

**Minutes of the Policy Relaxation Committee Meeting held under the
Chairmanship of DGFT, Shri Pravir Kumar, IAS on 09.09.2014**

Meeting No. 08/AM15 held on 09.09.2014 at 11.00 A.M.

List of officers present in the meeting is given below:

1. Shri D. K. Singh	Addl. DGFT
2. Shri L.B. Singhal	Addl. DGFT
4. Shri K.C. Rout	Addl. DGFT
5. Shri Jaikant Singh	Addl. DGFT
6. Shri Darshan Singh	Jt. DGFT
7. Shri J. M. Gupta	Jt. DGFT
8. Shri A. K. Srivastava	Jt. DGFT
9. Shri Jay Karan Singh	Jt. DGFT
10. Shri AkashTaneja	Jt. DGFT
11. Shri S.K. Mohapatra	Dy. DGFT
12. Smt. N.R.Choudhury	FTDO

The decision taken in the individual cases is as under:-

Case No.1 M/s Eurolux Fragrances Pvt. Ltd., Gurgaon

F.No. 01/60/162/62/AM15/PRC

PRC Meeting No. 08/AM15 dated 09.09.2014

Subject: - Request for EOP extension of two Advance Authorizations No. 0510242103 dt. 22.5.2009 and 0510249100 dated 11.9.2009.

Ref.: PH Case in terms of TN No.5/2013 dated 19/07/2013.

Decision:

Mr. Sarabjit Kohli (MD) of the Company appeared before the Committee and explained their case inter-alia as under:

- I. That they have obtained two Advance Authorizations No. 0510242103 dt. 22.5.2009 and 0510249100 dated 11.9.2009 and they have partially fulfilled export obligation.
- II. The Party to whom supplies were made failed to make payments against those supplies. The part payments for exports made by the Party to the applicant, through cheques, were dishonored by the banks. This resulted in stoppage of further supplies to the distributor, M/s. MD Distributors INC, USA. A case in this regard is pending in the Court of Hon'ble CMM (South), Saket, Delhi. Further, the second client in USA also went into liquidation which led to cancellation of the orders. This has resulted in dire financial crisis.
- III. The export item is a market specific product meant for USA market. Finding a market for the same product outside USA is difficult.
- IV. The items imported are still available with them and the imported item has no expiry date.
- V. They would require 6 to 12 months for fulfillment of Export Obligation.

Taking into consideration the facts and circumstances of the case, the Committee felt that it is an unusual case and therefore decided the following:

- i. Export Obligation Period be extended for further 6 months i.e. upto 31.03.2015.
- ii. This is subject to furnishing Bank Guarantee to RA for an amount equivalent to duty saved on unutilized imported goods +15% simple interest from the date of imports till execution of Bank Guarantee.
- iii. The Bank Guarantee should be valid for one year.
- iv. The applicant shall submit documents towards discharge of export obligation within 2 months from extended EOP i.e. on or before 31.05.2015. In case of failure, RA shall forfeit Bank Guarantee.
- v. The EOP extension is subject to payment of composition fee @ 0.5% on unfulfilled EO and maintenance of minimum 15% value addition.
- vi. The applicant is advised to submit the license for endorsement to RA as early as possible. They are further advised to start discharging their stipulated balance export obligation on the basis of this minute without waiting for the endorsement on the Authorization.

(Action: RA, CLA, Delhi/ Applicant)

Case No.2 M/s United Poly Engineering Pvt. Ltd, New Delhi

F.No. 01/60/162/579/AM14/PRC

PRC Meeting No. 08/AM15 dated 09.09.2014

Subject: - Request for EOP extension of duplicate Advance Authorization No. 0510269304 dated 29.07.2010 issued in lieu of Advance Authorization No. 0510241272 dated 13.05.2009

Ref.: PH Case in terms of TN No.5/2013 dated 19/07/2013.

Decision:

Mr. Ashish Grover (MD) of the Company appeared before the Committee and explained their case inter-alia as under:

- I. Authorization no. 0510241272 dt. 13.5.2009 issued from file no. 05/27/040/00017/AM10 with port of registration INTKD9 (Tuglakabad) could not be registered at Customs end. However, the applicant exported 3494.70 kgs resultant products through S/bill no. 1098271 dt. 8.3.2010. Since the said Authorization could not be registered, the applicant surrendered the said Authorization as per advice of the RA, CLA and filed a new application for issue of fresh Authorization. Accordingly, Authorization no. 0510269304 dt. 29.07.2010 was issued with port of registration INTKD6 (Tuglakabad). While issuing the fresh Authorization, RA had endorsed that "This Authorization is issued in lieu of original Authorization no. 0510241272 dt. 13.5.2009, validity shall be co-terminus with original license period i.e. 13.5.2009."
- II. Due to this endorsement, the Authorization holder could get only about 15 months of validity and could not fulfill stipulated obligation.

