

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

**Minutes of the Meeting NC-V held on 17.01.2008**

The Meeting No. 41/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 17.01.2008 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. Ashok Kumar Arora, Dy.DGFT	DGFT
3.	Sh. Pramod Kumar, Tech. Officer	DOR
4.	Sh. Kuldeep Singh, Assistant Director	DC (MSME)
5.	Sh. Pradip Kumar, F.T.D.O	DGFT

**(TEXTILES AND LEATHER ITEMS)**

The Agenda for individual cases for Meeting No. 41/AM08 was taken up for discussion and the decision taken in respect of each case is enumerated below: -

### Manually generated agenda cases

Case No.870	M/s. Chandra Mukhi Impex Pvt. Ltd
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/1073/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No. 0210106958 dt. 10.12.2007 – 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 applicant firm have given calculation sheet, size-wise details, design, CAD/CAM/Laymarker/Measurement, in absence of which it is not possible to compute the requirement of inputs for the export product asked for. In view of this, Committee was constrained to reject the case.

RLA may take suitable consequential action accordingly.

Case No.871	M/s. G.D. Enterprises
NC 41/08 dt. 17.01.2008	F.No. 01/84/50/96/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No. 0210102133 dt. 04.07.2007 – 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 adhoc norms have already been fixed by NC as per written comments of TC, Mumbai and for fixation of SION of this category, Council for Leather Export was requested to furnish their industrial data in respect of 4-5 firms engaged in this manufacturing. Committee perused the report sent by regional office of CLE, Kolkata vide their letter dated 15.10.2007 and observed that they are unable to furnish the data of consumption of 200 GSM Kevlar Cloth used in the manufacture of Industrial leather gloves as the GSM of Kevlar cloth may often vary as per specifications of the buyers. Further, they have also informed that none of the member-exporters who were contacted through e-mail/phone submitted the required data. The matter was also discussed with the representative of CLE, New Delhi, Sh. Ali Ahmed Khan, Regional Director, who appeared for personal hearing in other case. Committee, advised him also to process for the industrial data in this case. It was also decided to bring to the notice of DG to ensure assistance from CLE for fixation of SION.

Case No.872	M/s. Alankar Global Pvt. Ltd.
NC 41/08 dt. 17.01.2008	F.No. 01/84/50/155/AM-05/DES-V
Ratification of input output norms against Advance Authorisation No. 0510130485 dt. 28.06.2004 – under Para 4.7 of HBP (Vol.I) 2004-2009/Redemption certificate (EODC).	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that Norms Committee has no role in this case. It is a Policy matter. Hence, it was decided to refer the case to Policy Division for their comments and withdraw the case from agenda.

Case No.873	M/s. Usha Fabs Pvt. Ltd., Gurgaon.
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/1100/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No.0510213740 dated 18.12.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and handed over the copies of relevant information/details available in the file to the representative of DC (MSME) for their examination and comments and defer the case for re-listing on 14.02.2008.

Case No.874	M/s. Welspun Syntex Ltd., Mumbai.
NC 41/08 dt. 17.01.2008	F.No. 01/84/50/160/AM-08/DES-V
Re-fixation of input output norms against Advance Authorisation No.0310441964 dt. 6.9.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and heard Sh. Atul Tandon, a representative of the firm, who appeared for Personal Hearing. He explained the background of his case alongwith sample of second hand used Metallic Corps. The Committee advised that second hand item covers under negative list; as such NC cannot allow the same under Advance Authorisation. It was therefore, decided to refer the case to Jt.DGFT (OPH) and Jt.DGFT (AA) for their comments. Firm may be informed accordingly.

Case No.875	M/s. Welspun Syntex Ltd., Mumbai.
NC 41/08 dt. 17.01.2008	F.No. 01/84/50/121/AM-08/DES-V
Re-fixation of input output norms against Advance Authorisation No.0310437690 dt. 30.7.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and heard Sh. Atul Tandon, a representative of the firm, who appeared for Personal Hearing. He explained the background of his case alongwith sample of second hand used Metallic Corps. The Committee advised that second hand item covers under negative list; as such NC cannot allow the same under Advance Authorisation. It was therefore, decided to refer the case to Jt.DGFT (OPH) and Jt.DGFT (AA) for their comments. Firm may be informed accordingly.

Case No.876	M/s. Shahi Export House, New Delhi.
NC 41/08 dt. 17.01.2008	F.No. 01/84/50/185/AM-06/DES-V
Re-fixation of input output norms against Advance Licence No. 0510159281 dt. 7.6.2005 – 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 firm have requested for extension of time for personal hearing. The Committee granted extension and decided to call the firm for P.H in its meeting on 14.02.2008.

