## Directorate General of Foreign Trade <u>Udyog Bhawan</u> DES-V Section

## Minutes of NC-V Meeting held on 28.04.2011

The Meeting No. 4/AM-12 for the licensing year 2011-12 to consider the cases under Duty Exemption Schemes (Chapter-4) held on 28.04.2011 in Room No.213 of DGFT under the Chairmanship of Shri A.K.Singh, Jt. DGFT. The following officers were present: -

SI. No	Name of the representatives & their designation	Department
1	Dr. R.A.Lal, Director	R.O, TC, Noida
2	Sh. Nand Lal, Sr. D.O	DIPP
3	Sh. J.D.Giri, Nominee, AEPC	AEPC
4	Sh. Kuldeep Singh, Asstt. Director	MSME
5	Sh. Pradip Kumar, F.T.D.O	DGFT

## (TEXTILES AND LEATHER ITEMS)

At the outset the Minutes of NC Meeting No.52/AM11 dated 24.03.2011 were ratified. Thereafter agenda for Meeting No. 4/AM12 dated 28.04.2011 was taken up for discussion and the decision taken in respect of each case is enumerated below: -

MEETING NUMBER : 4/84-ALC3/2011 MEETING DATE : 28.04.2011

Case No.:9/41/84-ALC3/2010	Party Name: J.D. JONES & CO. PVT.	Meet No/Date:4/84-ALC3/2011	Status:
	LTD.	28.04.2011	Rejected

HQ File: 01/84/050/00286/AM11/	RLA File :02/24/040/00176/AM11/	Lic.No/Date:0210152795	
		29.12.2010	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that on the export side, firm have not mentioned the correct description of export item, which should be Pacmaan gland packing NA-781 (made out of white(sealants) pack fibre white dispersion Y 096 DO). Further, firm have also not given detailed process flow chart mentioning stage-wise wastage involved therein. Therefore, committee felt that advance authorisation should be modified accordingly. In view of the above, Committee was unable to finalise the norms and constrained to reject the case.

RLA may take suitable consequential action accordingly.

Case No.:5/49/84-Al	LC3/2010		00011	Status: Approved
HQ File :01/84/050/0	0365/AM11/	RLA File :05/24/040/00330/AM11/	Lic.No/Date:0510281536 14.01.2011	

Decision: The Committee considered the case as per agenda and decided to ratify the advance authorizations issued in this case as per written comments of DC (MSME) vide their U.O No. 37 (5)/07/2011-12/Hosy. dated 27.04.2011 as detailed below:

Export Product	Export Qty.	Import Item	Qty. allowed
Ladies top made of 70%	1070 Pcs	70% cotton 30%	3.07 Sq mtrs./Pc
cotton 30% silk dyed		silk dyed woven	
woven fabric, GSM-38+/-		fabric, GSM-38+/-	
10% (Style		10%	
No.SJ240520WN)			

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

HQ File :01/84/050/00385/AM11/ RLA File			Meet No/Date:4/84-ALC3/2011 28.04.2011	Status: Transferred
10 172 170 10700 12 171 171 171	3		Lic.No/Date:0710077152 04.02.2011	

Decision: The Committee considered the case as per agenda and relevant details and decided to transfer this case to DES-VII (Norms Committee-VII) for their consideration and necessary action as the similar item is being dealt by them.

Case No.:1/53/84-ALC3/2010	3	20.04.2011	Status: Approved
HQ File :01/84/050/00377/AM11/		Lic.No/Date:0510286113 15.03.2011	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and went through the 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 adhoc norms against the Advance authorization issued in this case as detailed below: -

4	S. No	Export Item	Export	Import item	Qty. allowed
	No		Qty.		·
	1	Ladies Blouse made out of	3937 Pcs	70% cotton 30%	5511.8 Sq mtrs.
	1	70% cotton 30% silk fabric,		silk fabric, GSM-	
		GSM-38+/-10% (Style		38+/-10%, width-	
		No.Q12H14000000)		140 Cms.	

No further export can be allowed in this case. The R.A shall be advised to take necessary action subject to compliance of other usual conditions.

