Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of DGFT, Shri Anup Wadhawan, IAS on 22.09.2015

Meeting No. 08/AM16 held on 22.09.2015 at 11:00 AM and on 24.09.2015.

List of officers present in the meeting is given below:

1.	Shri D. K. Singh	Addl. DGFT
2.	Shri L.B. Singhal	Addl. DGFT
3.	Shri K.C. Rout	Addl. DGFT
4.	Shri Jaikant Singh	Addl. DGFT
5.	Shri Darshan Singh	Jt. DGFT
6.	Shri S.K.Samal	Jt. DGFT
7.	Shri A.K. Srivastava	Jt. DGFT
8.	Shri Jay Karan Singh	Jt. DGFT
9.	Shri Akash Taneja	Jt. DGFT
10.	Shri J.M. Gupta	Jt. DGFT
11.	Shri S.P. Roy	Jt. DGFT
12.	Dr. SK. Bansal	Jt. DGFT
13.	Shri S.K. Mohapatra	Dy. DGFT
14.	Smt Nivedita Roy Choudhury	FTDO

Personal Hearing in terms of Para 2.59 of FTP

Case No.I : M/s. Betul Oils & Flours Ltd., Betul (M.P.)
F.No. 01/60/162/424/AM08/ EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - **Personal Hearing** - Request for revalidation of 3 split up Advance Authorisations (i) 2313439 dated 31.12.1998, (ii) 2313440 dated 31.12.1998 and (iii) 2313441 dated 31.12.1998 issued against main Advance Authorisation No.31002927 dated 31.12.1998**.**

Shri B.P. Chowdhury, Legal Representative from M/s Betul Oils & Flours Ltd., Betul (Madhya Pradesh) appeared before the Committee for Personal Hearing and made the following submissions:

I. The firm has fulfilled the export obligations.
II. The Customs Authorities had seized their Authorisations in 23rd April,1999.
III. The validity of the Authorisations expired in the custody of the Customs Authorities.
IV. Policy Relaxation Committee in its meeting No.10/AM08 dated 7.3.2008 allowed revalidation for a period of six months from the date of endorsement subject to a payment of composition fee @ 1% of the unutilized CIF value of the licence. However, the Norms Committee was directed to look into the issue of hi – protein meals made from soya bean, as to whether vitamins can be allowed for export of
High protein meals made from soya bean.
V. RA, Pune sought confirmation from PRC as to whether the Advance Authorisations can be revalidated.
VI. Norms Committee, for reasons best known to them, took five years to clarify the issue vide letter dated 17.12.2013, confirming that vitamins are not allowed as inputs against soya bean extracts.
VII. Taking into account the clarifications of Norms Committee, PRC in its meeting No.04/AM16 dated 09.06.2015, reviewed its earlier decision dated 7.3.2008 and

decided that the Committee did not find any merit in the request for considering revalidation after 17 years of issuance of Licence.

The Committee noted the submissions of representative. With regard to the claim of the representative that the Customs Authorities had seized their Advance Authorisations and it expired in their custody, the Committee desired to see corroborative documentary evidence to prove that (i) when the Customs Authorities had actually seized the Authorisations and when they released the same? (ii) The main licence was not submitted for getting revalidation so what happened to that? (iii) What is the status of SCN issued by the Customs and DGFT, whether it were dropped? As the said documents were not readily available with him, Shri Chowdhury sought time to submit the requisite corroborative evidence. The Committee acceded to the request of Shri Chowdhury and allowed time of 15 days for submission of documents.

The case will be placed before the committee again on receipt of the said documents.

(Action: Applicant/PRC)

Case No.II : M/s. DCW Ltd., N. Delhi.
F.No. 01/94/180/857/AM14/ EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for revalidation of three Advance Authorisations No 3510034680 dated 07.07.2011, No 3510034675 dated 07.07.2015 and 3510034679 dated 07.07.2015.

Mr. Ullas Kumar Mishra, Manager (Corporate Affairs) from M/s DCW Ltd., New Delhi appeared before the Committee for Personal Hearing and made the following submissions:

- **I. Since its inception, though they have obtained numerous Advance Authorisations but this is the first time that their company has approached the Committee for any Policy relaxation.**
- **II. They could not import the goods permitted in the Three Advance Authorisations, due to bad market situation. Their raw materials as well as the resultant product/export items were piling in their backyard and they were not in a position to go for any further import.**
- **III. It was a purely business decision not to import any further.**

Decision:

The Committee heard Mr. Mishra patiently and examined the submissions made by him, carefully. During the course of hearing, he was asked to explain; (i) other than these three Authorisations for which request is made, how many Advance Authorisations he had obtained during 2010-2012 period (ii) Out of that in how many Authorisations he did not import goods due to bad market situation? However, he could not reply to the queries. The committee was of the view that there seems to be no genuine hardship due to which the applicant could not import goods against three Authorisations. It was purely their business decision not to import any further, as the company has accepted in the written submissions. Therefore, the Committee decided not to accede to the request of the company.

