible between expenditure upon all items.)</p> <p><b>2. INVESTMENT</b></p> <p><b>3. CURRENT ASSETS, LOANS AND ADVANCES</b></p> <p><b>A. Current assets,</b> Interest Accrued on Investments Stock &amp; Stores Sundry Debtors Cheques/Drafts/ IPO's etc. in transit Cash in Office Bank Balances</p> <p><b>B. Loans and Advances</b> Interest bearing Advances to Employees (House Building, Purchase of Conveyance and other similar advances) Interest Free advances to Employees (Festival, Flood, Travelling, Pay, Medical, LTC and Other- - similar advances) Permanent Advance with Regional/Sub offices (Imprest, Revolving ?? and other such advances) Miscellaneous Advances Deposit with- Land lord for office accommodation Telephone Authority Postal Authority Electricity Authority</p>	

Other Deposit (To be specified)  
Pre-paid expenses  
(Unexpired portion of rent, rates, taxes, duties and insurance)