

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

**Minutes of NC-V Meeting held on 18.03.2010**

The Meeting No. 51/AM-10 for the licensing year 2009-10 to consider the cases under Duty Exemption Schemes (Chapter-4) held on 18.03.2010 in Room No. 108 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. Ashok Kumar Arora, Dy.DGFT	DGFT
3.	Sh. R.A.Lal, Director	R.O, TC, Noida
4.	Sh. J.D, Giri, Nominee, AEPC	AEPC
5.	Sh. Kuldeep Singh, Asstt. Director	MSME
6.	Sh. Pradip Kumar, F.T.D.O	DGFT

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**(TEXTILES AND LEATHER ITEMS)**

**MEETING NUMBER** : 51/84-ALC3/2009 **MEETING DATE** : 18.03.2010

<b>Case No.:</b> 2/47/84-ALC3/2009	<b>Partv Name:</b> LASTOLITE IMAGING	<b>Meet No/Date:</b> 51/84-ALC3/2009	<b>Status:</b>
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1		SOLUTIONS PRIVATE LIMITED,	18.03.2010	<b>Deferred</b>
	HQ File :01/84/050/00258/AM10/	RLA File :04/24/040/00008/AM10/	Lic.No/Date:0410104218 24.04.2009	Defer Date: 15.04.2010
	Decision: The Committee considered the case as per agenda and observed that applicant firm have been called for personal hearing before Norms Committee meeting to be held on 08.04.2010. It was therefore decided to defer the case for re-listing on 15.04.2010.			

2	<b>Case No.:3/36/84-ALC3/2009</b>	Party Name:MACCAFERRI ENVIRONMENTAL SOLUTIONS PVT. LTD.	Meet No/Date:51/84-ALC3/2009 18.03.2010	<b>Status:</b> <b>Deferred</b>
	HQ File :01/84/050/00176/AM10/	RLA File :31/24/040/00165/AM10/	Lic.No/Date:3110040756 24.11.2009	Defer Date: 29.04.2010
	Decision: The Committee considered the case as per agenda and observed that in other similar case of the applicant firm, NC has decided that team of Norms Committee comprising officers of DGFT, DIPP, DC (MSME) and R.O of TC, Noida will visit the unit of applicant firm to study the manufacturing process for taking final view in the matter. It was therefore decided to link up this case with that one and re-list this case after submission of visit report.			

3	<b>Case No.:8/36/84-ALC3/2009</b>	Party Name:LOYAL TEXTILE MILLS LTD	Meet No/Date:51/84-ALC3/2009 18.03.2010	<b>Status:</b> <b>Deferred</b>
	HQ File :01/84/050/00181/AM10/	RLA File :35/24/040/00028/AM10/	Lic.No/Date:3510028338 27.11.2009	Defer Date: 15.04.2010

Decision: The Committee considered the case as per agenda and observed that in other similar case of the applicant firm, Norms Committee team has visited the unit of firm and report is under submission. It was therefore, decided to re-list this case on submission of report on 15.04.2010.

4	<b>Case No.:1/47/84-ALC3/2009</b>	Party Name:RICHA & CO	Meet No/Date:51/84-ALC3/2009 18.03.2010	<b>Status:</b> <b>Deferred</b>
	HQ File :01/84/050/00257/AM10/	RLA File :05/24/040/00467/AM10/	Lic.No/Date:0510257647 03.02.2010	Defer Date: 15.04.2010
	Decision: The Committee considered the case as per agenda and relevant details available in the file have been handed over to the representative of DC (MSME) present in the meeting for examination and comments. It was therefore decided to defer the case for re-listing on 15.04.2010.			

5	<b>Case No.:1/51/84-ALC3/2009</b>	Party Name:IMAANS SHOES	Meet No/Date:51/84-ALC3/2009 18.03.2010	<b>Status:</b> <b>Deferred</b>
	HQ File :01/84/050/00279/AM10/	RLA File :04/24/040/00127/AM10/	Lic.No/Date:0410112203 09.03.2010	Defer Date: 15.04.2010
	Decision: The Committee considered the case as per agenda alongwith other relevant papers and in consultation with the representatives of technical authorities present in the meeting decided to call for the following information/documents from firm: - (i) Detailed specification of raw materials to be used in this case. (ii) Net content of raw materials in each export item. (iii) Percentage of wastage claimed for each item alongwith their justification.			

The case stands deferred for re-listing on 15.04.2010.

