

Directorate General of Foreign Trade
Udyog Bhawan
DES-V Section

Minutes of the Meeting NC-V held on 08.11.2007

The Meeting No. 31/AM-08 for the licensing year 2007-08 to consider the cases under Duty Exemption Schemes (Chapter-4) of Foreign Trade Policy 2004-09 pertaining to Textiles and Leather was held on 08.11.2007 in Room No.4 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, I.A	DIPP
2.	Sh.B.B Bharti, Director,	Regional Office of TC, Noida.
3.	Sh. Rajinder Pal Singh, DDG	DGFT
4.	Sh.Kuldeep Singh, Asstt.Director	O/o DC(MSME)
4.	Sh. Pradip Kumar, FTDO	DGFT

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(TEXTILES AND LEATHER ITEMS)

At the outset, the Minutes of NC Meeting No.30/AM08 held on 1.11.2007 were ratified by the Committee. Thereafter The Agenda for individual cases for Meeting No. 31/AM08 was taken up for discussion and the decision taken in respect of each case is enumerated below: -

MEETING NUMBER

: 31/84-ALC3/2007 MEETING DATE : 08.11.2007

Case No.693	M/s.Colart Camlin Canvas Pvt. Ltd
NC 31/08 dt.08.11.2007	F.NO.1/84/162/883/AM08 -DES-V
Export of Canvas Artist Board of Paulownia Wood and wedges WN art canv Indscp size 11x31 inch.38x21 CMS thick.	
Advance Authorization No No.0310446618 dt.16.10.2007 – under Para 4.7 of HBP(Vol1)2004-2009.	
.R.A LMumbai Ref.No.03/94/040/724/AM08	

Decision: The Committee considered the case as per agenda and observed that ITC (HS) code of export product is 52, which falls under the purview of DES-V (NC-V). Hence, Committee felt that earlier decision of NC, whereby similar cases have been transferred to DES-IV does not appear to be correct. In view of this Committee decided to call back all such cases alongwith relevant files from DES-IV Section, which have been transferred by DES-V Section. It was also decided to advise the firm to correct the ITC (HS) code of export product from 44 to 52 in future. Since, the case is under examination of DIPP, it was decided to defer the case for re-listing on 06.12.2007.

Case No.694	M/s.Best Sellers apparels Pvt. Ltd
NC 31/08 dt.08.11.2007	F.NO.1/84/162/882/AM08 -DES-V
Export of Cotton woven dress – infants/Girls.	
Advance Authorization No No.0710053916 dt.17.10.2007 – under Para 4.7 of HBP(Vol1)2004-2009.	
.R.A Bangalore Ref.No.04/24/040/220/AM08	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that case is under examination of DC (MSME)/TC, Mumbai. It was therefore decided to await comments from them and defer the case for re-listing on 06.12.2007.

Case No.695	M/s. Best Sellers Apparels Pvt. Ltd., Bangalore.
NC 31/08 dt. 08.11.2007	F.No. 01/84/162/706/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No.0710053122 dt. 31.08.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that as per details given in drawing/sketch submitted by the firm, the export product appears to be overall but not shortall. Further, the export product is in variation to the sketch furnished alongwith the application and firm have not given the justification for the requirement for overall and shortall separately. In view of this Committee decided to reject the case.

RLA may take suitable consequential action accordingly.

Case No.696	M/s. Best Sellers Apparels Pvt. Ltd., Bangalore.
NC 31/08 dt. 08.11.2007	F.No. 01/84/162/702/AM-08/DES-V

Ratification of input output norms against Advance Authorisation No.0710053118 dt. 31.08.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009.

Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that in this case for the two export products; three import items have been given. For the export product no.1 details regarding drawing/sketch have been given but for export product no.2 there is no indication that which import item is required for which export product. Further, justification for the requirement of inputs has also not given, in absence of which it is not possible to compute the requirement of inputs. Hence, Committee decided to reject the case.

RLA may take suitable consequential action accordingly.

