Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of DGFT, Shri Anup Wadhawan

Meeting No. 06/AM17 held on 17.05.2016 at 10:00 AM

List of members present in the meeting is given below:

1.	Shri D. K. Singh	Addl. DGFT
2.	Shri K.C. Rout	Addl. DGFT
3.	Shri Jaikant Singh	Addl. DGFT
4.	Shri Darshan Singh	Addl. DGFT
5.	Shri Jay Karan Singh	Jt. DGFT
6.	Shri AkashTaneja	Jt. DGFT
7.	Shri J. M. Gupta	Jt. DGFT
8.	Dr. S. K. Bansal	Jt. DGFT
9.	Shri S.K. Mohapatra	Dy. DGFT
10.	Shri Rakesh Kumar	Dy. DGFT
11.	Shri Sudhir Kumar Sharma	FTDO

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

Case No 1: M/s. Lupin Limited, Mumbai

F.No. 01/60/162/100/AM17/EFGC (PRC)

PRC Meeting No. 06/AM17 dated 17.05.2016

Subject: -Request for waiver of PC-18 against Advance Authorization No. 0310790130 dt. 10.10.2014 issued under PC-9 Condition.

Decision:

The Committee noted that the Advance Authorization no. 0310790130 dt. 10.10.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which prescribes12 months period for EO fulfilment from import of each consignment. The imports against the Authorisation was made on 14.11.2014. Accordingly, initial obligation period was upto 30.11.2015. The applicant has completed 86% exports 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 31.05.2016.

II. This will, however, be subject to payment of a composition fee @ 0.5% of FOB value of exports made after initial obligation period.

III. 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 of unfulfilled FOB value.

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, Mumbai)

Case No 2: M/s. Torrent Pharmaceuticals Ltd., Ahmedabad
F.No. 01/60/162/127/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for Clubbing of two Authorization 810088304 dt. 19.04.2010 & 810095923 dt. 01.02.2011 issued under PC-9 Condition.

Decision:

The Committee noted that both the Authorisations were issued with the conditions of Policy Circular 9 dated 30.06.2003, which prescribes12 months period for EO fulfilment from import of each consignment. The date of import of first consignment is on 13.05.2010. Hence, the initial obligation period was upto 30.05.2011. 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 810088304 dt. 19.04.2010 be extended from 12 months to 18 months that is upto **30.11.2011**.
II. This is subject to payment of composition fee @ 0.5% of FOB value of exports made after **30.05.2011**.
III. Clubbing of the 2 Advance Authorizations, as referred above be allowed.
IV. Exports made upto **30.11.2011** 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 as per norms.
VII. On clubbing, shortfall if any, shall be regularized in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Ahmedabad)

Case No 3: M/s. Torrent Pharmaceuticals Ltd., Ahmedabad
F.No. 01/60/162/145/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for Clubbing of three Authorization 810095589 dt. 19.01.2011, 810096911 dt. 04.03.2011 & 810099184 dt. 11.05.2011 issued under PC-9 Condition.

Decision:

The Committee noted that the above referred three Authorisations were issued with the conditions of Policy Circular 9 dated 30.06.2003, which prescribes12 months period for EO fulfilment from import of each consignment. The date of import of first consignment is on 31.01.2011. Hence, the initial obligation period was upto 31.01.2012. 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 810095589 dt. 19.01.2011 be extended from 12 months to 18 months that is upto **31.07.2012**.
II. This is subject to payment of composition fee @ 0.5% of FOB value of exports made after **31.01.2012**.
III. Clubbing of the 3 Advance Authorizations, as referred above be allowed.
IV. Exports made upto **31.07.2012** 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 as per norms.
VII. On clubbing, shortfall if any, shall be regularized in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Ahmedabad)

Case No 4: M/s. Kopran Ltd, Mumbai
F.No. 01/60/162/144/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for EOP extension of Advance Authorization No. 0310775637 dt. 25.03.2014 issued under PC-9 condition.

Decision:

The Committee noted that the Advance Authorization no. 0310790130 dt. 10.10.2014 was issued with conditions stipulated under PC-9 dated 30.06.2003 which prescribes 12 months period for EO fulfilment from import of each consignment. The imports against the Authorisation was made on 28.06.2014 & 10.10.2014. Accordingly, initial obligation period was upto 30.06.2015 & 31.10.2015 respectively. The applicant did not make any export within initial obligation period but has completed 19.22% thereafter. 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 **31.12.2015 & 30.04.2016** 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.

