

DIRECTORATE GENERAL OF FOREIGN TRADE
DES-VI (FOOD & MISC)

Minutes of the meeting of NC-VI held on 28.05.2009

Meeting No. 05/AM10 for the licensing year 2009-10 to consider cases under Duty Exemption Schemes (Chapter-4) of Foreign Trade Policy 2004-09 pertaining to Misc. & Food Products was held on 28.05.2009 under the Chairmanship of Shri A.K. SINGH, Jt. DGFT. Following officers were present in the meeting.

S.No.	Name of the Officer	Designation	Department
1	Sh. Shaish Kumar	I.A.	DIPP
2	Sh. J.P.Maurya	A.I.A	MFPI
3	Sh. A.K. Ojha	A.D	MSME
4	Sh. T.M. Skaria	DDG	DGFT
5	Sh. Raghu Nath	FTDO	DGFT

The Committee ratified the minutes of the meeting held on 15.5.2009 & 21.5.2009. Thereafter, agenda for individual cases was taken up for discussion. Decision taken in each case is enumerated below. Ad-hoc norms fixed in this meeting are valid for a period of 12 months as per Public Notice 37 dated 23.08.2007.

Case No 111 NC-VI Dt. 28.05.2009	M/s. Jindal Drugs Ltd., Mumbai	Meeting No. 05/09 Dt. 28.05.09	Status: Rejected.
HQ File No. 01/85/50/0238/AM09 RLA File 03/94/40/0924/AM09		Lic No. & Dt. 0310501742 dt. 07.01.2009	

Committee perused comments of MFPI under OM F.No. MFPI/16/DES/2006 dated 27.5.09. MFPI have informed that in the extraction of Cocoa Butter from Cocoa Beans, 1.6 Kgs of bye product, i.e. Cocoa cake having commercial value is obtained from 2.6 Kgs of raw material. Price of export product is nearly Rs. 300 per Kg while price of Cocoa cake is Rs.150- 200 per Kg, as found by MFPI. In such a situation unless the Company agrees (i) either to export full quantity of Cocoa cake, or (ii) agrees for deduction in the import quantity to adjust the commercial value of bye product, it is not possible to fix ad-hoc norms. Accordingly, case is rejected for the time being. Applicant may represent to the Committee on which option they would like to take.

RLA to take consequential action as per policy/procedure.

Case No 112 NC-	M/s. Jindal Drugs	Meeting No. 05/09 Dt.	Status: Rejected
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VI Dt. 28.05.2009	Ltd., Mumbai	28.05.09	
HQ File No. 01/85/50/0237/AM09	RLA File 03/94/40/0914/AM09	Lic No. & Dt. 0310501738 dt. 07.01.2009	

Committee perused comments of MFPI under OM F.No. MFPI/16/DES/2006 dated 27.5.09. MFPI have informed that in the extraction of Cocoa Butter from Cocoa Beans, 1.6 Kgs of bye product, i.e. Cocoa cake having commercial value is obtained from 2.6 Kgs of raw material. Price of export product is nearly Rs. 300 per Kg while price of Cocoa cake is Rs.150- 200 per Kg, as found by MFPI. In such a situation unless the Company agrees (i) either to export full quantity of Cocoa cake, or (ii) agrees for deduction in the import quantity to adjust the commercial value of bye product, it is not possible to fix ad-hoc norms. Accordingly, case is rejected for the time being. Applicant may represent to the Committee on which option they would like to take.

RLA to take consequential action as per policy/procedure.

Case No 113 NC- VI Dt. 28.05.2009	M/s. Mrs. Bectors Food Specialities Ltd., Ludhiana	Meeting No. 05/09 Dt. 28.05.09	Status: Rejected
HQ File No. 01/85/50/00008/AM09	RLA File 30/24/40/0048/AM08	Lic No. & Dt. 3010054700 dt. 17.01.2008	

Committee observed that after giving several opportunities, applicant has not furnished composition and name & quantities of spice blend, which is one of the import items. In view of this Committee was constrained to reject the case. Since the information is not received from applicant exporter, Para 4.7.6 of HBP Vol.I (wherein it is required to fix ad-hoc norms in 4 months) is not applicable in this case.

