

**Directorate General of Foreign Trade**  
**Udyog Bhawan**  
**DES-V Section**

**Minutes of NC-V Meeting held on 03.03.2011**

The Meeting No. 49/AM-11 for the licensing year 2010-11 to consider the cases under Duty Exemption Schemes (Chapter-4) held on 03.03.2011 in Room No.213 of DGFT under the Chairmanship of Shri A.K.Singh, Jt. DGFT. The following officers were present: -

Sl. No	Name of the representatives & their designation	Department
1.	Sh. Shaish Kumar, Industrial Advisor	DIPP
2.	Sh. R.A.Lal, Director	R.O, TC, Noida
3.	Sh. K.C.Meena, Dy. DGFT	DGFT
4.	Sh. Kuldeep Singh, Asstt. Director	MSME
5.	Sh. Pradip Kumar, F.T.D.O	DGFT

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**(TEXTILES AND LEATHER ITEMS)**

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At the outset the Minutes of NC Meeting No. 46/AM11 dated 10.02.2011 and Meeting No. 47/AM11 dated 17.02.2011 were ratified. Thereafter agenda for individual cases for Meeting No. 49/AM11 dated 03.03.2011 was taken up for discussion and the decision taken in respect of each case is enumerated below: -

**MEETING NUMBER**

**: 49/84-ALC3/2010 MEETING DATE : 03.03.2011**

1	<b>Case No.:2/49/84-ALC3/2010</b>	Party Name:RICHA GLOBAL EXPORTS P. LTD.	Meet No/Date:49/84-ALC3/2010 03.03.2011	<b>Status: Approved</b>
	HQ File :01/84/050/00362/AM11/	RLA File :05/24/040/00297/AM11/	Lic.No/Date:0510278101 29.11.2010	
	<p>Decision: The Committee considered the case as per agenda alongwith other relevant papers and after due deliberations in consultation with representatives of technical authorities present in the meeting decided to allow amendment in the description of import &amp; export item from <b>71% cotton 28% polyester 1% spandex yarn dyed jersey knitted fabric</b> to <b>64% cotton 35% polyester 1% spandex yarn dyed jersey knitted fabric</b> with no change in Qty. against the subject advance authorization in question.</p> <p>The R.A. shall be advised to take necessary action subject to compliance of other usual conditions.</p>			

	<b>Case No.:2/41/84-ALC3/2010</b>	Party Name:GAURAV INTERNATIONAL	Meet No/Date:49/84-ALC3/2010 03.03.2011	<b>Status: Deferred</b>
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2	HQ File :01/84/050/00279/AM11/	RLA File :05/23/040/00257/AM11/	Lic.No/Date:0510280331 24.12.2010	Defer Date: 31.03.2011
	Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that copy of application has not been received in this case. It was decided to remind R.A as well as firm for the same and defer the case for re-listing on 31.03.2011.			

3	<b>Case No.:9/41/84-ALC3/2010</b>	Party Name:J.D. JONES & CO. PVT. LTD.	Meet No/Date:49/84-ALC3/2010 03.03.2011	<b>Status: Deferred</b>
	HQ File :01/84/050/00286/AM11/	RLA File :02/24/040/00176/AM11/	Lic.No/Date:0210152795 29.12.2010	Defer Date: 31.03.2011
	Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that copy of application has not been received in this case. It was decided to remind R.A as well as firm for the same and defer the case for re-listing on 31.03.2011.			

4	<b>Case No.:10/41/84-ALC3/2010</b>	Party Name:RICHA & CO	Meet No/Date:49/84-ALC3/2010 03.03.2011	<b>Status: Approved</b>
	HQ File :01/84/050/00287/AM11/	RLA File :05/24/040/00326/AM11/	Lic.No/Date:0510280806 31.12.2010	
	Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that Style No. mentioned on both the export item is the same i.e 1C103039 whereas the consumption requirement of both the inputs is different i.e @ 2.39 Sq mtrs./Pc and @ 2.78 Sq mtrs./Pc respectively, which is unusual in this			

case. Therefore, Committee after due deliberations in consultation with representatives of technical authorities present in the meeting decided to ratify the advance authorization issued in this case by allowing both the item of import against the respective export item @ 2.39 Sq mtrs./Pc.

The GSM should match in both import and export. The R.A shall be advised to take necessary action subject to compliance of other usual conditions.

