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

Minutes of the meeting of NC-VI held on 18.02.2010

Meeting No. 42/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 18.02.2010 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. T.M. Skaria	DDG	DGFT
3.	Sh. Raghu Nath	FTDO	DGFT

The Committee ratified the minutes of the meeting held 28.01.2010 & 04.02.2010 . 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

1	**854**	M/S. DSSI FOODS PVT. LTD., N. DELHI	M.No. 42/10 DT. 18.02.2010	STATUS: Approved
	F.No. 01/85/50/308/AM05	RLA F.No. 05/24/40/530/AM05	Lic. No. 0510148415 dt. 12.01.2005	
	The case was considered by the committee as per agenda. It was noted that ALC had rejected the case earlier on the ground that minimum value addition was less than 100% in the advance licence for export of Tea. Representative of the firm who appeared for PH stated that no tea has been imported in this case. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of the policy clarification, and since the input items in this case is packing material only, it would be within the powers of RA to whom the case may be reverted. RLA to take consequential action as per policy/procedure.			

2	**855**	M/S. DSSI FOODS PVT. LTD., N. DELHI	M.No. 42/10 DT. 18.02.2010	STATUS: Approved
	F.No. 01/85/50/198/AM06	RLA F.No. 05/24/40/572/AM06	Lic. No. 0510171203 dt. 06.12.2005	
	The case was considered by the committee as per agenda. It was noted that ALC had earlier rejected the case on the ground that minimum value addition is less than 100% in the advance licence for export of tea. Representative of the Firm who appeared for PH stated that no tea has been imported in this licence. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee agreed that packing material may be allowed as per packing policy and fruit flavour at the rate of 1% by weight of export product, which would be 135Kgs in this case. RLA to take consequential action as per policy/procedure.			

3	**856**	M/S. DSSI FOODS PVT. LTD., N. DELHI	M.No. 42/10 DT. 18.02.2010	STATUS: Approved
	F.No. 01/85/50/0002/AM07	RLA F.No. 05/24/40/1071/AM06	Lic. No. 0510180055 dt. 03.04.2006	
	The case was considered by the committee as per agenda. It was noted that ALC had earlier rejected the case on the ground that minimum value addition is less than 100% in the advance licence for export of tea. Representative of the Firm who appeared for PH stated that no tea has been imported in this licence. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee agreed that packing material may be allowed as per packing policy and fruit flavour at the rate of 1% by weight of export product, which would be 4.21Kgs in this case.			

	RLA to take consequential action as per policy/procedure.

4	**857**	M/S. DSSI FOODS PVT. LTD., N. DELHI	M.No. 42/10 DT. 18.02.2010	STATUS: Approved
	F.No. 01/85/50/103/AM07	RLA F.No. 05/24/40/403/AM07	Lic. No. 0510188584 dt. 10.08.2006	
	The case was considered by the committee as per agenda. It was noted that ALC had earlier rejected the case on the ground that minimum value addition is less than 100% in the advance licence for export of tea. Representative of the Firm who appeared for PH stated that no tea has been imported in this licence. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee agreed that all flavours put together may be allowed upto maximum of 1% by weight of export product & other packing material @ 10.5Sq.Mt/Sq. content of export product i.e. with 5% wastage. RLA to take consequential action as per policy/procedure.			

5	**858**	M/S. DSSI FOODS PVT. LTD., N. DELHI	M.No. 42/10 DT. 18.02.2010	STATUS: Approved
	F.No. 01/85/50/248/AM06	RLA F.No. 05/24/40/879/AM06	Lic. No. 0510176642 dt. 17.02.2006	
	The case was considered by the committee as per agenda. It was noted that ALC had earlier rejected the case on the ground that minimum value addition is less than 100% in the advance licence for export of tea. Representative of the Firm who appeared for PH stated that no tea			

	has been imported in this licence. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee agreed that import item No.1 packing material may be allowed as per packing policy and fruit flavours at 1% by weight of export product i.e. 25Kgs. RLA to take consequential action as per policy/procedure.

