

**Minutes of the Policy Relaxation Committee Meeting held under the
Chairmanship of DGFT, Shri Pravir Kumar, IAS on 16.09.2014**

Meeting No. 09/AM15 held on 16.09.2014 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
3. Shri Jaikant Singh	Addl. DGFT
4. Shri Darshan Singh	Jt. DGFT
5. Shri S.K. Samal	Jt. DGFT
6. Shri Jay Karan Singh	Jt. DGFT
7. Shri J.M. Gupta	Jt. DGFT
8. Shri S.K. Mohapatra	Dy. DGFT
9. Smt. N.R.Choudhury	FTDO

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

Case No.1 Reliance Industries Limited, Mumbai

F.No. 01/60/162/989/AM14/EFGC/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for revalidation of Advance Authorization No. 0310643303 dated 20.07.2011.

Decision:

The Committee noted that as per EDI report of this office there is no transmission error or delay in transmission of data. The amendment sheet No.2 was transmitted to Customs on 31/12/2013 and the same was accepted on the same day without any error. Hence the request is not acceded to.

Case No.2 M/s G.R. Engineering Pvt. Ltd., Mumbai

F.No. 01/60/162/89/AM15/EFGC/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for 2nd revalidation of Advance Authorization No. 0310650924 dated 30/08/2011.

Decision:

The Committee observed that the firm had approached the concerned RA for revalidation on 16/01/2014, after its name was removed from DEL and the RA had revalidated the Advance Authorization for 6 months on 22/01/2014 i.e. only after 5 days. Since there was no delay on the part of RA in taking action, hence the Committee did not accede to the request.

Case No.3 M/s Brevi Exports Mumbai

F.No. 01/60/162/127/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Revalidation of DFIA No. 0310674586 dt. 4.1.2012

Decision:

The Committee observed that no revalidation is allowed after transferability is endorsed. Therefore, the Committee rejected the request.

Case No.4 M/s Parabolic Drugs Ltd, Chandigarh.

F.No. 01/60/162/30/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for regularization of export made on E Com no. before generating file no. against Advance Authorization No. 2210005993 dated 13.09.2006

Decision:

The Committee observed that the copy of invoice submitted by the applicant vide letter dated 20/05/2014 was generated on 28/07/2006. Whereas, the E-com reference No.22/98/000/31000/0112/2715 was generated on 09/08/2006. Therefore it is a matter of investigation that as to how E-com reference, which is generated on 09/08/2006 was got endorsed in the invoice dated 28/07/2006.

The Committee, therefore, did not accede to the request. RA is hereby directed to investigate the matter and if need be take ECA action as per the provisions of FT (D&R) Act, 1992 as amended. PRC Section would send a copy of letter dated 20/05/2014 along with a copy of invoice to RA.

(Action: RA, PRC Section)

Case No.5 M/s Glow Pharma Pvt. Ltd., Mumbai

F.No. 01/60/162/106/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request of EOP extension of Advance Authorization No. 0310517070 dated 24.04.2009 issued under PC-9 condition for regularization.

Decision:

The Committee decided the following:

- I. **Export obligation period be extended from 6 months to 12 months from the date of first import consignment i.e. upto 30.04.2011.**
- II. **This is only for accounting and regularization of exports already effected.**
- III. **This is subject to a payment of composition fee @ 0.5% on FOB value of export made outside the original EOP.**
- IV. **Minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.**

- V. The applicant has to pay duty plus interest on inputs consumed and exported after 12 months from date of first import.
- VI. PC-18 condition stands waived to the extent of requirement of re-export/destruction certificate on export made outside the extended EOP.

(Action: RA, Mumbai)

Case No.6 M/s Medreich Limited, Bangalore

F.No. 01/06/162/122/AM15/EFGC (PRC)

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for EOP extension of Advance Authorization no. 0710075542 dt. 22.11.2010 for regularization purpose

Decision:

The Committee decided the following:

- I. Export obligation period be extended from 12 months to 18 months from the date of first import consignment i.e. upto 30.06.2012.
- II. This is only for accounting and regularization of exports already effected.
- III. This is subject to a payment of composition fee @ 0.5% on FOB value of export made outside the original EOP.
- IV. Minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.
- V. The applicant has to pay duty +interest on inputs consumed and exported after 18 months from date of first import.
- VI. PC-18 condition stands waived to the extent of requirement of re-export/destruction certificate on export made outside the extended EOP.

