

ADC members to sensitise garment exporters

New Delhi 19 Jan. - The advance licensing committee will interact with exporters across the country to highlight normal precautions to be taken while submitting application for obtaining licences under self-declared scheme. The committee members will visit Chennai from February 3 to 5 in the first leg. Interested exporters may visit AEPC's office in Chennai between 12 noon and 2.30 pm where all six members of the advance licensing committee will be present.

Due to insufficient details, decisions on consumption are delayed and exporters or their representatives are required to visit Office of the Director General of Foreign Trade in New Delhi for personal hearing in such cases.

The general mistakes found in self-declaration licence application are: wrong ITC codes mentioned for both import and export items, unit of measurement wrongly given in metres instead of square metres, mismatch of GSM of fabric both import and export, mismatch of description of import and export items, consumption of fabric required for manufacture of resultant product not given properly, wastage claimed in resultant product not correctly mentioned, CAD and sketch of resultant product not submitted.

Before preparing application, exporters should verify whether the resultant product is covered under SION. In case item is not covered under SION, then application is prepared under self-declaration scheme.

Exporters should also verify whether the application is to be made under para 4.7 or 4.7.1 of HBP. In case ad hoc norms have already been fixed for resultant product, then application is prepared under para 4.7.1 of HBP.

In the application, the following details are mandatory:

- actual description of import and export items to be given,
- technical characteristic and quality of import item to be given, ITC (HS) of import and export items to be given,
- unit of measurement and qty to be given, data sheet in appendix 11A is to be prepared,
- in data sheet, description and technical characteristics of import item to be given.
- also, quantity required per unit of resultant product to be given.
- wastage claimed on net content of resultant product to be given.
- recoverable wastage/by product if any, the same mentioned in data sheet.
- production and consumption data of resultant product during three preceding licensing years duly certified by CA.

In case licences obtained in the past and ratified by ALC for the same product covered in the application, following details are given in data sheet:

- licence No and date
- description of export product
- description of import item

- import item qty per unit of export product
- import item qty per unit of export product as approved by ALC
- ALC meeting no. and date
- approval date
- data sheet is certified by CE is attached with application
- respective CAD/sketch/measurement chart of export item with style is submitted alongwith application
- flow chart confirming stages involved in manufacturing of resultant product is to be enclosed
- in case licence is applied for pocketing fabric, lining, interlining and any other accessories to be used in garments, indicate whether the body fabric used in garment is procured imported or indigenous,
- in case blended fabric is used for manufacture of garment, composition of fabric is indicated in the licence application
- in case item is covered under SION, application is prepared under para 4.4 of HBP. Items which are not covered under SION, application for obtaining licence is prepared under para 4.7 of HBP. Clubbing of SION and non SION items in one application is not allowed.