V. For shortfall, the applicant shall follow the procedure prescribed in Policy Circular 18 dated 30.10.2007 read with Para 4.49 of HBP, 2015-2020.

(Action: RA, Mumbai)

Case No 5: M/s. Nanz Med Science Pharma (P) Ltd., Delhi
F.No. 01/60/162/168/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for EOP extension of Advance Authorization no. 0510279699 dt. 16.12.2010.

Decision:

The Committee noted that the Authorisation was issued having initial obligation period of 36 months. The applicant has effected only 13.15% exports within initial obligation period. The committee, normally, allows extension upto 48 months from the date of issue of the Authorisation on merit of the case. However, no exports have been made by the applicant after 36 months and extendable period has lapsed. Therefore, the committee, did not accede to the request. The applicant is hereby directed to get the case regularised in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Delhi. If the applicant fails to get the case regularised within a month from the date of publication of these minutes on the Directorate website, necessary penal action per the provisions of F.T.(D&R)Act, 1992, as amended shall be initiated.)

Case No 6: M/s. Arvind Ltd., Ahmedabad
F.No. 01/60/162/156/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for EOP extension of Advance Authorization no. 0810115806 dt. 18.10.2012.

Decision:

The committee noted that the Authorisation was issued having initial obligation period of 18 months. The applicant has obtained extension upto 30 months from the RA. The applicant has fulfilled 95% obligation within initial obligation period and remaining 5% thereafter. The committee therefore, decided the following:

I. Extension in export obligation period be allowed for further six months i.e. from 30 months to 36 months.

II. This will, however, be subject to the payment of composition fee @1% per month of FOB value of export made after **30.04.2015 but upto 31.10.2015**.

III. Minimum value addition in terms of Para 4.09 of FTP, 2015-2020 shall be maintained.

(Action: RA, Ahmedabad)

Case No 7: M/s. K K Polycolor Asia Ltd., Kolkata
F.No. 01/60/162/366/AM14/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for Clubbing of two Advance Authorization no 0210154601 dt. 07.02.2011 and 0210185726 dt. 22.01.2013 for regularization / closure purpose.

Decision:

The committee noted that the subsequent Authorisations dated 22.01.2013 was issued within 36 months from the date of first Authorisation and exports were completed within initial export obligation of first Authorisation. The committee, therefore, decided the following:

I. Clubbing of two Authorisations, as mentioned above, be allowed.
II. On clubbing Authorisations will be treated as one Authorisation for all purpose and no further export and import shall be allowed.
IV. 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.
V. RA shall ensure proper accounting of the duty free inputs as per norms.
VI. On clubbing, shortfall if any, shall be regularized in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Kolkata)

Case No 8: M/s. ETG Agro Pvt. Ltd., Mumbai
F.No. 01/60/162/139/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for EOP extension of Advance Authorization No.0310719480 dt. 04.01.2013.

Decision:

The committee noted that the Authorisation was issued having initial obligation period of 18 months. The RA has allowed one extension of six months in terms of para 4.42 of HBP. The applicant has fulfilled 78.64% obligation within initial obligation period and 34.46% outside obligation period. The date of last export is 20.10.2015. The committee therefore, decided the following:

i. Export obligation period be extended further from 24 months to 36 months i.e. upto **31.01.2016**.

ii. This will, however, be subject to the payment of composition fee @ 0.5% per month of FOB value of exports made after 24th month but upto 30th month and @ 1% per month of FOB value of exports made after 30th month but upto 36th month.

iii. Minimum value addition of 15% in terms of Para 4.09 of FTP, 2015-2020 shall be maintained.

(Action: RA, Mumbai)

Case No 9: M/s. ETG Agro Pvt. Ltd., Mumbai
F.No. 01/60/162/138/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for EOP extension of Advance Authorization No.0310721536 dt. 18.01.2013.

