

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

Minutes of the meeting of NC-VI held on 22.10.2009

Meeting No. 25/AM10 for the licensing year 2009-10 to consider cases under Duty Exemption Schemes (Chapter-4) of Foreign Trade Policy 2009-14 pertaining to Misc. & Food Products was held on 22.10.2009 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
2	Sh. A.K. Ojha,	AD	MSME
3	Sh. T.M. Skaria	DDG	DGFT
4	Sh. Raghu Nath	FTDO	DGFT

The Committee ratified the minutes of the meeting held 15.10.2009. 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

PH

1	515 Case No.:12/19/85-ALC3/2009	M/s. ORGANIC INDIA PVT.LTD.	M.No. 25/10 Dt. 232.10.2009	Status: Deferred.
	HQ File :01/85/050/00099/AM10/	RLA File :06/24/040/00014/AM10/	Lic.No/Date:0610015955 23.07.2009	
	The case was considered by the committee as per agenda. Representative of the Firm did not turn up for PH. The Committee decided to defer the case. To be re listed 5.11.2009.			

2	516	M/s. CHEMILL NUTRACEUTICALS PVT.LTD., MUMBAI	M.No. 25/10 Dt. 232.10.2009	Status: Transferred.
	HQ File :01/85/050/00011/AM10/	RLA File :03/94/040/01119/AM09	Lic.No/Date:0310516126 17.04.2009	
	The case was considered by the committee as per agenda. It was noted that the export product pertains to Chapter 29 of ITC (HS). The case may be transferred to NC-III.			

3	517	M/s. GELTEC PVT. LTD., MUMBAI	M.No. 25/10 Dt. 232.10.2009	Status: Rejected
	HQ File :01/85/050/00075/AM10/	RLA File :03/94/040/00344/AM10	Lic.No/Date:0310531081 28.07.2009	
	The case was considered by the committee as per agenda. It was noted that the export product is a medicinal capsule, apparently, for human consumption and is composed of ingredients like Fish Lipid Oil, Vitamin, Covitol. Applicant had been asked to produce a copy of Drug			

Manufacturing Licence (DML) which has not been produced. Committee felt that even the export classification as a food preparation may be doubtful because capsules are ordinarily consumed on professional medical advice. The product is most likely to be covered under Chapter 30 of ITC(HS). In any case, vitamins are not allowed under Para 4.7 of HBP Vol. I. Having regard to the above, the Committee was constrained to reject the case. With this rejection, the case is transferred to NC-3 to take a fresh view if the applicant represents. RA to take consequential action as per policy/procedure.				
4	518	M/s. SILVER PROTEINS PVT. LTD., JAMNAGAR	M.No. 25/10 Dt. 232.10.2009	Status: Rejected.
	HQ File :01/85/162/00466/AM08		FIXATION OF SION FOR GROUNDNUT EXTRACTIONS / MEAL & DE-CORTICATED COTTONSEED EXTRACTIONS / MEAL	
	The case was considered by the committee as per agenda. It was noted that the applicant Firm was asked to provide the industrial data for the last 3 years in respect of three companies duly certified by Central Excise Authority for fixing SION. The data has not been furnished. Accordingly, Committee, rejected the application for fixing SION.			

5	519 Case No.:6/21/85-ALC3/2009	M/S. :TEK ELECTROMECHANICALS PVT LTD	M.No. 25/10 DT. 22.10.2009	Status: Deferred.
	HQ File :01/85/050/00121/AM10/	RLA File :31/24/040/00285/AM09/	Lic.No/Date:3110039966 17.09.2009	
	The case was considered by the committee as per agenda. It was noted that the Hard Copy of the application has not been received. Committee decided to remind RA Poona to provide the same at an early date.			

6	520 Case No.:10/42/85-ALC3/2007	M/S. ORGANIC INDIA PVT.LTD.	M.No. 25/10 DT. 22.10.2009	Status: Deferred.
	HQ File :01/85/050/00146/AM08/	RLA File :06/24/040/00009/AM08/	Lic.No/Date:0610012144 23.07.2007	
	The case was considered by the committee as per agenda. Comments of DIPP are awaited. The Committee decided to defer the case. To be re listed on 19.11.2009.			

7	521 Case No.:1/21/85-ALC3/2009	M/S. UNICARE PHARMA LIMITED	M.No. 25/10 DT. 22.10.2009	Status: Rejected.
	HQ File :01/85/050/00116/AM10/	RLA File :04/24/040/00140/AM10/	Lic.No/Date:0410107740 14.09.2009	
	The case was considered by the committee as per agenda. Committee observed that applicant may have already started import/export after filing application On import side applicant has not taken care to include technical specifications especially moisture content. On export side also			

applicant has not mentioned technical specifications particularly moisture and fat content. While the description Anhydrous Milk Fat/Butter Oil/Ghee/Cow Milk Fat is synonymous of several export products known by different names in different geographical locations, applicant Firm has in written submission dated 19.10.2009 has indicated the proportion of fat in export product as 0.3%, which is illogical. Applicant has not mentioned whether export product is edible or non- edible grade. Moreover, technical specification like specific gravity on import/export side should have been provided ab-initio without the Department asking for the same. In view of the above, Committee rejected the case.

RA to take consequential action as per policy/procedure

8	522 Case No.:6/20/85-ALC3/2009	M/S. NEWBY TEAS OVERSEAS PVT.LTD.,	M.No. 25/10 DT. 22.10.2009	Status: Deferred.
	HQ File :01/85/050/00113/AM10/	RLA File :02/24/040/00082/AM10/	Lic.No/Date:0210131303 10.09.2009	Defer Date:22.10.2009
	The case was considered by the committee as per agenda. It was noted by the Committee that the information called for vide letter dt. 12.10.2009 from applicant Firm is awaited. The Committee decided to defer the case. To be re re-listed on 5.11.2009.			

