Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of DGFT, Shri Anup Wadhawan held on 05.04.2016 & 11.04.2016.

Meeting No. 01/AM17 held on 05.04.2016 at 03:30 PM and 11.04.2016 at 2.00 PM in the room No 11, Udyog Bhawan, New Delhi.

List of members present in the meeting on 05.04.2016 and 11.04.2016 are given below:

1.	Shri D.K. Singh	Addl.DGFT
2.	Shri K.C. Rout	Addl.DGFT
3.	Shri Jaykant Singh	Addl.DGFT
4.	Shri Darshan Singh	Addl.DGFT
5.	Shri S.K. Samal	Jt.DGFT
6.	Shri Jay Karan Singh	Jt.DGFT
7.	Shri Akash Taneja	Jt.DGFT
8.	Dr. S.K. Bansal	Jt.DGFT
9.	Shri Subhir Kumar Sharma	FTDO

Following cases were discussed. The decision taken on the individual cases are as under:-

Case No.1. P.H. Case: M/s. Madura Coats P. Ltd., Bangalore.
F.No. 01/94/180/1081/AM10/PC-4/PRC
PRC Meeting No.01/AM17 dated 05.04.2016

Sub:-Revalidation/Enhancement in the value & quantity of imports in respect of 5 Advance Authorizations No.(i) 3510018818 dt. 08.06.2006; (ii) 3510020677 dt. 28.03.2007; (iii) 3510020678 dt. 28.03.2007; (iv) 3510020679 dt. 28.03.2007 and (v) 3510020837 dt. 24.04.2007.

Decision:

Hon'ble High court Madurai Branch of Madras vide order dated 28.10.2015 has held that"

"Keeping the above lacunae in mind, we are of the view that DGFT has not gone into the issue as to whether it is a case falling squarely under para 2.5, where he has to exercise discretion taking into consideration materials relevant to the case of the appellant for relaxation of the policy and for grant of revalidation of the licence. On this score, we find that the reasons given by the learned Single Judge do not support the case of the department and the appellant has made out a case that its plea has not been considered by the authority, namely DGFT, in the light of what has been explained in the letter dated 16.02.2011 and the other one, dated 28.12.2011, which calls for consideration in terms of paragraph 2.5 of the policy. Accordingly, the order of the learned Single Judge is set aside, the writ petition is allowed, by way of remand. We remand the matter to the DGFT for fresh consideration, after affording an opportunity of personal hearing to the appellant, at the earliest."

A. Accordingly, the applicant was afforded personal hearing before the Policy Relaxation Committee on 05.04.2016 which was communicated vide e-mail dated 16.03.2016. Mr. Sandeep Thakur, Vice president, Mr. M. Ramasubramanium, Manager Excise and Mr. Ashok Sehgal, business consultant from M/s Madura Coats Pvt. Ltd. appeared before the committee. During the course of hearing they made the following oral averments as well as written submissions as under:

1. In view of certain technical problems faced in the newly implemented SAP software system in Applicant's all units across India during the year 2007-09, imports and exports made from the said units against the above said authorizations were incorrectly accounted resulting into loss of control over accounting of goods under the said authorizations and ultimately excess exports as well as shortfall in imports occurred inadvertently without the said discrepancies coming the notice of Applicant.

2. In view of global crises of meltown in 2007-09 which affected Textile Industries across Asian region, most foreign suppliers from Asian countries from whom the Applicant purchased their raw materials, had held back their operations partially to withstand in the global market resulting into undue delay in servicing the orders placed by the Applicant. Consequently, the Applicant could not import the raw materials in proportion to the excess exports which were made during duty paid raw materials so as to meet export customer's requirement.

3. Entire export obligation under all the above said five authorizations was met in full, both terms of quantity and value, well within validity of license and also achieved value addition in excess of 15% besides excess exports.

4. Since duty paid raw materials were used in the excess exports made under the above said authorizations, the same need to be replenished for neutralization of actual incidence of duties suffered by the Applicant.

5. The above stated reasons contained in the representations dated 16.02.2011 and 28.12.2011 made by the applicant make it evident that genuine hardship will be caused to the applicant unless the applicant's request for relaxation is granted under the corresponding provisions of the FTP/Procedures.

6. Applicant have not only fulfilled export obligation against the five advance authorizations well within the EO period both in terms of value and quantity but have also made additional exports within the original EO period besides having achieved value addition in excess of 15%.

7. Applicant's delayed request for revalidation of the above said five advance authorizations cannot by any stretch of imagination be considered as deliberate or malafide as the applicant stands to lose by not seeking his duty free import entitlement proportionate to the excess exports made by him by requesting revalidation of the said authorizations.

8. Applicant submit that when the EO under the above said authorizations was fulfilled within the validity of the said authorizations and the foreign exchange relating thereto including against the excess exports, was realized fully by the Government, there is no revenue loss too to the Government.

9. As against the above, the denial of revalidation of the above said advance authorizations on technical grounds or otherwise results into heave loss to the Applicant.

10. No limitations specified for filing application under Para 4.21 and 4.23 of the HBP of FTP.

    Relevant provisions of Paras 4.21 and 4.23 (P. NO. 123-124)) read as follows:

    "4.21 In respect of an Advance Authorization, RA concerned (as per their financial powers) may consider a request for:

    (a) Enhancement/reduction in CIF value of advance authorizations;
    (b) Enhancement/reduction in CIF value , quantity of imputs, FOB value and quantity of exports of an advance authorizations;

    4.211 Request for prorate Enhancement in Value and Quantity may be made either before or after exports. In such cases where there is a change in SION prior to export of said product, pro rata enhancement shall be given after calculating entitlement on revised SION.

    4.21.2 The application for the enhancement/ reduction in the value of authorization shall be made in ANF 4E.

    4.23 RA may consider a request or original Authorization holder and grant one revaluation for six months from expiry date. Request (s) for revalidation of Authorization shall be made in ANF 4E."

11. Applicant submit that as per the provisions for the Hand Book of Procedures of Foreign Trade Policy 1992-97, the application for revalidation was required to be made within one month of the expiry of the license (for initial period) or before the expiry of license (later period).

12. Subsequently, these time limits prescribed for filing application for Enhancement / Reduction in the value of Advance Authorization as well as for Revalidation of Advance Authorizations have been removed under Paras 4.21 and 4.23 respectively of the applicable Hand Book of Procedures of Foreign Trade Policy.

13. It has even been admitted by the DGFT in his order dated 24/29.10.2013 at Para 5 (a) that "Neither the Policy nor the Hand Book has any provision for a last date for submission of application for revalidation or enhancement in value or for both. The Policy does not specifically provide either any last date for submission of application to be received under advance authorization or similarly any last date for submission of any application for revalidation of such advance authorization. "

14. It will be appreciate that once it is accepted that no time limit has been specified for filing application seeking Revalidation/enhancement in the value and quantity of imports of Advance Authorizations under Paras 4.21 and 4.23, applications filed by bonafide applicants like this applicant belatedly though within two years of expiry of the validity of the said authorizations for valid reasons stated in Para (a) above should be considered favorably particularly when the EO under all the five authorizations was fulfilled within EOP including the excess exports and the foreign exchange was earned by the Government fully.