(Action: RA, Bangalore)

Case No.7 M/s Panacea Biotech Ltd., New Delhi

F.No. 01/60/162/251/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for EOP extension of Advance Authorization No. 0510292280 dated 31.05.2011

Decision:

The Committee decided the following:

- I. Export obligation period be extended upto 31.03.2015.
- II. The extension is subject to payment of composition fee @ 0.5% on unfulfilled FOB value of exports. The minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.
- III. 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.

- IV. The applicant is advised to submit the Authorisation for endorsement to RA as early as possible. They are further advised to start discharging their stipulated balance export obligation on the basis of these minutes without waiting for the endorsement to be done on the Authorisation.

(Action: RA, CLA, Delhi / applicant)

Case No.8 M/s Bilt Graphic Paper Products Ltd., Pune

F.No. 01/60/162/255/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for EOP extension of Advance Authorization No. 3110047851 dated 20.04.2011.

Decision:

The Committee decided the following:

- I. Export obligation period be extended upto 31.03.2015.
- II. The extension is subject to payment of composition fee @ 0.5% on unfulfilled FOB value of exports. The minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.
- III. This is 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.
- IV. The applicant is advised to submit the Authorisation for endorsement to RA at the earliest. They are further advised to start discharging their stipulated balance export obligation on the basis of these minutes without waiting for the endorsement to be done on the Authorisation.

(Action: RA, Pune / applicant)

Case No.9 M/s Poddar Mercantile Pvt. Ltd., Kolkata

F.No. 01/60/162/176/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for EOP extension of Advance Authorization No. 0210142061 dated 14.05.2010 for regularization purpose

Decision:

The Committee decided the following:

- I. Export obligation period be extended upto 30.06.2013.
- II. This is only for accounting of exports already effected and redemption purpose.
- III. This is subject to a payment of composition fee @ 0.5% of FOB value of export made outside the original EOP.
- IV. The value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.

(Action: RA, Kolkata)

Case No.10 M/s Gadre Marine Export Pvt. Ltd., Ratnagiri

F.No. 01/60/162/182/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for EOP extension of Advance Authorization No. 0310607834 dated 24.12.2010 for regularization purpose.

Decision:

The Committee decided the following:

- I. Export obligation period be extended upto 31.03.2014.
- II. This is only for accounting of exports already effected and redemption purpose.
- III. This is subject to a payment of composition fee @ 0.5% of FOB value of export made outside the original EOP. The value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.

(Action: RA, Mumbai)

Case No.11 M/s J. Duncan Healthcare Pvt. Ltd., Mumbai

F.No. 01/60/162/148/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for waiver from PC-18 condition in Advance Authorization No. 0310698689 dated 14.06.2012 for regularization purpose

Decision:

The Committee noted that there are only 0.52Kg excess imports due to production loss. The Committee, therefore, decided as following:

- (i) PC – 18 condition stands waived for 0.52Kg unutilized excess imports.
- (ii) This is subject to payment of Duty + Interest on unutilized imported goods and Composition fee of Rs. 1000/-.

(Action: RA Mumbai)

Case No.12 M/s Lok Beta Pharmaceutical (I) Pvt. Ltd., Mumbai

F.No. 01/60/162/136/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for waiver from PC-18 condition in Advance Authorization No. 0310684471 date 2.3.2012 for regularization purpose.

Decision:

The Committee noted that there are only 0.52Kg excess imports due to production loss. The Committee, therefore, decided as following:

- (i) PC – 18 condition stands waived for 0.52Kg unutilized excess imports.

- (ii) This is subject to payment of Duty + Interest on unutilized imported goods and Composition fee of Rs. 1000/-.