RLA to take consequential action as per policy/procedure.

Case No 114 NC- VI Dt. 28.05.2009	M/s. Associated Capsules Pvt. Ltd., Mumbai	Meeting No. 05/09 Dt. 28.05.09	Status: Transferred
HQ File No. 01/85/50/0120/AM09	RLA File 03/94/40/0212/AM09	Lic No. & Dt. 0310478949 dt. 16.07.2008	

In a similar case of this Firm in Advance Licence No. 0310465295 dated 17.3.2008, Committee had observed in Meeting No.13/09 dated 17.7.2008 that the correct ITC(HS) Code of the export product falls under heading 3920 of Chapter 39, which pertains to NC-VII. Accordingly, it was decided to transfer this case to NC-VII.

Case No 115 NC-VI Dt. 28.05.2009	M/s. Himadri Chemicals & Inds. Ltd., Kolkata	Meeting No. 05/09 Dt. 28.05.09	Status: Approved
HQ File No. 01/85/50/0231/AM09	RLA File 02/24/40/0245/AM09	Lic No. & Dt. 0210121641 dt. 30.12.2008	

It is seen from the Annexure submitted by applicant for ad-hoc norms cases that ad-hoc norms have not been finalized in any of the cases starting from 22.3.2006 for the export product Coal Tar Pitch. 14 such cases have been listed. Even in this case, reference has been made to relevant technical Ministry, but no decision/ technical inputs were given. Accordingly, Committee decided to take the following decisions:

- (i) Applicant may be advised to file application under Para 4.4.2 of HBP Vol.I and no ad-hoc licence should be issued in future under Para 4.7 on self-declaration basis. Licence may be given only after approval of NC under Para 4.4.2.
- (ii) RA to check EO monitoring in all cases listed in Annexure and inform NC whether norms have been fixed in any case.

In this case, technical inputs have not been received. Committee was of the view that decision in this case can not be further delayed and felt that no more than 5% wastage is justified according to the process flow chart submitted with application. Accordingly, Committee ratified input output norm with 5% wastage as under:

Export item	Qty	Import item	Qty
Coal Tar Pitch (Binder Pitch) (1) Softening Point: 108-112 Deg. C (2) Quinoline Insoluble: 7-12% Max (3) Toluene Insoluble: 25% Max (4) Moisture content: 0.5% Max	550 M.T	Coal Tar Pitch (Hard Pitch) (1) Softening Point: 80-100 Deg. C (2) Quinoline Insoluble: 10% Max (3) Toluene Insoluble: 28% Max (4) Moisture	577.5 M.T

RLA to take consequential action as per policy/procedure.

Case No 116 NC-VI Dt. 28.05.2009	M/s. Alchem International Ltd., New Delhi	Meeting No. 05/09 Dt. 28.05.09	Status: Rejected
HQ File No. 01/85/50/0135/AM09 RLA File 05/24/40/0281/AM09		Lic No. & Dt. 0510226028 dt. 22.08.2008	

It was noted that applicant has cited an earlier ALC decision on 24.6.2008 in Licence No. 0510185276 dated 21.6.2006. Committee felt that applicant should have applied under Para 4.7 based on earlier case with exact description including active content % range in the crude. In absence of such detail it is not possible to correlate both cases for applying earlier decision. Further on the export side applicant has not shown active content % range. Committee is, therefore, not in a position to compute quantitative requirements of inputs. Committee accordingly rejected the case.

RLA to take consequential action as per policy/procedure.

Case No 117 NC-VI Dt. 28.05.2009	M/s. Indo German Alkaloids, Mumbai	Meeting No. 05/09 Dt. 28.05.09	Status: Rejected
HQ File No. 01/85/50/0072/AM09 RLA File 03/94/40/1001/AM08		Lic No. & Dt. 0310457219 dt. 09.01.208	

It was noted that applicant has cited an earlier ALC decision on 17.07.2007 in AL No. 031042181 dt. 02.03.2007. Committee felt that applicant should have applied under Para 4.7 based on earlier case with exact description including active content % range in the import item. In absence of such detail it is not possible to correlate both cases for applying earlier decision.