15. Applicant in support of their above contentions relying on Minutes of the PRC Meeting No. 11/AM07 dated 15.02.2007 – Case No. 10 (P. No.94) wherein PRC, in respect of applications filed even after expiry of passing of 13 months from the expiry of initial validity of 24 months of license pertaining to M/s. Indian Steels and Allied Products, Chennai, has granted revalidation taking into account that the exporters had fulfilled the EO within valid EOP.

16. Applicant also refer to a specific case of M/s Claris Lifesciences Ltd. Ahmadabad wherein PRC has granted revalidation of licenses in respect of applications which were filed within 2 years from the date of expiry of license taking into account that the exporter has fulfilled the EO within valid EOP vide PRC Meeting NO. 03/AM 09 dated 31.07.2008 – Case No. 32 – File NO. 01/94/180/190/AM09/PC-4. It has been specifically stated in this case that "*The Committee observed that revalidation application is to be made within 2 years from the date of expiry of License".*

17. Applicant further refer to the following cases wherein PRC has granted validation of licenses in respect of applications filed within a reasonable period after expiry of total validity period of 30 months of the said licenses taking into account that the exporter has fulfilled the EO within EOP.

    (a) Case No.1 PRC Meeting No. 09/ AM07 date 22.11.06 (P. NO.96) License NO. 0710022414 dated 12.7.2003 M/s Masturlal Pvt. Ltd. Bangalore.

    (b) Case No.3 PRC Meeting No. 09/ AM07 date 22.11.06 (P. NO.9) License NO. 0210059954 dated 16.1.2004 M/s Zeal Exports, West Bengal.

    (c) Case No.2 PRC Meeting No. 01/08 date 24.05.2007 (P. NO.98) License NO. 0311024332 22.12.2003 M/s. Exempler Nihon Spindle Mfg. Co. Pvt. Ltd. Mumbai.

    (d) Case No.3 PRC Meeting No. 01/ 08 date 24.02.2007 (P. NO.98-99) License NO. 0310242659 dated 18.12.2003, M/s. Exempler Nihon Spindle Mfg. Co. Pvt. Ltd. Mumbai.

18. It would be evident from the above Minutes of the PRC Meeting in respect of all the above said cases that the Committee has correctly granted revalidation after

being satisfied about the fulfillment of the fundamental and substantial requirement that the exporters should complete the EO within the EOP.

19. It is not in dispute that Applicant has not only fulfilled export obligation with the EO period but has also a) made exports exceeding the EO within the original EO period, b) achieved value addition in excess of 15% and has c) fully realized the foreign exchange.

20. Applicant, as an abundant caution, clarify that the then DGFT, vide his order dated 24/ 29.10.2013 had denied the application of ratio of the above said cases to the Applicant's case by merely stating that these cases were pertaining to the year 2006 & 2007 and that the applicant had failed to establish that these cases are parimaterria. It is humbly submitted that the DGFT has not been able to demonstrate any difference in the situation as existed in those cases and the present situation of this applicant particularly when the commit considered the only fact that exporters had fulfilled EO within EOP which the applicant too had admittedly fulfilled.

21. Applicant, further clarify that the then DGFT, vide his order dated 24/ 29.10.2013 at Para 5 (d) that requests for revalidation and enhancement of value and quantity of imports would be considered only if there was no fault on the part of the licensee and the matter was attributable to Government Agency, is absurd and has no legal basis particularly when the paras 4.21 and 4.23 neither specify any limitation of time for filing application seeking relief nor specify anything regarding any internal or external management issues of exporter or Government Agency.

22. Applicant, further submits that the then DGFT's observation in his order dated 24/ 29.10.2013 at Para 5 (d) that the DGFT had been circumspect in the last three years in granting revalidation and unless there is force majeure conditions, there is no reason as to why import of the inputs cannot take place within license period and that logic made PRC to adopt a consistent stand not to grant any revalidation, is absurd and is contrary to the spirit of the provisions of Para 2.5 of the FTP.

23. Under the above circumstance, it is just and fair to allow Applicant's request for revalidation and Enhancement in Value and Quantity of imports in proportion to the excess exports made in respect of the above 5 Advance Authorizations in terms of Paras 4.23 and 4.21.2 of the HBP of Foreign Trade Policy applying the ratio of the above said cases as well as taking into account the genuine hardship faced by the Applicant.

B. The committee deliberated the case at length. Relaxation in Policy and procedure is granted under Para 2.58 of FTP, 2015-2020 which states as under:

"2.58 Exemption from Policy/ Procedures

DGFT may in public interest pass such orders or grant such exemption, relaxation or relief, as he may deem fit and proper, on grounds of genuine hardship and adverse impact on trade to any person or class or category of persons from any provision of FTP or any procedure. While granting such exemption, DGFT may impose such conditions as he may deem fit after consulting the Committees as under:

Sl No	Description	Committee
(a)	Fixation / modification of product norms	Norms Committees
(b)	Nexus with Capital Goods (CG) and benefits under EPCG Schemes	EPCG Committee
(c)	All other issues	Policy Relaxation Committee (PRC)

C. Bare reading of the provisions of the above para, it is crystal clear that DGFT may in public interest grant exemption, relaxation or relief, as he may deem fit, after consulting PRC, on ground of genuine hardship and adverse impact on trade. Thus the Policy relaxation is not a matter of right. For seeking relaxation, the applicant has to establish genuine hardship or prove beyond reasonable doubt adverse impact on trade. In this case, the applicant has failed to establish concrete ground of genuine hardship or adverse impact on trade.

D. Their contention of genuine hardship that due to introduction of SAP software they faced technical problems in all their units across India during the year 2007-09, imports and exports made from the said units against the above said authorizations were incorrectly accounted resulting into loss of control over accounting of goods under the said authorizations and; ultimately excess exports as well as shortfall in imports occurred inadvertently without the said discrepancies coming the notice of Applicant. However, it was not sustainable and acceptable to the committee for the following reasons:

(a) SAP stands for Systems Applications and Products in Data Processing. SAP by definition is also name of the ERP (Enterprise Resource Planing) software as well the name of the company. SAP system comprises of a number of fully integrated modules, which covers virtually every aspect of the business management. Thus, by introduction of the SAP, the applicant's accounting efficiency must have been improved. The software must have giving accurate position of their inventories and pending obligation position against individual Licence. Hence the situation of excess export should had not been arisen. The committee, therefore, was of the view that introduction of SAP cannot be attributed to genuine hardship in fulfilling excess export and not importing eligible quantity within the validity of the Authorisations. The applicant itself stated that they had 23 Advance Licences in operation but could not import only in 5 Licence. This proves itself that SAP was not the reason but it was their failure in systematic and timely monitoring of Licences by the management. Further, the applicant has not submitted any documentary evidence that the SAP was introduced during the validity of these Authorisations and for any inconvenience in implementing of SAP software in the concerned unit, they had taken up the issue with software providing company. Therefore, these submissions are not accepted by the committee.

