MINUTES OF THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 10/AM12 HELD ON 14.06.2011 AT 11.30 A.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 A. Mishra	Stats Advisor
9.	Shri D.C. Sharma	Stats Advisor
10.	Smt. Sonika Khattar	FTDO

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

Case No.01 M/s Hindustan Polyamides & Fibres Limited Mumbai
F.No. 01/60/162/97/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Request for clubbing of 3 advance authorization no (i) 0310409452 dt. 24.11.2006 (ii) 0310417197 dt. 24.1.2007 (iii) 0310448910 dt. 2.11.2007.

The Committee considered the request of the firm and decided to allow to club above 3 advance authorizations for the purpose of regularization. RA may revalidate the concerned advance authorizations subject to payment of composition fee @1% of the unutilized CIF value of the authorization and also subject to verification of EO fulfillment status as claimed by the firm by RA. Extension in EO required for clubbing and regularization of authorizations where there is shortfall will be done by imposing a composition fee @5% per year as already decided in the PRC meeting held on 6.1.2010. 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 15% value addition for evaluating entitlement is to be applied on the entire FOB and CIF of the authorization. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the authorizations.

Case No.02 M/s Rathi Transpower Pvt. Limited, Pune
F.No. 01/60/162/70/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- EOP Extension of Advance Authorisation No. 3110031775 dated 4.12.2007

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.03 M/s Glenmark Generics Ltd. Mumbai
F.No. 01/60/162/149/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Regularisation of export made out of EOP against Advance Authorisation No. 0310538962 dt. 23.9.2009.

The Committee decided to extend EOP against the aforesaid advance authorization for 3 months i.e. total 15 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

Case No.04 M/s Caplin Point Laboratories Ltd. Chennai
F.No. 01/60/162/148/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Clubbing of Advance Auhorisation NO. 0410097521 dt. 25.7.2008 with Advance Authorisation NO. 0410091135 dt. 21.9.2007

The Committee considered the request of the firm and decided to allow to club above 2 advance authorizations for the purpose of regularization. RA may revalidate the concerned advance authorizations subject to payment of composition fee @1% of the unutilized CIF value of the authorization and also subject to verification of EO fulfillment status as claimed by the firm by RA. Extension in EO required for clubbing and regularization of authorizations where there is shortfall will be done by imposing a composition fee @5% per year as already decided in the PRC meeting held on 6.1.2010. 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 15% value addition for evaluating entitlement is to be applied on the entire FOB and CIF of the authorization. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the authorizations.

Case No.05 M/s Prima Plastics Lt.d, Mumbai
F.No. 01/60/162/55/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- EOP Extension of Advance Authorisation No. 0310362631 dated 10.1.2006

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.06 M/s Grover Vineyards Ltd. Mumbai
F.No. 01/60/162/106/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- EOP Extension of 14Advance Authorisations

1. 710045999 dt. 12.7.2006
2. 710048691 dt. 28.11.2006
3. 710049856 dt. 31.01.2007
4. 710049857 dt. 31.01.2007
5 710049858 dt. 31.01.2007
6. 710049871 dt. 31.01.2007
7. 710049874 dt. 31.01.2007
8. 710053605 dt. 28.09.2007
9. 710054141 dt. 26.10.2007
10. 710054142 dt. 26.10.2007
11. 710055061 dt. 19.12.2007
12. 710055063 dt. 19.12.2007
13. 710055099 dt. 20.12.2007
14. 710055100 dt. 20.12.2007

The Committee considered the request and noted that firm has completed more than 50% EO against the advance authorization no. 0710053605 dt. 28.9.2007 and therefore decided to extend EOP 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.

The committee also decided to reject the request for EOP extensions for other 13 authorizations as they do not merit consideration due to low/no exports made both quantity and value wise in the valid EOP.

Case No.07 M/s Mahindra Reva Electric Vehicles Pvt. Ltd. Bangalore
F.No 01/60/162/137/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Revalidation and EOP Extension of Advance Authorisation No. 0710053906 dated 17.10.2007

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.08 M/s Supreme Petrochem Ltd. Mumbai
F.No 01/60/162/115/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- EOP Extension of Advance Authorisation No. 0310436170 dated 13.7.2007

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.09 M/s Utkal Polyweave Industries Pvt. Ltd., Kolkata
F.No 01/60/162/122/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Revalidation of Advance Authorisation No. 0210112601 dated 21.5.2008

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.10 M/s Hindustan Polymides & Fibres Ltd., Mumbai
F.No 01/60/162/174/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011