Decision:

The committee noted that the Authorisation was issued having initial obligation period of 18 months. The RA has allowed one extension of six months in terms of para 4.42 of HBP. The applicant has fulfilled 18.18% obligation within initial obligation period and 81.82% outside obligation period. The date of last export is 10.12.2015. The committee therefore, decided the following:

i. Export obligation period be extended further from 24 months to 36 months i.e. upto **31.01.2016**.

ii. This will, however, be subject to the payment of composition fee @ 0.5% per month of FOB value of exports made after 24th month but upto 30th month and @ 1% per month of FOB value of exports made after 30th month but upto 36th month.

iii. Minimum value addition of 15% in terms of Para 4.09 of FTP, 2015-2020 shall be maintained.

(Action: RA, Mumbai)

Case No 10: M/s. Super Floorings P. Ltd., New Delhi.
F.No. 01/60/162/121/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for EOP extension of Advance Authorization No.0510323112 dt. 25.04.2012.

Decision:

The committee noted that the Authorisation was issued having initial obligation period of 36th month. The applicant did not make any exports within initial obligation period. The committee, normally, allows extension upto 48 months on merit of the case. However, that period of 48 months has already lapsed. The committee, therefore, did not accede to the request. The applicant is hereby directed to get the case regularized in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Delhi. If the applicant fails to get the case regularised within a month, from the date of publication of these minutes on the Directorate website, necessary penal action as per the provisions of F.T.(DR)Act, 1992, as amended shall be initiated.)

Case No 11: M/s. KSS Abhishek Safety Systems P. Ltd., N. Delhi.
F.No. 01/60/162/132/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for Revalidation of DFIA No.0510390630 dt. 21.08.2014.

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, despite that the applicant could not utilize the Authorization. No case of genuine hardship has been established. Therefore, the Committee did not accede to the request.

Case No 12: M/s. KCN Exports Ltd., Mumbai.
F.No. 01/60/162/157/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for Revalidation of DFIA No.0310758407 dt. 20.11.2013.

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months, despite that the applicant could not utilize the Authorization fully. The justifications and reasons given by the applicant are not coherent with the facts, as they have imported 51% through STC only. Hence, the Committee did not accede to the request.

Case No 13: M/s. Indian Acrylics Ltd., Chandigarh.
F.No. 01/60/162/133/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for Revalidation of DFIA No.3010093750 dt. 09.05.2013.

Decision:

The Committee noted the request of the company and decided to reject the request as the reasons cited are only commercial risk and not genuine hardship warranting policy relaxation under Para 2.58 of FTP(2015-20). The applicant had option of procuring materials from local sources without payment of duties.

Case No 14: M/s. Varroc Engineering P. Ltd., Mumbai.

F.No. 01/60/162/510/AM16/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for Revalidation of DEPB scrip No.0310623911 dt. 29.03.2011.

Decision:

The committee noted that the goods were loaded in container from ICD, DIGHI, Talera Nagar, Pune that is EDI enabled land Custom Station. The shipment was made from JNPT against the shipping bills generated from ICD, DIGHI. In such cases, the applicant should have tagged EDI shipping Bills with application for DEPB. However, while filing online application for DEPB claim, the applicant had fed shipping bills details manually rather than just tagging EDI shipping Bills from DGFT server repository. The DEPB was obtained having JNPT as port of registration. Online transmission of such data was not possible. The committee, therefore, decided the following:

i. RA shall cancel the DEPB scrip No.0310623911 dt. 29.03.2011.
ii. The applicant shall submit fresh application tagging shipping bills available in DGFT repository.
iii. The RA shall issue fresh DEPB having validity of 12 months.

(Action: RA, Mumbai)

Case No 15: M/s. Varroc Engineering P. Ltd., Mumbai.
F.No. 01/60/162/511/AM16/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for Revalidation of DEPB Scrip No.0310699822 dt. 26.06.2012.

Decision:

The committee noted that the goods were loaded in the container from ICD, DIGHI, Talera Nagar, Pune that is EDI enabled land Custom Station. The shipment was made from JNPT against the shipping bills generated from ICD, DIGHI. In such cases, the applicant should have tagged EDI shipping Bills with application for DEPB. However, while filing online application for DEPB claim, the applicant has fed shipping bills details manually rather than just tagging EDI shipping Bills from DGFT server repository. The DEPB was obtained having JNPT as port of registration. Online transmission of such data was not possible. The committee, therefore, decided the following:

i. RA shall cancel the DEPB scrip No.0310699822 dt. 26.06.2012.
ii. The applicant shall submit fresh application tagging shipping bills available in DGFT server repository.
iii. The RA shall issue fresh DEPB having validity of 12 months.