The following cases were also discussed and decision taken on the individual cases are as under:-

Case No.1. M/s DSM Sinochem Pharmaceuticals India Pvt. Ltd, Gurgaon.
F.No. 01/60/162/748/AM14/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Clubbing of 5 Advance Authorization:

1. 2210009103 dated 15.07.2009
2. 2210010247 dated 05.08.2010
3. 2210011303 dated 10.05.2011
4. 2210012097 dated 02.11.2011
5. 2210012495 dated 02.02.2012

Decision:

The Committee decided to get confirmation from the office of the Drugs Controller General (India) as to whether the item "6 – APA" is a drug or drug intermediate and import can be made from unregistered sources or it can be imported from registered sources only? The case was deferred for seeking report.

(Action: Policy-4)

Case No.2. M/s DSM Sinochem Pharmaceuticals India Pvt. Ltd, Gurgaon.
F.No. 01/60/162/647/AM14/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for Clubbing of 3 Advance Authorizations no. 2210010492 dated 05.10.2010, 2210010678 dated 25.11.2010 and 2210012586 dated 02.03.2012 with EOP extension from 12 to 18 months from the date to import to first consignment of Pen-G for closure Purpose

Decision:

The Committee observed that one of the input allowed against the above mentioned Authorisations was "Penicillin G" against which export obligation period is fixed as 12 months from the date of clearance of first consignment. It means Authorisation holder should import first then export. Whereas, the applicant has exported 90% in quantity terms without making any imports against Authorisation No. 2210010492 dated 05.10.2010. It amounts use of domestic goods for export purpose and diversion of imported goods in domestic market. Hence, the Committee did not accede to the request. Thus, the applicant is hereby directed to get their case regularized in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Chandigarh- If the party fails to get the case regularized in terms of Para 4.49 of HBP within a month from the date of communication of this decision, RA shall take action against the applicant under the provision of FT(D&R) Act 1992 and submit an Action Taken Report).

Case No.3. M/s. Medreich Limited, Bangalore.
F.No. 01/60/162/116/AM16/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015

Subject: - Request for EOP extension – material imported from un-registered sources against Advance Authorization No. 0710096795 dated 17.07.2013 issued under PC-9 condition.

Decision:

The Committee noted that the Authorisation was issued with PC-9 dated 30.06.2003 condition, as amended, which allows 12 months period for exports from import of each consignment. The date of import of first consignment was 12.09.2013 and accordingly the export obligation period was upto 30.09.2014. The firm has completed more than 50% 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 31.03.2015, from the date of import of first consignment.**
- **II. This is only for accounting and regularization of exports already effected.**
- **III. This is subject to payment of a composition fee @ 0.5% 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. The applicant has to pay duty plus interest on unutilised inputs and shall follow the provisions of PC-18 dated 30.10.2007.**

(Action: RA, Bangalore)

Case No.4.M/s. Medreich Limited, Bangalore.
F.No. 01/60/162/126/AM16/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for the clubbing of two Advance Authorizations No.0710084966 dt. 23.11.2011 and 0710089942 dt. 30.07.2012 issued under PC-15 condition – material imported from unregistered sources.

Decision:

The Committee noted that the Authorization was issued with PC-9 dated 30.06.2003 condition, as amended which allowed 12 months period for exports from import of each consignment. The Committee observed that the Authorisation No. 0710089942 dt. 30.07.2012 has been issued within 12 months period of the earlier Authorisation No. 0710084966 dt. 23.11.2011. The last shipment was made on 22.01.2013 i.e. within 12 months from the date of import of first consignment against Authorisation No. 0710084966 dt. 23.11.2011. The Committee, therefore, decided the following:

- **I. Clubbing of two Advance Authorizations be allowed.**
- **II. There will be no extension of E.O. period.**
- **III. Shortfall, if any, shall be regularised as per Para 4.49 of HBP, 2015-20.**
- **IV. PC- 18 dated 30.10.2007 procedure shall be followed for unutilised imported goods.**
- **V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.**

(Action: RA, Bangalore)

Case No.5.M/s. Medreich Limited, Bangalore.
F.No. 01/60/162/303/AM13/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for EOP extension and waive of PC – 18 conditions against Advance Authorization No. 0710055578 dt.25.1.2008 issued under PC-9 condition.

Decision:

The Committee noted that the Authorization No. 0710055578 dated 25.1.2008 was issued with PC-9 dated 30.06.2003 condition which allows 6 months period for exports from import of first consignment. The date of first import was 31.01.2008 and accordingly the initial export obligation period was upto 31.07.2008. However, the firm has fulfilled only 31.66% export obligation during the initial export obligation period. Taking all these facts into account, the Committee decided the following:

I. **Export obligation period be extended from 6 months to 12 months i.e. upto 31.01.2009 from the date of first import consignment.**
II. **This is only for accounting and regularization of exports already effected.**
III. **This is subject to a payment of composition fee @ 0.5% per month on FOB value of export 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. **The applicant has to pay duty plus interest on inputs consumed and exported after 12 months from date of import of first consignment.**
VI. **PC-18 dated 30.10.2007 condition stands waived to the extent of requirement of destruction certificate/re-export for 19.02 kgs which have already been consumed. This will, however, be subject to payment of Rs. 10,000/- as composition fee.**