Subject:- Clubbing of 4 Advance Authorization Nos. 0310428869 dated. 9.5.2007, 0310481246 dt 5.8.2008, 0310442435 dt. 11.9.07 and 0310473585 dt. 6.6.08

The Committee considered the request of the firm and decided to allow to club above 4 advance authorizations for the purpose of regularization. RA may revalidate the concerned advance authorizations subject to payment of composition fee @1% of the unutilized CIF value of the authorization and also subject to verification of EO fulfillment status as claimed by the firm by RA. Extension in EO required for clubbing and regularization of authorizations where there is shortfall will be done by imposing a composition fee @5% per year as already decided in the PRC meeting held on 6.1.2010. 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 15% value addition for evaluating entitlement is to be applied on the entire FOB and CIF of the authorization. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the authorizations.

Case No.11 M/s The Godavari Sugar Mills Ltd.
F.No. 01/60/162/125/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- To consider DEPB shipment towards discharge of export obligation against Advance Authorization No. 0310279976 dt. 9.7.2004.

The committee considered the request and noted that Customs evaluation has already been taken place for such exports. Therefore, the committee decided that DEPB shipping bills be considered towards discharge of export obligation against advance authorization no. 0310279976 dt. 9.7.2004 subject to proper verification of export product by RA. It is also clarified that PRC had granted EOP extension from the date of communication as decided in PRC meeting No. 10/AM08 dt. 7.3.2008.

Case No.12 M/s Sajal Impex Pvt. Ltd. Kolkata
F.No. 01/60/162/119/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:-Revalidation of DFIA No. 0210107849 dt. 4.1.08, 0210109197 dt. 15.2.08.

The committee considered the request and decided to re-examine the case and the reasons given by the firm and then place before PRC.

Case No.13 M/s Sundaram Fasteners Lt., Chennai
F.No. 01/60/162/118/AM12/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Revalidation and EOP Extension of Advance Authorisation No. 0410092854 dated 26.12.2007.

The Committee considered the request and decided to extend EOP against the aforesaid advance authorization for 6 months from the date of communication for utilization of imported material, 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. The committed also decided to reject the request for revalidation as no cogent and justified reasons establishing genuine hardship have been provided by the firm.

Case No.14 M/s Zenith Birla (I) Ltd., Thane
F.No. 01/94/180/992/AM09/PC-4/PRC
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Clubbing of 3 Advance Auhorisation NOs. 310083623 dt. 9.5.01, 310083613 dt. 9.5.01 and 310158648 dt. 16.09.02

The committee decided to defer the case for the next PRC.

Case No.15 M/s Hatsun Agro Products Limited Chennai
F.No. 01/91/180/162/AM-12/PC3
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Request for release of VKGUY benefit on the basis of Order-In-Original No. 14829/2011 passed on 21.2.2011 by Commissioner of Customs/Exports}, Chennai and NOC issued by customs, Chennai

The committee decided to defer the case for the next PRC.

Case No.16 M/s Ravin Cables Limited Pune
F.No. 01/81/1162/769/AM09/DES-II(Pt)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Review of norms in r/o two advance authorization No. 0310083250 dt. 4.5.2001 and 0310111242 dt. 22.11.2001 issued under para 4.7.5 of HBP

The committee decided to defer the case for the next PRC.

Case No.17 M/s Marksons Pharma Ltd., Mumbai
F.No. 01/60/162/1762/AM11/EFGC(PRC)
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Redemption and clubbing of Advance Authorization Nos.

i. 0310248586 dt. 22.01.2004
ii. 0310261726 dt. 30.03.2004
iii. 0310267645 dt. 10.05.2004
iv. 0310279544 dt. 08.07.2004
v. 0310343609 dt. 19.08.2005

vi. 0310359583 dt. 14.12.2005

The committee decided to defer the case for the next PRC.

Case No.18 M/s Cipla Ltd., Mumbai
F.No. 01/82/50/00027/AM09/DES-III
PRC Meeting No. 10/AM12 dated: 14.06.2011
Subject:- Advance Authorization no. 0310385422 dt. 19.6.2006 may be considered for redemption as practically there is nil balance of imported drugs and the firm has paid duty along with interest on excess imported material with reference to norms fixed by NC.

The committee noted that in view of the certificate from Central Excise regarding utilization of the imported raw material, the firm may be granted waiver from condition of destruction of raw material as stipulated in Policy Circular 18 dt. 30.10.2007. However, while regularizing the said case, RA should ensure that none of such supplies have been made to the domestic market. Other conditions of Policy Circular no. 9 and relevant Policy Circular 18 conditions be strictly followed.

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