

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
DIRECTORATE GENERAL OF FOREIGN TRADE
UDYOG BHAWAN NEW DELHI-110011

Policy Circular No. 1 / 2004-2009 dated 17.09.2004

To
All Licensing authorities
All Commissioners of Customs

Subject: Import Penicillins and its salts (ITC HS Code 29411010) or import of 6-APA (ITC HS Code No.29411050) under Advance Licences.

Reference: Policy Circular Nos.9(RE-2004)/2002-07 dt. 30.6.2003, No.15(RE-2003)/2002-07 dt. 17.9.2003, No.33(RE- 2004)/2002-07 dt. 30.4.2004 , 41(RE-2004)/2002-2007 dt 22.07.2004, Public Notice No-73 dated 29.07.2004 and Public Notice 6 dated 17.9.2004

Import of Penicillins and its salts (ITC HS Code 29411010) and 6-APA (ITC HS Code No.29411050) under Advance Licences has been subjected to certain restrictions. The above referred Policy Circulars and Public Notices deal with the subject matter.

In terms of the recent Public Notice 6 dated 17.9.2004 the Export Obligation period for such licences has been increased to 6 months from the date of clearance of first consignment of the subject goods from the existing 3 months period. The overall validity and Export Obligation period for such Advance Licences shall be as per Advance Licensing policy, however the actual Export Obligation period shall be restricted to 6 months from the date of clearance of Penicillins and its salts or 6-APA. No further Export Obligation extension shall be granted beyond this period.

The Export Obligation period shall be reckoned from the date of clearance of Penicillins and its salts or 6-APA only and not from the date of clearance of other input items mentioned in the licence. For example if the material is imported in 12th month the Export Obligation shall have to be fulfilled in $12+6 = 18$ months time.

If the material is imported from unregistered sources the additional conditions prescribed in various policy circulars referred above shall also be applicable. However Export Obligation Period cannot be extended beyond 6 months from the date of clearance of subject goods. In case export obligation is fulfilled prior to importation of the material then unapproved drugs cannot be imported against the licence and only approved drugs can be imported during the validity period of the licence. The Export Obligation period for these licences shall remain same irrespective of whether the material is imported either from the approved or from unapproved sources.

The licences issued prior to 22.7.2004 in case of Penicillins and its salts and prior to 29.7.2004 in case of 6-APA shall not be called back for reducing the Export Obligation period, however any further endorsement of Export Obligation extension is subjected to the above provisions.

This issues with the approval of DGFT.

(SBS Reddy)
Joint Director General of Foreign Trade

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