Case No.697	M/s.Narottamdas Exports
NC 31/08 dt.08.11.2007	F.NO.1/84/162/435/AM08 -DES-V
Export of Ladies Trouser	
Advance Authorization No No.0310434637 dt.02.07.2006 – under Para 4.7 of HBP(Vol1)2004-2009.	
.R.A Mumbai Ref.No.03/95/040/292/AM08	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and decided to call for the following information/documents from the firm after taking on record the comments of TC, Mumbai: -

- (i) Measurement, Size-wise details and CAD/CAM/Laymarker in respect of both export products separately.

It was therefore decided to defer the case for re-listing on 06.12.2007.

Case No.698	M/s.Mayur Uniquoters Ltd.
NC.31/08 dt.08.11.2007	F.NO.1/84/50/652/AM06
Exports of Coated Technical Textiles.	
Advance Llicence No1310020633 dt.30.12.2005 – under para 4.7 of HBP(Vol1)2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that as per NC decision R.A was advised to check/calculate GSM taking into consideration of net weight & area mentioned in Shipping Bills. R.A have informed that GSM in this case is between 178.81 to 458.97, which is more than NC decision. In view of this Committee decided to advise R.A that earlier decision of NC may be modified and the GSM of export product shall be minimum 160.

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

Case No.699	M/s.Parveen Kumar Hosiery
NC 31/08 dt.08.11.2007	F.NO.1/84/162/884/AM08 -DES-V
Export of 100% Nylon Knitwear	
Advance Authorization No No.3010053380 dt.08.10.2007 – under Para 4.7 of HBP(Vol1)2004-2009.	
.R.A Ludhiana Ref.No.30/24/040/31/AM08	

Decision: The Committee considered the case as per agenda & alongwith details available and observed that 5% wastage is sufficient because it is not known whether export product is fully fashioned or otherwise. Committee in consultation with the representatives of technical authorities present in the meeting decided to ratify the Advance authorization issued in this case by allowing 5% wastage as detailed below: -

Export product	Export Qty.	Import product	Qty. allowed
100% Nylon Knitwear	38300 Kgs	100% Nylon yarn count 1/14 NM	40.215 M.T

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

Case No.700	M/s.Celebrity Fashions Ltd
NC 31/08 dt.08.11.2007	F.NO.1/84/162/881/AM08 -DES-V
Export of Ladies Sleeveless Tank top made of 50% linen 50% cotton dyed woven fabrics – GSM160(+/-10%).	
Advance Authorization No No.0410091037 dt.13.09.2007 – under Para 4.7 of HBP(Vol1)2004-2009.	
.R.A Chennai Ref.No.04/24/040/220/AM08	

Decision: The Committee considered the case as per agenda and in consultation with the representative of technical

authorities present in the meeting decided to ratify the Advance authorization issued in this case on the basis of written comments of DC (MSME) conveyed vide their U.O No. 37(5)/94/07-08/Hosy. dated 07.11.2007 as detailed below: -

Export item	Export Qty.	Import item	Qty. allowed
Ladies sleeveless Tank top made of 50% linen, 50% cotton dyed woven fabric, GSM-160+/-10% Style No. D1858136	24533 Pcs	50% linen, 50% cotton dyed woven fabric, GSM-160+/-10%	1.94 Sq mtrs./Pc
Ladies sleeveless Tank top made of 50% linen, 50% cotton bleached woven fabric, GSM-160+/-10% Style No. D1858136	6565 Pcs	50% linen, 50% cotton dyed woven fabric, GSM-160+/-10%	1.94 Sq mtrs./Pc

The GSM should match in both import & export.

The R.A shall be advised to take necessary action subject to compliance of other usual conditions. They have to check/monitor export obligation by imposing Style No. on export side.

Case No.701	M/s. United Electrotex Pvt. Ltd., Bangalore.
NC 31/08 dt. 08.11.2007	F.No. 01/84/162/341/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No.0710051907 dated 6.6.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009.	