(b) The said five Authorisation were issued as per FTP, 2004-2009. In terms of Para 2.12 of HBP, 2004-2009, Advance Authorisation was issued having initial validity of 24 months for import. In terms of Para 4.23 of HBP, 2004-2009, RA was empowered to allow one revalidation for six months on merit of the case, which the applicant has availed. So effectively, Authorisation holder was having 30 clear months to import duty free goods against the said Advance Authorisations.

(c) Enhancement in value and quantity of Authorisation is allowed only in situation where an exporter received export order for higher quantity than stipulated in the Advance Authorisation during its validity. Exporter for some reason, may not have time to obtain a new Authorisation. In that case, he can approach RA to allow enhancement in quantity and value of the valid Authorisation. Second situation could be that while making shipments, if a buyer suddenly enhanced the requirement and placed additional order. In that case, exporter may make excess shipment of required quantity without approaching RA for enhancement. To deal such situations, Para 4.21 of HBP provides enhancement in quantity and value of the Authorisation. However, the Authorisation holder must apply to RA concerned within the validity of such Authorisation. Enhancement in quantity and value of Authorisation will not serve any purpose, if it is not obtained within the validity of the Authorisation. In this case, the applicant did not approach the RA concerned for doing so. Therefore he has no merit for seeking enhancement after expiry of the said 5 Authorisations.

(d) The committee endorsed the views taken by Dr. Anup K. Pujari, the then DGFT, while passing order dated 24/ 29.10.2013. This committee also have the same view that provisions of late cut provided in the Para 9.3 of HPB, 2004-2009 applicable only in the case where time limit for submission of any application is prescribed. Time limit is provided for post shipment scheme, export incentives scheme and drawback scheme under FTP. Advance Authorisation scheme is need based. Exporter can obtain Advance Authorisation as and when he got order from buyer. He can obtain Advance Authorisation in anticipation also. Therefore, no time is prescribed for obtaining Advance Authorisation in FTP. So far revalidation request is concerned, further six months revalidation is allowed in continuation of the validity of the Authorisation. Therefore, Authorisation holder has to seek further revalidation, on merit, within extendable validity of six months only. Hence, the late cut provision is not applicable in such cases.

(e) The committee further endorsed the views of Dr. Anup K. Pujari, the then DGFT, taken in the order dated 24/ 29.10.2013 that PRC has not considering any request for revalidation after 2010. The cases cited by the applicant were considered by the committee prior to 2010 only. After 2010, taking into consideration the bad situation of balance of payment and balance of India's trade, the committee decided not to allow further revalidation where exports were made but imports were not made within the validity of Authorisation unless the Authorisation holder was denied/ prevented their legitimate benefits due to system error or force majeure or Authorisation lost its validity in the possession of government Agency. The committee has been consistently and uniformly adopting this prctice since November, 2010. The applicant could not cite any case in which request for revalidation was considered after 2010. Hence, the case of the applicant cannot be placed on similar footing.

E. Having heard the averments and submissions of the applicant, the committee was of the view that the applicant could not establish the case of genuine hardship and any violation of right of equal treatment. The applicant has been given 30 month time for making import as was available to other exporters and that was more than sufficient. There is no merit in the case. The committee, therefore, did not accede to the request.

Case No.2 P.H. Case: M/s. Bhandari Export Industries Ltd., Distt. Mohli, Punjab.
F.No. 01/60/162/392/AM15/ EFGC(PRC) and 01/94/180/25/AM165/PC-4
PRC Meeting No.01/AM17 dated 05.04.2016
Sub:- EOP extension of Advance Authorization No.3010073959 dt. 29.03.2011.

Decision:

The applicant, aggrieved by PRC's decision dated 16.12.2014, approached the Hon'ble High Court of Punjab & Haryana at Chandigarh for relief. Hon'ble High Court disposing the CWC No 6270 of 2015 on 03.08.2015 has passed the following order:

> "*The impugned order is quashed and set aside. Respondent No.2 will consider the application of the petitioner for extension afresh after affording the petitioner an opportunity of being heard. The petitioner shall be entitled to file additional information with respondent no.2 latest by 14.08.2015.*"

A. In compliance with the Hon'ble High Court of Punjab & Haryana at Chandigarh order dated 03.08.2015, the applicant was requested to attend personal hearing on 2nd February, 2016 at 11.00 AM in the Room No.11 at DGFT, Udyog Bhawan, New Delhi. This was communicated through e-mail dated 18.01.2016. However, the applicant had requested to extend the hearing date after two weeks, as Mr. Deepak Gupta Advocate was not well and was not able to attend hearing. The request was considered and accordingly next date for personal hearing was fixed on 23.02.2016 at 11:00AM. Again they expressed their inability to attend PH due to agitation in Haryana. Accordingly, next date was fixed on 05.04.2016.

B. Mr. Deepak Gupta, Learned Advocate appeared before the committee on 05.04.2016. He submitted that the company has obtained Advance Authorisation on 29.03.2011 and imported duty free goods, as permitted in the Authorisation. However, due to bad situation in the international market, they could not fulfill export obligation within prescribed 36 months obligation period. Now they have export order. He therefore requested to allow extension for six months.

C. The committee asked Mr. Gupta whether imported materials (inputs) were intact and in the possession of the company. He could not give any answer for that. The committee further asked whether he has submitted any written submission, as per Hon'ble court order, justifying their genuine hardship in failure to fulfil the stipulated export obligation within prescribed time period, as allowed by the court. He had no answer for that too. However, he requested to allow one time extension for fulfillment of export obligation.

D. The committee noted that the applicant had obtained the said Authorisation on 29.03.2011 having 24 months validity period for import and 36 months for fulfillment of corresponding export obligation. The applicant had imported goods fully (100%) without payment of duties. However, no export has been made towards discharge of stipulated export obligation. The applicant has failed to establish the case of genuine hardship which is required for seeking relaxation in policy/procedure in terms of Para 2.58 of FTP. The applicant has also failed to submit a certificate evidencing having the imported raw materials in his possession, which is required in terms of Para 4.42 of HBP, 2015-2020 for seeking extension in EOP. The committee, therefore, decided not to accede to the request. The applicant was directed to get the case regularized in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Chandigarh: if the applicant fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website, necessary action as per the provisions of F.T.(DR)Act, shall be initiated)

Due to paucity of time the meeting was postponed which resumed on 11.04.2016 and following cases were discussed:

Case No.3 . M/s. Impex Metal and Ferro Alloys Ltd., Kolkata.

F.No. 01/60/162/193/AM15/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 11.04.2016

Sub:- Revalidation of two DEPB No. 0210179006 dated 27.06.2012 and 0210179175 dt. 29.06.2012.