6	<b>Case No.:2/51/84-ALC3/2009</b>	Party Name:SHAHI EXPORTS PVT. LTD.	Meet No/Date:51/84-ALC3/2009 18.03.2010	<b>Status:</b> <b>Deferred</b>
	HQ File :01/84/050/00280/AM10/	RLA File :05/24/040/00504/AM10/	Lic.No/Date:0510260162 10.03.2010	Defer Date: 15.04.2010
	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 defer the case for re-listing on 15.04.2010.			

7	<b>Case No.:3/51/84-ALC3/2009</b>	Party Name:RICHA & CO	Meet No/Date:51/84-ALC3/2009 18.03.2010	<b>Status:</b> <b>Deferred</b>
	HQ File :01/84/050/00281/AM10/	RLA File :05/24/040/00513/AM10/	Lic.No/Date:0510260302 11.03.2010	Defer Date: 15.04.2010
	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 defer the case for re-listing on 15.04.2010.			

## Manually generated agenda cases

Case No. 698	M/s Modelama Exports Ltd., New Delhi
NC51/10 dt. 18.03.2010	F.NO.1/84/162/557/AM10 -DES-V
Fixation of input output norms in respect of Annual Advance Authorization No. 0510251378 dt. 26.10.2009.	

Decision: The Committee considered the case as per agenda and in consultation with the representatives of technical authorities present in the meeting decided to ratify the Annual Advance authorization issued in this case as per written comments of DC (MSME) conveyed vide their U.O No. 37(5)/72/2009-10/Hosy. dated 17.03.2010 as detailed below: -

Export item	Import item	Quantity allowed per piece of export item
Ladies Jacket made of 100% Tencil Drapy Twill fabric, GSM-134+/-10% with 100% Cotton Yarn dyed stripes Lawn fabric, GSM-70+/-10% (Style No.620867)	100% Tencil Twill Woven fabric, GSM-134+/-10%	2.90 Sq mtrs
	100% Cotton Lawn fabric, GSM-70+/-10%	0.43 Sq mtrs.

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.

Case No. 699	M/s Jiwanram Sheoduttrai Industries Pvt.Ltd., Kolkata
NC51/10 dt. 18.03.2010	F.NO.1/84/50/130/AM10 -DES-V
Re-fixation of input output norms in respect of Advance Authorization No. 0210131920 dt. 23.09.2009 – under Para 4.7 of HBP (Vol1) 2004-2009.	

Decision: The Committee considered the case as per agenda and observed that this case was cleared by NC in its meeting held on 29.10.2009. Items of import against export items at S.Nos. 1, 2, 3, 10, 11, 12 & 13 i.e Ladies Kasack and import items against export items at S.No. 7 & 8 i.e Men's Chef's Jacket were disallowed. Now, firm have submitted size-wise specification, drawing, design and fabric requirement of each garment. The Committee went through the details 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 in partial modification of earlier decision: -

- (i) The items of import against export items at S.No. 1, 2, 3, 10, 11, 12 & 13 may be allowed as applied for by the firm
- (ii) The items of import against export items at S.No. 7, 8 may be allowed as applied for by the firm.

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.

Case No. 700	M/s Hritik Exim, A.P
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NC51/10 dt. 18.03.2010	F.NO.1/84/50/249/AM10 -DES-V
Re-fixation of input output norms in respect of Advance Authorization No. 0910040604 dt. 18.01.2010 – under Para 4.7 of HBP (Vol1) 2004-2009.	

Decision: The Committee considered the case as per agenda and observed that this case was cleared by NC in its meeting held on 04.02.2010 by allowing 5% wastage. The copy of Customs-post facto verification of Annexure-III Customs duty Exemption Certificate submitted by the applicant firm was gone through and found incomplete. Moreover, firm have neither given any specific SION No. for this particular item of export/import nor valid justification for claiming higher wastage, in absence of which it is not possible to re-consider this case. Hence, decided to maintain status quo in this case.

Firm may be informed accordingly.

Case No. 701	M/s Gupta Exim (India) Pvt. Ltd., New Delhi
NC51/10 dt. 18.03.2010	F.NO.1/84/50/735/AM06 -DES-V
Re-fixation of input output norms in respect of Advance Authorization No. 0510176356 dt. 14.02.2006 – under Para 4.7 of HBP (Vol1) 2004-2009.	

Decision: The Committee considered the case as per agenda and observed that this case was cleared by ALC in its meeting held on 11.05.2006 as per written comments of DC (MSME) vide their U.O dated 09.05.2006. But, there was some typographical error in respect of import item No. 3 against export item No. 2 & 3 in the said minutes of ALC. The Committee in consultation with the representatives of technical authorities present in the meeting decided to rectify the earlier minutes of ALC as detailed below:-

Sl.	Export Item	Import Item at S.No.	Qty. allowed	Qty. to be accounted for in the export item
2.	Men's Polo Shirt (1008	3) 100% cotton flat knit Cuff, 20s/3.	3) 2056 Pieces.	3) 2016 Pcs.