Decision: The Committee considered the case as per agenda and decided to ratify the Advance authorization issued in this case on the basis of revised written comments of TC, Mumbai conveyed vide their letter No. 18/2810/07/E-II/277 dated 30.08.2007 in supersession of its earlier decision taken on 03.05.2007 as detailed below: -

S. No	Export Product	Import Product	Qty. allowed per Pc of export product
1	Gents jacket with lining	1.100% Nylon Ribstop Taffeta Army colour (Panton –18-06 15 TC) Fabrics width 58” ,GSM-75. 2.Metal snap fastener	5.45 Sq mtr. Net to net.

The quality of fabric used in the export products should conform with the quality of fabric imported in terms of GSM, fibre composition and special finish (if any) imparted to the fabric.

The R.A shall be advised to take necessary action subject to compliance of other usual conditions. They have to find out the Style No. from firm and check/monitor the same by imposing Style No. on export side.

Case No.702	M/s. Scorpions Apparels Pvt. Ltd., Faridabad.
NC 31/08 dt. 08.11.2007	F.No. 01/84/162/291/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No. 0510203031 dt. 27.4.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009	
RLA, CLA, New Delhi. Ref. No.5/24/40/067/AM08.	

Decision: The Committee considered the case as per agenda and decided to ratify the Advance authorization issued in this case on the basis of revised written comments of TC, Mumbai conveyed vide their letter No. 18/2783/07/E-II/150 dated 22.08.2007 in supersession of its earlier decision taken on 03.05.2007 as detailed below: -

S. No	Export Product	Import Product	Qty. allowed per Pc of export product
1	Ladies Jacket	55% wool voile 44% viscose 1% Elastine dyed woven fabric, GSM-193(+/-10%), width=55"	2.78 Sq mtr.
2	Ladies Jacket	55% wool voile 44% viscose 1% Elastine dyed woven fabric, GSM-193(+/-10%), width=55"	2.36 Sq mtr.
3	Ladies Jacket	55% wool voile 44% viscose 1% Elastine dyed woven fabric, GSM-193(+/-10%), width=55"	2.45 Sq mtr.

The quality of fabric used in the export products should conform with the quality of fabric imported in terms of GSM, fibre composition and special finish (if any) imparted to the fabric.

The R.A shall be advised to take necessary action subject to compliance of other usual conditions. They have to find out the Style No. from firm and check/monitor the same by imposing Style No. on export side.

Case No.703	Ref. from FIEO and Central Leather Research Institute, Chennai.
NC 31/08 dt. 8.11.2007	F.No. 01/84/162/035/AM-06/DES-V
Regarding Duty Free Fuel to be used in the Captive Power Plants for Production of Leather and Leather Goods for Exports.	

Decision: The Committee considered the case as per agenda and perused the recommendations of CLRI, Chennai conveyed vide their 28.09.2007 wherein they have suggested that a survey/study in Leather Industry may be necessary to come out with a standard norm for energy consumption in different sector of the Indian Leather Industry.

Committee observed that in view of comments of CLRI , Chennai it is not possible to finalise a General Note for requirement of fuel with reference to other product of Leather where fuel has not been allowed. It was therefore, decided that CLRI,Chennai should conduct survey/study of Leather Units to calculate the quantity of fuel required in production of 1 unit of export product depending on different manufacturing stages using power as an essential input and FIEO should be in touch for outcome of the study report so that a decision for fuel requirement may be taken by Norms Committee.

Further at present as per General Note for fuel, duty free import of fuel to he extent of 3% as percentage of FOB value of exports (where fuel has not been specifically included in the SION) is allowed for the product Leather Footwears and its Leather components. However, there is no policy to permit fuel for generating power using DG Sets because these are not treated as captive power plant under Central Electricity Authority Regulations etc. If the duty free import of fuel is to be allowed to the units having DG Sets in place of captive power plants the proposal needs to be examined by Policy Division.

FIEO, CLRI, Chennai and Policy Division may be informed accordingly.