(Action: RA, Mumbai)

Case No 16: M/s. Suvikram Plastex (P) Ltd., Bangalore.
F.No. 01/60/162/146/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for Revalidation of Advance Authorization No.0710090044 dt. 03.08.2012.

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months, despite that the applicant could not utilize the Authorization fully. The justifications and reasons cited are only commercial risk. ARE-3 were generated by him only. Hence delay in getting the same could not be responsibility of others. Hence, the Committee did not accede to the request.

Case No 17: M/s. Umedica Laboratories P. Ltd., Mumbai.
F.No. 01/60/162/743/AM16/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for extension of EOP against Advance Authorization No.0310690464 dt. 12.04.2012

Decision:

The Committee noted that the applicant has imported 513kgs of raw materials and out of it on 298.120kgs they have paid duty plus applicable interest to the Customs Authority. The committee was of the view that item imported under Advance Authorisation would not require any obligation provided the Authorisation holder subsequently pays duty plus applicable interest on it if the said item is freely importable. Export obligation is required to be fulfilled only against the goods, which are imported duty free. Therefore, 298.120kgs raw materials on which duty has been paid would not be under any obligation.

The applicant is, therefore, under obligation to discharge corresponding export obligation on remaining quantity of 214.88kgs. The applicant has fulfilled 22.85% of stipulated export obligation within initial obligation period of 36 months and 19.28% thereafter i.e. equal to 100% on prorata basis. Taking into consideration these facts, the committee decided the following:

I. Export obligation period be extended from 36 months to 48 months.
II. This will, however, be subject to payment of composition fee @ 0.5% of FOB value of exports made after 36th month but upto 42nd month and @ 0.5% per month of FOB value of exports made after 42nd month but upto 48th month.
III. Minimum value addition of 15% shall be maintained.
IV. RA to first verify the above facts and figures before granting of benefit.

(Action: RA, Mumbai)

Case No 18: M/s. Satyajit Chemicals P. Ltd., Mumbai.

F.No. 01/60/162/170/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for Revalidation of Advance Authorization No.0310763764 dt. 31.12.2013.

Decision:

The Committee observed that the Authorisation was obtained under self-declaration scheme, as SION not available for the resultant product. Such Authorisation are obtained to meet the immediate requirement of duty free materials for producing resultant product, as per foreign buyer's demand. In other cases, applicant has option to get the norm fixed first and then obtain Authorisation. Since, the Authorisation was obtained on his own entire risk, the import should have been completed within the validity without waiting for fixation of norms. The Authorisation was having initial validity of 12 months and RA has allowed six months revalidation. Hence, the Committee did not accede to the request.

Case No 19: M/s. Alpha Pharma Healthcare India P. Ltd., Mumbai.
F.No. 01/60/162/546/AM16/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for extension of EOP against Advance Authorization No.0310738719 dt. 24.06.2013 issued under PC 9 condition.

Decision:

The Committee noted that the Advance Authorization no. 0310738719 dt. 24.06.2013 was issued with conditions stipulated under PC-9 dated 30.06.2003, which prescribes 12 months period for EO fulfillment from import of each consignment. The case was considered in PRC Meeting No. 18/AM16 dated 06.01.2016 and PRC has allowed 6 months extension i.e. upto 31.01.2015. The applicant has now requested for extension upto 31.03.2015 for regularization of exports made within 8 months instead of 6 months from initial obligation period. Extension beyond 18 months is not allowed in such cases. Hence, the committee did not accede to the request and reiterated its earlier decision dated 06.01.2015. However, condition of PC-18 dated 30.10.2007 stands waived to the extent of requirement of destruction certificate on inputs consumed and exported after 31.01.2015.

(Action: RA, Mumbai)

Case No 20: M/s. Alpha Pharma Healthcare India P. Ltd., Mumbai.
F.No. 01/60/162/736/AM16/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for extension of EOP against Advance Authorization No.0310744785 dt. 12.08.2013 issued under PC 9 condition.

