THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 11/AM13 HELD ON 26.06.2012 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 D.K Singh Addl. DG
2. Shri. V.K. Srivastava Addl. DG
3. Shri N.P.S. Monga Addl. DG
4. Dr. L.B.S. Singhal Jt. DGFT
5. Dr. Rajiv Arora Jt. DGFT
6. Shri R.S.Ratna Jt. DGFT
7. Shri A.K. Singh Jt. DGFT
8. Shri Jaikant Singh Jt. DGFT
9. Shri Jaikaran Singh Jt. DGFT
10. Shri D.C. Sharma Stats Advisor
11. Shri A. Mishra Stats Advisor
12. Shri Sanjay Kumar Dy. DGFT
13. Smt. Sonika Khattar FTDO

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

Case No.1. M/s. SM Creative Electronics Limited, Gurgaon
F.No. 01/60/162/203/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for condonation of non-mentioning the details of Advance Authorization No. 0510210432 dated 11.10.2007 & 0510210434 dated 11.10.2007 in the shipping bills for regularization purpose.

The Committee noted that the firm has not mentioned advance authorization nos. on the shipping bill no. 1813857 dt. 4.2.2008 which is common for both the advance authorizations. RA may correlate the exports made the quoted shipping bill with the ARE-I to ensure that these exports are actually against the above mentioned 2 advance authorizations. The procedural requirements of net to net exports would however be required to be may also be ensured that no adjudication proceeding have been initiated in respect of these cases before taking the aforesaid action.

Case No.2. M/s. Kopran Limited, Mumbai
F.No. 01/60/162/186/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for EOP Extension & Clubbing of 4 Advance Authorizations Nos. 0310416632 dated 19.01.2007, 0310434280 dated 28.06.2007, 0310439652 dated 16.08.2007 & 0310440685 dated 24.08.2007 issu regularization.

The Committee decided to extend EOP against the aforesaid advance authorizations for six months i.e. total 12 months from the date of first import for the purpose of regularization and closure individually rather than cl RA should verify the EO claimed to be fulfilled by the firm within the valid EOP. The relaxation is subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to export period. RA is also 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 which decided that the condition of re-export/destruction of imported raw material as stipulated in Policy Circular 18 dt. 30.10.2007 be waived as the firm has stated to have already utilized the imported material fully by export these. However, the default in terms of duty saving proportionate to the default in export outside the EO period of 12 months from the date of 1st import as stated above may be paid by the firm in accordance with the check and verify the aspect of raw material utilization and evaluate the duty-saving default and take necessary action as per the policy provisions.

Case No.3. M/s. Lincoln Helios (India) Limited
F.No. 01/60/162/1971/AM11/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for Non indication of file no. Advance Authorization No in shipping bill-request for policy relaxation for EO discharge in AA no. 0710030376 dated 26.06.2004.

The committee noted the request and it was decided to correlate the exports made under advance authorization no. 0710030376 dated 26.06.2004 with the ARE-1/ Central Excise certified invoices or other similar author establish the linkage of exports description made under the concerned shipping bill with that stipulated in the advance authorization. RA may correlate exports made as per the above parameters and take further necess the FTP provisions.

Case No.4. M/s Rawalwasia Synthetics Pvt. Ltd, Suratl

F.No. 01/60/162/72/AM12/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for EOP Extension of Advance Authorization no. 2312312 dated 03.02.1995.

The Committee discussed the case in detail and decided to defer to verify whether the SSI Unit would also be allowed to fulfil all the conditions stipulated in the Public Notice 79 dt. 2.1.2006, including the non availment of

Case No.5. M/s A.S.T. Pipes Pvt. Limited, Ghaziabad
F.No. 01/60/162/505/AM12/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for Revalidation of Advance Authorization No. 0510241848 dated 20.05.2009.

The Committee noted that there was no inordinate delay on the part of RA and decided to reject as the reasons cited did not establish any genuine hardship warranting relaxation under Para 2.5 of FTP.

Case No.6. M/s Veejay Lakshmi Engineering Limited, Coimbatore
F.No. 01/60/162/611/AM10/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for Advance Authorization no. 3210002605 dated 16.11.2000 taken for deemed export fulfillment of export obligation partly by deemed export & partly by physical exports.