5	Case No.:5/49/84-ALC3/2010	Party Name:RICHA & CO	Meet No/Date:49/84-ALC3/2010 03.03.2011	Status: Deferred
	HQ File :01/84/050/00365/AM11/	RLA File :05/24/040/00330/AM11/	Lic.No/Date:0510281536 14.01.2011	Defer Date: 31.03.2011
	Decision: The Committee considered the case as per agenda alongwith other papers and handed over the relevant information/details available in the file to the representative of DC (MSME) for their examination/comments. It was therefore decided to defer the case for re-listing on 31.03.2011.			

Case No.:1/45/84-ALC3/2010	Party Name:MAHAMERU FASHION APPAREL LIMITED	Meet No/Date:49/84-ALC3/2010 03.03.2011	Status: Approved
HQ File :01/84/050/00332/AM11/	RLA File :04/24/040/00283/AM11/	Lic.No/Date:0410120907 20.01.2011	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and after deliberations in consultation with the representatives of technical authorities present in the meeting decided to ratify the Advance authorization issued in this case as detailed below: -

S. No	Export Item	Export Qty.	Import item	Qty. allowed
1	Mens long sleeve shirts made out of 60% cotton 40% polyester yarn dyed woven fabric, GSM-115+/-10%	47568 Pcs	60% cotton 40% polyester yarn dyed woven fabric, width-57/58", GSM-115+/-10% 100% cotton woven fusible interlining, GSM -145+/-10% 100% cotton woven fusible interlining, GSM -170+/-10% Non woven fusible interlining, GSM -37+/-10% Wash care label paper Collar stay Nylon	126516 Sq mtrs. 5976.8 Sq mtrs. 2716.8 Sq mtrs. 2183 Sq mtrs. Net to net +1% Net to net +1%
2	Mens long sleeve shirts made out of 60% cotton 40% polyester piece dyed woven fabric, GSM-120+/-10%	16584 Pcs	100% cotton woven fusible interlining, GSM -145+/-10% 100% cotton woven fusible interlining, GSM -170+/-10% Non woven fusible interlining, GSM -37+/-10% Wash care label paper Collar stay Nylon 60% cotton 40% polyester piece dyed woven fabric, width-57/58", GSM-120+/-10%	2084 Sq mtrs. 947 Sq mtrs. 761 Sq mtrs. Net to net +1% Net to net +1% 42114 Sq mtrs.

The GSM shall match on both side of export and import. The R.A shall be advised to take necessary action subject to compliance of other usual conditions. They may also call for style No. of export item and impose on export side.

7	<b>Case No.:3/45/84-ALC3/2010</b>	Party Name:KABADI SHANKARSA & CO.,	Meet No/Date:49/84-ALC3/2010 03.03.2011	<b>Status : Deferred</b>
	HQ File :01/84/050/00334/AM11/	RLA File :07/24/040/00409/AM11/	Lic.No/Date:0710076836 20.01.2011	Defer Date: 31.03.2011
Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that copy of application has not been received in this case. It was decided to remind R.A as well as firm for the same and defer the case for re-listing on 31.03.2011.				

8	<b>Case No.:4/45/84-ALC3/2010</b>	Party Name:GAURA V INTERNATIONAL	Meet No/Date:49/84-ALC3/2010 03.03.2011	<b>Status : Approved</b>
	HQ File :01/84/050/00335/AM11/	RLA File :05/23/040/00296/AM11/	Lic.No/Date:0510282204 24.01.2011	
Decision: The Committee considered the case as per agenda alongwith other relevant papers and went through the CAD and other details submitted by the firm. The Committee after deliberations in consultation with the representatives of technical authorities present in the meeting decided to ratify the Advance authorization issued in this case by allowing the item of import @ 3.30 Sq mtrs/Pc. The GSM shall match on both side of export and import. The R.A shall be advised to take necessary action subject to compliance of other usual conditions.				

9	<b>Case No.:3/49/84-ALC3/2010</b>	Party Name:SUPERHOUSE LTD.,	Meet No/Date:49/84-ALC3/2010 03.03.2011	<b>Status : Rejected</b>
	HQ File :01/84/050/00363/AM11/	RLA File :06/24/040/00058/AM11/	Lic.No/Date:0610020958 10.02.2011	
Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that firm have neither given GSM of imported artificial leather cloth nor size-wise specification etc of the export. In view of this, it is not possible to compute the requirement of inputs. Hence, Committee was constrained to reject. RLA may take suitable consequential action accordingly.				