(Action: RA Mumbai)

Case No.13 M/s Lok Beta Pharmaceutical (I) Pvt. Ltd., Mumbai

F.No. 01/60/162/137/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for waiver from of PC-18 condition in Advance Authorization No. 0310655616 dated 23.09.2011 for regularization purpose

Decision:

The Committee noted that there are only 0.77 BOU of excess imports due to production loss. The Committee, therefore, decided as following:

- (i) PC – 18 condition stands waived for 0.77 BOU of unutilized excess imports.
- (ii) This is subject to payment of Duty + Interest on unutilized imported goods and Composition fee of Rs. 1000/-.

(Action: RA Mumbai)

Case No.14 M/s Lok Beta Pharmaceutical (I) Pvt. Ltd., Mumbai

F.No. 01/60/162/135/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for waiver from PC-18 condition in Advance Authorization No. 0310604222 date 02.12.2010 for regularization purpose.

Decision:

The Committee noted that there are only 0.52Kg excess imports due to production loss. The Committee, therefore, decided as following:

- (i) PC – 18 condition stands waived for 0.52Kg unutilized excess imports.
- (ii) This is subject to payment of Duty + Interest on unutilized imported goods and Composition fee of Rs. 1000/-.

(Action: RA Mumbai)

Case No.15 M/s Lok Beta Pharmaceutical (I) Pvt. Ltd., Mumbai

F.No. 01/60/162/111/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for waiver of PC-18 condition in Advance Authorization No. 0310587682 dated 13/08/2010 for regularization purpose.

Decision:

The Committee noted that there are only 1.09Kg excess imports due to production loss. The Committee, therefore, decided as following:

- (i) PC – 18 condition stands waived for 1.09Kg unutilized excess imports.
- (ii) This is subject to payment of Duty + Interest on unutilized imported goods and Composition fee of Rs. 1000/-.

(Action: RA Mumbai)

Case No.16 M/s J. Duncan Healthcare Pvt. Ltd., Mumbai

F.No. 01/60/162/110/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for waiver from PC-18 condition in Advance Authorization No. 0310542979 date 28.10.2009 for regularization purpose.

Decision:

The Committee noted that there are only 0.80gm excess imports due to production loss. The Committee, therefore, decided as following:

- (i) PC – 18 condition stands waived for 0.80gm unutilized excess imports.
- (ii) This is subject to payment of Duty + Interest on unutilized imported goods and Composition fee of Rs. 1000/-.

(Action: RA Mumbai)

Case No.17 M/s J. Duncan Healthcare Pvt. Ltd., Mumbai

F.No. 01/60/162/146/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for waiver from PC-18 condition in Advance Authorization No. 0310630179 date 9.5.2011 for regularization purpose

Decision:

The Committee noted that there are only 4.88Kg excess imports due to production loss. The Committee, therefore, decided as following:

- (i) PC – 18 condition stands waived for 4.88Kg unutilized excess imports.
- (ii) This is subject to payment of Duty + Interest on unutilized imported goods and Composition fee of Rs. 1000/-.

(Action: RA Mumbai)

Case No.18 M/s Fresenius Kabi Oncology Limited, New Delhi

F.No. 01/60/162/160/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for EOP extension of Advance Authorization No. 0510278091 dated 29.11.2010 for regularization purpose..

Decision:

The Committee decided the following:

- I. **Export obligation period be extended upto 30.04.2014.**
- II. **This is only for accounting of exports already effected and redemption purpose.**
- III. **This is subject to a payment of composition fee @ 0.5% of FOB value of export made outside the original EOP.**
- IV. **The value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.**

(Action: RA, CLA, New Delhi)

Case No.19 M/s Betul Oils and Flour Ltd. Pune

F.No. 01/60/162/424/AM08/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for revalidation of 3 split up Advance Authorization no. 2313439 dt. 31.12.1998, 2313440 dt. 31.12.1998 and 2313441 dt 31.12.1998 issued against main Advance Authorization no. 31002927 dt. 31.12.1998.

Decision:

Deferred.

Case No.20 M/s Electrotherm (India) Ltd. Ahmedabad

F.No. 01/60/162/150/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for EOP extension of following 19 Advance Authorizations Nos. under Corporate Debt Restructuring (CDR).