The case stands deferred for re-listing on 14.02.2008.

Case No.877	M/s. Sunil Impex (P) Ltd., Kolkata.
NC 41/08 dt. 17.01.2008	F.No. 01/84/50/090/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No.0210101998 dt. 29.6.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and in consultation with the representative of technical authorities present in the meeting decided to ratify the Advance authorization issued in this case as per written comments of TC, Mumbai conveyed vide their letter No. 3(53)/2007/TPDC/19 dated 12.09.2007 by allowing dyes to the tone of 1.5% of the weight of export product as per existing SION entry No. 91. Further, Dyes and Chemicals as inputs against the subject advance authorization shall 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.

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

Case No.878	M/s. Model Exims
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/715/AM-07/DES-V
Fixation of norms/modification of SION in respect of leather goods and other suggestions regarding the Policy decisions.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and heard Sh Ali Ahmed Khan, Regional Director, CLE, New Delhi who appeared for personal hearing to explain various issues pertaining to fixation of norms/modification of SION in respect of leather goods and other suggestions regarding Policy decisions thereon. As regards Duty Free Fuel to be used in the Captive Power Plants for production of Leather and Leather Goods for exports, Sh. Khan explained that currently, in the SION, at S.No. G-1, G-14 & G-39, duty free import of fuel has been allowed for the Leather garments, Leather footwears and Leather purses respectively. 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. Further at present as per General Note for fuel, duty free import of fuel to the extent of 3% of FOB value of exports (where fuel has not been specifically included in the SION). 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. In view of this Committee advised Sh Khan to submit relevant data duly filled up/authenticated in the prescribed Aayat Niryat Form to process the proposal for General Note for Fuel to be classified in broad 3 categories i.e for finished leather, footwear and its leather components.

Case No.879	M/s. Bombay Rayon Fashions Ltd.
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/487/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No. 0310436822 dt. 19.07.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009.	

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 TC, Mumbai conveyed vide their letter NO. 18/2837/07/EP-II/204 dated 17.10.2007 as detailed below: -

S. No	Export Product	Export Qty.	Import Item	Qty. allowed per Pc of export product
1	Mens Long sleeves shirts	225578 Pcs	1) Pure linen fabics PFD, width 61-63", GSM-145 2) Interlining fabric 3) Basosoft SMS 4) Siligen SIA 5) Siligen PEP 6) Remazol Brill Blue BB gran 7) Remazol Yellow RR gran 8) Remazol Ultra Red RGB 9) Cibacron yellow NP 10) Cibacron Red C-2BL 11) Cibacron Blue C-R	1) 3.29 Sq mtrs 2) 0.23 Sq mtrs 3) 4.65 grms per kg 4) 11.62 grms per kg (5) to (11)- 15 grms per kg of export product (All put together)
2	Mens short sleeves shirts	210000 Pcs	1) Pure linen fabics PFD, width 61-63", GSM-145 2) Interlining fabric 3) Basosoft SMS 4) Siligen SIA 5) Siligen PEP 6) Remazol Brill Blue BB gran 7) Remazol Yellow RR gran 8) Remazol Ultra Red RGB 9) Cibacron yellow NP 10) Cibacron Red C-2BL 11) Cibacron Blue C-R	1) 2.46 Sq mtrs 2) 0.19 Sq mtrs 3) 4.65 grms per kg 4) 11.32 grms per kg (5) 11.32 grms per kg (6) to (11)- 15 grms per kg of export product (All put together)
3	Ladies full sleeves shirts	110000 Pcs	1) Pure linen fabics PFD, width 61-63", GSM-145 2) Interlining fabric 3) Basosoft SMS 4) Siligen SIA 5) Siligen PEP 6) Remazol Brill Blue BB gran 7) Remazol Yellow RR gran 8) Remazol Ultra Red RGB 9) Cibacron yellow NP 10) Cibacron Red C-2BL 11) Cibacron Blue C-R	1) 3.13 Sq mtrs 2) 0.11 Sq mtrs 3) 4.65 grms per kg 4) 11.62 grms per kg (5) 11.62 grms per kg (6) to (11)- 15 grms per kg of export product (All put together)

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.880	M/s. Bombay Rayon Fashions Ltd.
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/486/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No. 0310436816 dt. 19.07.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009.	