It was further noted that applicant has not given detailed manufacturing process. Stage-wise wastage has also not been given. Further, import & export items do not show active content in %.

In view of the above, Committee is not in a position to compute the quantitative requirements of inputs. The committee, therefore, rejected the case.

RLA to take consequential action as per policy/procedure.

Case No 118 NC-VI Dt. 28.05.2009	M/s. VSL Agro Tech Pvt. Ltd., Sandur	Meeting No. 05/09 Dt. 28.05.09	Status: Rejected
HQ File No. 01/85/50/0271/AM09 RLA File 07/24/40/0602/AM09		Lic No. & Dt. 0710063330 dt. 27.02.2009	

Committee considered the case as per agenda. Committee noted that applicant has not furnished the following information:-

1. Area of Rose cultivation.
2. How many crops are taken in a year.
3. Whether cultivation is in green house or on farm land.
4. Details of plant & machinery and the technology used.

In the absence of the above information, the committee is not a position to compute the quantitative requirements of inputs. The Committee, therefore, decided to reject the case.

RLA to take consequential action as per policy/procedure.

Case No 119 NC-VI Dt. 28.05.2009	M/s. Haldia Petrochemicals Ltd., Kolkata	Meeting No. 05/09 Dt. 28.05.09	Status: Rejected
HQ File No. 01/85/50/0239/AM09 RLA File 02/24/40/0247/AM09		Lic No. & Dt. 210122028 dt. 09.01.2009	

Committee noted that the qty. of import item is less than the qty. of export product. This does not seem to be in order without proper justification. In order to produce 1MT of Pyrolysis Gasoline (PyGas) only about 700 Kg Naptha is needed. No details about production are available. Committee was, therefore, constrained to reject the case.

RLA to take consequential action as per policy/procedure.

Case No 120 NC-VI Dt. 28.05.2009	M/s. Jagpin Breweries Ltd., New Delhi	Meeting No. 05/09 Dt. 28.05.09	Status: Approved
HQ File No. 01/85/50/0225/AM09 RLA File 05/24/40/0588/AM09		Lic No. & Dt. 0510233172 dt. 22.12.2008	

Committee considered the case as per agenda. Committee noted that for import item No.1 (HOP PELLETS TYPE-45), applicant has not furnished any material specifying the need, necessity and utility in the production process. No technical inputs/information in the matter has been provided. Committee felt that probably, Hop Pellets are used to add specific flavour to Beer and could vary from case to case. Committee, therefore, decided not to allow this import input.

Committee decided that import item No. 2 i.e. Beer Bottle may be allowed as per packing policy. In so far as import item No. 3 i.e. Lable is concerned applicant has indicated that three labels are required per Beer Bottle i.e. front label, back label and neck lable. Committee decided that import item No. 3 may be allowed net +1% wastage. The committee, therefore, ratified input output norm as under:-

Export Item	Qty.	Import Item	Qty.
Cox 10000 Strong Beer of 650 ML (Alcohol Limit 8%) (Carton=12 Bottle X 6000 Carton=72000 Bottle)	72000 Bottles	Hop Pellets Type-45 Beer Bottle Lable	Not allowed As per packing policy 218160 Number (Three labels per bottle)

RLA to take consequential action as per policy/procedure.

Case No 121 NC-VI Dt. 28.05.2009	M/s. English Indian clays Ltd., Trivandrum	Meeting No. 05/09 Dt. 28.05.09	Status: Approved
HQ File No. 01/85/50/0174/AM09 RLA File 53/81/40/0004/AM09		Lic No. & Dt. 5310006517 dt. 25.09.2008	

Committee considered the case as per agenda. Committee felt that Ministry of Mines (to whom the case was referred at the instance of D/o C&PC) may not have comments on the refining process involved in this case. Committee noted that import item is less than 1% of total export weight and is a consumable in the production process. Committee decided to ratify norm as under:-

Export Item	Qty.	Import Item	Qty.
Processed and Calcined Clays (Kaolin whether or not calcined) Hydrated Aluminium Silicate (A1203 2SiO3 2H2O)	2720.000MT	Hydros Sodium Hydro Sulphite	20400.00KG

RLA to take consequential action as per policy/procedure.