10	Case No.:4/49/84-ALC3/2010	Party Name:SHAKTI POLYTEX PVT. LTD	Meet No/Date:49/84-ALC3/2010 03.03.2011	Status: Rejected
	HQ File :01/84/050/00364/AM11/	RLA File :06/24/040/00061/AM11/	Lic.No/Date:0610020971 11.02.2011	
	<p>Decision: The Committee considered the case as per agenda alongwith other relevant papers and went through the flow chart submitted by the firm. It was observed that firm have mentioned that they are using imported PET Bottle and indigenously procured PET Bottle as well in this case, but they have not given the segregated Qty. of the same. In view of this, it is not possible to compute the requirement of inputs in this case. Hence, Committee was constrained to reject.</p> <p>RLA may take suitable consequential action accordingly.</p>			

11	Case No.:1/49/84-ALC3/2010	Party Name:RICHA GLOBAL EXPORTS P. LTD.	Meet No/Date:49/84-ALC3/2010 03.03.2011	Status: Approved									
	HQ File :01/84/050/00361/AM11/	RLA File :05/24/040/00380/AM11/	Lic.No/Date:0510284045 15.02.2011										
	<p>Decision: The Committee considered the case as per agenda alongwith other relevant papers and after deliberations in consultation with the representatives of technical authorities present in the meeting decided to ratify the Advance authorization issued in this case as detailed below: -</p> <table> <thead> <tr> <th>S. No</th><th>Export Item</th><th>Export Qty.</th><th>Import item</th><th>Qty. allowed</th></tr> </thead> <tbody> <tr> <td>1</td><td>Ladies top made of 64% cotton 35% polyester 1% spandex yarn dyed jersey</td><td>35175 Pcs</td><td>64% cotton 35% polyester 1% spandex yarn dyed</td><td>5592.8 Sq mtrs</td></tr> </tbody> </table>				S. No	Export Item	Export Qty.	Import item	Qty. allowed	1	Ladies top made of 64% cotton 35% polyester 1% spandex yarn dyed jersey	35175 Pcs	64% cotton 35% polyester 1% spandex yarn dyed
S. No	Export Item	Export Qty.	Import item	Qty. allowed									
1	Ladies top made of 64% cotton 35% polyester 1% spandex yarn dyed jersey	35175 Pcs	64% cotton 35% polyester 1% spandex yarn dyed	5592.8 Sq mtrs									

knitted fabric, GSM 190+/-  
10%. Style No.  
260856/260864

jersey knitted  
fabric, GSM 190+/-  
10%.

The GSM should match in both import and export. The R.A shall be advised to take necessary action subject to compliance of other usual conditions.

## Manual agenda cases

Case No. 451

NC No.49/AM11

Dated 03.03.2011

M/s Welspun India Ltd., Mumbai

F.No.01/84/162/481/AM11/DES-V

Clarification regarding classification of Cotton Rugs (tufted)  
under Made-ups (under Chapter 57 for DEPB entry at S.No.  
68 of Textiles Group –89.

Decision: The Committee considered the case as per agenda alongwith other relevant papers and heard Sh. Vimal Kumar, General Manager (Commercial), Sh. Y.N.Mathur, Sr. Vice President of the firm, who appeared for personal hearing alongwith one authorized representative. They explained the case alongwith relevant documents i.e step-wise manufacturing process of cotton tufted rug. The Committee felt that tufting is a process of insertion of yarn tuft into the base fabric i.e cotton canvas and cotton rugs (tufted) are used as textile floor coverings. The Committee also perused the Note No. 7 of Section XI of Chapters **50 to 63**; the expression '**made up**' means the following: -

- (a) Cut otherwise than into squares or rectangles;
- (b) Produced in the finished state, ready for use (or merely needing separation by cutting dividing threads) without sewing or other working (for example, certain dusters, towels, table cloths, scarf squares; blankets);
- © Hemmed or with rolled edges, or with a knotted fringe at any of the edges, but excluding fabrics the cut edges of which have been prevented from unraveling by whipping or by other simple means;
- (d) Cut to size and having undergone a process of drawn thread work;



- (e) Assembled by sewing, gumming or otherwise (other than piece goods consisting of two or more lengths of identical material joined end to end and piece goods composed of two or more textiles assembled in layers, whether or not padded);
- (f) Knitted or crocheted to shape, whether presented as separate items or in the form of a number of items in the length.