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 TC, Mumbai conveyed vide their letter NO. 18/2838/07/EP-II/207 dated 17.10.2007 as detailed below: -

S. No	Export Product	Export Qty.	Import Item	Qty. allowed per Pc of export product
1	Mens Long sleeves shirts	90000 Pcs	1) Pure linen fabics PFD, width 58-60", GSM-140 2) Interlining fabric 3) Basosoft SMS 4) Siligen SIA 5) Siligen PEP 6) Remazol Brill Blue BB gran 7) Remazol Yellow RR gran 8) Remazol Ultra Red RGB 9) Cibacron yellow NP 10) Cibacron Red C-2BL 11) Cibacron Blue C-R	1) 3.29 Sq mtrs 2) 0.23 Sq mtrs 3) 4.65 grms per kg 4) 11.62 grms per kg 5) 11.62 grms per kg (6) to (11)- 15 grms per kg of export product (All put together)
2	Mens short sleeves shirts	90000 Pcs	1) Pure linen fabics PFD, width 58-60", GSM-140 2) Interlining fabric 3) Basosoft SMS 4) Siligen SIA 5) Siligen PEP 6) Remazol Brill Blue BB gran 7) Remazol Yellow RR gran 8) Remazol Ultra Red RGB 9) Cibacron yellow NP 10) Cibacron Red C-2BL 11) Cibacron Blue C-R	1) 2.47 Sq mtrs 2) 0.19 Sq mtrs 3) 4.65 grms per kg 4) 11.32 grms per kg 5) 11.32 grms per kg (6) to (11)- 15 grms per kg of export product (All put together)
3	Ladies full sleeves shirts	75287 Pcs	1) Pure linen fabics PFD, width 58-60", GSM-140 2) Interlining fabric 3) Basosoft SMS 4) Siligen SIA 5) Siligen PEP 6) Remazol Brill Blue BB gran 7) Remazol Yellow RR gran 8) Remazol Ultra Red RGB 9) Cibacron yellow NP 10) Cibacron Red C-2BL 11) Cibacron Blue C-R	1) 3.13 Sq mtrs 2) 0.11 Sq mtrs 3) 4.65 grms per kg 4) 11.62 grms per kg 5) 11.62 grms per kg (6) to (11)- 15 grms per kg of export product (All put together)

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.881	M/s. Gaurav International
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/1106/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No. 0510213579 dt. 14.12.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and also perused **Para No. 3.9.1 and 3.9.2 of Policy Circular No. 20 dated 05.12.2007**, which provide that “ Wherever, a SION exists and an application under Para 4.7 is made for higher quantity of imported inputs (than the same fixed under SION), such requests can be entertained for SION revision only and in cases where a SION exists and an application is made for additional inputs, other than those specified in SION, AA may be issued under para 4.7”. In view this Committee in consultation with representatives of technical authorities present in the meeting decided to ratify the advance authorization issued in this case as detailed below: -

S. No	Export Product	Export Qty.	Import Product	Qty. allowed
1	Ladies trouser made of 100% linen dyed woven fabric GSM 165 +/-10% variation fabrics GSM 105(+/-10%)	9350 Pcs	100% line dyed woven fabric GSM 165 +/-10% variation	21037.5 Sq mtrs (taking cue from SION, J-275)
2	Ladies trouser made of 100% linen bleached woven fabric GSM GSM 165 +/-10% variation	2400 Pcs	100% line bleached woven fabric GSM 165 +/-10% variation	5400 Sq mtrs (taking cue from SION, J-275)

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 find out the Style No. from firm and check/monitor the same by imposing Style No. on export side.



Case No.882	M/s. Gaurav International
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/1105/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No. 0510213776 dt. 19.12.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and also perused **Para No. 3.9.1 and 3.9.2 of Policy Circular No. 20 dated 05.12.2007**, which provide that “ Wherever, a SION exists and an application under Para 4.7 is made for higher quantity of imported inputs (than the same fixed under SION), such requests can be entertained for SION revision only and in cases where a SION exists and an application is made for additional inputs, other than those specified in SION, AA may be issued under para 4.7”. In view this Committee in consultation with representatives of technical authorities present in the meeting decided to ratify the advance authorization issued in this case as detailed below: -

S. No	Export Product	Export Qty.	Import Product	Qty. allowed
1	Ladies dress made of 96% cotton 3% polyester 1% spandex yarn dyed fabric GSM 75 +/- 10% variation	23100 Pcs	96% cotton 3% polyester 1% spandex yarn dyed fabric GSM 75 +/-10% variation	103950 Sq mtrs (taking cue from SION, J-288)

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.

