

No.5/3/2018-EP(CAP)Part.1
Government of India
Department of Commerce
EP (CAP) Division

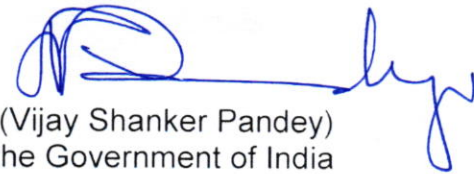
Udyog Bhawan, New Delhi
Dated: 09 July , 2019

OFFICE MEMORANDUM

Subject: Record of Discussions of the interactive meeting on 24.06.2019 at Udyog Bhavan, New Delhi chaired by Shri Shyamal Misra, Joint Secretary for taking up the industry issues pertaining to chemicals, plastics and allied sectors.with CIB&RC

The undersigned is directed to enclose the Record of Discussions (ROD) of the meeting held on 24.06.2019 with the EPCs/stakeholders regarding the above subject for information and appropriate action.

Encl: as above



(Vijay Shanker Pandey)

Under Secretary to the Government of India

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To,

1. Shri Shri Avnish Tomar, Assistant Director(Chemistry), CIB&RC
2. Shri R. B. Sharma, Assistant Director, CIB&RC
3. Shri Ajay Kadakia, Chairman, CHEMEXCIL
4. Shri R. Veeramani, Chairman, CAPEXIL

Copy to:

ED/CHEMEXCIL with a request to share the ROD with the participants

Department of Commerce
EP(CAP) Division

Record of discussion of the interactive meeting on 24.06.2019 at Udyog Bhavan, New Delhi chaired by Shri Shyamal Misra, Joint Secretary with CIBRC regarding industry issues pertaining to chemicals, plastics and allied sectors.

A meeting was held under the chairmanship of JS(SM) on 24.06.2019 to discuss the industry issues pertaining to chemicals, plastics and allied sectors with CIB&RC. The meeting was attended by representatives and stakeholders /exporters of Chemexcil and Capexil of agro chemical sector and plywood Industry. JS(SM) highlighted that this Department has been conducting regular interactive meetings with the industry/exporters, especially for the past one year and sought the support of all Departments/Agencies in resolving industry problems and help them in achieving higher export growth rate.

Issues highlighted by the Industry representatives and the comments/directions of the chair on the same are as follows:

1. The representative of Pesticides Manufacturers & Formulators Association of India (PMFAI) requested CIBRC for granting registrations for imports of Technical Grade Pesticides to actual users and to restrict imports for trading purposes. It was mentioned that according to the Insecticides Act, imports of Technical Grade Pesticides is not allowed for trading purposes.
 - JS(SM) asked the representatives of CIB&RC to consider if imports could be limited to the manufacturers of formulation products and also directed the industry to submit a representation mentioning whether the Insecticides Act regulates or prevents the imports for trading purposes, so that matter can be taken up with concerned department to consider making necessary changes.
2. The representative of PMFAI requested that the registration of technical grade products be made compulsory, prior to granting registrations for formulations. It was mentioned that till the mid 2000s, registration of technical and formulations took place simultaneously, a practice which was changed later and which creates monopolies for importers of readymade pesticide formulations, preventing "Me too Registrations" to the domestic manufacturers.
 - Officials of CIB&RC mentioned that interests of Indian manufacturers has been taken care by provision under guidelines of TIM vs FI (Technical Indigenous Manufacture v/s Formulation Import) with reference to the direction of Gujarat High Court under Make in India to accept registration TIM vs FI (December 2018) It was further mentioned by CIBRC that restriction on formulation import would lead to no new molecule coming into India.
 - JS(SM) directed PMFAI to furnish the details and outcome following the Gujarat High Court case, and industry was requested to always share directions from Courts etc whenever making representations.

3. The representative of PMFAI mentioned that after obtaining registration for Technical product which takes minimum 1-3 years, manufacturers have to apply for Formulation registration which takes another six months to one year. They requested that manufacturers should be allowed to register Technical and Formulations simultaneously and not sequentially.

- Representative of CIBRC stated that it is difficult to accept this request due to the issue of bio-safety. The department requires shelf life data of 30 months; hence the gap of duration between technical and formulation registration is justified.
- JS(SM) asked PMFAI to study the process of simultaneous and sequential registrations in other countries and recommend a possible way for India

4. The representatives of Chemexcil raised the issue regarding the delay in Export Registrations with CIBRC.

- The representative of CIB&RC informed that the process has been put on fast track, the registrations are granted under three categories, wherein the registration for star exporters takes ten working days, the registration in cases where there is a confirmed export order takes five working days and third category is where there is no export order or Star Certificate where the registration process varies from RC to RC Meeting i.e in approximately 30 – 40 days.

5. The representative of PMFAI raised the issue of leakage on import details that occurs during the fast track process.

- JS(SM) directed the industry to suggest ways/options with which the import details may be replaced in this process.