(Action: RA, Bangalore)

Case No.6.M/s. Medreich Limited, Bangalore.
F.No. 01/60/162/127/AM16/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for the clubbing of 4 Advance Authorizations No. 0710078786 dt. 26.04.2011, 0710080334 dt. 4.7.2011, 0710082818 dt. 27.9.2011 and 0710084050 dt. 18.11.2011 issued under PC-9 condition – Material Imported from Unregistered Sources

Decision:

The Committee noted that all the Authorisations have been issued within 12 months from the date of issue of first Authorisation i.e. Advance Authorization No. 0710078786 dt. 26.04.2011. The date of last shipment under Authorisation No. 0710084050 dt. 18.11.2011 is within 18 months from the date of issue of earliest Authorisation No. 0710078786 dt. 26.04.2011 and more than 50% exports have been completed within initial obligation period. Hence, the Committee decided the following:

I. **Export obligation period against Authorisation No. 0710078786 dt. 26.04.2011 be extended from 12 months to 18 months from import of first consignment i.e. upto 30.11.2012.**
II. **This is only for accounting and regularization of exports already effected.**

III. **This is subject to payment of a composition fee @ 0.5% of FOB value of exports made after initial obligation period i.e. after 31.05.2011.**
IV. **The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.**

(Action: RA, Bangalore)

Case No.7.M/s. Medreich Limited, Bangalore.
F.No. 01/60/162/128/AM16/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for extension in EOP, clubbing & waiver of PC - 18 condition, for regularization purpose, against Advance Authorization Nos. (i) 0710058662 dated 22.07.2008, (ii) 0710056381 dated 13.03.2008 and (iii) 07100056528 dated 20.03.2008, issued under PC-9 condition,

Decision:

The Committee noted that the other two Advance Authorisations have been issued within 6 months of the earliest Authorisation No. 0710056381 dated 13.03.2008 and the date of last export i.e. 26.03.2009 against Authorisation No. 0710056381 dated 13.03.2008 is within 12 months period of the Authorisation No. 0710056381 dated 13.03.2008 and more than 50% exports have been completed within initial obligation period. Hence, the Committee decided the following:

I. **Export obligation period be extended from 6 months to 12 months i.e. upto 31.08.2009 from the date of import of first consignment.**
II. **This is only for accounting and regularization of exports already effected.**
III. **This is subject to payment of a composition fee @ 0.5% of unfulfilled FOB value of export.**
IV. **The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.**

(Action: RA, Bangalore)

Due to paucity of time the rest of agenda points were deferred. The committee again seated on 24.09.2015 and decided the following cases.

Case No.8.M/s. Glenmark Pharmaceuticals ltd., Mumbai .
F.No. 01/60/162/120/AM16/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for accounting of exports made under S/bills No. 5990053 dt. 17.06.2013 towards discharge of export obligation in Advance Authorization No. 0310604647 dt. 06.12.2010 for regularization purpose.

Decision:

The Committee observed that the Shipment effected vide S/b Bill No. 5990053 dt. 17.06.2013 has been taken place within the initial export obligation period of the Authorisation No. 0310604647 dt. 06.12.2010, against which the applicant has requested to account the said Shipping Bill. Hence, the Committee decided the following:

I. **Shipping Bill No. 5990053 dt. 17.06.2013, where exports are affected by mentioning Advance Authorization No. 0310728269 dt. 15.03.2013, be allowed to be accounted against the Authorization No. 0310604647 dt. 06.12.2010.**
II. **This is subject to payment of Rs.200/- as composition fee by DD/TR to RA.**
III. **This is only for regularization and closure purpose.**
IV. **RA shall ensure that shipping Bill No. 5990053 dt. 17.06.2013 which is accounted in the Authorization No. 0310604647 dt. 06.12.2010 has not been accounted for and / or shall not be accounted for under any other Authorization for redemption purpose.**

(Action: RA, Mumbai)

Case No.9.M/s. Glenmark Pharmaceuticals ltd., Mumbai.
F.No. 01/60/162/119/AM16/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for accounting of exports made under S/bills no. 471739 dt. 30.08.2014 towards discharge of export obligation in Advance Authorization No. 0310662250 dt.25.10.2011 for regularization purpose.

Decision:

The Committee observed that the Shipment effected vide S/B Bill No. 471739 dt. 30.08.2014 has been taken place within the initial export obligation period of the Authorisation No. 0310662250 dt. 25.10.2011, against which the applicant has requested to account for the said Shipping Bill. Hence, the Committee decided the following:

I. **Shipping Bill No. 471739 dt. 30.08.2014, where exports are affected by mentioning Advance Authorization No. 0310788381 dt. 26.08.2014, be allowed to be accounted against the Authorization No. 0310662250 dt. 25.10.2011.**
II. **This is subject to payment of payment of Rs.200/- as composition fee by DD/TR to RA.**
III. **This is only for regularization and closure purpose.**
IV. **RA shall ensure that Shipping Bill No. 471739 dt. 30.08.2014 which is accounted in the Authorization No. 0310662250 dt. 25.10.2011 has not been accounted for and / or shall not be accounted for under any other Authorization for redemption purpose.**

(Action: RA, Mumbai)

Case No.10.M/s Vardhman Exports, Mumbai.
F.No. 01/60/162/675/AM14/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for regularization of shipping Bills against Advance Authorization No. 0310294400 dated 30.09.2004 which is out of export obligation period for redemption purpose.