Deferred to check whether post similar cases where PRC has taken same decisions.

Case No.7. M/s Alembic Limited
F.No. 01/94/180/541/AM10/PC-IV/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for Clubbing of two Advance Authorization No. 3410004247 dated 21.05.2002 & 3410009199 dated 10.12.2003 for regularization.

The committee decided to allow clubbing of the above 2 advance authorizations for the purpose of regularization. RA may grant necessary extension in EO required with the stipulated composition fee for clubbing anc 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 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. No further imp RA may do clubbing subject to the condition that the adjudication process for the above authorizations has not been initiated.

Case No.8. M/s Insilco Limited
F.No. 01/60/162/1142/AM12/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for Policy Relaxation against Advance Authorization No. P/L/3488613 dated 24.05.1994 for waiver of submission of BRCs towards fulfillment of EO.

The Committee noted that the firm is stating to have realized the entire export proceeds against the exports made under advance authorization no. P/L/3488613 dated 24.05.1994. It was noted that the firm has also obta Customs but is unable to submit the BRCs at this juncture. Three banks involved in foreign export transaction have confirmed that there are no outstanding foreign exchange realizations against the said firm. The Comm then the firm could also from its own balance sheet data/records could confirm the export realization obtained against the aforesaid advance authorizations which could be further supported by no default /no penc concerned banks. RA may co-relate the same with due diligence and take appropriate action as per above.

Case No.9. M/s Guhan Textiles Pvt. Limited, Coimbatore
F.No. 01/94/180/882/AM08/PC-IV/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for Clubbing of 3 AAs No. 3210004896 dated 16.07.2001, 3210006398 dated 28.11.2001 & 3210005161 dated 10.08.2001 both for physical export and deemed exports issued in 2001 and restoratio which was subsequently cancelled by RA Coimbatore.

The committee decided to check past similar cases and process the said case on file in light of these and then place the same again before PRC.

Case No.10. M/s Jay Bhawani Metal Industries
F.No. 0160/162/1305/AM11/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for unutilized qty. and value of Advance Authorization as DGFT Authorities have accepted their mistake in writing that the system had wrongly deleted the import item no. 1 copper scrap which ha Authorizations No. 310537230 dated 11.09.2009 & 0310549278 dated 04.12.2009.

The Committee noted that above mentioned advance authorizations have already been clubbed. The Committee noted that one of the items of import which was erroneously deleted in one of the advance authorizat imported. The Committee decided that in case the above mentioned item has been imported against the advance authorization then it may be included for the purpose of clubbing and regularization. Since "No further i condition cannot be relaxed in this case and therefore no import can be made by the firm after clubbing.

Case No.11. M/s Mahindra Reva Electric Vehicles Pvt. Limited, Bangalore
F.No. 0160/162/204/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for Policy Relaxation for Clubbing of Advance Authorizations No. 0710040124 dated 05.09.2005 & 0710040476 dated 26.09.2005.

Deferred.

Case No.12. M/s Asian Foods Industries Nadiad, Gujarat
F.No. 0160/162/176/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for consideration of DEPB shipment towards discharge of export obligation against Advance Authorization No. 3410022645 dated 05.11.2008.

The Committee noted that the exports made against the DEPB shipping bill no. 1798015 dt. 12.11.2010 may be considered for discharge of exports against the Advance Authorization No. 3410022645 dated product/products were same and the accounting of input/output could be clearly done for regularization. RA may also ensure that no DEPB has been claimed against the above mentioned shipping bill.

Case No.13. M/s Ideal Textiles, Bangalore
F.No. 0160/162/100/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for EOP Extension of 22 DFIAs.

The case may be examined in line with the decision taken in such cases in PRC-IV Section and the case may be again submitted before PRC after obtaining PC-IV's inputs.

Case No.14. M/s Vivimed Labs Ltd, Hyderabad
F.No. 0160/162/144/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for EOP Extension of Advance Authorizations No. 0910029564 dated 07.03.2007 & 0910032721 dated 24.01.2008 for the purpose of clubbing with Advance Authorization No. 0910046651 dated 05.05.2

The Committee noted the request of the firm and decided to reject as the gap between the above three authorizations is substantial and the Committee therefore did not agree to club these authorizations

Case No.15. M/s Ind Metal Extrusions Pvt. Limited, Delhi
F.No. 0160/162/170/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for Clubbing of DFIA No. 0510214651 dated 08.01.2008 and DFIA No. 0510225142 dated 07.08.2008 for actual user condition as per Para 2.5 of FTP.