1. 810070175 date 18.02.08
2. 810071348 date 21.04.08
3. 810069560 date 11.01.08
4. 810069559 date 11.01.08
5. 810068175 date 30.10.07
6. 810067211 date 18.09.07
7. 810069085 date 19.12.07
8. 810067141 date 13.09.07
9. 810064615 date 04.05.07
10. 810069743 date 23.01.08
11. 810071619 date 02.05.08
12. 810071274 date 16.04.08
13. 810071346 date 21.04.08

14.810071617 date 02.05.08
15.810071347 date 21.04.08
16.810069744 date 23.01.08
17.810079002 date 18.11.08
18.810076004 date 18.11.08
19.810067212 date 18.09.07

Decision:

The Committee considered the request of the firm and noted that relaxation under Corporate Debt Restructuring (CDR) is not available in Advance Authorization. Hence, the Committee rejected the request. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP.

(Action: RA, Ahmedabad- If the party fails to get the case regularized in terms of Para 4.28 of HBP within a month from the date of communication of this decision, RA shall take action against the firm under the provision of FT (D&R) Act. 1992 and submit an Action Taken Report).

Case No.21 M/s Cadila Healthcare Ltd. Ahmedabad

F.No. 01/60/162/42/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request to set-off excess export made under Advance Authorization no. 0810091917 dated 7.9.2010 against shortfall under Advance Authorization no. 0810098286 dated 18.4.2011 issued under PC-9 condition for the purpose of regularization.

Decision:

The Committee decided the following:

- I. Clubbing of the two Advance Authorization No. 0810091917 dated 7.9.2010 & 0810098286 dated 18.4.2011, issued under PC-9 conditions, be allowed.
- II. Exports made upto 18 months from the date of first imports i.e. upto 31.03.2012 against earliest Authorization shall only be taken into account for clubbing.
- III. RA should examine the case in terms of Para 4.1.6 of FTP and ensure value addition of minimum 15%. The 15% value addition for evaluating entitlement is to be applied on the entire FOB and CIF of the Authorisations to be clubbed. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the Authorisations.
- IV. PC-18 condition stands waived to the extent of requirement of re-export/destruction certificate on export made outside the extended EOP
- V. Even after clubbing, shortfall, if any, shall be regularised on payment of Customs Duty + Interest in terms of Para 4.28 of H.B.P.

(Action: RA, Ahmedabad)

Case No.22 M/s Merchem Ltd., Cochin

F.No. 01/60/162/100/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for clubbing of 2 of Advance Authorizations no. 1010029842 dt. 18.06.2008 with Advance Authorization no. 1010041680 dt. 07.02.2011

Decision:

The Committee noted that inputs permitted under two Authorizations are different. Therefore accounting of such inputs is not possible. Secondly, free shipping bills cannot be considered. The Committee, therefore, did not accede to the request. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP.

(Action: RA, Cochin- If the party fails to get the case regularized in terms of Para4.28 of HBP within a month from the date of communication of this decision, RA shall take action against the firm under the provision of FT (D&R) Act. 1992 and submit an Action Taken Report).

Case No.23 M/s Automat Industries Pvt. Ltd. Delhi

F.No. 01/60/162/101/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for clubbing 2 of two DFIA's no. 0510254471 dated 14.12.2009 and 0510276940 dated 12.11.2010 or extension of import and export period.

Decision:

Under DFIA scheme authorizations or items imported are freely transferable after fulfilment of stipulated export obligation. Hence clubbing facility is not allowed under the scheme. Therefore the Committee rejected the request for clubbing of DFIA's. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP.

(Action: RA, CLA Delhi- If the party fails to get the case regularized in terms of Para4.28 of HBP within a month from the date of communication of this decision, RA shall take action against the firm under the provision of FT (D&R) Act. 1992 and submit an Action Taken Report).

Case No.24 M/s Godrej & Boyce Mfg. Co. Ltd. Mumbai

F.No. 01/60/162/766/AM14/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for Clubbing of following 8 Advance Authorization.

1. 0310460269 dated 06.02.2008
2. 0310465595 dated 19.03.2008
3. 0310563636 dated 09.03.2010
4. 0310574052 dated 13.05.2010
5. 0310654528 dated 19.09.2011
6. 0310645892 dated 03.08.2011
7. 0310671299 dated 16.12.2011
8. 0310698866 dated 15.06.2012

Decision:

Deferred for seeking clarification from applicant.