6. The representative of Chemexcil raised the issue of delays in issuing of Free Sale Certificates (FSC) as it presently takes 3 to 6 months by CIBRC.

- Official of CIBRC explained the reason for delay in issuing of Free Sale Certificates due to a new change in policy wherein the certificates have to be approved by the Registration Committee after discussing it on a case to case basis. However, it was mentioned by the representative that it doesn't take more than a month.

7. The representative of Chemexcil mentioned that there is no digital stamp placed on the Free Sale Certificates (FSC) by the issuing authority, which is posing a problem.

- The representative of CIBRC mentioned that e-digitization is an NIC issue which is under examination.
- JS(SM) mentioned that digital copy and stamp can make the process smoother, and asked CIBRC to try and do the needful within a maximum period of a month.

8. The representatives of Chemexcil mentioned that CIBRC does not issue new certificates in lieu of or on surrender of old certificates.

- JS(SM) asked the officials of CIBRC to address this issue on a fast track.

9. The representative of Chemexcil mentioned that their company imports boric acid and a Gazette was published on 16th May 2019, from Ministry of Agriculture, making it compulsory for the foreign exporters of Boric Acid to adhere to BIS standards. As the registration process will take 6 months of time, the representative requested for an exemption from registration process and they be allowed to import until the foreign manufactures are registered.

- JS(SM) opined that it appears to be a step taken for safety purpose and is necessary for the industry to adhere to it; however the matter may be examined and accordingly taken up the Ministry of Agriculture.

10. The representative of CAPEXIL raised the problem faced by the plywood industry due to delay in allowing fumigation of wood products from chemicals other than Methyl Bromide. The Directorate of Plant Protection, Quarantine & Storage (DPPQ&S), Department of Agriculture, Cooperation & Farmers Welfare allowed the import of agricultural commodities without offshore Methyl Bromide fumigation during exportation in the country of origin, subject to Methyl Bromide fumigation in India at ports of entry and on payment of penal fees. This has been extended on semi-annual basis and at present allowed till 30th June, 2019. The Industry requested to examine the matter for allowing fumigation imports of other Chemicals. The representative further requested to do away with the charging of penal inspection fee.

- JS(SM) mentioned that this issue has been taken up with DPPQ&S earlier also. To this, CIBRC informed that there are scientific reasons for this delay and the matter of allowing other chemicals for fumigation is under examination.
- JS(SM) also advised the Industry to take up the matter for waiving off of penal fees with the concerned Department with appropriate justification and facts.

11. The representatives of CAPEXIL also raised the issue related to Mundra Port in Gujarat stating that the DPPQ&S Office located there is not processing applications in online mode.

- JS(SM) asked the industry members to submit this issue in writing with factual evidence so that it may be taken up with the concerned authorities.

12. The representative of Crop Care Foundation requested that Ministry of Agriculture and Farmers Welfare should allow export of agrochemicals, which are in demand in countries like USA, Japan, Canada etc., but have been banned in India. A notification for export approval is still pending.

- CIBRC informed that a decision has been made and that the notification is likely to be issued shortly- JS(SM) asked the CIB&RC officials to expedite it.

The meeting ended with a vote of thanks to all participants.

List of Participants:-

1. Shri Shyamal Misra, Joint Secretary, Department of Commerce – Chair
2. Shri S.K. Ranjan, Deputy Secretary, Department of Commerce
3. Shri Vijay Shankar Pandey, Under Secretary, Department of Commerce
4. Shri Avnish Tomar, Assistant Director(Chemistry), CIB&RC
5. Shri R. B. Sharma, Assistant Director, CIB&RC
6. Dr. Archana Kumari, PMFAI
7. Shri Ravi Hegde, M/s UPL Ltd.
8. Shri Sagar Kaushik, M/s UPL Ltd.
9. Shri Navneet Gurgur, Kandla Timer Association
10. Shri Atul Jindal, Delhi Timber Association
11. Shri Narottam Sayal, Kandla Timber Association
12. Shri Naresh K Chutani, CAPEXIL
13. Shri Narsi Patel
14. Shri N.N Mishra, M/s MGR India
15. Shri P S Haridas, M/s Navin Fluorine International Ltd.
16. Dr. Sudhir Sharma, M/s Super Ford Insecticides Ltd.
17. Shri Sarthak Sharma, M/s Albata Biotech India Pvt. Ltd.
18. Shri Arjun Tayal, M/s Jaggo Overseas
19. Dr. K K Sharma, M/s General Crop Science
20. Shri Rajesh Dubey, M/s Kilpest India Ltd.
21. Dr. Uday Kumar Bharat, M/s Insecticides Ltd.
22. Shri Shivani S Sood, M/s Agro Pack
23. Shri Rajat Joshi, M/s Agro Pack
24. Shri Vipin Saini, M/s Parijat Industries Ltd.
25. Shri Harish Mehta, Crop Care Federation of India
26. Ms Nirmala Pathrawal, Crop Care Federation of India
27. Dr. J P Tiwari, Regional Director, Chemexcil