Decision:

The Committee noted that the applicant could not utilize the above mentioned DEPB scrips due to data transmission error. The DEPB Scrip No. 0210179006 dated 27.06.2012 and 0210179175 dt. 29.06.2012 was valid upto 31.03.2013 (18 months) whereas as per EDI/NIC report, the said scrips got accepted by Customs only on 12.11.2014. Due to which, the applicant could not utilize the Scrip. Hence, the Committee decided to revalidate the aforesaid DEPB scrip for 6 months from the date of endorsement. The applicant is directed to get the endorsement from RA within one month from the date of uploading of PRC minutes on the Directorate website.

(Action: RA, Kolkata)

Case No.4 . M/s. NSIL Exports Limited, Mumbai

F.No. 01/60/162/811/AM13/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 11.04.2016

Sub:- Request for revalidation against Advance Authorization No. 1110022088 dt. 23.03.2010 issued from R.A. Bhopal.

Decision:

The Committee noted that the applicant could not utilize the above Authorisation due to data transmission error. The Advance Authorization No. 1110022088 dt. 23.03.2010 was valid for import upto 22.09.2012 (30 months including extended validity). However, as per EDI/NIC report, amendments made to the Authorisation got accepted by Customs only on 21.12.2012 i.e. after expiry of the Authorisation. Due to which, the applicant could not utilize the Authorisation. The Committee, therefore, decided to revalidate the aforesaid Authorisation for 4 months from the date of endorsement. The applicant is directed to get the endorsement from RA within one month from the date of uploading of PRC minutes on the Directorate website.

(Action: RA, Bhopal)

Case No.5. M/s. Glenmark Pharmaceutical Ltd., Mumbai

F.No. 01/60/162/898/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 11.04.2016

Sub:-Request for EOP extension of Advance Authorization No. 0310760035 dt. 02.12.2013 issued under PC-9 condition regularization purpose.

Decision:

The Committee noted that the Authorization No. 0310760035 dt. 02.12.2013 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfillment from import of each consignment. The imports were made on 15.03.2014, 03.05.2014, 30.05.2014, 11.08.2014 and 30.09.2014. Accordingly, initial obligation period was upto 14.03.2015, 02.05.2015, 29.05.2015, 10.08.2015 & 29.09.2015 respectively, against each import consignment. The applicant has fulfilled more than 50% export obligation during the initial export obligation period. Taking all these facts into account, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months against import of each consignments i.e. upto 30.09.2015, 30.11.2015, 30.11.2015, 29.02.2016 and 31.03.2016 respectively.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of export made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
V. The applicant has to pay duty plus interest on inputs consumed and exported after 18 months from the date of import consignment.
VI. RA shall check that 50% exports against each consignment were made within initial export obligation period. If not, composition fee will be charged @ 0.5% per month on unfulfilled FOB.

(Action: RA, Mumbai)

Case No.6. M/s. Glenmark Pharmaceutical Ltd., Mumbai

F.No. 01/60/162/899/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 11.04.2016

Sub:-Request for EOP extension of Advance Authorization No. 0310786888 dt. 16.07.2014 issued under PC-9 condition regularization purpose.

Decision:

The Committee noted that the Authorization No. 0310786888 dt. 16.07.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfillment from import of each consignment. The imports were made on 27.08.2014, 23.09.2014, 27.10.2014 and 28.11.2014. Accordingly, initial obligation period was upto 26.08.2015, 22.09.2015, 26.10.2015 and 27.11.2015 respectively against each import consignment. The applicant has fulfilled more than 50% export obligation during the initial export obligation period. Taking all these facts into account, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months against each import consignments i.e. upto 29.02.2016, 31.03.2016, 30.04.2016 and 31.05.2016 respectively.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of export made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
V. The applicant has to pay duty plus interest on inputs consumed and exported after 18 months from the date of import consignment.
VI. RA shall check that 50% exports against each consignment were made within initial export obligation period. If not, composition fee will be charged @ 0.5% per month on unfulfilled FOB.

(Action: RA, Mumbai)

Case No.7. M/s. Prima Plastics Ltd., Mumbai

F.No. 01/60/162/925/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 11.04.2016

Sub:-Request for 2nd Revalidation of Advance Authorization no. 0310773025 dt. 05.03.2014.

Decision:

The Committee observed that the Authorisation was issued having initial validity of 12 months to import. RA has already granted one revalidation for six months. Hence the applicant had 18 months to import. Despite that the applicant could not utilize the Authorization. There is no case of genuine hardship established. Therefore, the Committee did not accede to the request.

Case No.8. M/s. Jiwanram Sheoduttral Industries Pvt. Ltd., Kolkata

F.No. 01/60/162/914/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016

Sub:-Request for allow permission for redemption without insistence for specific mention of GSM of the Fabric in the export documents under relaxation of FTP and procedure, in respect of Advance Authorization no. 0210133247 dt. 03.11.2009.

Decision:

The committee decided to defer the case for seeking copy of Bill of Entries.

(Action: applicant)

Case No.9. M/s. Medley Pharmaceuticals Ltd., Mumbai

F.No. 01/60/162/733/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for Revalidation of DEPB no. 0310700984 dt. 05.07.2012.

Decision:

The Committee noted that the applicant could not utilize the above duty credit scrip due to data transmission error. The DEPB no. 0310700984 dt. 05.07.2012 was valid upto 31.01.2014 (18 months) whereas as per EDI/NIC report, the Authorisation got accepted by Customs only on 10.01.2015 i.e. after expiry of the validity period, due to which, the applicant could not utilize the scrip. Hence, the Committee decided to revalidate the aforesaid scrip for 6 months from the date of endorsement. The applicant is directed to get the endorsement from RA within one month from the date of uploading of PRC minutes on the Directorate website.

(Action: RA, Mumbai)

Case No.10. M/s. Gracure Pharmaceuticals Ltd., New Delhi

F.No. 01/60/162/901/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 11.04.2016

Sub:-Request for extension EOP of Advance Authorization no. 0510298188 dt. 29.07.2011 issued under PC-9 condition.

Decision:

The Committee noted that the Advance Authorization no. 0510298188 dt. 29.07.2011 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfilment from import of each consignment. The imports against the Authorisation was made on 06.08.2011. Accordingly, initial obligation period was upto 06.08.2012. The applicant has completed less than 50% export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 06.02.2013.
II. This is only for accounting and regularization of exports already effected.

III. This is subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
V. For shortfall, the applicant shall follow the procedure prescribed in Policy Circular 18 dated 30.10.2007

(Action: RA, CLA, New Delhi)

Case No.11. M/s. Primax Industries, Mumbai
F.No. 01/60/162/161/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 11.04.2016
Sub:- Request for Revalidation of DEPB no. 0310698209 dt. 12.06.2012.

