MINUTES OF THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 02/AM12 HELD ON 19.04.2011 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 Amitabh Jain Addl. DG
2. Shri V.K. Gupta Addl. DG
3. Shri N.P.S Monga Addl. DG
4. Shri A. Mishra Stats Advisor
5. Shri Rajiv Arora Jt. DGFT
6. Shri L.B. Singhal Jt. DGFT
7. Shri R.S. Ratna Jt. DGDT
8. Shri Hardeep Singh Jt. DGFT
9. Ms. Shubhra Jt. DGFT
10. Ms. Vibha Bhalla Jt. DGFT
11. Shri A.K.Cashyap Dy. DGFT
12. Smt. Sonika Khattar FTDO

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

Case No. 1 M/s Adcock Ingram Ltd. Bangalore

File No. 01/60/162/1960/AM11/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Request for EOP extension of advance authorization no. 0710055928 dt. 19.2.2008 issued under PC-9 dt. 30.6.2003.

The Committee decided to extend EOP against the aforesaid advance authorization for six months i.e. total 12 months from the date of first import 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 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. The Committee also decided that the condition of re-export/destruction of imported raw material as stipulated in Policy Circular 18 dt. 30.10.2007 be waived as the firm has stated to have already utilized the imported material fully by exporting the product manufactured from these.

However, the default in terms of duty saving proportionate to the default in export beyond the 12 months from date of 1st import may be paid by the firm in accordance with the stipulated policy provisions. RA to check and verify the aspect of raw material utilization and evaluate the duty-saving default and take necessary action as per the policy provisions.

Case No. 2 M/s Fourrts (I) Laboratories Pvt Limited Chennai

File No. 01/60/162/345/AM10/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Request for regularization of export of Ctorimoxazone Tablets against authorization No. 0410084708 dt.10.10.2006,0410084707 dt.10.10.2006, 0410084699 dt. 10.10.2006.

The Committee noted the request and decided that the condition of re-export/destruction of imported raw material as stipulated in Policy Circular 18 dt. 30.10.2007 be waived as the firm has stated to have already utilized the imported material fully by exporting the product manufactured from these under DEPB. However, the default in terms of duty saving proportionate to the default in export outside the prescribed EO period may be paid by the firm in accordance with the stipulated policy provisions by surrendering DEPB as stated above. RA to check and verify from necessary evidence and documents that imported raw material been actually used for exports under DEPB and take necessary action.

Case No. 3 M/s Adcock Ingram Ltd. Bangalore

File No. 01/60/162/1982/AM11/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Request for EOP extension of advance authorization no. 0710059809 dt. 15.9.2008 issued under PC-9 dt. 30.6.2003.

The Committee decided to extend EOP against the aforesaid advance authorization for six months upto 7.10.2009 i.e. total 12 months from the date of first import for the purpose of regularization and closure subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to export obligation 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. The 15% value addition for evaluating entitlement is to be applied on the entire FOB and CIF of the authorization and not just on the unutilized CIF.

Case No. 4 M/s BHEL Hyderabad

File No. 01/60/162/1060-1071/AM11/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Request for EOP extension of advance authorization no. 0910028242 dt. 17.11.2006.

The Committee considered the request of the firm and decided to advise RA to grant revalidation/ EOP extension of the above said authorization upto 31.12.2011 as per para 2.12 and 4.22 since the supplies are against a Project Authority.

Case No. 5 M/s CST Valinox Hyderabad

File No. 01/60/162/1997/AM11/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Revalidation of (5) advance authorization

0910031446 dt. 7.9.07 (ii) 0910031197 dt. 24.8.07 (iii) 0910031445 dt. 7.9.07 (iv) 0910031448 dt. 7.9.07 (v) 0910031447 dt. 7.9.07

The Committee noted the request of the firm and decided to reject as no cogent and justified reasons establishing genuine hardship have been provided by the firm.

Case No. 6 M/s Pokarana Limited Secundrabad

File No. 01/60/162/1984/AM11/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Revalidation of DFIA No. 0910034236 dt. 10.6.2008.

