THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 03/AM13 HELD ON 24.04.2012 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. Gupta	Addl. DG
3.	Shri. V.K. Srivastava	Addl. DG
4.	Shri N.P.S. Monga	Addl. DG
5.	Dr. Rajiv Arora	Jt. DGFT
6.	Shri A.K. Singh	Jt. DGFT
7.	Shri R.S. Ratna	Jt. DGFT
8.	Shri.Hardeep Singh	Jt. DGFT
9.	Shri S.K. Samal	Jt. DGFT
10.	Smt. Subhra	Jt. DGFT
11.	Smt. Vibha Bhalla	Jt. DGFT
12.	Shri A. Mishra	Stats Advisor
13.	Shri Sanjay Kumar	Dy. DGFT
14.	Smt. Sonika Khattar	FTDO

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

Case No.1. M/s. Medreich Limited Bangalore
F.No. 01/60/162/59/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 0710034046 dt. 16.11.2004.

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. RA should verify the EO claimed to be fulfilled by the firm within the valid EOP. The relaxation is 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 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 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 outside the EO period of 12 months from the date of 1st import as stated above 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. SAS International Faridabad
F.No. 01/60/162/11/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 0410097076 dt. 9.7.2008.

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. M/s. SAS International Faridabad
F.No. 01/60/162/10/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 0410090432 dt. 6.8.2007.

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.4. M/s. Limtex India Limited Kolkata
F.No. 01/60/162/48/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No.0210136853 dt. 22.1.2010 for regularization purpose.

The Committee considered the request and granted EO extension upto 7.8.2010 for the purpose of regularization, 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.5. M/s. Glasstech Industries (I) Pvct. Limited
F.No. 01/60/162/1124/AM11/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 0310355203 dt. 11.11.2005.

Deferred.

Case No.6. M/s. Philips Carbon Black Limited Kolkata
F.No. 01/60/162/1736/AM11/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No.0210096426 dt. 18.12.2006

The Committee considered the request and decided to extend EOP against the aforesaid advance authorizations for 2 months from the date of endorsement, 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.7. M/s. Raj Petro Specialities P. Limited Mumbai
F.No. 01/60/162/58/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for enhancement cum revalidation of advance licence No. 0310503839 dt. 23.1.2009.

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.

Case No.8. M/s. Jain Irrigation Systems Ltd Mumbai
F.No. 01/60/162/1178/AM12/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of 2 advance licence No. (i) 0310483881 dt. 26.8.2008 (ii) 0310511433 dt. 13.3.2009.

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.9. M/s. Nicomet Industries Mumbai
F.No. 01/60/162/138/AM12/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for revalidation & EOP extension of advance licence No. 0310407977 dt. 14.11.2008.

Deferred.

Case No.10. M/s. Fourrts India Laboratories Pvt Limited
F.No. 01/60/162/1571/AM11/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for further EO extension for 51 days beyond 1 year or alternatively permission to pay duty and interest on the export of 1950 Kg. made outside the period of one year of 1st import in licence No. 0410091111 dt. 19.9.2007.

The committee noted the request and reiterated its earlier decision of PRC meeting no. 12/AM1 dt. 26.7.2010 to club the 3 advance authorizations for the purpose of regularization by considering exports only upto 1 year from the date of import. The firm's contention to club exports made in the 51 days outside one year of relaxed EOP was rejected. This default be regularized by paying Custom duty and interest.. 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 outside the EO period of 12 months from the date of 1st import as stated above 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.11. M/s. Jewelec International Pvt Limited
F.No. 01/94/180/419/AM12/PC-4
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request forwza4ded Gem & Jewellery EPC for extension of time for clearance of consignment for re-import after participation in overseas exhibition.

The Committee agreed to grant ex-post fact approval for re-import of Gem and Jewellery items within a time period of 3 months and 13 days from the date of closing of the exhibition.

Case No.12. M/s. Lloyd Electric & Engineering Limited New Delhi
F.No. 01/60/162/30/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 0510189870 dt. 31.8.2006.

The Committee rejected the request of the firm as there is no merit for consideration as the authorization is too old. It was decided that the cases may be finalized as per the provisions of the FTP.

Case No.13. M/s. Grindwell Norton Limited Bangalore

F.No. 01/60/162/31/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence 0710058121 dt. 25.6.2008.

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. The committee decided that shortfall in the export performance against the EO fixed in the licence can not be condoned.

