THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 01/AM13 HELD ON 03.04.2012 AT 11.30 A.M. UNDER THE CHAIRMANSHIP OF Dr. A.K PUJARI, DIRECTOR GENERAL OF FOREIGN TRADE.

PRC Meeting was held under the Chairmanship of DGFT and list of officers present in the meeting is given below:

1. Shri D.K Singh — Addl. DG
2. Shri. V.K. Srivastava — Addl. DG
3. Dr. L.B. Singhal — Jt. DGFT
4. Dr. Rajiv Arora — Jt. DGFT
5. Shri A.K. Singh — Jt. DGFT
6. Shri R.S. Ratna — Jt. DGFT
7. Shri.HardeepSingh — Jt. DGFT
8. Smt. Subhra — Jt. DGFT
9. Smt. Vibha Bhalla — Jt. DGFT
10. Shri A. Mishra — Stats Advisor
11. Shri. D.C. Sharma — Stats Advisor
12. Smt. Sonika Khattar — FTDO

The decision taken on the individual cases are as under:-

Case No.1. M/s. Siera Silk Mills Pvt Limited
F.No. 01/60/162/989/AM11/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for revalidation of DFIA No. 0710052593 dt. 27.7.2007.

The Committee noted the request of the firm and decided to reject as the reasons cited are only commercial risk and not genuine hardship warranting relaxation under Para 2.5 of FTP.

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Case No.2. M/s. Parmeshwari Silk Mills Limited Punjab
F.No. 01/60/162/1240/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for EOP extension of advance licence No. 3010053184 dt. 18.9.2007.

The Committee considered the request and decided to extend EOP against the aforesaid advance authorization for 6 months from the date of communication, subject to verification by RA of EO claimed to have been fulfilled by the firm within the valid EOP and also subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to exports beyond export obligation period. RA is directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No.3. (i) M/s. J.J. Exporters Limited JKolkata
F.No. 01/60/162/1987/AM11/EFGC(PRC)
Subject:- Request for EOP extension of advance licence No. 0210109717 dt. 29.2.2008
(ii) M/s. Siera Silk Mills Pvt. Ltd., Bangalore
F.No. 01/60/162/996/AM12/EFGC(PRC)
Subject:- Request for EOP extension of advance licence No. 0710053714 dt. 8.10.2007
iii) M/s. Pragathi Shree Silks, Bangalore
F.No. 01/60/162/1118/AM12/EFGC(PRC)
Subject:- Request for EOP extension of advance licence No. 0710061182 dt. 20.11.2008
iv) M/s. Cheran Spinner Ltd.
F.No. 01/60/162/1035/AM11EFGC(PRC)
Subject:- Request for EOP extension of advance licence No. 3210030094 dt. 5.9.2005
v) M/s. SJK Silks Bangalore
F.No. 01/60/162/191/AM10/EFGC(PRC)
Subject:- Request for EOP extension of advance licence No. 0710040649 dt. 4.10.2005
PRC Meeting No. 01/AM13 dated: 03.04.2012

The Committee considered the aforesaid requests and decided to extend the EOP against the aforesaid advance authorizations in all five cases i) to v) for 3 months from the date of endorsement or 23.4.2012 whichever is earlier, subject to verification by RA of EO claimed to have been fulfilled by the firm within the valid EOP and also subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to exports beyond export obligation period. RA is directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No.4. M/s. Nicomet Industries Mumbai
F.No. 01/60/162/154/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for EOP extension and revalidation of advance licence No. 0310426392 dt. 11.4.2007.
The Committee noted the request and decided to revalidate the aforesaid advance authorization for 4 months subject to payment of composition fee @ 1% of the unutilized CIF value of the authorization and also granted EOP extension for a period of six months from the date of communication of the decision of PRC with composition fee @ 6% of the duty saved amount for the balance inputs in proportion to export

obligation beyond export obligation period subject to verification by RA of EO fulfillment status, as claimed by the firm. RA is directed to examine obligation beyond export obligation period subject to verification by RA of EO fulfillment status, as claimed by the firm. RA is directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher at the time of revalidation and EOP extension.

Case No.5. M/s. Nicomet Industries Mumbai
F.No. 01/60/162/140/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for EOP extension and revalidation of advance licence No. 0310412125 dt. 13.12.2006.

The Committee noted the request and decided to revalidate the aforesaid advance authorization for 4 months subject to payment of composition fee @ 1% of the unutilized CIF value of the authorization and also granted EOP extension for a period of six months from the date of communication of the decision of PRC with composition fee @ 6% of the duty saved amount for the balance inputs in proportion to export obligation beyond export obligation period subject to verification by RA of EO fulfillment status, as claimed by the firm. RA is directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher at the time of revalidation and EOP extension.