6	**859**	M/S. DSSI FOODS PVT. LTD., N. DELHI	M.No. 42/10 DT. 18.02.2010	STATUS: Approved
	F.No. 01/85/50/197/AM06	RLA F.No. 05/24/40/292/AM06	Lic. No. 0510171197 dt. 06.12.2005	
	The case was considered by the committee as per agenda. It was noted that ALC had earlier rejected the case on the ground that minimum value addition is less than 100% in the advance licence for export of tea. Representative of the Firm who appeared for PH stated that no tea has been imported in this licence. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee agreed that 1417.5Kgs (with 5% wastage) of Filter Paper 16.5 GSM (+/- 10%) and Fruit Flavours @ 1% by weight of export product i.e. 135Kgs. may be allowed. RLA to take consequential action as per policy/procedure.			

7	**860**	M/S. DSSI FOODS PVT. LTD., N. DELHI	M.No. 42/10 DT. 18.02.2010	STATUS: Approved
	F.No. 01/85/50/310/AM05	RLA F.No. 05/24/40/529/AM05	Lic. No. 0510148424 dt. 12.01.2005	
	The case was considered by the committee as per agenda. It was noted that ALC had earlier rejected the case on the ground that minimum value addition is less than 100% in the advance licence for export of tea. Representative of the Firm who appeared for PH stated that no tea has been imported in this licence. Policy Division has since clarified that in case of only packing material against which advance authorization/EP			

Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee agreed that import item may be allowed as under:

Sl. No.	Import Item	Qty
1	Black Tea in Bulk	Deleted as not imported
2	Filter Paper (16 GSM)	1389Kg (with 5% wastage)
3	Fruit Flavours (granules/Liquid)	132.38Kg (1% by weight of export product

RLA to take consequential action as per policy/procedure.

8	**861**	M/S. DSSI FOODS PVT. LTD., N. DELHI	M.No. 42/10 DT. 18.02.2010	STATUS: Approved
	F.No. 01/85/50/309/AM05	RLA F.No. 05/24/40/528/AM05	Lic. No. 0510148420 dt. 12.01.2005	

The case was considered by the committee as per agenda. It was noted that ALC had earlier rejected the case on the ground that minimum value addition is less than 100% in the advance licence for export of tea. Representative of the Firm who appeared for PH stated that no tea has been imported in this licence. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee allowed import item as under:-

Sl. No.	Import Item	Qty.
1	Nylon Mesh (100% Nylon) with pre-attached string & Tag	7034Sq. Mt.
2	Nylon Mesh (100% Nylon) with pre-attached string & Tag	8038.80Sq.Mt.
3	Fruit Flavours (Liquid)	33Kg (1% by weight of export product)

RLA to take consequential action as per policy/procedure.

9	**862** **Case No.:1/27/85-ALC3/2004**	M/S. VALLABHDAS KANJI LTD	M.No. 42/10 DT. 18.02.2010	**Status:** Deferred
	HQ File :01/85/050/00140/AM05/	RLA File :10/81/040/00092/AM05/	Lic.No/Date:1010017227 13.08.2004	
	The case was considered by the committee as per agenda. It was noted that the firm has requested to postpone PH. The committee decided to grant another PH. To be re-listed on 11.03.2010			

10	**863** **Case No.:3/42/85-ALC3/2009**	M/S. GADRE MARINE EXPORT PVT LTD	M.No. 42/10 DT. 18.02.2010	**Status:** Deferred
	HQ File :01/85/050/00225/AM10/	RLA File :03/94/040/00965/AM10/	Lic.No/Date:0310558481 04.02.2010	
	The case was considered by the committee as per agenda. It was noted that hard copy of application has not been received. The Committee decided to defer the case. To be re-listed on 18.03.2010.			

11	**864** **Case No.:2/42/85-ALC3/2009**	M/S. GADRE MARINE EXPORT PVT LTD	M.No. 42/10 DT. 18.02.2010	**Status:** **Deferred**
	HQ File :01/85/050/00224/AM10/	RLA File :03/94/040/00967/AM10/	Lic.No/Date:0310558479 04.02.2010	
	The case was considered by the committee as per agenda. It was noted that hard copy of application has not been received. The Committee decided to defer the case. To be re-listed on 18.03.2010.			