II.	20.04.2011	Status: Approved
HQ File :01/84/050/00378/AM11	Lic.No/Date:0310621778 17.03.2011	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and went through the 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 adhoc norms against the Advance authorization issued in this case by allowing 5% wastage as detailed below: -

		_		
S.	Export Item	Export Qty.	Import item	Qty. allowed
No				
1	Flax/cotton fabrics (dyed) made out	10500 Kgs	Flax yarn	8242.5 Kgs.
	of twisted/untwisted flax yarn			
2	Flax/cotton fabrics(grey &	10500 Kgs	Flax yarn	3202.5 Kgs.
	bleached) made out of			
	twisted/untwisted flax yarn			

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

	Case N		Party Name: INTERNAT		Meet No/Date:4/84-A 28.04.2011	ALC3/2011	Status: Approved
	HQ File	e :01/84/050/00379/AM11/	RLA File :05	5/23/040/00329/AM11/	Lic.No/Date:0510286	5314	
	submit	on: The Committee considented by the firm. The Commuter in the meeting decided to	nittee after	deliberations in cons	ultation with the rep	oresentatives of t	9
	S.	Export Item	Export	Import item	Qty. allowed		
	No		Qty.				
6	1	Ladies tunic made of	1320	100% rayon dyed	3194 Sq mtrs.		
		100% rayon dyed woven	Pcs	woven fabric, GSM			
		fabric, GSM -79 +/-10%		79 with +/-10%			
		Style No. TC518					
	2	Ladies tunic made of	1930	100% rayon	4670 Sq mtrs.		
		100% rayon bleached	Pcs	bleached woven	-		
		woven fabric, GSM -79 +/-		fabric, GSM 79 with			
		10%		+/-10%			
		Style No. TC518					

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

Case No.:4/53/84-ALC3/2010	-	Meet No/Date:4/84-ALC3/2011 28.04.2011	Status: Approved
HQ File:01/84/050/00380/AM11/	RLA File :05/23/040/00354/AM11/	Lic.No/Date:0510286316 17.03.2011	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and went through the details submitted by the firm. The Committee after deliberations in consultation with the representatives of technical

_	authori	ties present in the meetin	g decided t	o ratify the Advance au	uthorization issued in	this case as detailed below: -
	∥ င	Evenort Hom	Evport	Import itom	Oty allowed	

S.	Export Item	Export	Import item	Qty. allowed
No		Qty.		
1	Ladies top made of	1950	100% cotton	2876 Sq mtrs.
	100% cotton bleached	Pcs	bleached woven	
	woven fabric, GSM -91		fabric, GSM -91 +/-	
	+/-10%		10%	
	Style No. U5C509			

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

	Meet No/Date:4/84-ALC3/2011 28.04.2011	Status: Approved
HQ File :01/84/050/00381/AM11/	Lic.No/Date:0510286318 17.03.2011	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and went through the 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 as detailed below: -

made of 98% cotton 2% spandex bleached spandex bleached woven fabric, GSM -112 +/-10% spandex bleached woven fabric, GSM -112 +/-10%	- 11	<u>.                                      </u>						
1 Girls short sleeve shirt made of 98% cotton 2% spandex bleached woven fabric, GSM -112 +/-10% 98% cotton 2% spandex bleached woven fabric, GSM -112 +/-10%		S.	Export Item	Export	Import item	Qty. allowed		
made of 98% cotton 2% spandex bleached spandex bleached woven fabric, GSM -112 +/-10% spandex bleached woven fabric, GSM -112 +/-10%		No		Qty.				
		1	made of 98% cotton 2% spandex bleached woven		spandex bleached woven fabric,	·		

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

## Manual agenda cases

Case No. 8	M/s Bhadresh Trading Corporation Ltd., Mumbai		
NC No.4/AM12	F.No.01/84/162/717/AM09/DES-V		
Dated 28.04.2011	Fixation of SION for Raw Cotton not carded or combed.		

Decision: The Committee considered the case as per agenda alongwith other relevant papers and decided to defer the case for re-listing on 26.05.2011.