Decision:

The Committee reviewed the case and examined the submissions made by the applicant that the Authorisation was issued before P.N. 135 dated 15.01.2009 therefore, they were eligible for two extension as per the prevalent procedure.

The committee, however, was of the view that though it is the matter of fact that the applicant had option to get two extension of 6 months each on merit, as per the prevalent procedure prior to 15.01.2009 but for availing that facility the applicant should have submitted application along with the prescribed application fee during the prevalent procedure was in force. That they did not do. Therefore, for regularisation of old cases, present procedure will be made applicable. The applicant has submitted application after 10 years and the procedure under which Authorisation was issued is no longer in force, the present procedure will apply in old cases too. The committee therefore decided to stick on the decision taken in PRC meeting No.30/AM14 dated 26.11.2013.

Case No.11.M/s Vardhman Exports, Mumbai.
F.No. 01/60/162/888/AM14/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Regularization of Shipping Bills and Clubbing of 3 Advance Authorization Nos. 0310271888 dt.01.06.2004, 0310232747 dt.23.10.2003 & 0310272406 dt.02.06.2004 issued under PC-9 condition for redemption purpose.

Decision:

The Committee reviewed the case and examined the submissions made by the applicant that the Authorisation was issued before P.N. 135 dated 15.01.2009 therefore, they were eligible for two extension as per the prevalent procedure and clubbing of Authorisations as per procedure prior to 05.06.2012. The committee, however, was of the view that though it is the matter of fact that the applicant had option to get two extension of 6 months each on merit, as per the prevalent procedure prior to 15.01.2009 and clubbing of Authorisation as per procedure prior to 05.06.2012 but for availing that facility the applicant should have submitted application along with the prescribed application fee during the prevalent procedure was in force. That they did not do. Therefore, for regularisation of old cases, the present procedure will be made applicable. The applicant has submitted application after 10 years and the procedure under which Authorisation was issued is no longer in force, the present procedure will apply on old cases too. The committee therefore decided to stick on the decision taken in PRC meeting No.39/AM14 dated 04.03.2014.

Case No.12.M/s Vardhman Exports, Mumbai.
F.No. 01/60/162/890/AM14/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for regularization of Shipping Bill No.5137923 dt. 31.03.2007 against Advance Authorization No. 0310349989 dt.03.10.2005 issued under PC-9 condition for redemption purpose.

Decision:

The Committee reviewed the case and examined submissions made by the applicant. However, it was observed that the applicant has not furnished any new facts before the Committee for a review of earlier decision. Hence, the Committee decided to reject the request of the firm and reiterated its earlier decision taken in PRC meeting No 38/AM 14 dated 27.02.2014.

Case No.13.M/s Cords Cable Industries Ltd., New Delhi
F.No. 01/60/162/102/AM15/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015

Subject: - Request for condonation of mentioning of incorrect file no. on the invoices under Advance Authorization No. 0510194440 dated 15.11.2006.

Decision:

The committee noted that the applicant has made deemed export but did not submit Excise attested Invoice or statement of Invoice attested by the Excise Authority to consider his request. The case was therefore deferred for seeking documents from the applicant.

(Action: Applicant)

Case No.14.M/s. Lupin Limited, Mumbai.
F.No. 01/60/162/82/AM16/PRC
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for EOP extension of Advance Authorizations No. (i) 0310733839 dated 10.05.2013 & (ii) 0310685181 dt. 07.03.2012 issued under PC-9 condition.

Decision:

The Committee noted that the items permitted were imported from unregistered sources and applicant has fulfilled less than 50% exports against two Authorisations within its initial obligation period. Hence, the committee decided the following:

I. **Export obligation period be extended from 12 months to 18 months i.e. upto 31.12.2014 against Advance Authorisation No. 0310733839 dated 10.05.2013 and upto 31.05.2014 against Advance Authorisation No. 0310685181 dt. 07.03.2012, from the date of first import consignment.**
II. **This is for the purpose of regularisation of exports made outside the EOP.**
III. **This is subject to a payment of composition fee @ 0.5% per month on FOB value of export made after initial export obligation period in each Authorisation.**
IV. **Minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.**
V. Shortfall, if any, shall be regularized on payment of Customs Duty + Interest in terms of Para 4.49 of HBP (2015-2020).
VI. For unutilised imported raw materials, procedure prescribed in PC -18 dated 30.10.2007 shall be followed.

(Action: RA, Mumbai / applicant)

Case No.15.M/s. Sanofi India Ltd., Mumbai
F.No. 01/60/162/88/AM16/PRC
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for EOP extension of Advance Authorization No. 0310714773 dt. 09.11.2012 issued under PC-9 condition.

