MINUTES OF THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 08/AM12 HELD ON 02.06.2011 AT 03:30 P.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 V.K. Srivastava	Addl. DG
4.	Shri N.P.S. Monga	Addl. DG
5.	Shri L.B. Singhal	Jt. DGFT
6.	Shri Rajiv Arora	Jt. DGFT (PRC)
7.	Shri R.S. Ratna	Jt. DGFT
8.	Shri Hardeep Singh	Jt. DGFT
9.	Shri A. Mishra	Stats Advisor
10.	Shri D.C. Sharma	Stats Advisor
11.	Smt. Sonika Khattar	FTDO

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

Case No.01 M/s Parijat Industries India Pvt. Limited
F.No. 01/60/162/74/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for redemption of advance licence No. 0510217515 dt. 7.3.2008.

The Committee considered the case and noted that this is a case of free shipping bill. It may not be possible to correlate export made against this with the obligation against the advance authorization. Further, the Customs has also not agreed for the conversion of the same. The case was therefore rejected.

Case No.02 M/s Transolloy India Pvt. Limited Mumbai
F.No. 01/60/162/74/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for revalidation and enhancement in CIF value of advance licence no. 0310445415 dt. 8.10.2007

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.03 M/s Jans Overseas Mumbai

F.No. 01/60/162/45/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for revalidation of advance licence no. 0310482105 dt. 11.8.2008.

The Committee considered the case and noted that the applicant has stated that they could not import the inputs in time owing to price fluctuation in the international market. Since price fluctuation in the international market is essentially a commercial risk, it cannot be treated as genuine hardship warranted for relaxation. In view of this, the Committee rejected the case for Policy Relaxation.

Case No.04 M/s Benzo Chem Industries Pvt. Limited Mumbai
F.No. 01/60/162/84/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for revalidation of advance licence No. 0310482603 dt. 14.8.2008.

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.05 M/s Kabadi Chicknagusa and Sons Bangalore
F.No. 01/60/162/21/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for revalidation of advance licence no. 0710058390 dt. 8.7.2008

The Committee considered the case and noted that the applicant has stated that they could not import the inputs in time owing to price fluctuation in the international market. Since price fluctuation in the international market is essentially a commercial risk, it cannot be treated as genuine hardship warranted for relaxation. In view of this, the Committee rejected the case for Policy Relaxation.

Case No.06 M/s Uniworth Limited Raipur
F.No. 01/60/162/101/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for EOP extension for regularization of advance authorizations No. (i) 0210100411 dt. 30.4.2007 (ii) 0210100401 dt. 30.4.2007 (iii) 0210100402 dt. 30.4.2007 (iv) 0210100403 dt. 30.4.2007 (v) 0210099688 dt. 3.4.2007 (vi) 0210099687 dt. 03.4.2007 (vii) 0210102458 dt. 17.7.2007.

The Committee decided to grant extension for 4 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 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.07 M/s Vanasthali Textiles Industries Limited Alwar
F.No. 01/60/162/79/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for full waiver of export obligation as fire broken out at factory premises of advance licence No. 0510212555 dt. 26.11.2007.

The Committee noted that there was fire in the factory and the firm made some exports after the instance but not fully. It was decided that it should be checked from the firm as to whether they are in a position now to complete exports and, if so, in what time period. .

Case No.8. M/s Eastman International Ludhiana
F.No. 01/91/180/157/AM-11/PC-4/PRC
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for revalidation of 15 DFIAs issued prior to 01.04.2007

The Committee considered the case and noted that the firm has not categorically stated about the exact number of days of delay in TRA transmission for importing against the DFIAs. Further Customs has also not specifically stated in their letter about the exact nature of difficulty and days lost in transmission of TRAs as stated by the firm. It was also noted that in totality the firm has 14 DFIAs where in imports have not been done fully. The Committee therefore decided that the exact number of days lost against each DFIA should be stated by the firm and also certify by the Customs Authority. It was decided that the firm may be granted a Personal Hearing by Addl. DGFT, Shri N.P.S. Monga, also holding the charge of Zonal Jt. DGFT (North Zone). The exact nature and duration of delay against each DFIA be specifically obtained so that the case could be again considered by PRC.

Case No.09 M/s Man Aluminum Limited Mumbai
F.No. 01/60/162/1856/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for revalidation of AA No. 0301363856 dt. 18.1.2006

The Committee considered the request of the firm and noted that no cogent and justified reasons establishing genuine hardship warranting for relaxation. The reason cited is a normal business risk. In view of this, the Committee rejected the case for Policy Relaxation.

Case No.10 M/s Madura Coats Pvt. Limited
F.No. 01/60/162/06-20-08-18-14-04-03-05-16-11-17-19/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Revalidation of 13 advance authorizations.

1. 3510020853 dt. 27.4.2007

2. 3510020045 dt. 19.12.2006
3. 3510020679 dt. 28.3.2007
4. 3510019563 dt. 14.9.2006
5. 3510020677 dt. 28.3.2007
6. 3510020502 dt. 23.2.2007
7. 3510020837 dt. 24.4.2007
8. 3510020501 dt. 23.2.2007
9. 3510020492 dt. 22.2.2007
10. 3510018821 dt. 8.6.2006
11. 3510020678 dt. 28.3.2007
12. 3510018818 dt. 8.6.2006
13. 3510018820 dt. 8.6.2006

The Committee considered the case and noted that it is an internal management issue and not a genuine hardship warranting for relaxation. The Committee rejected the request of the firm.