Decision:

The Committee noted that the applicant could not utilize the above duty credit scrip due to data transmission error. The DEPB no. 0310698209 dt. 12.06.2012 was valid upto 30.06.2014 (24 months) whereas as per EDI/NIC report, the scrip got accepted by Customs only on 12.11.2014 i.e. after expiry of the validity period, due to which, the applicant could not utilize the scrip. Hence, the Committee decided to revalidate the aforesaid scrip for 6 months from the date of endorsement. The applicant is directed to get the endorsement from RA within one month from the date of uploading of PRC minutes on the Directorate website.

(Action: RA, Mumbai)

Case No.12. M/s. Mexim Adhesive Tapes pvt. Ltd., Mumbai
F.No. 01/60/162/894/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 11.04.2016
Sub:-Request for Revalidation of Advance Authorization no. 0310710266 dated 25.09.2012.

Decision:

The Committee observed that the Authorisation was issued having initial validity of 18 months to import. RA has already granted one revalidation for six months i.e. upto 30.09.2014. Hence the applicant had 24 months to import. Despite that the applicant could not utilize the Authorization within the validity. There is no case of genuine hardship established. Therefore, the Committee did not accede to the request.

Case No.13. M/s. Mexim Adhesive Tapes Pvt. Ltd., Mumbai
F.No. 01/60/162/895/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:-Request for Revalidation of Advance Authorization no. 0310710959 dt. 28.09.2012.

Decision:

The Committee observed that the Authorisation was issued having initial validity of 18 months to import. RA has already granted one revalidation for six months i.e. upto 30.09.2014. Hence the applicant had 30 months to import. Despite that the applicant could not utilize the Authorization. There is no case of genuine hardship established. Therefore, the Committee did not accede to the request.

Case No.14. M/s. Shalimar Precision Enterprises P. Ltd., New Delhi

F.No. 01/60/162/835/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for Revalidation of DEPB no. 0510344782 dt. 04.02.2013 for Rs. 1,74,987/-

<u>Decision:</u>

The Committee observed that the said DEPB scrip was issued having initial validity of 18 months. Though there was delay in data transmission. However, the said scrip was accepted by the customs server on 28.02.2014. The scrip was transferable and remain valid till 03.08.2014 i.e. for six months. Therefore, the Committee did not accede to the request.

Case No.15. M/s. Bal Pharma Ltd., Bangalore

F.No. 01/60/162/909/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for EOP of Advance Authorization no. 0710090348 dt. 23.08.2012.

<u>Decision:</u>

The committee noted that in terms of Para 4.42 of HBP, no extension in EOP is allowed for item listed in appendix 4J. PRC, however, allows six months extension on merit of the case. In this case, imports were made almost 100% in November, 2012 but no export has been made so far. The period extendable of six months has also lapsed. There is no merit in the case. The committee therefore, did not accede to the request. The applicant has to get the case regularized in terms of Para 4.49 of HBP, 2015-2020 read with Policy Circular No 18 dated 30.10.2007.

(Action: RA, Bangalore: if the applicant fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website, necessary action as per the provisions of F.T.(DR)Act, shall be initiated)

Case No.16. M/s. Bal Pharma Ltd., Bangalore

F.No. 01/60/162/908/AM16/ EFGC/PRC

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for EOP of Advance Authorization no. 0710091002 dt. 27.09.2012 issued under PC-9 condition

<u>Decision:</u>

The committee noted that in terms of Para 4.42 of HBP, no extension in EOP is allowed for item listed in appendix 4E. PRC, however, allows six months extension on merit of the case. In this case, imports have been completed almost 100% in January, 2013 and export has been made only 3.67% within initial obligation period. Extendable period of six months has also lapsed. There is no merit in the case. The committee therefore, did not accede to the request. The applicant has to get the case regularized in terms of Para 4.49 of HBP, 2015-2020 read with Policy Circular No 18 dated 30.10.2007.

(Action: RA, Bangalore: if the applicant fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website, necessary action as per the provisions of F.T.(DR)Act, shall be initiated)

Case No.17. M/s. Welspun Corp Ltd., Mumbai.
F.No. 01/60/162/847/AM15/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for clubbing of 4 Advance Authorizations No.(1) 0310450245 dt. 14.11.2007; (2) 0310450565 dt. 16.11.2007; (3) 0310451187 dt. 22.11.2007 and (4) 0310451408 dt. 23.11.2007.

Decision:

The Committee noted that all 4 above referred Advance Authorisation were issued in 2007. Initial export obligation was 24 months in all Authorisations. Exports in the subsequent Authorisations are made within the initial export obligation period of the first Authorisation i.e. upto 30.11.2009. The Committee, therefore, decided the following:

I. Clubbing of the 4 Advance Authorizations, as referred above be allowed.
II. Exports made upto 30.09.2009 shall only be taken into account towards clubbing and discharge of EO.
III. RA shall examine the case in terms of Para 4.09 of FTP (2015-2020) and ensure value addition of minimum 15%. The 15% value addition for evaluating entitlement shall be applied on the clubbed FOB and CIF of the Authorizations.
IV. RA shall ensure proper accounting of the duty free inputs with reference to the export product while clubbing the Authorizations. On clubbing, shortfall if any, shall be regularized on payment of Customs Duty and applicable Interest in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Mumbai)

Case No.18. M/s. Calyx Chemicals and Pharmaceuticals Ltd., Mumbai.
F.No. 01/60/162/847/AM15/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for clubbing of 4 Advance Authorizations No.(1) 0310417110 dt. 24.01.2007; (2) 0310440640 dt. 23.08.2007; (3) 0310440927 dt. 27.08.2007 and (4) 0310518756 dt. 06.05.2009.

Decision:

The committee noted that Authorisation No 0310518756 was issued on 06.05.2009 whereas export against the said Authorisation were completed by 27.09.2008. The applicant did not submit the statement of imports and exports made against each Authorisation. The case was, therefore, deferred for seeking details with explanation whether exports were made by quoting File No under which said Authorisation is issued. The applicant shall also furnish Xerox of relevant shipping bills.

(Action: Applicant)

Case No.19. M/s. Kanduri Industries Pvt. Ltd., Mumbai
F.No. 01/60/162/406/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:-Request for Revalidation of Advance Authorization no. 0310672812 dt. 26.12.2011.

Decision:

The committee noted that the applicant had already obtained Invalidation for full quantity, as per the Authorisation. Hence, where was the question of registration of Authorisation at the JNPT port for import of balance quantity? Justification and reasons cited by the applicant are not sustainable. Hence, the Committee did not accede to the request.

Case No.20. M/s. Rusan Pharma Ltd., Mumbai.
F.No. 01/60/162/921/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:-Request for EOP extension of Advance Authorization No. 0310770498 dt. 18.02.2014 issued under PC 9 condition.