Therefore, Committee taking into consideration the manufacturing process given and interpretation given in Note No. 7 of Section XI felt that Cotton tufted rugs are in ready to use condition, hence clearly classifiable under Made ups category. Hence, it was decided to recommend that export item 'cotton rugs tufted' could be classified under DEPB Schedule entry at S.No.68 (Textile Product Group-89) under ITC (HS) Chapter **5703**. Accordingly, the case be referred to DEPB Committee for a decision.

Case No. 452	M/s Pearl Global Ltd., Gurgaon
NC No.49/AM11	F.No.01/84/50/537/AM07/DES-V
Dated 03.03.2011	Re-fixation of input output norms in respect of Advance Authorization No.0510200405 dated 05.03.2007.

Decision: The Committee considered the case as per agenda alongwith other papers and handed over the relevant information/details available in the file to the representative of DC (MSME) for their examination/comments. It was therefore decided to defer the case for re-listing on 31.03.2011.

Case No. 453	M/s Pearl Global Ltd., Gurgaon
NC No.49/AM11	F.No.01/84/50/337/AM08/DES-V
Dated 03.03.2011	Re-fixation of input output norms in respect of Advance Authorization No.0510202560 dated 17.04.2007.

Decision: The Committee considered the case as per agenda alongwith other papers and handed over the relevant information/details available in the file to the representative of DC (MSME) for their examination/comments. It was therefore decided to defer the case for re-listing on 31.03.2011.

### **Outside agenda case.**

- Case No. 1 M/s Hritik Exim, Secunderabad, Hyderabad  
NC No.49/AM11 F.No. 01/84/50/249/AM-10/DES-V  
Dated 03.03.2011 Ratification of input output norms in respect of Advance  
Authorization No. 0910040604 dated 18.01.2010.

Decision: The Committee considered the case as per agenda alongwith other relevant papers and perused the report of Norms Committee team of officers, who had visited the unit of the applicant firm to study the manufacturing process. The team based on the collected batch data and export documents taken during visit to the factories of (i) M/s Hritik Exim, Secunderabad and (ii) M/s Gupta Enterprises, Eluru submitted a report to NC and the same has been taken on record. It was observed the process adopted by both the firm are more or less the same except some washing & drying procedure. However, it was noted that there is no change in wastage pattern of both the units. In the manufacturing process, wastage occurs during Sorting/Soaking (2%), Washing (4-5%), Shampooing (5%) Drying (3%) 1<sup>st</sup> Hackling (5-6%) and 2<sup>nd</sup> Hackling (4%). Accordingly, it was felt that total 23% wastage in the whole process would be appropriate. Accordingly, Committee after deliberations in consultation with the representative of technical authorities present in the meeting decided to ratify the advance authorization in question of the firm may be ratified by allowing total 23% wastage or as applied by the firm whichever is lower.

The R.A shall be advised to take necessary action subject to compliance of other usual conditions.

Case No. 2 M/s Gupta Enterprises, Eluru  
NC No.49/AM11 F.No.01/84/50/13/AM08/DES-V  
Dated 03.03.2011 Ratification of input output norms in respect of Advance  
Authorization No. 0410089135 dated 25.04.2007.

Decision: The Committee considered the case as per agenda alongwith other relevant papers and perused the report of Norms Committee team of officers, who had visited the unit of the applicant firm to study the manufacturing process. The

team based on the collected batch data and export documents taken during visit to the factories of (i) M/s Hritik Exim, Secunderabad and (ii) M/s Gupta Enterprises, Eluru submitted a report to NC and the same has been taken on record. It was observed the process adopted by both the firm are more or less the same except some washing & drying procedure. However, it was noted that there is no change in wastage pattern of both the units. In the manufacturing process, wastage occurs during Sorting/Soaking (2%), Washing (4-5%), Shampooing (5%) Drying (3%) 1<sup>st</sup> Hackling (5-6%) and 2<sup>nd</sup> Hackling (4%). Accordingly, it was felt that total 23% wastage in the whole process would be appropriate. Accordingly, Committee after deliberations in consultation with the representative of technical authorities present in the meeting decided to ratify the advance authorization in question of the firm may be ratified by allowing total 23% wastage or as applied by the firm whichever is lower.

The R.A shall be advised to take necessary action subject to compliance of other usual conditions.

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