9	523 Case No.:4/20/85-ALC3/2009	M/S. NEWBY TEAS OVERSEAS PVT.LTD.,	M.No. 25/10 DT. 22.10.2009	STATUS: Deferred
	HQ File :01/85/050/00111/AM10/	RLA File :02/24/040/00070/AM10/	Lic.No/Date:0210131290 10.09.2009	
	The case was considered by the committee as per agenda. It was noted by the Committee that the information called for vide letter dt. 12.10.2009 from applicant Firm is awaited. The Committee decided to defer the case. To be re re-listed on 5.11.2009.			

10	524 Case No.:7/20/85-ALC3/2009	M/S. NEWBY TEAS OVERSEAS PVT.LTD.,	M.No. 25/10 DT. 22.10.2009	STATUS: Deferred
	HQ File :01/85/050/00114/AM10/	RLA File :02/24/040/00083/AM10/	Lic.No/Date:0210131311 10.09.2009	
	The case was considered by the committee as per agenda. It was noted by the Committee that the information called for vide letter dt. 12.10.2009 from applicant Firm is awaited. The Committee decided to defer the case. To be re re-listed on 5.11.2009..			

11	525 Case No.:8/20/85-ALC3/2009	M/S. NEWBY TEAS OVERSEAS PVT.LTD.,	M.No. 25/10 DT. 22.10.2009	STATUS: Deferred
	HQ File :01/85/050/00115/AM10/	RLA File :02/24/040/00103/AM10/	Lic.No/Date:0210131318 10.09.2009	

The case was considered by the committee as per agenda. It was noted by the Committee that the information called for vide letter dt. 12.10.2009 from applicant Firm is awaited. The Committee decided to defer the case. To be re re-listed on 5.11.2009.

12	526 Case No.:8/20/85-ALC3/2009	M/S. ENCORE NATURAL POLYMERS LTD., MUMBAI	M.No. 25/10 DT. 22.10.2009	STATUS: Approved
	HQ File :01/85/050/00128/AM06/	RLA File :03/80/40/0676/AM06	Lic.No/Date:0310347766 16.09.2005	
	The case was considered by the committee as per agenda. The Committee decided to approve the case as applied for. Description of export product is amended as Guar Gum derivatised under various brand names of applicant			

12	527 Case No. 25/10 Dt. 22.10.2009	M/S. Global Exim, Mumbai	M.No. 25/10 DT. 22.10.2009	STATUS: Clarified
	HQ File :01/85/162/00128/AM10/DES-VI			
	Clarification sought by M/s. Global Exim, Mumbai on the import item “Vegetable Shortenings/Cream/Fats allowed under DFIA licence against the export of Biscuits.			

The case was considered by the committee as per agenda. The issue in this case was clarified by NC in Meeting No. 20/10 dated 24.09.2009. Policy Division has requested NC to consider whether wordings in SION need to be changed.

SION E-5 is as under:-

<u>Export Item</u>		<u>Qty.</u>	<u>Import Item</u>		<u>Qty</u>
E5	Biscuits (with or without dry fruits)	1 kg	1	Maida / Atta / Flour	0.550 kg
			2	Sugar	0.210 kg
				OR	
				Liquid Sugar	0.338 kg
			3	Vegetable Shortenings / Cream / Fats / Spray Fats	0.180 kg
			4	Skimmed Milk Powder	0.010 kg
			5	Additives and Other bakery ingredients:-	
			a)	Invert Sugar / Liquid Glucose	0.040 kg
			b)	Leavening Agent	0.015 kg
			c)	Emulsifier	0.005 kg
			d)	Food Flavour	0.002 kg
			6	Packing Materials:-	
			a)	BOPP/ HDPE/ PP/ LDPE	As per packing Policy

b)	Paper and Paper board	As per packing Policy
7	Relevant dry fruits	1.01 kg/kg content in export product

In SION E-5, Sl. No. 3 Vegetable Shortening/Cream/Fats/Spray Fats is the broad description. It is one of the essential inputs for manufacturing biscuits, as has been clearly specified by MSME. Sl. No. 3 would include Butter Oil which is also technically, as per PFA, called also Milk Fat/ Anhydrous Milk Fat/Anhydrous Butter Oil. This is a fatty product derived from milk and Butter Oil/Milk Fat/Anhy. Milk Fat/Anhy. Butter Oil are synonyms used for the same product depending of geographical region & the same is also called “Ghee” in India.

On the question of whether SION is required to be amended, Committee is clearly of the view that other ingredients like ‘leavening agent’, ‘emulsifiers’ have several dozen product names/brand names. As such all these cannot be mentioned in SION. At the time of clearance of items, Customs would check the description of SION inputs and allow the clearance. Needless to mention, in case of doubt (as in the present case) they would refer it to NC for technical opinion. Further, SION is not aligned to ITC (HS) Book nor the inputs like “relevant dry fruit” could be covered by a single ITC (HS) code.

Accordingly, NC is clear that description given in SION does not require any amendment. Further the Committee reiterates the decision taken by this NC in its meeting No. 20/10 dt. 24.09.2009 and states that Sl. No. 3 of SION E-5 covers ‘Milk Fat / Butter Oil / Anhydrous Milk Fat / Anhydrous Butter Oil’.

Case may be referred back to Policy Division.

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