Decision:

The Committee noted that the Authorization No. 0310770498 dt. 18.02.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfillment from import of each consignment. The imports were made on 26.04.2014 and 31.05.2014. Accordingly, initial obligation period was upto 25.04.2015 and 30.05.2015 respectively against each import consignment. The applicant has fulfilled less than 50% export obligation during the initial export obligation period. Taking all these facts into account, the Committee decided the following:

- **I.** Export obligation period be extended from 12 months to 18 months against import of consignments i.e. upto 31.10.2015 and 30.11.2015 respectively.
- **II.** This is only for accounting and regularization of exports already effected.
- **III.** This is subject to a payment of composition fee @ 0.5% per month on FOB value of export made after initial obligation period.
- **IV.** The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.

V. The applicant has to pay duty plus interest on inputs consumed and exported after 18 months from the date of import consignment.

(Action: RA, Mumbai)

Case No.21. M/s. Mittal Pigments Pvt. Ltd., Kota.
F.No. 01/60/162/377/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:-Request for Revalidation of DFIA no. 1310040014 dated 13.06.2012.

Decision:

The Committee noted that the applicant has completed 100% export obligation without any imports. By mistake, the applicant, while filing application online, has selected Port of Registration "Kota Ravtha Road (INRDT6)" which is not the Authorised port for making imports. As per EDI/NIC report, the DFIA license was rejected with Error: 14 (invalid port of registration) on 23.09.2014. Initially port was INRDT6. Later it was changed as INLON6 because Customs cannot make change in the Port of registration. Vide letter dated 4.9.2014 & 23.09.2014, this office has taken up the issue with Customs. The Customs vide their letter dated 29.9.2014 have recommended to allow manual change in the port of registration, as online transmission of changed port was not possible. The customs Authority has suggested to allow manual registration of DFIA at ICD, Loni(INLON6).

Taking into consideration the genuine hardship and limitation of the system, the Committee decided to allow manual amendment in port of registration and revalidate the aforesaid Authorisation for 6 months from the date of endorsement. The Customs Authority shall allow manual registration of the said DFIA No 1310040014 dated 13.06.2012 at ICD, Loni after verifying all shipments details.

The applicant is directed to get the endorsement from RA within one month from the date of uploading of PRC minutes on the Directorate website.

(Action: RA, Jaipur/ Customs, ICD Loni/ applicant)

Case No.22. M/s. Chiripal Poly Films Ltd., Ahmedabad.
F.No. 01/60/162/403/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:-Request for 2nd revalidation of Advance Authorization no. 0810123772 dt. 13.08.2013.

Decision:

The Committee observed that the Authorisation was issued having initial validity of 12 months. RA extended the validity for further six months. As per EDI report, amendments made to the Authorisation was accepted by the Customs server on 26.09.2014 and the Authorisation was remain valid till 12.02.2015. Despite that the applicant could not utilize the Authorization. There is no case of genuine hardship established. Therefore, the Committee did not accede to the request.

Case No.23. M/s. Kavita Export Pvt., Ltd., Delhi

F.No. 01/60/162/385/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:- Request for Revalidation of DEPB no. 0510362536 dated 13.08.2013.

Decision:

The Committee observed that the DEPB scrip was issued having initial validity of 18 months. As per EDI/NIC report the scrip was rejected by Customs with error code: 93 on 13.11.2013 and not yet accepted. The Customs Department have informed to get the data retransmitted from ICEGATE. The Committee, therefore, was of the view that no purpose would serve by allowing revalidation until the DEPB is transmitted properly and accepted by the Customs. The EDI section is instructed to get the scrip retransmitted to ICEGATE after rectification of the error code.

(Action: EDI)

Case No.24. M/s. Sharp Ferror Alloys. Ltd., Delhi

F.No. 01/60/162/372/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:- Request for Revalidation of DEPB no. 0510350831 dated 05.04.2013.

Decision:

The committee referred the EDI report. It was noted that the EDI has reported that the said DEPB scrip has been obtained by the applicant using the same Shipping Bill against which a DEPB has already been obtained by another exporter. The committee, therefore took a serious view. The RA concerned is directed to re-examine the case and find out as to how another DEPB was issued using same Shipping Bill. If, the applicant is found guilty, necessary penal action as per the provisions of F.T.(D&R)Act, 1992, as amended shall be initiated.

(Action: head of the office RA, CLA)

Case No 25. M/s. Intas Pharmaceuticals Lt., Ahmedabad

F.No. 01/60/162/918/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for EOP extension of Advance Authorization no. 0810133406 dt. 22.09.2014 issued under PC-9 Condition.

Decision:

The Committee noted that the Authorization No. 0810133406 dt. 22.09.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfillment from import of each consignment. The imports were made on 25.09.2014, 29.09.2014 and 09.10.2014. Accordingly, initial obligation period was upto 30.09.2015, 30.09.2015 and 31.10.2015 respectively against each

import consignment. The applicant has fulfilled more than 50% export obligation during the initial export obligation period. Taking all these facts into account, the Committee decided the following:

- **I.** Export obligation period be extended from 12 months to 18 months against import of each consignments i.e. upto 30.03.2016, 30.03.2016 and 29.02.2016 respectively.
- **II.** This is only for accounting and regularization of exports already effected.
- **III.** This is subject to a payment of composition fee @ 0.5% on FOB value of export made after initial obligation period.
- **IV.** The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
- **V.** The applicant has to pay duty plus interest on inputs consumed and exported after 18 months from date of import consignment.
- **VI.** RA shall check that 50% exports against each consignment were made within initial export obligation period. If not, composition fee will be charged @ 0.5% per month on unfulfilled FOB.

(Action: RA, Ahmedabad)

Case No 26. M/s. Ashish Life Science Pvt. Ltd., Mumbai

F.No. 01/60/162/917/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for extension of EOP for Advance Authorization no. 0310787922 dt. 11.08.2014 issued under PC-9 Condition.

<u>Decision:</u>

The Committee noted that the Advance Authorization no. 0310787922 dt. 11.08.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfilment from import of each consignment. The imports against the Authorisation was made on 19.12.2014. Accordingly, initial obligation period was upto 31.12.2015. The applicant has completed less than 50% export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

- I. Export obligation period be extended from 12 months to 18 months, i.e. upto 29.06.2016.
- II. This is only for accounting and regularization of exports already effected.
- III. This is subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
- IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Mumbai)

Case No 27. M/s. Impex Metal & Ferro Alloys Ltd., Kolkata.

F.No. 01/60/162/877/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:-Request for revalidation of DEPB No.0210179175 dt. 29.05.2012 – Due to delay in elimination of technical issue for transmission of license.

Decision:

The applicant has submitted application twice against the same DEPB. It has been decided at case No 3.

Case No 28. M/s. Koshambhi Multitred Pvt. Ltd., Vadodara
F.No. 01/60/162/915/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:- Request for Revalidation of DFIA no. 3410039663 dt. 28.03.2014.