	Pieces)			
3.	Men's Polo Shirt (1008 Pieces)	3) 100% cotton flat knit Cuff, 20s/3.	3) 2056 Pieces.	3) 2016 Pcs.

The GSM of fabric should match in Import & Export.

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

Case No. 702	M/s Ganga Acrowool Ltd., Ludhiana
NC51/10 dt. 18.03.2010	F.NO.1/84/50/252/AM09 -DES-V
Re-fixation of input output norms in respect of Advance Authorization No.(i) 3010055042 dt. 14.02.2008 (ii) 3010056431 dt. 29.05.2008 – under Para 4.7 of HBP (Vol1) 2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and heard Dr. Ravinder Verma, Managing Director of the firm, who appeared for personal hearing in this case. He explained the case alongwith relevant details and sample. The Committee also perused General Note No. 1 for Textiles Products as well as SION J-7. It was felt that as the export product in this case is Acrylic Dyed Yarn (under worsted system), 11% wastage as claimed by the firm is justified as against earlier 5% wastage allowed. Further, in the 3<sup>rd</sup> sentence of General Note No.1 for Textiles product following points are mentioned: -

**In case of import of Polyester Filament Yarn/ POY against export of Fabrics, Saris, Made-ups made out of Polyester Filament Yarn either used wholly or in mixture with other Man-made Fiber/ Yarn, the following range of Denier will be allowed:**

Export Product	Range of Denier of Synthetic Filament (Flat) Yarn to be allowed for import	Range of Denier of Partially Oriented Yarn (POY) to be allowed for import
Sarees, Dress Material	Upto 75 Dn.	Upto 120 Dn.
Suitings/ Shirtings	75 Dn. To 150 Dn.	115 Dn. to 245 Dn.
Heavv Suitings. Furnishina	150 Dn. to 250 Dn.	215 Dn. to 450 Dn.



In the 4<sup>th</sup> sentence of the above General Note it is mentioned that - Similarly, in case of Synthetic Fibre, flexibility between 1 to 3 denierage will be allowed.

Further, representative of the firm also informed that single block for import of Acrylic fibre should not have range more than 3 denier, but in this case for manufacture of different quantities of Acrylic Yarn as per buyers order, applicant firm import wide range of Acrylic fibre with different denierage i.e 1.5D- 3.5D, 3D – 5D and 5D-7D. The Committee was of the view that General Note No.1 for Textiles Product does not apply as the export product is Yarn in these cases. Thus, Committee decided to allow Acrylic Fibre of various range of denierage viz., 1D-3D, 3D-5D and 5D-7D in respect of following advance authorizations: -

- (i) **3010055042 dt. 14.02.2008**
- (ii) **3010056431 dt. 29.05.2008**
- (iii) **3010058552 dt. 20.11.2008**
- (iv) **3010061795 dt. 23.06.2009**

The cationic dyes may be allowed with 2% wastage by weight of Acrylic fibre in the export item. The import of dyes and chemicals may be restricted to 14% of FOB value within the overall CIF value of the licence in terms of General Note for Textiles at S.No.5.

As regards one another advance authorization No. **3010057031 dt. 09.07.2009**, representative informed that they require to replace the import item from Acrylic Fibre to Acrylic Top for which input output norms should be fixed accordingly. In this case also Committee decided to allow 11% wastage on the item of import. R.A may be advised to regularize the above mentioned five advance authorizations accordingly.

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

Case No. 703	M/s Ganga Acrowool Ltd., Ludhiana
NC51/10 dt. 18.03.2010	F.NO.1/84/162/640/AM09 -DES-V
Re-fixation of input output norms in respect of Advance Authorization No. 3010058552 dt. 20.11.2008 – under Para 4.7 of HBP (Vol1) 2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and heard Dr. Ravinder Verma, Managing Director of the firm, who appeared for personal hearing in this case. He explained the case alongwith relevant details and sample. The Committee also perused General Note No. 1 for Textiles Products as well as SION J-7. It was felt that as the export product in this case is Acrylic Dyed Yarn (under worsted system), 11% wastage as claimed by

the firm is justified as against earlier 5% wastage allowed. Further, in the 3<sup>rd</sup> sentence of General Note No.1 for Textiles product following points are mentioned: -

In case of import of Polyester Filament Yarn/ POY against export of Fabrics, Saris, Made-ups made out of Polyester Filament Yarn either used wholly or in mixture with other Man-made Fiber/ Yarn, the following range of Denier will be allowed:

Export Product	Range of Denier of Synthetic Filament (Flat) Yarn to be allowed for import	Range of Denier of Partially Oriented Yarn (POY) to be allowed for import
Sarees, Dress Material	Upto 75 Dn.	Upto 120 Dn.
Suitings/ Shirtings	75 Dn. To 150 Dn.	115 Dn. to 245 Dn.
Heavy Suitings, Furnishing Fabrics, Upholstery etc.	150 Dn. to 250 Dn.	215 Dn. to 450 Dn.