Decision:

The Committee noted that the Advance Authorization No.0310744785 dt. 12.08.2013 was issued with conditions stipulated under PC-9 dated 30.06.2003, which prescribes 12 months period for EO fulfillment from import of each consignment. The case was considered in PRC Meeting No. 19/AM16 dated 12.01.2016 and PRC has allowed 6 months extension i.e. upto 30.04.2015. The applicant has now requested for extension upto 30.06.2015 for regularization of exports made within 8 months instead of 6 months from initial obligation period. Extension beyond 18 months from the date of imports is not allowed in such cases. Hence, the committee did not accede to the request and reiterated its earlier decision dated 12.01.2015. However, condition of PC-18 dated 30.10.2007 stands waived to the extent of requirement of destruction certificate on inputs consumed and exported after 31.04.2015.

(Action: RA, Mumbai)

Case No 21: M/s. ETG Agro Pvt. Ltd., Mumbai.
F.No. 01/60/162/136/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for extension of EOP against Advance Authorization No.0310734418 dt. 15.05.2013.

Decision:

The Committee noted that the Authorisation was issued having initial obligation period of 18 months. RA is empowered to allow two extension of six months each provided minimum 50% export obligation are fulfilled within 24 months. However, the applicant did not avail the extension from the RA. No exports were made during the initial obligation period but 32.72% exports are made thereafter. Hence, no merit to consider the request. The Committee, thus, did not accede to the request. The applicant is hereby directed to get their case regularized in terms of Para 4.49of HBP (2015-2020).

(Action: RA Mumbai- If the applicant fails to get the case regularized in terms of Para 4.49 of HBP (2015-2020) within a month from the date of uploading of this decision on the Directorate website, RA shall take action under the provision of FT (D&R) Act. 1992, as amended).

Case No 22: M/s. Dhirendra International P. Ltd., Neemuch, M.P.
F.No. 01/60/162/143/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: -Request for extension of EOP against Advance Authorization No.5610004650 dt. 03.08.2015.

Decision:

The committee noted that the above mentioned Authorisation was obtained to export coriander powder and to import coriander seeds. As per Para 1(c) of Appendix-4J, the export

obligation, in such cases, is 90 days from the date of import. However, RA, Bhopal has issued Authorisation inadvertently endorsing obligation of normal 18 months, which was subsequently rectified on 30.03.2016. The date of import in this case is 20.10.2015 accordingly, export must had been completed by 19.01.2016. However, keeping in mind the export obligation period of 18 months, the applicant could export only 28% within 90 days from the date of import and 36% thereafter. His request is to allow further six months extension.

The committee was of the view that the mistake has already been ratified by the RA on 30.03.2016 and the applicant was made aware of it. Thus, balance exports should have been completed within 90 days from the date of amendment. The committee, therefore decided the following:

I. Exports made within 90 days from the date of import of each consignment or amendment made to the Authorisation, whichever is later, shall be taken into account.
II. Export obligation period be extended further for 90 days from the expiry of initial obligation period.
III. This will, however, be subject to payment of composition fee @ 0.5 % of unfulfilled FOB value.
IV. Minimum VA of 15% shall be maintained.

(Action: RA, Bhopal/Applicant)

Case No 23: M/s. Electromech Material handling Systems (India) Pvt. Ltd., Pune
F.No. 01/60/162/134/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request to condone the procedural Lapse of non-generation shipping bill for supplies made to Bhutan against Advance Authorization no. 3110046994 dt. 18.02.2011.

<u>**Decision:**</u>

The committee noted that in this case, exports were made to Bhutan to an Indian Company executing a project there. The goods were exported against Tax Invoices which bear details of the Advance Authorisation. The Invoices were signed by the Excise Authority of the unit exporting goods, Customs Authority at Indian Border and the Bhutan's Customs Authority. However, bill of export were not generated by mistake. The customs Authority should have not allowed such export without Bill of Export. However, since, Bill of export cannot be generated after export is taken place the committee, therefore, decided the following:

I. Exports made through tax Invoices mentioning the details of Advance Authorisation shall be taken into account towards discharge of export obligation.
II. Requirement of Bill of Export be waived.
III. The applicant shall furnish an indemnity-cum-affidavit duly Notorised affirming therein that no other export benefits have been availed against such exports. In future, any

loss/demurrage to the exchequer is noticed, they shall pay immediately the same with applicable interest on demand without raising any dispute or protest.