Decision:

The Committee noted that the items permitted were imported from unregistered sources and the applicant has fulfilled more than 50% exports within the initial export obligation period. Hence, the Committee decided the following:

I. **Export obligation period be extended from 12 months to 18 months i.e. upto 31.07.2014 from the date of import of first consignment.**
II. **This is only for accounting and regularization of exports already effected.**
III. **This is subject to payment of a composition fee @ 0.5% 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. **The applicant has to pay customs duty plus interest on inputs consumed and exported after 18 months from date of first import.**

VI. **For unutilised imported raw materials, procedure prescribed in PC -18 dated 30.10.2007 shall be followed.**

(Action: RA, Mumbai)

Case No.16.M/s. Sanofi India Ltd., Mumbai
F.No. 01/60/162/106/AM16/PRC
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for EOP extension of Advance Authorization No. 0310688660 dt. 29.03.2012 issued under PC-9 condition.

Decision:

The Committee noted that the items permitted were imported from unregistered sources and the applicant has fulfilled less than 50% exports within the initial export obligation period. Hence, the Committee decided the following:

I. **Export obligation period be extended from 12 months to 18 months i.e. upto 31.10.2013, from the date of first import consignment for the purpose of regularisation of exports made after initial obligation period.**
II. **This is subject to a payment of composition fee @ 0.5% per month on FOB value of exports made after initial obligation period.**
III. **Minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.**
IV. **Shortfall, if any, shall be regularized on payment of Customs Duty + Interest in terms of Para 4.49 of HBP (2015-2020) read with PC-18 dt. 30.10.2007.**

(Action: RA, Mumbai / applicant)

Case No.17.M/s Orient Fashion Exports (India) Pvt., New Delhi.
F.No. 01/60/162/118/AM16/EFGC (PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for EOP extension of Advance Authorization No. 05103300897 dated 19.07.2012.

Decision:

The committee noted that RA has been empowered to allow two extension of 6 months each vide PN-16 dated 04.06.2015.It was not clear why RA has refused to grant extension to the applicant. The case was therefore deferred for seeking report from RA.

(Action: RA, CLA)

Case No.18.M/s Centaur Pharmaceuticals Pvt. Ltd. Mumbai
F.No. 01/60/162/74/AM15/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request of EOP extension of Advance Authorization No. 0310733817 dated 9.5.2013 issued under PC-9 condition.

Decision:

The Committee noted that the items permitted were imported from unregistered sources and the applicant has made no export within the initial export obligation period but completed 100% exports after that. Hence, the Committee decided the following:

I. **Export obligation period be extended from 12 months to 18 months i.e. upto 31.01.2015 from the date of first import consignment for the purpose of regularisation of exports made after initial obligation period.**
II. **This is subject to a payment of composition fee @ 0.5% per month on FOB value of exports made after initial obligation period.**
III. **Minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.**
IV. **The applicant shall pay Customs Duty + Interest on inputs consumed and exported after 31.01.2015(which is 85kgs), in terms of Para 4.49 of HBP (2015-2020).**
V. **PC-18 condition stands waived on exports made after 31.01.2015.**

(Action: RA, Mumbai / applicant)

Case No.19.M/s. Mangalam Drugs and Organics Ltd., Mumbai.
F.No. 01/60/162/91/AM14/PRC
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for waiving off PC-9 and PC-18 conditions in 4 Advance Authorizations No. (i) 0310448629 dt. 01.11.2007, (ii) 0310534937 dt. 24.08.2009, (iii) 0310551345 dt. 17.12.2009 and (iv) 0310713981 dt. 31.10.2012 being item imported was intermediate product.

Decision:

The applicant submitted that item allowed for import "ARTEMISIN" is intermediate product and not a drug. It was decided to defer the case for seeking report from the office of Drug Controller General (India).

(Action: PC –IV Section)

Case No.20.M/s Universal Oleoresins, Cochin
F.No. 01/60/162/1112/AM11/ PRC
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for extension of EO Period against advance authorization no. 1010035409 dt.25.09.2009 for regularization purpose.

Decision:

The Committee reviewed its decision taken in PRC meeting no.19/AM14 dated 03.09.2013 in the light of the submissions of the applicant and decided to correct the typographical error that occurred in the minutes. Accordingly, minutes of case No 13 decided in PRC meeting held on 03.09.2013 shall be read as under:

I. **Export obligation period be extended from 4 months to 8 months from the date of import of each consignment.**
II. **Accordingly, exports made upto 31.7.2010 shall be taken into account for discharge of EO.**
III. **This is subject to payment of composition fee @ 0.5% on FOB value of export made after 28.03.2010.**
IV. **Shortfall, if any, in exports shall be regularized in terms of Para 4.28 of HBP.**

(Action: RA, Mumbai / applicant)

Case No.21.M/s. Alkem Laboratories Ltd. Mumbai
F.No. 01/60/162/110/AM16/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for clubbing of 2 Advance Authorization 1. 0310701619 dt. 11.07.2012, (2) 0310742711 dt. 25.07.2013 issued under PC-9 condition for regularization purpose.