In the 4<sup>th</sup> sentence of the above General Note it is mentioned that - Similarly, in case of Synthetic Fibre, flexibility between 1 to 3 denierage will be allowed.

Further, representative of the firm also informed that single block for import of Acrylic fibre should not have range more than 3 denier, but in this case for manufacture of different quantities of Acrylic Yarn as per buyers order, applicant firm import wide range of Acrylic fibre with different denierage i.e 1.5D- 3.5D, 3D – 5D and 5D-7D. The Committee was of the view that General Note No.1 for Textiles Product does not apply as the export product is Yarn in these cases. Thus, Committee decided to allow Acrylic Fibre of various range of denierage viz., 1D-3D, 3D-5D and 5D-7D in respect of following advance authorizations: -

- (I) **3010055042 dt. 14.02.2008**
- (ii) **3010056431 dt. 29.05.2008**
- (iii) **3010058552 dt. 20.11.2008**
- (iv) **3010061795 dt. 23.06.2009**

The cationic dyes may be allowed with 2% wastage by weight of Acrylic fibre in the export item. The import of dyes and chemicals may be restricted to 14% of FOB value within the overall CIF value of the licence in terms of General Note for Textiles at S.No.5.

As regards one another advance authorization No. **3010057031 dt. 09.07.2009**, representative informed that they require to replace the import item from Acrylic Fibre to Acrylic Top for which input output norms should be fixed accordingly. In this case also Committee decided to allow 11% wastage on the item of import. R.A may be advised to regularize the above mentioned five advance authorizations accordingly.

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

Case No. 704	M/s Ganga Acrowool Ltd., Ludhiana
NC51/10 dt. 18.03.2010	F.NO.1/84/162/293/AM10 -DES-V
Re-fixation of input output norms in respect of Advance Authorization No. 3010061795 dt. 23.06.2009 – under Para 4.7 of HBP (Vol1) 2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and heard Dr. Ravinder Verma, Managing Director of the firm, who appeared for personal hearing in this case. He explained the case alongwith relevant details and sample. The Committee also perused General Note No. 1 for Textiles Products as well as SION J-7. It was felt that as the export product in this case is Acrylic Dyed Yarn (under worsted system), 11% wastage as claimed by the firm is justified as against earlier 5% wastage allowed. Further, in the 3<sup>rd</sup> sentence of General Note No.1 for Textiles product following points are mentioned: -

**In case of import of Polyester Filament Yarn/ POY against export of Fabrics, Saris, Made-ups made out of Polyester Filament Yarn either used wholly or in mixture with other Man-made Fiber/ Yarn, the following range of Denier will be allowed:**

Export Product	Range of Denier of Synthetic Filament (Flat) Yarn to be allowed for import	Range of Denier of Partially Oriented Yarn (POY) to be allowed for import
Sarees, Dress Material	Upto 75 Dn.	Upto 120 Dn.
Suitings/ Shirtings	75 Dn. To 150 Dn.	115 Dn. to 245 Dn.
Heavy Suitings, Furnishing Fabrics, Upholstery etc.	150 Dn. to 250 Dn.	215 Dn. to 450 Dn.

In the 4<sup>th</sup> sentence of the above General Note it is mentioned that - Similarly, in case of Synthetic Fibre, flexibility between 1 to 3 denierage will be allowed.

Further, representative of the firm also informed that single block for import of Acrylic fibre should not have range more than 3 denier, but in this case for manufacture of different quantities of Acrylic Yarn as per buyers order, applicant firm import wide range of Acrylic fibre with different denierage i.e 1.5D- 3.5D, 3D – 5D and 5D-7D. The Committee was of the view that General Note No.1 for Textiles Product does not apply as the export product is Yarn in these cases. Thus, Committee

decided to allow Acrylic Fibre of various range of denierage viz., 1D-3D, 3D-5D and 5D-7D in respect of following advance authorizations: -

- (i) **3010055042 dt. 14.02.2008**
- (ii) **3010056431 dt. 29.05.2008**
- (iii) **3010058552 dt. 20.11.2008**
- (iv) **3010061795 dt. 23.06.2009**

The cationic dyes may be allowed with 2% wastage by weight of Acrylic fibre in the export item. The import of dyes and chemicals may be restricted to 14% of FOB value within the overall CIF value of the licence in terms of General Note for Textiles at S.No.5.