12	**865**	M/S. AMRUT DISTILLERIES LTD., BANGALORE	M.No. 42/10 DT. 18.02.2010	**Status: Deferred**
	HQ File :01/85/050/203/AM09	RLA File :07/24/40/471/AM09	Lic.No/Date:0710061428 01.12.2008	Defer Date:

The case was considered by the committee as per agenda. The Committee decided to call the applicant Firm for PH with their technical persons. Applicant Firm to provide the following information also:-

1. Technical data/Literature on processes of manufacturing & wastage.
2. Three years production/consumption data certified by excise authorities alongwith relevant documents indicating consumption pattern of malt for production of Whisky, category-wise, in order to clearly indicate the requirement of all items including import items for manufacture of export product of specific types.

To be re-listed on 18.03.2010.

13	**866** **Case No.:4/42/85-ALC3/2009**	M/S. GANGA RASAYANIE P. LTD.	M.No. 42/10 DT. 18.02.2010	**Status: Transferred**
	HQ File :01/85/050/00226/AM10/	RLA File :03/94/040/00694/AM10/	Lic.No/Date:0310552309 23.12.2009	

The case was considered by the committee as per agenda. It was noted that the export product falls under chapter 27 of ITC(HS) Code which is dealt by NC-IV. The committee decided to transfer the case to NC-IV.

14	**867** **Case No.:1/42/85-ALC3/2009**	M/S. FERMENTAPHARMA BIOTECH LTD.,	M.No. 42/10 DT. 18.02.2010	**Status: Deferred**
	HQ File :01/85/050/00223/AM10/	RLA File :03/94/040/00938/AM10/	Lic.No/Date:0310558476 04.02.2010	

The case was considered by the committee as per agenda. It was noted that hard copy of application has not been received. The Committee

	decided to defer the case. To be re-listed on 18.03.2010.

15	**868** **Case No.:5/42/85-ALC3/2009**	M/S. FINNS FROZEN FOODS (INDIA) LIMITED	Meet No/Date:42/85-ALC3/2009 18.02.2010	**Status:** **Approved**
	HQ File :01/85/050/00227/AM10/	RLA File :03/94/040/00955/AM10/	Lic.No/Date:0310559795 11.02.2010	

The case was considered by the committee as per agenda. The Committee decided to approve the case on net to net basis without wastage and ratified the norms as under :-

Export Item	Qty.	Import Item	Qty.
VEGETABLE SAMOSA IN SPRING ROLL PASTRY (NET WEIGHT OF SPRING PASTRY 3600 KGS, THICKNESS 250 MM TOTAL NET WEIGHT 12000 KG)	300000Nos.	SPRING ROLL PASTRY	3600.000 KG

RA to take the consequential action as per policy/procedure.

16	**869** **Case No.:4/38/85-ALC3/2007**	M/S. KOSHAMBH MULTITRED PVT.LTD,	M.No. 42/10 DT. 18.02.2010	**Status:** **Transferred**
	HQ File :01/85/050/00136/AM08/	RLA File :34/24/040/00090/AM07/	Lic.No/Date:3410020558 07.01.2008	

The case was considered by the committee as per agenda. It was noted that the export product falls under chapter 38 of ITC(HS) Code which is dealt by NC-IV. The committee decided to transfer the case to NC-IV.