The Committee noted the request of the firm and decided to reject as no cogent and justified reasons establishing genuine hardship have been provided by the firm.

Case No. 7 M/s Surana Industries Limited Chennai

File No. 01/60/162/1810/AM11/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Revalidation of advance authorization No. 0410098296 dt. 1.8.2008.

The Committee noted the request of the firm and decided to reject as no cogent and justified reasons establishing genuine hardship have been provided by the firm.

Case No. 8 M/s The Western India Polywoods Ltd Kerala

File No. 01/60/162/847/AM11/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Request for regularization of advance authorization no. 101003655 dt. 5.9.2003

The case was withdrawn from PRC.

Case No. 9 M/s Adcock Ingram Ltd. Bangalore

File No. 01/60/162/1978/AM11/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Request for EOP extension of advance authorization no. 0710056782 dt. 3.4.2008 under PC-9 dt. 30.6.2003

The Committee decided to extend EOP against the aforesaid advance authorization for six months i.e. total 12 months from the date of first import 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 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. The Committee also decided that the condition of re-export/destruction of imported raw material as stipulated in Policy Circular 18 dt. 30.10.2007 be waived as the firm has stated to have already utilized the imported material fully by exporting the product manufactured from these.

However, the default in terms of duty saving proportionate to the default in export beyond the 12 months from date of 1st import may be paid by the firm in accordance with the stipulated policy provisions. RA to check and verify the aspect of raw material utilization and evaluate the duty-saving default and take necessary action as per the policy provisions.

Case No. 10 M/s Adcock Ingram Ltd. Bangalore

File No. 01/60/162/1979/AM11/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Request for EOP extension of advance authorization no. 0710062940 dt. 10.2.2009 under PC-9 dt. 30.6.2003

The Committee decided to extend EOP against the aforesaid advance authorization for six months i.e. total 12 months from the date of first import for the purpose of regularization and closure subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to export obligation 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. The 15% value addition for evaluating entitlement is to be applied on the entire FOB and CIF of the authorization and not just on the unutilized CIF.

Case No. 11 Ref. Shri A. John Razario, Chennai

File No. 01/53/8/217/AM-11/A-23/Import Cell

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Import of 120,000 nos of Ornamental Fishes for Stock& Sales Purpose

The Committee noted that no objection certificate has been provided by D/o AHD&F for import of 120,000 Nos. Live Ornamental Fishes for stock and sales. In view of the aforesaid recommendations, PRC considered the request of the applicant for grant of import licence for stock and sale purpose.

Case No. 12 M/s Maruti Suzuki India Ltd., Gurgaon

File No. 01/89/180/51/AM09/PC-2(A)

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Permission to ply one Swift Range Extender vehicle (imported under R&D certification) on public roads to capture performance data in actual user condition on re-export basis.

The Committee noted that the request made by M/s. Maruti Suzuki Ltd., is to import one Swift Range Extender vehicle for R&D purposes. Committee decided to relax the provisions of para 2(II) f of Import Licensing Note of Chapter 87 for import of the above vehicle keeping in view the no objection received from the M/o Road Transport & Highways, subject to the following conditions :

(i) M/s. Maruti Suzuki India Limited will get the vehicle registered and pay all the taxes to the concerned State Government.
(ii) The vehicle will strictly be used for the purpose for which it is imported and will not get engaged in any commercial activities.
(iii) The vehicle will not be sold in India to an individual/organization/institution etc.
(iv) The vehicle will follow all the prevalent rules and regulations related to road transport in the country.
(v) The vehicle will be exported back after R&D test and the concerned RTO will be suitably informed so that the registration could be cancelled.

Case No. 13 M/s Bansali Engineering Polymers Ltd., Mumbai

File No. 01/60/162/1962/AM11/PRC

PRC Meeting NO. 02/AM12 dated: 19.04.2011

Subject: Request for EOP extension of advance authorization no. 0310458136 dt. 17.1.2008

The Committee noted that the firm have made less than 50% exports during the valid EOP and, therefore, it was decided to reject the case as it does not merit consideration due to low exports made both quantity and value wise in the valid EOP.

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