Decision:

The applicant, in his justification, has submitted that they could not utilized the DFIA because RA took abnormal time in issuing EODC. However, the committee noted that the applicant did not submit complete application along with prescribed documents initially. Hence, RA had issued deficiency letter within the prescribed time. The applicant itself took time in submitting prescribed documents. EODC was issued in time from the date of submission of the complete documents. As per Para 4.23 of HBP, 2009-2014, the applicant should had obtained six months revalidation from RA which he has not availed. There is no case of genuine hardship established. The Committee, therefore, did not accede to the request.

Case No 29. M/s. Koshambhi Multitred Pvt. Ltd., Vadodara.
F.No. 01/60/162/907/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:- Request for Revalidation of DFIA No. 3410039664 dated 28.03.2014.

Decision:

The applicant, in his justification, has submitted that they could not utilized the DFIA because RA took abnormal time in issuing EODC. However, the committee noted that the applicant did not submit complete application along with prescribed documents initially. Hence, RA had issued deficiency letter within the prescribed time. The applicant itself took time in submitting prescribed documents. EODC was issued in time from the date of submission of the complete documents. As per Para 4.23 of HBP, 2009-2014, the applicant should had obtained six months revalidation from RA which he has not availed. There is no case of genuine hardship established. The Committee, therefore, did not accede to the request.

Case No 30. M/s. Ducol Organics and Colours Pvt. Ltd., Mumbai

F.No. 01/60/162/906/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:-Request for Revalidation of Advance Authorization no. 0310767542 dt. 23.01.2014

Decision:

The Committee observed that the Authorisation was issued having initial validity of 12 months. RA extended the validity for further six months. Despite that the applicant could not utilize the Authorization. There is no case of genuine hardship established. Therefore, the Committee did not accede to the request.

Case No 31. M/s. Ashish Life Science Pvt. Ltd., Mumbai
F.No. 01/60/162/916/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:-Request for Extension of EOP for Advance Authorization no. 0310791559 dt. 01.12.2014 issued under PC-9 Condition.

Decision:

The Committee noted that the Advance Authorization no. 0310791559 dt. 01.12.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfillment from import of each consignment. The imports against the Authorisation was made on 19.12.2014. Accordingly, initial obligation period was upto 31.12.2015. The applicant has completed less than 50% export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 29.06.2016.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Mumbai)

Case No 32. M/s. Medreich Ltd., Bangalore.
F.No. 01/60/162/880/AM16/ EFGC(PRC)
PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016
Sub:-Request for clubbing of 3 Advance Authorization nos. (1) 0710098350 dt. 18.09.2013; (2) 0710101288 dt. 16.01.2014 and (3) 0710103654 dt. 21.04.2014 issued under PC-9 condition.

Decision:

The Committee noted that exports in the subsequent Authorisations are made within the initial/extendable export obligation period of the first Authorisation. The Committee, therefore, decided the following:

I. Export obligation period against Authorisation No 0710098350 dt. 18.09.2013 be extended from 12 months to 18 months that is upto 31.08.2015.
II. This subject to payment of composition fee @ 0.5% of FOB value of exports made after 28.02.2015.
III. Clubbing of the 3 Advance Authorizations, as referred above be allowed.
IV. Exports made upto 31.08.2015 shall only be taken into account towards clubbing and discharge of EO.
V. RA shall examine the case in terms of Para 4.09 of FTP (2015-2020) and ensure value addition of minimum 15%. The 15% value addition for evaluating entitlement shall be applied on the clubbed FOB and CIF of the Authorizations.
VI. RA shall ensure proper accounting of the duty free inputs with reference to the export product while clubbing the Authorizations. On clubbing, shortfall if any, shall be regularized on payment of Customs Duty and applicable Interest in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Bangalore)

Case No 33. M/s. CIGFIL Ltd., Bangalore

F.No. 01/60/162/850/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for clubbing of 14 Advance Authorizations No.(1) 0710065026 dt. 27.05.2009; (2) 0710064147 dt. 15.04.2009; (3) 0710077185 dt. 07.02.2011; (4) 071007127 dt. 28.05.2010; (5) 0710078554 dt. 11.04.2011; (6) 0710078550 dt. 11.04.2011; (7) 0710082060 dt. 06.09.2011; (8) 0710083323 dt. 18.10.2011; (9) 0710084522 dt. 09.12.2011; (10) 0710086022 dt. 06.02.2012; (11) 0710086277 dt. 14.02.2012; (12) 0710087143 dt. 21.03.2012; (13) 0710087634 dt. 12.04.2012; and (14) 0710087633 dt. 12.04.2012 and waiver of Procedural requirement as per HBP

Decision:

The committee noted that all 14 Advance Authorisations were issued within 36 months from the date of first Authorisation and exports against all Authorisations have been completed within 48 months from issue of first Authorisation i.e. Authorisation No 0710065026 dt. 27.05.2009. The committee, therefore, decided the following:

i. Export obligation period be extended from 36 months to 48 months against Authorisation No 0710065026 dt. 27.05.2009 i.e. upto 31.05.2013.
ii. This will allowed subject to payment of composition fee @ 0.5% of FOB value of exports made and to be accounted after 36th month but upto 42nd month and @ 0.5% per month of FOB value of exports made and to be accounted after 42nd month but upto 48th month.
iii. Clubbing of 14 Authorisation be allowed.
iv. Minimum V.A. of 15% shall be maintained on clubbing.
v. RA shall ensure accounting of inputs as per norms.

vi. Exports made through 7 shipping bills (5129647 dated 4/25/2013, 5135110 dated 4/25/2013, 5883549 dated 6/11/2013, 5944426 dated 6/14/2013, 6098591dated 6/24/2013, 6244538 dated 7/2/2013 and 6415411dated 7/12/2013.) mentioning Authorisation No 710094831 dated 16.04.2013 be allowed in the clubbed Authorisation for accounting purpose provided shipments were effected prior to 31.05.2013.

vii. The applicant shall pay Rs. 200/- per Shipping bill as a composition fee.

(Action: RA, Bangalore)

Case No 34. M/s. Lupin Ltd., Mumbai

F.No. 01/60/162/815/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for extension EOP of Advance Authorization no. 0310781881 dt. 19.05.2014 issued under PC-9 condition.

Decision:

The Committee noted that the Advance Authorization no. 0310781881 dt. 19.05.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfillment from import of each consignment. The imports against the Authorisation was made on 15.07.2014, 13.10.2014 and 05.05.2015. Accordingly, initial obligation period was 31.07.2015, 31.10.2015 and 31.05.2016 respectively. The applicant has completed more than 50% export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, against each import consignment i.e. upto 30.01.2016, 29.04.2016 and 29.11.2016 respectively.

II. This is only for accounting and regularization of exports already effected.

III. This is subject to payment of a composition fee @ 0.5% of FOB value of exports made after initial obligation period.

IV. RA shall check that minimum 50% exports are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 0.5% per month of FOB.

V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Mumbai)

Case No 35. M/s. Lupin Ltd., Mumbai

F.No. 01/60/162/900/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for extension EOP of Advance Authorization no. 0310771349 dt. 21.02.2014 issued under PC-9 condition.