Case No.11 M/s Micro Labs Limited
F.No. Nil
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Accepting key number instead of the advance authorization number on shipping bill for discharge of export obligation.

The committee agreed that the export obligation against the shipping bill if can be correlated with the key number of the advance authorization file could be considered for discharge of EO .

Case No.12 M/s Hindustan Zinc Limited Udaipur
F.No. 01/89/180/67/AM-09/PC-2(A) pt.II
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for Relaxation for import of underground mining equipments.

The Committee noted that the request made by M/s.Hindustan Zinc Limited, Udaipur is to import 12 underground mining equipments [6 nos. LPDt 30 mt (ejc 533) Low profile Dump trucks and 6 nos. LPDT 50 MT (Sandvik 50 plus/ Toro 50 plus)]Equipment) for underground mining operations. The Committee considered the request of the firm and granted permission in relaxation of the provisions of para 2(II) (a) (b) (i) (ii) (iii) of Import Licensing Note of Chapter 87 for import of 12 equipments subject to the conditions that the equipments would not ply on the public roads and would be used only on project site.

Case No.13 M/s PME Transformers (India) Ltd Greater Noida
F.No. 01/94/180/340/AM10/PC-4
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for regularization of export made against advance licence No. 0510130029 dt. 24.6.2004

The Committee decided to grant extension for 8 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 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.14 M/s Jans Overseas Mumbai
F.No. 01/94/180/GJ-Uni-Desgn./AM12/PC-4
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for relaxation in period of re-importation of Gems and Jewellery items sent by M/s Uni-Design Jewellery India Pvt. Limited for participation in overseas Exhibition/to participate in the HRD AWARDS 2011 " You and me"

The Committee allowed for re-imports of Devil and Angel Necklace of the designer, Mrs. Sanvi Shah, for M/s Uni-Design Jewellery India Pvt. Limited participating in different exhibitions from 9th May, 2011 to 23rd May, 2012 abroad and re-import the goods within 90 days of the last exhibition (i.e. total period after export may be more than 90 days).

Case No.15 M/s Geltec Pvt. Ltd Mumbai
F.No. 01/60/162/62/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for EOP extension of adv. Licence no. 0310453347 dt. 10.12.2007

The Committee considered the request of the firm and noted that the request has been made only for the purpose of regularization of export made outside the valid EOP. The Committee decided to grant extension for 1 months i.e. 7 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 ensure a value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No.16 M/s Geltec Pvt. Ltd Mumbai
F.No. 01/60/162/62/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for EOP extension of adv. Licence no. 0310458986 dt. 24.01.2008.

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 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 outside the prescribed EO period 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 Vidyut Metalics Pvt. Limited Mumbai
F.No. 01/60/162/1222/AM11/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for EOP extension of advance licence no. 0310305535 dt. 7.12.2004 for regularization.

The Committee decided to grant extension for 6 days 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 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.18 M/s P.R. Overseas Delhi
F.No. 01/60/162/1624/AM11/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for EOP extension of advance licence no. 0510172668 dt. 22.12.2005 for fulfillment of EO.

The Committee considered the request and decided to extend EOP against the aforesaid advance authorization for 2 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 Kopran Limited Mumbai
F.No. 01/60/162/1135/AM11/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for EOP extension of advance licence no. 0310459997 4.2.2008.

The Committee considered the request of the firm and noted that the request has been made only for the purpose of regularization of export made outside the valid EOP. The Committee decided to grant extension for 4 months i.e. 10 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 ensure a value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No.20 M/s BHEL Jhansi UP
F.No. 01/60/162/26/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for revalidation of advance licence 0610013596 dt. 1.7.2008.

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

Case No.21 M/s Supreet Chemicals Pvt Limited Gujarat
F.No. 01/60/162/33/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for EOP extension of advance licence No. 0310453560 dt. 11.12.2007.

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.22 M/s Prima Plastic Limited Mumbai
F.No. 01/60/162/57/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for extension in EOP of advance licence no.0310406409 dt. 3.11.2006.

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.23 M/s Avents Pharma Limited Mumbai
F.No. 01/60/162/30/AM12/EFGC(PRC)

PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for EOP extension of Advance Licence No. 0310445233 dt. 5.10.2007.

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 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 outside the prescribed EO period 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.24 M/s Geltec Pvt. Limited Mumbai
F.No. 01/60/162/60/AM12/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for EOP extension of advance licence No. 0310438245 dt. 6.8.2007 issued under PC-9 condition.

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 outside the prescribed EO period 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.25 M/s Amoli Organics Pvt Limited Mumbai
F.No. 01/60/162/1209/AM11/EFGC(PRC)
PRC Meeting No. 08/AM12 dated: 02.06.2011
Subject:- Request for EOP extension of advance authorization no. 0310276360 dt. 24.6.2004 issued under PC-9 dt. 30.6.2009 for regularization only.

The Committee considered the request of the firm and noted that the request has been made only for the purpose of regularization of export made outside the valid EOP. The Committee decided to grant extension for 3 months i.e. 9 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 ensure a value addition of minimum 15% or as stipulated in the authorization whichever is higher.