Case No 122 NC-VI Dt. 28.05.2009	M/s. Cepham Milk Specialities Ltd., N.Delhi	Meeting No. 05/09 Dt. 28.05.09	Status: Approved
HQ File No. 01/85/50/0234/AM09 RLA File 05/24/40/0496/AM09		Lic No. & Dt. 0510233876 dt. 02.01.2009	

Committee considered the case as per agenda. Committee noted the comments of MFPI vide OM No. MFPI/19/DES/2008 dated 27.03.2009 and felt that the recommendation of MFPI to allow 2% wastage is fair and justified in view of the process involved. Accordingly, the committee ratified the norm as under:-

Export Item	Qty.	Import Item	Qty.
Lactose Pharma Grade B.P.	100.000MT	Lactose Edible Grade	102.000mt

RLA to take consequential action as per policy/procedure.

In future, applicant to apply on ad-hoc repeat basis quoting the decision in this case so that RA can finalize without reference to Norms committee in terms of PC No. 20 dated 5.12.2007.

Case No 123 NC-VI Dt. 28.05.2009	M/s. Voltas Ltd., Mumbai	Meeting No. 05/09 Dt. 28.05.09	Status: Transferred
HQ File No. 01/85/50/0277/AM09 RLA File 03/95/40/998/AM09		Lic No. & Dt. 0310511256 dt. 12.03.2009	

Committee considered the case as per agenda. Committee noted that ITC(HS) Code mentioned in the application is incorrect. Since, Chapter 11 covers products of the milling industry, malt, starches, inulin and wheat gluten. Apparently, export product is an Air Conditioning Machine possibly covered by head 841500. The case is therefore, transferred to NC-I

Case No 124 NC-VI Dt. 28.05.2009	M/s. CRI Ltd., 24 Pgs (WB)	Meeting No. 05/09 Dt. 28.05.09	Status: Approved
HQ File No. 01/85/50/0584/AM08		Lic No. & Dt.	

RLA File 02/24/40/0203/AM08	0210105956 dt. 13.11.2007	
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Committee considered the case as per agenda. Committee in consultation with technical representative of DIPP present in the meeting decided to ratify the case as under:-

Export Item	Qty.	Import Item	Qty.
Ball Tips Made of nickel silver wire 1.60MM Dia, Qty. 98458167 Nos. Weight 5870.07Kgs	98458.167 Thousand in Nos.	Stainless Steel Wire Dia 1.60MM Tungsten Carbide Balls	10,000 Kg 99442.750 (Thousand in Nos.)

RLA to take consequential action as per policy/procedure.

Case No 125 NC-VI Dt. 28.05.2009	M/s. Haldiram Exports Pvt. Ltd., N. Delhi	Meeting No. 05/09 Dt. 28.05.09	Status: Rejected
HQ File No. 01/85/162/00242/AM08			
Fixation of SION for Namkeens/Mixtures/Savouries			

Committee considered the case as per agenda. It was noted that applicant has not replied to MFPI letter dated 04.12.2008. Moreover, there is no recommendation from the Export Promotion Council for fixation of SION. Applicant/Council has also not provided industry data from two or more companies. Committee was therefore, constrained to reject the case.

Case No 126 NC- VI Dt. 28.05.2009	M/s. Himadri Chemicals and Industries Ltd., Kolkata	Meeting No. 05/09 Dt. 28.05.09	Status: Approved
HQ File No. 01/85/162/227/AM09/DES.VI RLA File 02/24/40/0038/AM09		Lic No. & Dt. 0210112483 dt. 15.05.2008	

It is seen from the Annexure submitted by applicant for ad-hoc norms cases that ad-hoc norms have not been finalized in any of the cases starting from 22.3.2006 for the export product Coal Tar Pitch. Even in this case, reference has been made to relevant technical Ministry, but no decision/ technical inputs were given. M/o Petroleum has no comments. Accordingly, Committee decided to take the following decisions:

- (i) Applicant may be advised to file application under Para 4.4.2 of HBP Vol.I and no ad-hoc licence should be issued in future under Para 4.7 on self-declaration basis. Licence may be given only after approval of NC under Para 4.4.2.
- (ii) RA to check EO monitoring in all cases listed in Annexure and inform NC whether norms have been fixed in any.