Taking into consideration the technical and associated problems in implementation of procedure by RA the Committee decided the following:

- i. Exports made through S/b No.1098271 dated 08/03/2010 shall be taken into account towards discharge of export obligation against Authorization No.0510269304 dated 29/07/2010.
- ii. Export Obligation be extended for a further period of 6 months i.e. upto 31.03.2015.
- iii. This is subject to furnishing Bank Guarantee to RA for an amount equivalent to duty saved on unutilized imported goods +15% simple interest from the date of imports till execution of Bank Guarantee.
- iv. The Bank Guarantee should be valid for one year.
- v. The applicant shall submit documents towards discharge of export obligation within 2 months from extended EOP i.e. on or before 31.05.2015. In case of failure, RA shall forfeit Bank Guarantee.
- vi. The EOP extension is subject to payment of composition fee @ 0.5% on unfulfilled EO and maintenance of minimum 15% value addition.
- vii. The applicant is advised to submit the license for endorsement to RA as early as possible. They are further advised to start discharging their stipulated balance export obligation on the basis of this minute without waiting for the endorsement on the Authorization.

(Action: RA, CLA, Delhi/ Applicant)

Case No.3 M/s Parrys Sugar Industries Ltd.

F.No. 01/91/180/879/AM08/EC (Pt.)

PRC Meeting No. 08/AM15 dated 09.09.2014

Subject: - Request for grant of revalidation of Registration Certificate (RC) for 15 days for export of sugar.

Decision:

Deferred.

Case No.4 M/s Model Exims, Kanpur

F.No. 01/94/180/2/AM15/PC-IV

PRC Meeting No. 08/AM15 dated 09.09.2014

Subject: - Request for revalidation of DFIA no. 0610027604 dt. 15.6.2012

Decision:

Deferred for seeking report from RA with regard to the details of items allowed for import under the said DFIA.

(Action: RA Kanpur)

Case No.5 M/s Mothersonsumi Electric Wires

F.No. 01/92/180/260/AM14/PC-VI

PRC Meeting No. 08/AM15 dated 09.09.2014

Subject: - Request for refund of TED

Decision:

The committee after detailed deliberation on the issue decided to allow refund of TED in light of Hon'ble High Court of Delhi order dated 27.03.2014 passed in the W.P. No (c) 8160 of 2013 and CM Appl 17222/2013 filed by the applicant. RA, however, while granting benefit shall ensure that no CENVAT credit or rebate has been availed by the recipient unit against such supplies.

Case No.6 M/s Elins Switch Boards Pvt. Ltd, Bangalore

F.No. 01/60/162/957-958/AM14/PRC

PRC Meeting No. 08/AM15 dated 09.09.2014

Subject: - Request for condonation of non-filing of **Bill of export** for the supplies made against two Advance Authorization No. 0710060132 dated 25.09.2008 and 0710061790 dt. 18.12.2008 for regularization purpose.

Decision:

Withdrawn as the matter is pending for reply from DOC (SEZ Div.)

Case No.7 M/s Sundaram Industries Ltd., Chennai

F.No. 01/53/8/217/AM12/S-67/IC.

PRC Meeting No. 08/AM15 dated 09.09.2014

Subject: - Request for grant of 2nd revalidation of import license no. 0450000828 dt. 22.12.2011 in relaxation of Para 2.13 of HBP vol.1.

Decision:

The Committee considered the request and granted approval for 2nd revalidation of import license No. 0450000828 dt. 22.12.2011 to the extent of items already imported, i.e.53.945 MTs, by the firm, subject to payment of Rs. 10000/- as composition fee.

Case No.8 M/s. Andhra Pradesh Forest Development Corporation Ltd. (APFDC)

F.No. 01/91/180/221/AM07/PC-III/EC

PRC Meeting No. 08/AM15 dated 09.09.2014

Subject: - Request for grant of revalidation of export license no. 109459/B No. 002190 dt. 05.07.2006 for one month for export of balance qty. of 213.500 MTs of Red Sanders wood in log form.

Decision:

The Committee considered the request and granted revalidation of export license no. 109459/B No. 002190 dt. 05.07.2006 for one month from the date of endorsement

Due to paucity of time, the rest of the Agenda items were deferred.

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