Decision:

The Committee noted that the Advance Authorization no. 0310771349 dt. 21.02.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfillment from import of each consignment. The imports against the Authorisation was made on 04.03.2014 and 09.04.2014. Accordingly, initial obligation period was 31.03.2015 and 30.04.2015 respectively. The applicant has completed more than 50% export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 29.09.2015 and 30.10.2015 respectively.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Mumbai)

Case No 36. M/s. Cadila Healthcare Ltd., Ahmedabad

F.No. 01/60/162/892/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for extension EOP of Advance Authorization no. 0810131449 dt. 20.05.2014 issued under PC-9 Condition.

Decision:

The Committee noted that the Advance Authorization no. 0810131449 dt. 20.05.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfillment from import of each consignment. The imports against the Authorisation was made on 26.05.2014, 31.07.2014, 01.12.2014 and 05.01.2015. Accordingly, initial obligation period was 25.05.2015, 30.07.2015, 30.11.2015 and 04.01.2016 respectively. The applicant has completed less than 50% export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, against each consignment i.e. upto 24.11.2015, 29.01.2016, 29.05.2016 and 03.07.2016 respectively.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Ahmedabad)

Case No 37. M/s. Cadila Healthcare Ltd., Ahmedabad

F.No. 01/60/162/891/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for extension EOP of Advance Authorization no. 0810128926 dt. 18.02.2014 issued under PC-9 condition.

Decision:

The Committee noted that the Advance Authorization no. 0810131449 dt. 20.05.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfillment from import of each consignment. The imports against the Authorisation was made on 15.05.2014, 31.05.2014, 26.12.2014 and 06.01.2015. Accordingly, initial obligation period was 31.05.2015, 31.05.2015, 31.12.2015 and 31.01.2016 respectively. The applicant has completed less than 50% export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 29.11.2015, 29.11.2015, 29.06.2016 and 30.07.2016 respectively.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Ahmedabad)

Case No 38. M/s. Ducol Organics and Colours Pvt. Ltd., Mumbai

F.No. 01/60/162/905/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for Revalidation of Advance Authorization no. 0310781758 dt. 16.05.2014.

Decision:

The Committee observed that the Authorisation was issued having initial validity of 12 months. RA has extended the validity for further six months. Despite that the applicant could not utilize the Authorization. There is no case of genuine hardship established. Therefore, the Committee did not accede to the request.

Case No 39. M/s. Cadila Healthcare Ltd., Ahmedabad

F.No. 01/60/162/893/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for extension EOP of Advance Authorization no. 0810134156 dt. 29.12.2014 issued under PC-9 Condition.

Decision:

The Committee noted that the Advance Authorization no. 0810134156 dt. 29.12.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which allows 12 months period for EO fulfillment from import of each consignment. The imports against the Authorisation was made on 01.01.2015. Accordingly, initial obligation period was 31.01.2016. The applicant has completed more than 50% export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 30.07.2016.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% of FOB value of exports made after initial obligation period.
IV. RA shall check that minimum 50% exports are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 0.5% per month of FOB.
V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Ahmedabad)

Case No 40. M/s. Clariant Chemicals (India) Ltd., Mumbai.

F.No. 01/60/162/929/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for revalidation of Advance Authorization No. 0310786135 dt. 27.06.2014.

Decision:

The Committee observed that the Authorisation was issued having initial validity of 12 months. RA has extended the validity for further six months. Despite that the applicant could not utilize the Authorization. There is no case of genuine hardship established. Therefore, the Committee did not accede to the request.

Case No 41. M/s. Ryders Equestrian Products Pvt. Ltd., Kanpur.

F.No. 01/60/162/930/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for Extension of EOP in Advance Authorization No.0610023395 dt. 24.08.2011.

Decision:

The Committee noted that the applicant has fulfilled only 28.14% export obligation within initial obligation period of 36 months. The committee allows extension provided minimum 50% exports are completed within initial obligation period. The committee, therefore, did not accede to the request as the export obligation fulfilled is less than 50%. The applicant is hereby directed to get the case regularised in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA Kolkata : If the applicant fails to get the case regularized within a month from the date of publication of these minutes on the Directorate website, necessary penal action as per provision under FT(DR) Act, 1992, as amended, should be initiated by the RA)

Case No 42. M/s. Vardhman Chemtech Ltd., Chandigarh.

F.No. 01/60/162/935/AM16/ EFGC(PRC)

PRC Meeting No.01/AM17 dated 05.04.2016 and 11.04.2016

Sub:-Request for Clubbing of 2 Advance Authorizations No.2210010269 dt. 09.08.2010 and 2210012892 dt. 11.05.2012.

Decision:

The committee noted that above mentioned two Authorisation were issued for import of 6-APA. RA has inadvertently imposed the condition of Appendix-30A restricting obligation period 12 months from the date of import. Whereas, vide PN No 2 dated 27.08.2009, 6-APA was removed from Appendix 30A. Thus, the said Authorisation issued after 27.08.2009 shall carry normal 36 months obligation period. The committee further noted that the second Authorisation was issued within 36 months of first Authorisation and export obligation have been completed within the initial obligation period of first Authorisation hence, the committee decided the following:

i. Clubbing of both the Authorisation be allowed.
ii. On clubbing, value addition of 15% shall be maintained.
iii. RA shall ensure accounting of inputs as per SION.

(Action: RA, Chandigarah)

Case No 43. .

PRC Meeting No.01/AM17 dated 05.04.2016

Sub:-Relaxation of registration period of 15 days under Para 1.05 (b) of FTP to the following applicants:

1. M/s VGS Enterprises,
2. M/s Nezone Strips,
3. M/s Marim International,
4. M/s JBM Group,
5. M/s Bombay Steels, Mumbai
6. M/s Stitch Overseas Pvt. Ltd.,

Decision:

The Committee noted that vide Notification No 38 dated 5th February, 2016 the Central Government has amended import policy condition against 173 tariff lines under Chapter 72 (Iron & Steel) by imposing Minimum Import Price (MIP). However, as per Para 1.05 of FTP, 2015-20, imports consignments negotiated and finalized under Irrevocable Letter of Credit (ILC) before the date of Notification (5^{th} Feb, 2016) and registered with jurisdictional RAs are protected from the said MIP.

The Committee noted that in the above mentioned 6 cases, the ILCs were negotiated and finalised before the date of the Notification No 38 dated 5^{th} February, 2016 and only on procedural matter of registering within 15 days from the date of Notification, the importers have defaulted, there exists a case of genuine hardship in terms of Para 2.58 of FTP (2015-20). Therefore, the Committee decided the following:

1. Importers who have finalized their ILCs before 5 February, 2016 can register their ILCs with their concerned jurisdictional RAs on or before 30^{th} April, 2016.
2. They will submit their request along with ANF-2D with prescribed fee of Rs. 2000/- as prescribed for policy relaxation to RA concerned.

The meeting ended with a vote of thanks to the Chair.

****