In this case, technical inputs have not been received. Committee was of the view that decision in this case can not be further delayed and felt that no more than 5% wastage is justified according to the process flow chart submitted with application. Accordingly, Committee ratified input output norm with 5% wastage as under:

Export item	Qty	Import item	Qty
Coal Tar Pitch (1) Softening Point: 110-115 Deg. (2) Quinoline Insoluble: 8-16% (3) Toluene Insoluble: 34% Max (4) Moisture content: 0.5% Max	660 M.T	Soft Pitch (Off Grade) (1) Softening Point: 80-97Deg. C (2) Density at 20 Deg: 1.25G/cm3 Ash: 0.4 PCT MAX (3) Water: 0.5 PCT MAX	693 M.T

RLA to take consequential action as per policy/procedure.

Case No 127 NC-VI Dt. 28.05.2009	M/s. Sanghi Industries Ltd., New Delhi	Meeting No. 05/09 Dt. 28.05.09	Status: Rejected
HQ File No. 01/83/162/964/AM09/DES.VI			
Amendment in SION A-1030 & A-1050 of Grey Clinker and Cement respectively			

Committee considered the case as per agenda. Procedure for amending SION is contained in Chapter 4 of HBP Vol. I . Industry data from at least three companies besides recommendation from Export Promotion Council is required. Further, separate application is required to be filed for modification of each SION. Since, these requirements have not been met in this case, committee decided to reject the case.

Case No 128 NC-VI Dt. 28.05.2009	M/s. Gujarat Chamber of Commerce & Industries, Ahmedabad	Meeting No. 05/09 Dt. 28.05.09	Status:Clarified
HQ File No. 01/85/162/0037/AM10			
Clarification regarding import of goods under DFCE Scheme as per the Exim Policy RE-2003.			

Committee considered the case as per agenda. Committee observed that norms published in SION D-13 have nexus with Fish & Marine Products Group. The committee observed that SION D13, the inputs provided therein are:-

(1) OTS Cans/Dingley Cans OR Tin Plate (OTS Quality) OR Bottles (Glass or Polymer) or Pouches (Polymer) with Metal (Aluminium) Lamination (2) Parchment Paper (3) Kraft Paper (4) Citric Acid (5) Seasoning, Fillers (Sauce, Edible Oils, Vinegar) Flavouring and Colouring Agents. Accordingly, these items have nexus with exported item (D13) and therefore with Fish & Marine Product Group (as per PC 27 dated 05.10.2005).

Further, DIPP member as well MFPI member informed that Aluminium Laminated Polymer Pouches are widely used and help in increasing the shelf life of the marine products. This view was also supported by technical member from MSME (SSI). Accordingly, in terms of General Policy for Packing Material, LDPE, LLDPE, HDPE are used for making pouches (Polymer), and Aluminium for lamination. Technical member from DIPP also informed that Aluminium Ingots are converted into Aluminium Foil. On an average 35-40% is the weight of Polymer (like LDPE, LLDPE, HDPE) and the balance weight of pouches with lamination is composed of Aluminium. This view was confirmed by member from MSME. Hence, LDPE, LLDPE, HDPE and Aluminium, in any form, has nexus directly with SION D-13 and therefore with Fish & Marine Products Group.

For all these items, nexus with Product Group (Fish & Marine Products) is established. Therefore, the same can be allowed as import of inputs under DFCE for status holder scheme, Exim Policy RE-03. The matter may be referred back to Pol.3.

Case No 129 NC-VI Dt. 28.05.2009	M/s. Mittulaul Lalah and Sons, Chennai	Meeting No. 05/09 Dt. 28.05.09	Status: Rejected
HQ File No. 01/85/50/0036/AM10/DES.VI RLA File 04/24/40/0019/AM10		Lic No. & Dt. 0410104772 dt. 22.05.2009	

Committee considered the case as per agenda. It was noted that applicant has not indicated maximum curcumin content in import product. Curcumin content should also be mentioned on the export side so that nexus can be established. In the absence of requisite details, Committee decided to reject the case.

RLA to take consequential action as per policy/procedure

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