Decision:

The Committee noted that the above two Advance Authorisations were issued with PC-9 condition which allows 12 months period for exports from import of each consignment. As the committee allows further six months extension for fulfillment of balance export from the date of expiry of initial obligation period, the following was decided:

I. **Export obligation period be extended from 12 months to 18 months i.e. upto 31.01.2014 from the date of import of first consignment against Advance Authorisation No.0310701619 dated 11.07.2012.**
II. **Clubbing of the two Advance Authorisations is allowed.**
III. **This is only for accounting and regularization of exports effected upto 31.01.2014.**
IV. **This is subject to payment of a composition fee @ 0.5% of FOB value of exports made after 31.07.2013 and to be accounted for.**
V. **The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.**
VI. **The applicant has to pay customs duty plus interest on inputs consumed and exported after 18 months i.e. after 31.01.2014, from date of first import.**

(Action: RA, Mumbai)

Case No.22.M/s. Associate Lumbers Pvt. Ltd. Mumbai
F.No. 01/60/162/678/AM15/PRC
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for EOP extension of Advance Authorization No. 0310737555 dated 13.6.2013.

Decision:

The Committee observed that item of export is sawn timber made out of imported goods. Therefore, the exporter must undertake exports within a period of 12 months from the date of import as per ITC (HS) code. The imports were made on 02.10.2013 thus exports has to be completed by 01.10.2014. The applicant should have approached for extension immediately after expiry of EOP being restricted item. Whereas, the application for extension is made on 02.12.2014 that is after laps of two months. Hence, the Committee decided the following:

I. **The request for further extension of EOP be rejected.**
II. **The applicant is hereby directed to get their case regularized in terms of Para 4.49 of HBP 2015-2020.**

(**Action: RA, Mumbai- If the party fails to get the case regularized in terms of Para 4.49 of HBP (2015-2020) within a month from the date of communication of this decision, RA shall take action against the applicant under the provision of FT (D&R) Act. 1992 and submit an Action Taken Report).**

Case No.23.M/s. Medicamen Bioteck Ltd., Delhi.
F.No. 01/60/162/63/AM16/EFGC(PRC)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for extension of EOP and Remove/Waiver from PC-9 condition in Advance Authorization No. 0510304837 dated 10.10.2011 issued under PC-9 condition.

Decision:

The Committee noted that the items permitted were imported from unregistered sources and the applicant has fulfilled less than 50% exports within the initial export obligation period. Hence, the Committee decided the following:

I. **Export obligation period be extended from 12 months to 18 months i.e. upto 31.05.2013 from the date of import of first consignment**
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 unfulfilled FOB value of export.**
IV. **The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.**
V. **The applicant has to pay customs duty plus interest on inputs consumed and exported after 18 months i.e. after 31.05.2013, from date of first import.**
VI. **For unutilised imported raw materials, procedure prescribed in PC -18 dated 30.10.2007 shall be followed.**

(Action: RA, CLA Delhi)

Case No.24.M/s. Navneet Education Ltd., Mumbai
F.No. 01/60/162/514/AM15/EPCG/PRC
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for revalidation of DFIA Nos. 1) 0310665606 dt. 17.11.2011; (2) 0310673425 dt. 29.12.2011, (3) 0310681090 dt.09.02.2012 and (4). 0310717800 dt. 20.12.2012

Decision:

The Committee observed that the applicant had sufficient validity period (30 months or 24 months, as the case may be) to make their imports, as RA has allowed one revalidation for six months. The applicant has not furnished any valid reasons for not affecting imports during the original / extended validity period. Hence, the Committee did not accede to the request.

Case No.25.M/s. Balkrishna Industries Ltd., Mumbai
F.No. 01/89/180/02/AM13/PC-2(A)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for relaxation of Policy condition 2 (II) (a), (b) and (c) of Chapter 87 of ITC (HS) 2012, Schedule – (Import Policy) for import of two tractors, for testing the big size tyres.

Decision:

The Committee decided to relax the provisions of Policy Conditions 2 (II) (a), (b) and (c) of Chapter 87 of ITC (HS) 2012, Schedule – (Import Policy) for import of the following two tractors, for testing the big size tyres. The same would not ply on public road except at the time of mobilization and de-mobilization and that the equipment would be used only at the project site. The equipment shall not be sold for any commercial purpose.

S.No.	Description	Vehicle / Equipment No.	Quantity
1.	Tractor 6190 Agrotron TTV Assembled with its Accessories (Product) (7W0902)	7W0902	01
2.	Tractor Case Magnum 340 EP – HP 340 with Accessories Chassis Number ZDRDO 3071	ZDRDO 3071	01

Case No.26. M/s. Privi Organics Ltd., Mumbai.
F.No. 01/60/162/393/AM15/PRC
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for amendment in EOP extension of Advance Authorization No.0310702043 dt. 17.7.2012.