Case No. 9	M/s Lavino Kapur Cotton Pvt. Ltd., Mumbai		
NC No.4/AM12	F.No.01/84/162/717/AM09/DES-V		
Dated 28.04.2011	Fixation of SION for Raw Cotton not carded or combed.		

Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that applicant company (an EOU unit) vide their letter dated 29.01.2011 have made the following request:-

Modification of SION, K-103 (Absorbent Cotton) and SION, K-104 (Absorbent Uncarded Cotton) against import

of raw cotton and

For applying the adhoc norms fixed by NC on 23.04.2009 since 4<sup>th</sup> May, 2006. ii)

So far as Modification of SION, K-103 (Absorbent Cotton) and SION, K-104 (Absorbent Uncarded Cotton) is concerned, this committee has already taken a view that in absence of data from 3-4 different firm (irrespective of the fact whether the units are DTA or EOU) duly filled up in the prescribed format, the Committee is unable to finalise any modification of SIONs.

Further, as regards applicability of the adhoc norms on exports made since 4th May, 2006 is concerned, it is seen that there is no specific provision regarding applicability date of adhoc norms for EOUs in the Policy/Procedure. Normally, NC decides cases related to Advance Authorisation (AA) and such decisions are applied for that specific AA. In the case of EOU, no AA is issued. Hence, the question arises as to from what date the adhoc norms decided for this EOU shall apply. NC-VI in its meeting No.40/08 dated 23.04.2009 has decided the adhoc norms for this EOU and that decision did not mention any applicable date. For AA, this question is never raised and adhoc norms are specific to a particular AA. However, in this case of EOU, this NC has already made the adhoc norms valid for the further period i.e. (01.04.2010 to 31.03.2012) in its Meeting No. 7/AM11dated 13.5.2010. Agreeing partially with the rational given by the applicant company in their request dated 29.01.2011 this Committee now taken the following steps:-

- (1) For extension of ad-hoc norms beyond 31.3.2012 decided for this EOU unit by NC-VI on 23.04.2009, the applicant EOU is advised to approach O/o TC, Mumbai to expedite their comments after visiting the factory of the company. A reminder may be send to TC. Mumbai, who have also been informed accordingly.
- (2) Modification of SION, K-103 (Absorbent Cotton) and SION, K-104 (Absorbent Uncarded Cotton) against import of raw cotton is not possible without following proper procedure and submission of 3-4 different companies' data duly recommended by an EPC. Hence this request stands rejected.
- (3) NC also recommends that a provision may be made in HBP Vol.I Chapter VI wherein it may be clearly specified that the ad-hoc norms as decided by NCs' are to be applied from the inception of production of the export product by the EOU's. This point may be taken up by the relevant Policy Division of DGFT for suitable incorporation of a specific provision in the Policy/Procedure.
- (4) Since the matter relates to EOU's, NC also recommends that the ad-hoc norms decision taken in NC-VI Meeting No. 40/08 dated 23.04.2009 may be applied from 4<sup>th</sup> May 2006 onwards (the date on which the application for adhoc norms and modification of SIONs was made).

Accordingly, for point 3 & 4 mentioned above, Policy Division for EOU (PC-VI) may take necessary action as may be required.

Case No. 10 M/s Superhouse Ltd.,Kanpur					
NC No.4/AM12	F.No.01/84/50/363/AM11/DES-V				
Dated 28.04.2011	Ratification of input output norms against advance authorisation No. 0610020958 dated 10.02.2011.				

Decision: The Committee considered the case as per agenda alongwith other relevant papers and went through the 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 adhoc norms against the Advance authorization issued in this case by allowing 5% wastage as detailed below: -

S.	Export Item	Export	Import item	Qty. to be	Qty. allowed
No		Qty.		accounted for	
				in export item	
1	Kids riding	133334	Artificial leather	19047.84 Kgs	20000 Kgs.
	breeches made	Pcs	cloth		
	of artificial				
	leather cloth				

R.A may be advised to correct ITC (HS) code as requested by applicant firm. The R.A shall be advised to take necessary action subject to compliance of other usual conditions.

00000000