Case No.14. M/s. Milan Laboratories IndiZA Pvt Limited
F.No. 01/60/162/04/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 0310458885 dt. 23.1.2008.

The Committee decided to grant extension for 2 months beyond the permitted 36 months 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.15. M/s. Medreich Limited Bangalore
F.No. 01/60/162/55/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 0710066945 dt.14.9.2009.

The committee noted that the firm has stated that they have fully utilized the material imported from the unregistered source. This needs to be verified by RA on the basis of supportive evidence provided by the firm. The Committee decided to extend EOP against the aforesaid advance authorization for six months i.e. total 18 months from the date of first import for the purpose of regularization and closure. RA should verify the EO claimed to be fulfilled by the firm within the valid EOP. The relaxation is 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 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 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 outside the EO period of 12 months from the date of 1st import as stated above 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.16. M/s. Medreich Limited Bangalore
F.No. 01/60/162/54/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 0710053239 dt.10.9.2007.

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. RA should verify the EO claimed to be fulfilled by the firm within the valid EOP. The relaxation is 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 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 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 outside the EO period of 12 months from the date of 1st import as stated above 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.17. M/s. Medreich Limited Bangalore
F.No. 01/60/162/74/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 0710057664 dt.02.06.2008.

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. RA should verify the EO claimed to be fulfilled by the firm within the valid EOP. The relaxation is 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 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 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 outside the EO period of 12 months from the date of 1st import as stated above 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.18. M/s. Fuso Glass India Pvt Limited Chennai
F.No. 01/60/162/31/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 0410099873 dt. 11.11.2008.

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.19. M/s. Ebullient Packaging Pvt Limited Mumbai
F.No. 01/60/162/23/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for revalidation of advance licence No. 0310459439 dt. 29.1.2008 (ii) 0310505154 dt. 3.2.2009.

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.

Case No.20. M/s. Medreich Limited Bangalore
F.No. 01/60/162/53/AM13/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for clubbing of advance licence No. 0710068319 dt. 17.11.2009 and 0710070179 dt. 23.2.2010.

The committee noted the request and decided to club the above 2 advance authorizations for the purpose of regularization. RA may grant necessary extension in EO required with the stipulated composition fee for clubbing and regularization not exceeding 18 months from the date of first import. 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. 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 outside the EO period of 12 months from the date of 1st import as stated above 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.21. M/s. M.G.S. Govindharaajulu Chettiar & Sons Tamilnadu
F.No. 01/60/162/242/AM10/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for EOP extension of advance licence No. 3210032869 dt. 23.6.2006.

The Committee reiterated its earlier decision of PRC meeting no. 16/AM12 dt. 26.7.2011 and once again rejected the request of the firm as there is no merit for reconsideration as on account of reasons already stated in the earlier PRC meeting no. 16/AM12 dt. 26.7.2011 and that the authorization is too old. It was decided that the case may be finalized as per the provisions of the FTP.

Case No.22. M/s. Kirloskar Oil Enginers Limited Pune
F.No. 01/94/180/468/AM09/PC-4/EFGC(PRC)
PRC Meeting No. 03/AM13 dated: 24.04.2012
Subject:- Request for i) Revalidation of DEPB scrips No. 3110023469 dt. 30.12.2005 & (ii) 3110021785 dt. 26.8.2005 ii) grant of DEPB claims as time-barred in terms of para 2.5. of FTP.

i) The committee recalled its earlier decision in which two DEPBs no. 3110023469 dt. 30.12.2005 & (ii) 3110021785 dt. 26.8.2005 were revalidated. The committee accepted the request of the firm to correct the minutes by deleting the condition of value addition and revalidate the aforesaid DEPBs for a period of six months from the date of communication of this decision of PRC.

ii) As regards the delay in filling of certain shipping bills for the purpose of claiming DEPB, the committee noted the firm's contention that on account of dispute in Customs regarding the classification of export item and consequential amendment of shipping bills by Customs, they did not apply for obtaining DEPB on such shipping bills. The committee also noted that the firm's contention regarding classification dispute and the custom's order thereof has already been accepted while granting revalidation of the two aforesaid DEPBs. As regards the not filed shipping bills for DEPB, the committee agreed with the contention of the firm and decided to condone the delay and that the firm may file application for DEPB against these shipping bills with RLA for the purpose of obtaining DEPB as per the FTP provision.