Decision:

The Committee took note of the submissions of the applicant with regard to the minutes of the meeting in the case No.2 of Meeting No.14/AM15 dated 16.12.2014. The Committee while deciding the extension in export obligation period in this case had taken into account the extension of 6 months already granted by the RA. Thus, the initial obligation period for the Committee was 24 months in-steed of 18 months. In the light of this, the Committee correct the minutes of case No 2 of PRC dated 16.12.2014 as under:

S.No.	PRC decision in Meeting No. 14/AM15 dated 16.12.2014	To be amended as
01.	The Committee noted that the applicant has fulfilled more than 50% on pro-rata basis, of the	The Committee noted that the applicant has fulfilled more than 50% of export obligation, on pro –

	stipulated E.O. within its initial export obligation period.	**rata basis, within the extended EO period of 24 months that includes extension of six months granted by the RA.**
02.	**IV. This is further subject to verification by RA that EO as claimed to have been fulfilled is more than 50% in proportion to imports made within original export obligation period.**	**This is further subject to verification by RA that EO as claimed to have been fulfilled is more than 50% within 24 months from the date of issue of Authorisation.**

Case No.27. M/s. Krishnapatnam Port Co. Ltd.
F.No. 01/91/180/790/AM12/PC-3(Pt.)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Issue of amendment sheet No.1 dt. 14.9.2011 to original SFIS duty credit scrip No.0310536147 dt. 2.9.2009 after expiry by RA, Mumbai and its non-utilisation by beneficiary applicant.

Decision:

The committee noted that the applicant has applied for issue of supplementary duty credit scrip on 25.03.2011 against the duty credit scrip No.0310536147 dated 02.09.2009 issued under SFIS scheme. However, RA, Mumbai in-steed of issue of supplementary duty scrip, enhanced duty credit amount on expired scrip, which was in their possession for three months. RA has reported that duty credit was enhanced on the original scrip as there was no software for issue of supplementary scrip.

Taking into consideration the mistake of RA, the committee decided to allow issue of supplementary duty credit scrip manually having validity of 12 months from the date of issue for an amount equivalent to enhanced duty credit value. However, while issuing the supplementary scrip, RA shall impose 2% cut for supplementary claim and 5% cut for late submission of application for supplementary claim.

(Action: RA, Mumbai)

Case No.28. M/s. Jaguar Land Rover India Ltd., Mumbai.
F.No. 01/93/180/06/AM-13/PC-2(B)/Part
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for relaxation from policy condition No.1 of Chapter 87 of ITC (HS), 2012, Schedule – I (Import Policy) for import of 10 Nos. of old/new vehicles from Jaguar Cars and 10 Nos. of old/new vehicles from Land Rover/Range Rover, UK for R&D purpose through Air in Mumbai Air Cargo complex and for running these vehicles on Indian roads for customs purpose.

Decision:

The Committee decided to relax the provisions of Policy Condition No.1 of Chapter 87 of ITC (HS), 2012, Schedule – I (Import Policy) for import of 10 Nos. of old/new vehicles from Jaguar Cars and 10 Nos. of old/new vehicles from Land Rover/Range Rover, UK for R&D purpose and to be imported through Mumbai Air

Cargo complex. The vehicles so imported shall ply on Indian roads after necessary prior permission from the concerned Road Transport Authority.

Case No.29. M/s. P.C. Jain Diamond, Mumbai.
F.No. 01/94/180/187/AM15/PC-4(Pt.)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request to allow clearance of Goods reimported late by one day which were exported for exhibition purpose to Dubai in terms of Para 4.80of HBP, 2015-20.

Decision:

The committee decided to condone one day delay in importing the goods exported for exhibition purpose to Dubai. However, Customs shall ensure that goods so imported are the same one which were exported for exhibition purpose.

Case No.30. M/s. Greenply Industries Ltd.
F.No. 01/94/180/68/AM16/PC4
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for addition of the name of M/s. Greenlam Industries Ltd., (IEC No.1414002017) as a Ço-Licensee"in Forty Two (42 Nos.) Advance Authorizations, as per list Attached (Annexure-I).

Decision:

The committee noted that M/s Greenply Industries Ltd has obtained 42 Advance Authorisations from RA, CLA and RA, Kolkata collectively. Two units of the company situated at NH-21A, Paterth Bhonku, Nalagarh, Solan, Himachal Pradesh and E-176 to E-179, RIICO Industries Area, Distt. Alwar, Rajasthan has demerged as per Hon'ble High Court, Guwahati order and has renamed it as M/s Greenlam Industries Ltd. Now, M/s Greenply Industries Ltd. has no control over these units. However, export obligation against these 42 Advance Authorisations has to be fulfilled collectively. Therefore, the applicant has requested for endorsement of M/s Greenlam Industries as Co-licensee.