(Action: applicant/RA, Pune)

Case No 24: M/s. Piramal Enterprises Ltd., Mumbai
F.No. 01/60/162/161/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for regularization of Export Performance & waiver of PC-18 condition in Advance Authorization no. 0310660822 dt. 19.10.2011

Decision:

The committee noted that the applicant has obtained two Authorisations No 0310610106 dated 07.01.2011 and No 0310660822 dated 19.10.2011. The stipulated export obligation has been fulfilled against Authorisation No0310610106 dated 07.01.2011 and accordingly, the redemption certificate has been issued by the RA. However, by mistake, the applicant has mentioned the said Authorisation details in two shipping bills No 7813058 dated 01.03.2012 and 8129596 dated 22.03.2012, which has been redeemed. There is shortfall in Authorisation No 0310660822 dated 19.10.2011. He, therefore, requested to allow accounting of these two shipping bills against Authorisation No 0310660822 dated 19.10.2011, as the item of imports and exports are same. The committee further noted that these two shipments were effected within the initial obligation period of Authorisation No 0310660822 dated 19.10.2011. Taking into consideration the above facts, the committee decided the following:

I. Exports made against S/B No 7813058 dated 01.03.2012 and S/B No 8129596 dated 22.03.2012 shall be accounted towards discharge of export obligation against Advance Authorisation No 0310660822 dated 19.10.2011.
II. This will, however, be allowed subject to payment of Rs. 200/- per shipping bill to RA.
III. RA shall ensure that these two shipping bills have not been accounted while issuing discharge certificate against Authorisation No **0310610106 dated 07.01.2011.**
IV. The applicant shall submit a bond-cum-affidavit duly Notorised affirming therein that no benefits against these two S/Bs have been availed and in case of any loss/demurrage to the Government is noticed in future, they will pay the same with applicable interest immediately without raising any dispute or protest.

(Action: RA, Mumbai/Applicant)

Case No 25: M/s. E.S. Lighting Technologies (P) Ltd., Faridabad
F.No. 01/60/162/172/AM17/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016

Subject: - Request for condonation in the clause of amendment to the shipping bills and certification of packing list, invoices and consumption by the Custom authorizes on the basis of the documentary proof in respect Advance Authorization no. 0510260440 dt. 15.03.2010.

Decision:

The committee noted that the applicant did not declare consumption of inputs in three S/bs; proper description of resultant product in one S/b; and Authorisation details in one shipping bill. In terms of Para 4.12 of FTP, consumption of inputs declaration on shipping bills is mandatory, as entitlement of inputs are calculated on that basis only. Hence, such shipping bills cannot be taken into account for discharge of export obligation.

Description of resultant product in shipping bill must be mentioned as per the description mentioned in the Authorisation, as wastage norms and requirement of inputs are fixed on that basis only. Hence, this shipping bill cannot be accepted towards discharge of export obligation against the Advance Authorisation.

Export without mentioning details of Authorisation or any incentive schemes are treated as "free shipping bills". The valuation of "free shipping bill" is not done by the Customs Authority. Therefore, such shipping bill cannot be taken in to account towards discharge of export obligation against Advance Authorisation.

The committee, therefore, did not accede to the request. The applicant is hereby directed to get the case regularised as a bonafide defaulter in terms of Para 4.49 of HBP, 2015-2020.

(Action: Applicant/RA, CLA; If the applicant fails to get the case regularised within a month from the date of uploading of these minutes on the Directorate website, necessary penal action per the provisions of F.T.(D&R)Act, 1992, as amended shall be initiated)

Case No 26: M/s. Medicamen Bioteck Ltd., Delhi
F.No. 01/60/162/657/AM16/EFGC(PRC)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Request for (1) extension of EO period upto 31.10.2015 and (ii) waiver of PC-18 against Advance Authorization No. 0510365608 dt. 16.09.2013 issued under PC-9 condition.