<table>
<tr><td rowspan="3">17</td><td>870
Case No.:10/4/85-ALC3/2008</td><td>M/S. INTERLABELS INDUSTRIES PVT.LTD.</td><td>M.No. 42/10 DT. 18.02.2010</td><td rowspan="2">Status:
Transferred</td></tr>
<tr><td>HQ File :01/85/050/00037/AM09/</td><td>RLA File :03/94/040/00621/AM06/</td><td>Lic.No/Date:0310346278
06.09.2005</td></tr>
<tr><td colspan="4">The case was considered by the committee as per agenda. It was noted that the ITC(HS) Code is given incorrectly . As the export product is dealt by NC-VII, Committee decided to transfer the case to NC-VII.</td></tr>
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<tr><td rowspan="3">18</td><td>871</td><td>M/S. SUKASO CERACOLORS PVT. LTD.,
HYDERABAD</td><td>M.No. 42/10 DT. 18.02.2010</td><td rowspan="2">Status:
Approved.</td></tr>
<tr><td>HQ File :01/85/050/00262/AM09/</td><td>RLA File :09/24/040/00421/AM09/</td><td>Lic.No/Date:0910037113
18.02.1009</td></tr>
<tr><td colspan="4">The case was considered by the committee as per agenda. The export item in this case is Zirconium Silicate for which ITC(HS) Code given in application is 25059000. Export Division has stated that in Schedule 2 (Export Policy) of ITC(HS) description of item under ITC(HS) Code 25059000 is Sand and Soil, Policy of which is “Restricted-Export permitted under licence”.
It was also noted the comments of Policy-4,

“In terms of paragraph 4.1.13 of FTP, 2009-14, “”Prohibited items of exports mentioned in ITC(HS) shall not be exported under Advance Authorisation/DFIA Scheme. Exports of restricted items shall subject to all condition or requirements of export authorization or permission, as may be required, under Schedule II of ITC(HS).

Hence before export, the applicant has to take export licence separately because advance authorization only entitles the holder to access the duty free inputs. Accordingly, in such cases, advance authorization can be issued and adhoc norms can be fixed”.

Hence, the applicant in this case requires separate export licence prior to making export for which he may apply to the concerned. Subject to the conditions in Policy Division comments, Committee allowed import of duty free imports as applied for.
RLA to take consequential action as per policy/procedure</td></tr>
</table>

<table>
<tr><td rowspan="3">19</td><td>872
Case No.:9/37/85-ALC3/2008</td><td>M/S. SUKASO CERACOLORS P.LTD.,</td><td>M.No. 42/10 DT. 18.02.2010</td><td rowspan="2">Status:
Approved</td></tr>
<tr><td>HQ File :01/85/050/00093/AM10/</td><td>RLA File :09/24/040/00202/AM10/</td><td>Lic.No/Date:0910039072
27.08.2009</td></tr>
<tr><td colspan="4">The case was considered by the committee as per agenda. The export item in this case is Zirconium Silicate for which ITC(HS) Code given in application is 25059000. Export Division has stated that in Schedule 2 (Export Policy) of ITC(HS) description of item under ITC(HS) Code 25059000 is Sand and Soil, Policy of which is “Restricted-Export permitted under licence”.
It was also noted the comments of Policy-4,

“In terms of paragraph 4.1.13 of FTP, 2009-14, “”Prohibited items of exports mentioned in ITC(HS) shall not be exported under Advance Authorisation/DFIA Scheme. Exports of restricted items shall subject to all condition or requirements of export authorization or permission, as may be required, under Schedule II of ITC(HS).

Hence before export, the applicant has to take export licence separately because advance authorization only entitles the holder to access the duty free inputs. Accordingly, in such cases, advance authorization can be issued and adhoc norms can be fixed”.

Hence, the applicant in this case requires separate export licence prior to making export for which he may apply to the concerned. Subject to the conditions in Policy Division comments, Committee allowed import of duty free imports as applied for.
RLA to take consequential action as per policy/procedure</td></tr>
</table>

