MINUTES OF THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 13/AM12 HELD ON 05.07.2011 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 V.K. Gupta Addl. DG
2. Shri V.K. Srivastava Addl. DG
3. Shri N.P.S. Monga Addl. DG
4. Shri L.B. Singhal Jt. DGFT
5. Shri Rajiv Arora Jt. DGFT (PRC)
6. Shri R.S. Ratna Jt. DGFT
7. Shri Hardeep Singh Jt. DGFT
8. Smt. Vibha Bhalla Jt. DGFT
9. Shri A. Mishra Stats Advisor
10. Shri D.C. Sharma Stats Advisor
11. Smt. Sonika Khattar FTDO

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

Case No.01 M/s Bishal Paints & Chemicals
F.No. 01/60/162/182/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- Revalidation of DEPB licence no. 0210107820 dt. 3.1.2008

The committee considered the request and noted that the firm has not provided any substantiating documents i.e. copy of FIR,details quantification of loss and hardship etc. The committee noted that DEPB is revalidated only when delay has been caused by RA/ Customs or any other Govt. Agency. The committee therefore rejected the request.

Case No.02 M/s Ranbaxy Lab. Ltd. Gurgaon
F.No. 01/60/162/180/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- EOP extension of two advance authorization no. 0510206510 dt. 19.7.2007 and 0510219161 dt. 9.4.2008.

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 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. The Committee also 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 exporting the product manufactured from these. However, the default in terms of duty saving proportionate to the default in export outside the EO of 12 months from the first consignment period may be paid by the firm in accordance with the stipulated policy provisions. RA to 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.03 M/s Kishore Vadilal Pvt. Ltd
F.No. 01/60/162/204/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- EOP extension of advance authorization no. 0810072360 dt. 5.6.2008

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.04 M/s Aarti Drugs Ltd. Mumbai
F.No. 01/60/162/174/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- Clubbing of 4 advance authorizations no. 0310441411 dt. 30.8.2007, 0310481329 dt. 5.8.2008, 0310494554 dt. 18.11.2008 and 0310493254 dt. 6.11.2008

The committee decided to re-examine the case in respect of the EOP extension to be given as the licences have been issued with PC-9 condition.

Case No.05 M/s DSM Anti-Infectives India Ltd.
F.No. 01/60/162/504/AM1/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- Grant for permission of export against E-Com

The committee decided that the request may be looked into by Zonal CLA.

Case No.06 M/s. Britacel Silicons Ltd.
F.No. 01/94/180/31/AM09/PC-IV/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- Clubbing of 14 advance authorizations

i)	0310063332 dt.12.01.2001
ii)	**0310071876 dt.06.02.2001**
iii)	0310079116 dt.30.03.2001
iv)	0310079678 dt.03.04.2001
v)	0310112190 dt.29.11.2001
vi)	**0310120607 dt.22.01.2002**
vii)	0310163847 dt.22.10.2002
viii)	0310166631 dt.12.11.2002
ix)	0310173863 dt.20.12.2002
x)	0310200715 dt.07.05.2003
xi)	0310211317 dt.01.07.2003
xii)	0310218571 dt.13.08.2003
xiii)	**0310232306 dt.21.10.2003**
xiv)	**0310232307 dt.21.10.2003**

The committee decided that case may be further examined with reference to the issue of delay and thereafter be placed before the next PRC.

Case No.07 M/s. Ducol Organics & Colour Pvt. Ltd.
F.No. 01/60/162/167/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- EOP extension of two advance authorization no. 031041638 dt. 19.6.2008 and 0310461489 dt. 18.2.2008.

The Committee considered the request and decided to extend EOP against the aforesaid advance authorizations 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. Raj Petro Specialities Pvt. Ltd.
F.No. 01/60/162/196/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- Clubbing of 2 advance authorization no. 0410092130 dt. 16.11.2007 and 0310455599 dt. 28.12.2007.