Case No.6. M/s. Nicomet Industries Mumbai
F.No. 01/60/162/155/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for EOP extension and revalidation of advance licence No. 0310405902 dt. 30.10.2006.

The Committee noted the request and decided to revalidate the aforesaid advance authorization for 4 months subject to payment of composition fee @ 1% of the unutilized CIF value of the authorization and also granted EOP extension for a period of six months from the date of communication of the decision of PRC with composition fee @ 6% of the duty saved amount for the balance inputs in proportion to export obligation beyond export obligation period subject to verification by RA of EO fulfillment status, as claimed by the firm. RA is directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher at the time of revalidation and EOP extension.

Case No.7. M/s. Nicomet Industries Mumbai
F.No. 01/60/162/148/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for EOP extension and revalidation of advance licence No. 0310310013 dt. 30.12.2004.

The Committee considered the request and decided to extend EOP against the aforesaid advance authorization for 6 months from the date of communication, subject to verification by RA of EO claimed to have been fulfilled by the firm within the valid EOP and also subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to exports beyond export obligation period. RA is directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No.8. M/s. Superhouse Limited Kanpur
F.No. 01/60/162/1224/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for Extension in EOP of advance licence no. 0610014787 dt. 12.12.2008.

The Committee noted that the firm have made no exports during the valid EOP and, therefore, decided to reject the case on account of no exports made both quantity and value wise in the valid EOP.

Case No.9. M/s. R.H. International Moradabad
F.No. 01/60/162/452/AM10/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for extension in EOP of advance licence No. 2910002249 dt. 23.8.2001 for regularization purpose.

The Committee decided to grant extension for 8 months i.e. upto 31.10.2003 beyond the permitted EOP period for the purpose of regularization and closure, subject to verification by RA of EO claimed to have been fulfilled by the firm within the valid EOP and also subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to export obligation beyond the permissible export obligation period of 36 months. RA is directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No.10. M/s. Eastman Auto & Power Limited Gurgaon
F.No. 01/60/162/471/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for EOP extension of advance licence No. 0510226326 dt. 27.8.2008.

The Committee considered the request and observed that the firm has completed more than 50% of the export obligation in accordance with the actual imports undertaken. The committee therefore decided to extend EOP against the aforesaid advance authorization for 6 months from the date of communication, subject to verification by RA of EO claimed to have been fulfilled by the firm within the valid EOP and also subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to exports beyond export obligation period. RA is directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No.11. M/s. Hind Rectifiers Limited Mumbai
F.No. 01/60/162/1221/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for EOP extension of qty based of advance licence. 0329226 dt. 17.11.1994 for regularization of bonafide default in completing EO.

Deferred. Case be examined with reference to the Public Notice No. 5 dt. 6.4.1999 and getting report from RA and again placed before PRC.

Case No.12. M/s. BGH Exim Limited Kolkatta
F.No. 01/60/162/1220/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for EO discharge for redemption of advance licence for import of tea for redemption of EO discharge as per 4.22 of against licence issued by JDGFT, Kolkata vide authorization No. 0210124155 dt. 12.3.2009.

Deferred.

Case No.13. M/s. Rajesh Export Limited Bangalore
F.No. 01/60/162/01/AM13/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for revalidation of DFIA advance Licence No. 0710065570 dt. 24/06/2009.

The Committee noted the request of the firm and decided to reject as the above mentioned DFIA has already been endorsed with transferability and also the reasons cited are only commercial risk and not genuine hardship warranting relaxation under Para 2.5 of FTP.

Case No.14. M/s. The Rubber Product Limited Limited Thane
F.No. 01/60/162/240/AM10/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for waiver from payment of composition fee in respect of the advance licence No. 0310395262 dt. 21.8.2006.

The committee noted that the firm was already granted revalidation in PRC meeting no. 06/AM10 dt. 26.11.2009 in accordance with the PRC norms with a stipulated composition fee @ 1% of the unutilized CIF value of the authorization. The firm has not availed of the same and the committee did not consider the reasons cited by the firm cogent enough to warrant any further relaxation both on validity or waiver of any composition fee.

Case No.15. M/s. Indo Alusys Industries Limited
F.No. 01/94/180/334/AM10/PC-IV/ EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request to clarify the period of revalidation of advance authorization no. 0510128367 dt. 9.6.2004 granted by GRC.

Withdrawn to be dealt on file.

Case No.16. M/s. Man Industries (I) Limited Mumbai
F.No. 01/94/180/441/AM12/PC-IV/ EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for EO against only in terms of qty. but with respect to value there was shortfall and this shortfall advance licence No. 0310488412 dt. 30.09.2008.