Outside agenda

<table>
<tr><td rowspan="3">20</td><td>873</td><td>M/S. TEESTA VALLEY EXPORTS LTD., KOLKATA</td><td>M.No. 42/10 DT. 18.02.2010</td><td rowspan="2">Status: Approved</td></tr>
<tr><td>HQ File :01/85/50/00263/AM06</td><td>RLA File No.: 02/24/40/00226/AM06</td><td>Lic No. 0210086749 Dt. 02.03.2006</td></tr>
<tr><td colspan="4">The case was considered by the committee as per agenda. It was noted that ALC had rejected the case earlier on the ground that value addition was less than 100%. In this case, there is no import of Tea but only packing material. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee decided to allow the packing material with 5% wastage, as under:-
<table>
<tr><td>Export Item</td><td>Qty.</td><td>Import Item</td><td>Qty.</td></tr>
<tr><td>TEA BAGS –TEA FILLED IN NYLON BAGS WITH TAG & STRING & PACKED IN OUTER BOXES</td><td>261250.000 Nos.</td><td>NYLON FILTER WITH TAG & STRING</td><td>98.00 Rolls (including 5% wastage)</td></tr>
</table>
RLA to take consequential action as per policy/procedure.</td></tr>
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<tr><td rowspan="3">21</td><td>874</td><td>M/S. TEESTA VALLEY EXPORTS LTD., KOLKATA</td><td>M.No. 42/10 DT. 18.02.2010</td><td rowspan="2">Status:
Approved</td></tr>
<tr><td>HQ File :01/85/50/00264/AM06</td><td>RLA File No.: 02/24/40/00242/AM06</td><td>Lic No. 0210086753 Dt. 02.03.2006</td></tr>
<tr><td colspan="4">The case was considered by the committee as per agenda. It was noted that ALC had rejected the case earlier on the ground that value addition was less than 100%. In this case, there is no import of Tea but only packing material. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee decided to allow packing material in finished form with 1% wastage and raw material for packing material with 5% wastage, as under, as per packing policy.</td></tr>
</table>

Export Item	Qty.	Import Qty.	Qty.
1. TEA FILLED IN TIN CAN AND PACKED IN OUTER BOX (3400KGS TEA IN 89,900 TIN CANS PACKED IN 89,900 OUTER BOXES).	3400.000 Kgs.	1. TIN CAN 2. OUTER BOXES MADE OF ART PAPER	100989.000Nos. 127500.000 Nos.
2. TEA BAG IN TIN CAN AND PACKED IN OUTER BOX (400	400.000		168.00ROLLS

	KGS TEA IN 2,00,000 TEA BAGS IN 10,000 TIN CANS IN 10,000 OUTER BOXES) 3. TEA BAG PACKED IN OUTER BOX (500 KGS TEA IN 2,50,000 TEA BAGS PACKED IN 25,000 OUTER BOXES)	Kgs. 500.000 Kgs.	4. NYLON FILTER WITH TAG & STRING (EACH ROLL CONTAINING 2800 BAGS)	
	RLA to take consequential action as per policy/procedure.			

22	875	M/S. TEESTA VALLEY EXPORTS LTD., KOLKATA	M.No. 42/10 DT. 18.02.2010	**Status: Approved**
	HQ File :01/85/50/00329/AM05	RLA File No.: 02/24/40/00260/AM05	Lic No. 0210074839 Dt. 08.02.2005	
	The case was considered by the committee as per agenda. In this case it is seen that there is no import of tea, but only packing material. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee decided to allow packing material with 5% wastage as per packing policy. RA may call for details of number of Nylon bags with/without Tag & String in export and the number of Nylon bags in each Roll of imported Nylon Filter with/without tag & strings and work out the admissible quantity as above. RLA to take consequential action as per policy/procedure.			

23	876	M/S. TEESTA VALLEY EXPORTS LTD., KOLKATA	M.No. 42/10 DT. 18.02.2010	**Status: Approved**
	HQ File :01/85/50/00262/AM06	RLA File No.: 02/24/40/00126/AM06	Lic No. 0210086746 Dt. 02.03.2006	

The case was considered by the committee as per agenda. In this case, there is no import of Tea but only packing material. Policy Division has since clarified that in case of only packing material against which advance authorization/EP Scheme benefit is taken, no EP Scheme benefit taken on other inputs i.e. tea, then higher value addition prescribed for tea-export shall not be applicable and value addition shall be as per the prescribed value addition, in general. In view of policy clarification, Committee decided to allow packing material with 5% wastage, as per packing policy or as applied for whichever is less.

Export Item	Qty.	Import Item	Qty.
TEA FILLED IN NYLON BAGS WITH/WITHOUT TAG & STRING AND PCKED IN OUTER BOXES (2,69,800 Nos. OF TEA BAGS EACH CONTAINING 1.75GMS OF TEA)	472.000 Kg	NYLON FILTER WITH TAG & STRING (each roll containing 2800 Bags)	80.000 ROLLS

RLA to take consequential action as per policy/procedure.

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