

Case No. M-49

F. No. 7/199/2018-TS
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION
(TSW- SECTION)

M/N. 1/20
Part I

Subject: Wastage norms for export of polished granite slab-M/s Pacific
Ref: DGFT UO. No.01/83/043/AM-19/DES-IV

Vide letter dated 27.11.2018 and 17.01.2018, the firm has submitted the details of wastage of norms for the export of Rough Marble Slab, Polished Marble/Granite Slab/Tile. Regarding consumable item i.e. Polished Diamond Wire Set, the firm has requested to fix the norms as 10.24% of FOB value of export. In the SION A 1833, the following norms are fixed:-

A1833	Unpolished/ Polished Granite Slabs	1 MT	1	Steel Grits or Shots/ Gangsaw Blades	Up to 5% of FOB value of export.
			2	Diamond Segment/ Diamond Circular Saw Blades/ Circular Saw Blades or blanks	Up to 4% of FOB value of exports.
			3	Polishing Abrasives (for Polished Granite Slabs only)	Up to 3% of FOB value of exports.

2. They have stated that they have asked consumable 10.24% of FOB value of export to produce rough granite slab. In support they have mentioned the following:

a) The excess of 2.4% in consumption is due to new technology machine giving better quality production. This machine's cutting performance is more accurate than the previous technology machine. Therefore, there is an excess in the consumption.

b) The previous norms are very old one. The margins are not that much as it was in 1990. That time India's export was in few crores only and now today it is in thousands of crores. It is very simple, in such a competitive scenario one cannot get high margin so it is obvious the sale rate of product would come down drastically so the FOB value of export.

3. Based on information furnished by the firm and norms approved earlier for the EOU for the export of same products in case of M/s Jain Grani Marmo Pvt. Ltd., the following wastage norms are recommended :-

S.No	Input	Output	Wastage Recommended
1	Indigenous Marble Blocks (Irregular, uneven shape)	Rough Marble slabs	34% i.e. 1.34 MT/MT of export
2.	Imported Marble Blocks (Regular shape)	Rough Marble slabs	10% i.e. 1.10 MT/MT of export
3.	Rough Marble slabs	Polished Marble slabs/tiles	2% i.e. 1.02 MT/MT of export
4.	Rough Granite tiles	Polished Granite tiles	3% i.e. 1.03 MT/MT of export
5.	Consumable-Diamond Wire Set	Polished Granite Slab	9% the FOB value of export subject to conditions that input items 1 and 2 of SION A1833 namely Steel Grits or Shots / Gangsaw Blades and Diamond Segment / Diamond Circular Saw Blades/ Circular Saw Blades or blanks will not be allowed under duty exemption.

NL
(NAND LAL)
Consultant
22.01.2019

DGFT (DES-IV)