The committee decided that the shortfall in EO may be examined only with reference to an attainment of a positive value addition of 1% only. Therefore the shortfall with reference to attainment of 1% positive value addition may be considered in accordance with the FTP provisions for payment of 1% of the shortfall in FOB in value for regularization. The firm may approach RA for further regularization in accordance with FTP provisions as per above guidelines.

Case No.17. M/s. Medreich Limited Bangalore
F.No. 01/60/162/1176/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for clubbing of 3 advance licence No. 0710016544 dt. 7.10.2002 (ii) 0710017181 dt. 13.11.2002 (iii) 0710032121 dt. 27.8.2004.

The committee noted that as per Public Notice no. 79 dt. 13.10.2011, Regional Authorities of DGFT could do clubbing for authorizations which are issued within 3 years from the date of issue of the earliest authorization sought to be clubbed and conditions as stipulated in the aforesaid Public Notice. As such, this case could have been considered at the level of RA also. However, since this application was already filed in DGFT prior to issuance of PN. NO. 79 dt. 13.10.2011, the committee decided to club the above 3 advance authorizations for the purpose of regularization. RA may grant necessary extension in EO required with the stipulated composition fee for clubbing and regularization. RA is also directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher. The 15% value addition for evaluating entitlement is to be applied on the entire FOB and CIF of the authorization. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the authorizations.

Case No.18. M/s. Medreich Limited Bangalore
F.No. 01/60/162/1213/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for EOP extension of advance licence No. 0710057107 dt. 25.4.2008 for the purpose of clubbing with advance licence No. 0710069117 dt. 30.12.2009.

The Committee noted the request of the firm and decided to reject as the gap between the above two authorizations is substantial and the Committee therefore did not agree to club these authorizations.

Case No.19. M/s. Michelin India Tyres Pvt Ltd., Faridabad

F.No. 01/53/08/622/AM12/Import Cell
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for Import of 20 Tyres (Two Sets (2 LUP) each Set consisting of 10 Reference Tyres. (Non ISI) Size 295/80 R XZE2+

The Committee considered the case and approved the relaxation of import conditions for import of tyres as already approved by EFC.

Case No.20. M/s. Reference GPS Solutions Pvt Limited Gurgaon
F.No. 01/53/08/620/AM12/Import Cell
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for grant of import licence for import of vehicle Tracking Device using GPRS/GPS technology for Stock & Sale purpose.

The committee considered and approved the import permission as granted by EFC for trading purpose.

Case No.21. M/s. Orient Craft Limited Delhi
F.No. 01/53/08/1178/AM12/O-6 /Import Cell
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for import of 4 Redial Pneumatic Tubeless Tyres 295/30/22 continental CSC 5 P.

The Committee considered the case and approved the relaxation of import conditions for import of tyres as already approved by EFC.

Case No.22. M/s. Metal Closures Bangalore
F.No. 01/60/162/978/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Request for reconsideration of Norms Ratification for 8 advance licences.

a) 0710039498 dt. 3.8.2005
b) 0710040496 dt. 27.9.2005
c) 0710042478 dt. 6.1.2006
d) 0710043583 dt. 8.3.2006
e) 0710044341 dt. 12.4.2006
f) 0710045770 dt. 28.6.2006
g) 0710046735 dt. 14.8.2006
h) 0710046736 dt. 14.8.2006

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The committee deliberated the case in detail and noted that while placing the case in the Norms Committee, it is for the Norms Committee Chairman to decide as to whether the case needs to be placed before the Norms Committee or not. PRC did not find any reason to intervene in such cases where an appropriate decision can be taken by the Norms Committee Chairman.

Case No.23. M/s. Prag Bosami Synthetic Ltd.
F.No. 01/94/180/732/AM10/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- EOP extension of advance licence no. 2146674 dt. 7.7.1994.

Withdrawn for processing on file.

Case No.24. M/s. Auro Lab Ltd
F.No. 01/60/162/406/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Revalidation of advance authorization no. 0310483749 dt. 26.8.2008.

Withdrawn.

Case No.25. M/s. Konenga International
F.No. 01/60/162/187/AM12/EFGC(PRC)
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Extension of advance authorization no. 0310141448 dt. 11.6.2002, 0310234006 dt. 31.10.2003 and 0310159712 dt. 23.9.2002.

The committee decided that the firm may obtain the BIFR package and submit the details of package to DGFT for consideration.

Case No.26. Ref. received from State Bank of India, New Delhi
F.No. 01/53/162/Misc/S-160/AM12/IC
PRC Meeting No. 01/AM13 dated: 03.04.2012
Subject:- Import of Traventine Tumbled Marble from Printex Italy for personal use.

The Committee noted that in the case of import of marbles, a specific policy has been formulated for a limited time (one year). In such circumstances, where a specific policy has been carved out, it may not be appropriate to grant any policy relaxation therein. The Committee, therefore, did not agree to the request of the firm.

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