Decision:

The Committee noted that the Advance Authorization No. 0510365608 dt. 16.09.2013 was issued with conditions stipulated under PC-9 dated 30.06.2003, which prescribes 12 months period for EO fulfillment from import of each consignment. The case was considered in PRC Meeting No. 17/AM16 dated 15.12.2015 and PRC has allowed 6 months extension i.e. upto 30.04.2015. The applicant has now requested for extension upto 31.10.2015 for regularization of exports made within 12 months instead of 6 months from initial obligation period. Extension beyond 18 months from the date of imports is not allowed in such cases. Hence, the committee did not accede to the request and reiterated its earlier decision dated 15.12.2015. However, condition of PC-18 dated 30.10.2007 stands waived to the extent of requirement of destruction certificate on inputs consumed and exported after 30.04.2015.

(Action: RA, Mumbai)

Case No 27: M/s. Hindustan Zinc Ltd., Udaipur
F.No. 01/89/180/67/AM-09/PC-2(A)Pt.
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Grant of relaxation in provision of CMVR 1989 and Rules 126 of CMVR 1989 and clause 2 (II) (a) (i) (ii) & (iii) (b), (c) (i) (ii) (iii) and clause 7 of chapter 87 of ITC (HS), 2012 of import of Underground mining equipment

Decision:

The Committee decided to relax the provisions of Policy Conditions under clause 2 (II) (a) (i) (ii) & (iii) (b), (c) (i) (ii) (iii) and clause 7 of chapter 87 of ITC (HS), 2012, Schedule – I (Import Policy) for import of the following 22 underground mining equipments:

Equipment Description	**Qty**
Utility Equipment UTIMEC LF600 Agitator with associated accessories	**5 nos.**
Low Profile Dumper LPDT 20 MT(TH 320) with associated accessories	**3 nos.**
Low Profile Dumper LPDT 50 MT (TH 550) with associated accessories	**2 nos.**
Low Profile Dumper LPDT 60 MT6020 with associated accessories	**2 nos.**
Utility Equipment Scissor Lift Model Utilift 6330X with associated accessories	**3 nos.**
Utility Equipment Base Carrier MF100 along with associated accessories	**2 nos.**
Utility Equipment Scissor Lift Model MF 540 with associated accessories	**3 nos.**
Utility Equipment UTIMEC MF328 with associated accessories	**2 nos.**
Total	**22 nos.**

This will, however, be subject to the condition that:

I. Import should be made through the authorized ports only.
II. Vehicles shall not ply on public roads except at the time of mobilization and de-mobilization and that the equipment would be used only at the project site.

(Action: Policy-2)

Case No 28: M/s. Hindustan Zinc Ltd., Udaipur
F.No. 01/89/180/67/AM-09/PC-2(A) Part -1
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Grant of relaxation in provision of CMVR 1989 and Rules 126 of CMVR 1989 and clause 2 (II) (a) (i) (ii) & (iii) (b), (c) (i) (ii) (iii) and clause 7 of chapter 87 of ITC (HS), 2012 of import of Underground mining equipments.

Decision:

The Committee decided to relax the provisions of Policy Conditions under clause 2 (II) (a) (i) (ii) & (iii) (b), (c) (i) (ii) (iii) and clause 7 of chapter 87 of ITC (HS), 2012, Schedule – I (Import Policy) for import of 16 underground mining equipment (8 Nos. Low Profile Dumper LDPT 63 MT Model TH 663 and 8 Nos. Low Profile Dumper LDPT 60 MT Model AD 60 along with their respective associated accessories) subject to the condition that:

I. Import should be made through the authorized ports only.
II. Vehicles shall not ply on public roads except at the time of mobilization and de-mobilization and that the equipment would be used only at the project site.

(Action: Policy-2)

Case No 28: M/s. Maruti Suzuki India Ltd., Gurgaon
F.No. 01/89/180/51/AM-09 /PC-2 (A)
PRC Meeting No. 06/AM17 dated 17.05.2016
Subject: - Relaxation sought under the para I (II) (b), (c), (D) & (E) under chapter of chapter 87 of ITC (HS), 2012 and allow the import of the following passenger cars (2 No. of Model – S cross; 1 No. of Model – Eeco; 1 No. of Model – Baleno) for strategic and R&D purpose.

Decision:

The Committee decided to relax the provisions of Policy Conditions I (II) (b), (c), (D) & (E) of Chapter 87 of ITC (HS), 2012 for import of above said passenger cars with following conditions:

I. Import should be made through the authorized ports only.
II. Vehicles shall not ply on public roads except trail run.

(Action: Policy-2)

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

****