As regards one another advance authorization No. **3010057031 dt. 09.07.2009**, representative informed that they require to replace the import item from Acrylic Fibre to Acrylic Top for which input output norms should be fixed accordingly. In this case also Committee decided to allow 11% wastage on the item of import. R.A may be advised to regularize the above mentioned five advance authorizations accordingly.

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

Case No. 705	M/s Cheran Spinners Ltd., Erode
NC51/10 dt. 18.03.2010	F.NO.1/84/162/378/AM06 -DES-V
Re-fixation of input output norms in respect of Advance Authorization No. 3210030094 dt. 05.09.2005 – under Para 4.7 of HBP (Vol1) 2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and heard Saktheeswaran. K, Manager (export & import) of the firm, who appeared for personal hearing in this case. He explained the case alongwith relevant details. Representative informed that consequent upon blending ratio of Silk in the export item, the weight of export product could be changed, hence, it is difficult to mention exact weight of export item. In this connection, representative submitted the facts in writing as detailed below: -

Against the A/A in question, firm had imported 3158 Kgs of Mulberry Silk Sliver and exported the net Qty. of Silk – 2426.95 Kgs in the export item with the following blend ratio: - (i) Viscose: Silk:: 70%:30% (ii) Cotton: Silk : : 50%:50% and 100% Mulberry Silk Yarn. Now, they want to export the balance Qty. with blend ratio of Silk not more

than 50% in the export item. The Committee felt that if maximum blend ratio of Silk is 50%, it means that the total weight of export item would contain the double weight of Silk content in the export product. Therefore, Committee observed that export Qty. could be higher than the Qty. indicated in the application. Thus, Committee felt that export obligation would get discharged once the accounting for 5715 Kgs of Mulberry Silk Sliver in the export product completed.

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

Case No. 706	M/s Color Lines Clothing India Pvt. Ltd., Bangalore
NC51/10 dt. 18.03.2010	F.NO.1/84/50/346/AM09 -DES-V
Re-fixation of input output norms in respect of Advance Authorization No. 0710060473 dt. 16.10.2008 – under Para 4.7 of HBP (Vol1) 2004-2009.	

Decision: The Committee considered the case as per agenda and relevant details available in the file have been handed over to the representative of DC (MSME) present in the meeting for examination and comments. It was therefore decided to defer the case for re-listing on 15.04.2010.

Case No. 707	M/s Kamdev Prasad Yadav, Kolkata
NC51/10 dt. 18.03.2010	F.NO.1/84/162/416/AM10 -DES-V
Request for clarification in respect of export product 100% Natural Silk Floor Covering (Silk Made-ups) – Ref. from Jt. DGFT, Kolkata.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers viz. Test Report of sample from Central Silk Board and heard Sh. Vikas Kumar Agarwal, an authorized representative of the firm, who appeared for personal hearing in this case. It was observed that as per test report, sample is 100% Mulberry Raw Silk. Committee also observed that as per shipping bill, the exported item is ‘Hand made 100% Natural Silk Floor covering made-up (other than those covered in SION, J-123). Chapter –57 of ITC (HS) (Carpets and other textile floor coverings) code- 5702 39 20 provides item description as - Carpets and other floor coverings, of silk other, of pile construction, made up. Further, Chapter –63 of ITC (HS) (other made up textile articles; sets; worn clothing and worn textile articles; rags) code- 6307 90 12 provides item description as - Of silk. The Committee after deliberations felt that as representative has explained that item is Silk Floor Covering, which is clearly covered under Chapter- 57 and not covered under Chapter- 63 of ITC (HS). Further, since export item is not a made-up, hence it is not covered under SION, J-124. Therefore, it is decided to clarify that export item is not a made-up, hence cannot be covered under SION, J124. R.A, Kolkata as well as applicant may be informed accordingly.

**Outside agenda case**

Case No. 1	M/s Pearl Engineering, Polymers Ltd, New Delhi
NC51/10 dt. 18.03.2010	F.NO.1/84/162/582/AM10 -DES-V
Request for issuance of clarification with regard to the scope of export items Polyester Chips (Textile Goods) PTA route under SION, S.No.H-207.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and decided to call the applicant firm for personal hearing before NC meeting to be held on 25.03.2010.

The case stands deferred for re-listing on 25.03.2010.