The committee is of the view that provision for endorsement co-licensee is available under Para 4.35 of HBP. The applicant has option to get the name of supporting manufacture/job worker endorsed on the Authorisations as Co-Licensee. In that case joint LUT/BG shall be executed collectively by both and will be responsible for discharging the stipulated export obligation. The committee, therefore, agreed to accede to the request subject to the conditions as follows:

- **(i) The licensee as well as the co-licensee will execute joint LUT/BG.**
- **(ii) The co-licensee shall account for all imported inputs, as per SION, in the resultant product towards fulfilment of export obligations.**
- **(iii) At time of redemption, the licensee will give full accounting of the imported inputs and quantity exported by use of the said inputs.**

(Action: RA, CLA/Kolkata)

Case No.31. M/s. Nemlaxmi Books (India) Pvt. Ltd.
F.No. 01/91/180/1256/AM12/PC3
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Condonation of delay in submitting documents like proof of landing/ tracking report for claim under FMS.

Decision:

The committee noted that the applicant has submitted application for issue of duty credit scrip under FMS within the prescribed time. However, application was rejected by RA, for non- submission of "Landing Certificate". The applicant has explained the reason of late submission of Landing certificate saying that goods were exported to Ethiopia which is a land lock country and it took enormous time for obtaining that certificate due to involvement of lot of agencies.

The committee observed that there was no provision of rejecting the case on the ground of late submission of reply to deficiency letter raised by RA in the HBP, 2009-2014. It is also a matter of fact that many mode of transportations are involved for shipping the goods to land lock country. Taking into consideration the genuine hardship faced by the exporter in getting the Landing Certificate, it was decided to allow FMS benefit to the applicant subject to 10% late cut on entitlements.

(Action: RA, Surat)

Case No.32. M/s. Hindustan Zinc Ltd., Udaipur.
F.No. 01/89/180/67/AM-09/PC-2(A)/Pt.
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for Policy relaxation for import of underground mining equipments.

Decision:

The Committee decided to grant relaxation of Policy Condition 2(a) (i) (ii) & (iii) (b), (c) (i) (ii) (iii) and Para 7 of Chapter 87 of ITC(HS), 2012 for import of 16 nos. of new underground mining equipments, as per details below, subject to the condition that the same would not ply on public road except at the time of mobilization and de-mobilization and that the equipments would be used only at the project site.

Sl. No.	Equipment Description	Qty.	Supplier
1.	Low Profile Dumper LPDT 20MT (TH 320) with associated accessories.	3 nos.	M/s Sandvik Mining and Construction Oy, Turku
2.	Low Profile Dumper LPDT 30MT (TH 330) with associated accessories.	3 nos.	M/s Sandvik Mining and Construction Oy, Turku
3.	Utility Equipment Base Carrier Multimec 6600 alongwith associated accessories.	2 nos.	M/s Normet OY, Finland
4.	Mining Utility Equipment Model RBO with associated accessories	2 nos.	M/s Normet OY, Finland
5.	Low Profile Dumper LPDT 30MT (Model 436B) with associated accessories	4 nos.	M/s Atlas Copco Rock Drills Sweden
6.	Shot Crete Spray Machine Spraymec 6050 WPC with associated accessories	2 nos.	M/s Normet OY, Finland
	Total	16 nos.	

Case No.33. M/s. Fiat India Automobiles Pvt. Ltd.
F.No. 01/89/180/Misc.14/AM-10/PC-2(A)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request for relaxation of Policy condition 2 (II) (f) of Chapter 87 of ITC (HS), 2012, Schedule – I (Import Policy) for import of 19 new vehicles for R&D purpose.

Decision:

The Committee decided to relax the provisions of Policy condition 2 (II) (f) of Chapter 87 of ITC (HS), 2012, Schedule – I (Import Policy) for import of 19 new vehicles, as per details below, for R&D purpose, subject to the condition that for plying the same on the Indian roads, they have to take necessary prior permission from the Concerned Road Transport Authority.

S.No	Description	Country of origin	Qty.	HS Code
1	2016 Jeep Grand Cherokee Overland	USA	2	87032399
2	Jeep Renegade 4X4	USA	6	87032399
3	Jeep Renegade 4X2	USA	7	87032399
4	FIAT 500X	Italy	1	87032391
5	FIAT 500L	Italy	1	87032291
6	Jeep Renegade 4X2	Italy	1	87032399
7	Jeep Renegade 4X4	Italy	1	87032399

Case No.34. M/s. Ford India Pvt. Ltd., Gurgaon
F.No. 01/89/180/01/AM-13/PC-2(A)
PRC Meeting No. 08/AM16 dated 22.09.2015
Subject: - Request to grant permission for import 2 Nos. used vehicles from England for testing purpose.

Decision:

The Committee decided to grant relaxation of the provisions of Policy condition No 1 (II) (a) (d) (e) & 2 (f) of Chapter 87 of ITC (HS), 2012, Schedule – I (Import Policy), for import of 2 nos used vehicles (VIN (i)WFOGXXGBBGAA18945 & (ii)WFORXXGCDRBK79941) from England for testing purpose subject to the condition that the same would not ply on public road except at the time of mobilization and de-mobilization and that the equipment would be used only at the project site. The vehicle shall be re – exported after necessary tests are over in India and the vehicle shall not be used or sold for any commercial purpose and will not be used as a passenger vehicle.

The meeting ended with a Vote of Thanks to the Chair.

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