Case No.883	M/s. Gaurav International
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/1103/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No. 0510212548 dt. 26.11.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and also perused **Para No. 3.9.1 and 3.9.2 of Policy Circular No. 20 dated 05.12.2007**, which provide that “ Wherever, a SION exists and an application under Para 4.7 is made for higher quantity of imported inputs (than the same fixed under SION), such requests can be entertained for SION revision only and in cases where a SION exists and an application is made for additional inputs, other than those specified in SION, AA may be issued under para 4.7”. In view this Committee in consultation with representatives of technical authorities present in the meeting decided to ratify the advance authorization issued in this case as detailed below: -

S. No	Export Product	Export Qty.	Import Product	Qty. allowed
1	Ladies trouser made of 100% linen dyed woven fabric GSM 165 +/-10% variation	24400 Pcs	100% line dyed woven fabric GSM 165 +/-10% variation	54900 Sq mtrs (taking cue from SION, J-275)
2	Ladies trouser made of 100% linen bleached woven fabric GSM 165 +/-10% variation	15600 Pcs	100% line bleached woven fabric GSM 165 +/-10% variation	35100 Sq mtrs (taking cue from SION, J-275)
3	Ladies Tunic made of 100% linen bleached woven fabric GSM 140 +/-10% variation	1750 Pcs	100% linen bleached woven fabric GSM 140 +/-10% variation	Not allowed as no CAD/CAM/Laymarker/ drawing/design given.

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.

Case No.884	M/s. Gaurav International
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/1104/AM-08/DES-V
Ratification of input output norms against Advance Authorisation No. 0510213337 dt. 11.12.2007 – under Para 4.7 of HBP (Vol.I) 2004-2009.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and also perused **Para No. 3.9.1 and 3.9.2 of Policy Circular No. 20 dated 05.12.2007**, which provide that “ Wherever, a SION exists and an application under Para 4.7 is made for higher quantity of imported inputs (than the same fixed under SION), such requests can be entertained for SION revision only and in cases where a SION exists and an application is made for additional inputs, other than those specified in SION, AA may be issued under para 4.7”. In view this Committee in consultation with representatives of technical authorities present in the meeting decided to ratify the advance authorization issued in this case as detailed below: -

S. No	Export Product	Export Qty.	Import Product	Qty. allowed
1	Ladies blouse made of 100% cotton solid dyed woven fabric GSM 70 +/-10% variation	37000 Pcs	100% cotton solid dyed fabric GSM 70+/-10% variation.	90650 Sq mtrs (taking cue from SION, J-290)

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 find out the Style No. from firm and check/monitor the same by imposing Style No. on export side.

Case No.885	Jt.DGFT, Panipat M/s. Raj Overseas, Panipat.
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/1101/AM-08/DES-V (Link F.No.01/94/162/779/AM08/PC-I)
Regarding endorsement of other inputs on Target Plus Licences.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that PC-I Section have forwarded the proposal for allowing requirement of two import items (1) PP Woven Carpet Backing and (2) Thickner for the export product Woven Tufted woolen carpets. The Committee after detailed deliberations in consultation with representatives of technical authorities present in the meeting decided to allow PP Woven Carpet Backing for the export product Woven Tufted woolen carpets. Thickner may not be allowed. Remaining items of import may be allowed as per SION at S. No. F-8.

PC-I Section may be informed accordingly.

Outside agenda case

Case No.1	Ref. from PC-I in r/o M/s.Gala International (P) Ltd.
NC 41/08 dt. 17.01.2008	F.No. 01/84/162/1125/AM-08/DES-V (Link F.No.01/94/162/193/AM08/PC-I)
Regarding clarification for import against licences issued under Target Plus Licences.	

Decision: The Committee considered the case as per agenda alongwith other relevant papers and observed that PC-I Section have sought comments of NC-Textiles regarding clarification for import against licences issued under Target Plus Licences. Doubts have been raised that all the Plastic Raw Material required for packing the export of Textile products viz. LLDPE, LDPE, HDPE, PP etc and other material i.e Craft/Art Paper/Adhesive Tape, Plastic/Metal Strappers ect are all covered under General Note of SION as stated in Hand Book of Procedure Vol.II of Policy for Packing Material hence duty credit scrip issued under Target Plus Scheme can be utilized for the import of said items. The Committee after detailed deliberations in consultation with representatives of technical authorities present in the meeting decided as follows: -

- (i) Polyethylene bags used in packing Textile products & garments can be made from LLDPE, LDPE, HDPE. Hence, these can be allowed, while PP may be disallowed.
- (ii) Outer Carton Box used for packing materials can be made from Craft paper.
- (iii) Inner Carton & Inner sheet used for packing Garments can be made from Art paper.
- (iv) Adhesive Tape used for the purpose may be allowed for the purpose of packing. Hence, Craft/Art paper may be allowed.
- (v)
- (vi) Metal Strappers used for the purpose of packing may be allowed.

PC-I Section may be informed accordingly.