(Action: Applicant)

Case No.25 M/s Indian Mineral & Granite Co., Bellary

F.No. 01/60/162/81/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for waiver from the endorsement of the Advance Authorization no. 0710067498 dt. 9.10.2009 on the shipping bill.

Decision:

The Committee observed that the shipment had been affected under “free shipping bills”. Thus, the same can’t be considered for discharge of export obligation against Advance Authorization. The applicants are hereby directed to get their case regularized in terms of Para 4.28 of HBP.

(Action: RA, Bangalore- If the party fails to get the case regularized in terms of Para4.28 of HBP within a month from the date of communication of this decision, RA shall take action against the firm under the provision of FT (D&R) Act. 1992 and submit an Action Taken Report).

Case No.26 M/s Binayak Aluminium Pvt. Ltd., Cuttack

F.No. 01/60/162/93/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for condoning the procedure lapse for not mentioning Advance License no. 2310001761 date 01/08/2008 in the shipping Bill.

Decision:

The Committee observed that the shipment had been affected under “free shipping bills”. Thus, the same can’t be considered for discharge of export obligation against Advance Authorization. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP.

(Action: RA, Cuttack- If the party fails to get the case regularized in terms of Para4.28 of HBP within a month from the date of communication of this decision, RA shall take action against the firm under the provision of FT (D&R) Act. 1992 and submit an Action Taken Report).

Case No.27 M/s Vini International, Mumbai,

F.No. 01/60/162/440/AM13/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request to condone non – mentioning of the details of Annual Advance Authorization No. 0310086488 date 30.05.2001.

Decision:

The Committee observed that the request of the firm essentially amounts to clubbing of an Advance Authorization with a redeemed Advance Authorization. Hence the request of the firm is not acceded to. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP.

(Action: RA, Mumbai- If the party fails to get the case regularized in terms of Para 4.28 of HBP within a month from the date of communication of this decision, RA shall take action against the firm under the provision of FT (D&R) Act. 1992 and submit an Action Taken Report).

Case No.28 M/s Gland Pharma Ltd., Hyderabad

F.No. 01/60/162/348/AMAM08/PC-1/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for extension in EOP for Advance Authorization No. 0910014856 dt. 27.06.2003.

Decision:

Deferred for further examination in light of the earlier decision of PRC and records of Norms Committee.

Case No.29 M/s Vardhman Textiles Ltd., Ludhiana

F.No. 01/94/180/00259/AM14/PC-4 (B)

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for issuance of DEPB authorization for Rs. 491140 against 'EPCG Shipping Bill' for export of 'Cotton Yarn'

Decision:

The Committee noted the request of the firm and observed that the Policy Circular No. 52 dated 12.01.2012 clarifies that exports made from 1.4.2011 to 4.8.2011 under "free shipping bills" shall also be eligible for DEPB benefits. However, since date of shipment in this case is after 04/08/2011, benefits on free shipping bills could not be extended.

Case No.30 M/s Gharda Chemical Ltd. Mumbai

F.No. 01/60/162/144/AM15/EFGC/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for issuance of DEPB for export made during 2007-2008.

Decision:

The Committee noted that payments were realized finally in 2007 and 2008 respectively. However, the BRCs were issued on 18.03.2011. Such delay is not acceptable to the Committee, hence request was not accepted.

Case No.31 M/s Malmo Steels Pvt. Ltd. Mumbai

F.No. 01/60/162/201/AM15/PRC

PRC Meeting No. 09/AM15 dated 16.09.2014

Subject: - Request for EOP extension of Advance Authorization No. 0310522636 dated 04.06.2009 for regularization purpose.

Decision:

The Committee decided the following:

- I. Export obligation period be extended by 6 months i.e. upto 30.11.2012.
- II. This is only for accounting of exports already effected and redemption purpose.
- III. This is subject to a payment of composition fee @ 0.5% of FOB value of export made outside the original EOP.
- IV. The value addition of 15% as prescribed under Para 4.1.6 of FTP shall be achieved.

(Action: RA, Mumbai)

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