The Committee considered the request of the firm for clubbing of above two authorizations issued from two different RAs and decided to allow the clubbing of the same for the purpose of regularization as it pertains to one legal entity having one IEC. RA Mumbai may revalidate the concerned advance authorizations subject to payment of composition fee @1% of the unutilized CIF value of the authorization for purpose of clubbing and also subject to verification of EO fulfilment 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.09 M/s. Eastern Condiments Pvt. Ltd.
F.No. 01/60/162/193/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- EOP extension of advance authorization no. 1010036630 dt. 4.1.2010

The Committee noted that the firm have made a request for EOP extension of above mentioned advance authorization after expiry of almost one year. The Committee noted that the authorization bears a very short EOP and therefore rejected the request of the firm as there are no merits for consideration for the highly delayed request.

Case No.10 M/s. Jyoti Vinyl Ltd. Baroda
F.No 01/60/162/185/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- Clubbing of 2 advance authorization no. 3410018033 dt. 6.2.2007 and 3410019054 dt. 25.6.2007.

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 fulfilment 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. Bombay Rayon Fashion Ltd.
F.No 01/60/162/190/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- Clubbing of 2 advance authorization no. 0310452712 dt. 5.12.2007 and 0310458512 dt. 21.1.2008.

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 fulfilment 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.12 M/s. Honda Siel Power Products Ltd.
F.No 01/60/162/912/AM11/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- EOP extension of annual advance authorization no. 0510043050 dt. 7.9.2001.

The Committee decided to grant EOP extension for 1 month beyond the permitted export obligation period 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 the permissible export obligation period of 36 months. 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.13 M/s. Eastern Condiments Pvt. Ltd.
F.No 01/60/162/195/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- EOP extension of advance authorization no. 1010035216 dt. 7.9.2009

The Committee noted that the firm have made a request for EOP extension of above mentioned advance authorization after expiry of almost one year. The Committee noted that the authorization bears a very short EOP and therefore rejected the request of the firm as there are no merits for consideration for the highly delayed request.
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Case No.14 M/s. Eastern Condiments Pvt. Ltd.
F.No 01/60/162/194/AM12/EFGC(PRC)

PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- EOP extension of advance authorization no. 1010035114 dt. 27.8.2009

The Committee noted that the firm have made a request for EOP extension of above mentioned advance authorization after expiry of almost one year. The Committee noted that the authorization bears a very short EOP and therefore rejected the request of the firm as there are no merits for consideration for the highly delayed request.

Case No.15 M/s. Jaystic Intermediate Pvt. Ltd.
F.No 01/60/162/221/AM12/EFGC(PRC)
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- EOP extension of advance authorization no. 0310386025 dt. 21.6.2006

The Committee noted that the firm have made less than 50% exports during the valid EOP and, therefore, it was decided to reject the case as it does not merit consideration due to low exports made both quantity and value wise in the valid EOP.

Case No.16 M/s Gusti Noria Hyderabad
F.No 01/53/8/376/AM09/G-27/IC
PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject:- Relaxation of para 2.13 of HBP Vol.I i.e. grant of 2nd revalidation of import No. 0281288 dated 14.8.2008.

The Committee noted that M/s s Gusti Noria Hyderabad was granted import licence No. 0281288 dated 14.8.2008 for import of 7500 shot gun ammunition, 180,150 Big Bore Rifle Ammunition and 7500 168 GRS for sports purpose and licence expired on 14.2.2011. The Committee decided to allow the request of the applicant firm in relaxation of Para 2.5 of FTP and 2.13 of HBP(Vol.I) for grant of 2 revalidation of Import licence for six months from the date of communication.

Case No. 17 M/s Rashmi Metaliks Ltd., Kolkata.
File No. 1/36/218/144/AM11/EPCG-1

PRC Meeting No. 13/AM12 dated: 5.07.2011
Subject: Partial review/ elaboration of the decision taken by the PRC on 04.09.2009 in respect of Circular No. 48 dated 19.12.2008.

The committee noted that a substantive benefit of duty drawback was involved in the instant case and that on account of the policy circular No. 48 dt. 19.12.2008, the firm was not eligible for said benefit. The committee also under scored the fact that above was only a policy clarification and not a policy change leading to a hardship. The committee therefore decided that this case be deliberated in the EPCG committee and only with its specific recommendations, it be placed before PRC.

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