The committee noted that there was no facility of clubbing of DFIAs available in the policy and hence relaxation and as such therefore no specific provision of policy could be relaxed. The committee rejected the request fo

Case No.16. M/s Alkem Laboratories Ltd, Mumbai
F.No. 0160/162/536/AM12/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for EOP Extension of Advance Authorization No. 0310441051 dated 28.08.2007 issued under PC-9 condition for purpose of regularization.

The Committee decided to extend EOP against the aforesaid advance authorization for six months i.e. total 12 months from the date of first import for the purpose of regularization and closure. RA should verify the EO within the valid EOP. The relaxation is 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 also directe 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.17. M/s Gujarat Narmada Valley Fertilizers Company Ltd, Gujarat
F.No. 0160/162/257/AM12/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for Revalidation of Advance Authorization No. 3410022287 dated 11.09.2008.

The committee noted that there was no change in the import items even after the changes made in export product by the Norms Committee and hence there was no cogent reason establishing genuine hardship warranti
FTP have been provided by the firm.

Case No.18. M/s Kopran Limited, Mumbai
F.No. 0160/162/185/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for EOP Extension of Advance Authorization No. 0310377807 dated 27.04.2006 issued under PC-9 condition for regularization.

The Committee decided to extend EOP against the aforesaid advance authorization for six months i.e. total 12 months from the date of first import for the purpose of regularization and closure. RA should verify the EC
within the valid EOP. The relaxation is 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 also directe
Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No.19. M/s Gandhi Industrial Corporation
F.No. 0160/162/1823/AM11/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for revalidation of Advance Authorization No. 0310365641 dated 02.02.2006.

The Committee noted that there was no inordinate delay on the part of RA and decided to reject as the reasons cited did not establish any genuine hardship warranting relaxation under Para 2.5 of FTP.

Case No.20. M/s Ranbaxy Laboratories Limited, Mumbai
F.No. 0160/162/143/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for revalidation of (3) Advance Authorizations Nos. 0510114011 dated 06.01.2004, 0510114037 dated 06.01.2004 & 0510114748 dated 13.01.2004.

The Committee noted the request of the firm and decided to reject as no cogent and justified reasons establishing genuine hardship warranting relaxation under Para 2.5 of the FTP have been provided by the firm.

Case No.21. M/s Sterling Biotech Ltd, Mumbai
F.No. 0160/162/168/AM12/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for clubbing of (3) Advance Authorizations Nos. 3410013965 dated 27.07.2005, 3410013100 dated 29.03.2005 & 3410028119 dated 28.09.2010 for closure purpose.

The committee noted the representation of the firm also the fact that there was substantial gap between the 3 authorizations and therefore did not agree to club these authorizations

Case No.22. M/s Medreich Limited, Bangalore
F.No. 0160/162/99/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for clubbing of Advance Authorizations No. 0710045550 dated 19.06.2006, 0710045046 dated 23.05.2006 & 0710048971 dated 13.12.2006.

The committee decided to allow clubbing of the above 3 advance authorizations for the purpose of regularization. RA may grant necessary extension in EO required with the stipulated composition fee for clubbing a
months from the expiry of 6 months of EOP from the date of first import. RA is also directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding valu
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
product while clubbing the authorizations.

Case No.23. M/s Medreich Limited, Bangalore
F.No. 0160/162/135/AM13/EFGC(PRC)
PRC Meeting No. 11/AM13 dated: 26.06.2012
Subject:- Request for EOP Extension & Clubbing of Advance Authorizations No. 0710054772 dated 03.12.2007 with 0710056154 dated 29.02.2008 for regularization.

The committee decided to allow clubbing of the above 2 advance authorizations for the purpose of regularization. RA may grant necessary extension in EO required with the stipulated composition fee for clubbing a months from the expiry of 6 months of EOP from the date of first import. RA is also directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding valu 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 product while clubbing the authorizations.

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