Minutes of the Policy Relaxation Committee Meeting held on 16.12.2014 under the Chairmanship of DGFT, Shri Pravir Kumar, IAS

Meeting No. 14/AM15 held on 16.12.2014 at 12.00 A.M.

List of officers present in the meeting is given below:

1.	Shri L.B. Singhal	Addl. DGFT
2.	Shri KC. Rout	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 AkashTaneja	Jt. DGFT
8.	Shri J.M. Gupta	Jt. DGFT
9.	Shri A.K. Srivastava	Jt. DGFT
9.	Shri S.K. Mohapatra	Dy. DGFT
10.	Smt. N.R.Choudhury	FTDO

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

Case No.1 M/s. Chemico Chemicals Pvt. Ltd. Delhi
F.No. 01/60/162/391/AM15/EFGC(PRC)
PRC Meeting No. 14/AM15 dated 16.12.2014
Subject: - EOP extension of Advance Authorization No. 0510328023 dated 21.6.2012.

Decision:

The Committee noted that the applicant has fulfilled more than 50% of the stipulated export obligation within its initial export obligation period. Hence, the Committee decided the following:

- **I. Export obligation period be extended upto 31.12.2014.**
- **II. The extension is subject to payment of composition fee @ 0.5% per month on unfulfilled FOB value of exports made after 24 months but upto 30 months.**
- **III. The minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.**
- **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.**
- **V. 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, Delhi / applicant)

Case No.2 M/s Privi Organics Ltd. Mumbai
F.No. 01/60/162/393/AM15/EFGC(PRC)
PRC Meeting No. 14/AM15 dated 16.12.2014
Subject: - EOP extension of Advance Authorization no. 0310702043 dt. 17.7.2012

Decision:

The Committee noted that the applicant has fulfilled more than 50%, on pro-rata basis, of the stipulated export obligation within its initial export obligation period. Hence, the Committee decided the following:

I. **Export obligation period be extended upto 31.01.2015.**
II. **The extension is subject to payment of composition fee @ 0.5% per month on unfulfilled FOB value of exports to be made / made after 24 months from the date of issue.**
III. **The minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.**
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.**
V. **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, Mumbai / applicant)

Case No.3 M/s En Fin Export's New Delhi
F.No. 01/60/162/355/AM15/EFGC(PRC)
PRC Meeting No. 14/AM15 dated 16.12.2014
Subject: - EOP extension of Advance Authorization No. 0510287289 dated 31.03.2011.

Decision:

The Committee noted that the firm could not export at least 50% of the stipulated export obligation, within its initial export obligation period against the above referred Advance Authorisation. As such, there is no merit in the case for consideration. 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 Delhi-** If the firm 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.4 M/s. Charbhuja Industries (P) Ltd. Mumbai
F.No. 01/60/162/834/AM14/EFGC(PRC)
PRC Meeting No. 14/AM15 dated 16.12.2014
Subject: - Request for EOP extension of Advance Authorization no. 0310509987 dt. 03.03.2009.

Decision:

The Committee noted that the Authorization holder imported goods on 05/09/2008. The BIFR issued order for winding of supporting Manufacturer Company on 15/12/2010. And, International Assets Reconstructions Co. Pvt. Ltd. took over possession of said company on 04/03/2012 that is after expiry of export obligation period only. The applicant has fulfilled 38.58% of its stipulated export obligation.

Therefore, the justification that they could not export balance because raw materials were in the possession of supporting manufacturer could not convince the Committee. The Committee was of the view that the applicant had enough time to fulfil balance export obligation by changing supporting manufacturer as per policy. The Committee, therefore, did not accede to the request. Accordingly, the applicant is directed to get the case regularized in terms of para 4.28 of HBP.

(**Action: RA Mumbai / Applicant-** If the firm 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.5 M/s. Karmaveer Shankarrao Kale Sahakari Sakhar Karkhana Ltd.
F.No. 01/60/162/256/AM15/EFGC(PRC)
PRC Meeting No. 14/AM15 dated 16.12.2014
Subject: **-** Request for EOP extension under AA No. 3110056116 dated 23.10.2012

Decision:

The Committee noted that the firm did not make any exports within its initial export obligation period against the above referred Advance Authorisation. As such, there is no merit in the case for consideration. 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 Pune-** If the firm 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.6 M/s Ipca Laboratories Limited, Mumbai
F.No. 01/60/162/401/AM15/EFGC(PRC)
PRC Meeting No. 14/AM15 dated 16.12.2014
Subject: - Request for EOP extension of Advance Authorization no. 0310642893 dt. 19.7.2011 issued under PC-9 condition for **regularization** purpose.

Decision:

The Committee noted that the applicant has fulfilled more than 50% of the stipulated export obligation within its initial export obligation period and remaining exports outside the obligation period, but within 4 months. Hence, the Committee decided the following:

I. **Export obligation period be extended by 6 months i.e. upto 31.05.2013.**
II. **This is only for accounting of exports already effected for redemption purpose.**
III. **This is subject to a payment of composition fee @ 0.5% on 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, Mumbai)

Case No.7 M/s. Umedica Laboratories Pvt. Ltd., Mumbai
F.No. 01/60/162/418/AM15/EFGC(PRC)
PRC Meeting No. 14/AM15 dated 16.12.2014
Subject: - Request for EOP extension of Advance Authorization No. 0310575172 dated 19.05.2010 for regularization purpose.

Decision:

The Committee noted that the applicant has fulfilled more than 50% of the stipulated export obligation within its initial export obligation period and remaining exports outside the obligation period, but within 2 months. Hence, the Committee decided the following:

I. **Export obligation period be extended by 2 months i.e. upto 31.07.2013.**
II. **This is only for accounting of exports already effected for redemption purpose.**
III. **This is subject to a payment of composition fee @ 0.5% on 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, Mumbai)

Case No.8 M/s. Fresenius Kabi Oncology Ltd New Delhi
F.No. 01/60/162/420/AM15/EFGC (PRC)
PRC Meeting No. 14/AM15 dated 16.12.2014
Subject: - Request for EOP extension of Advance Authorization No. 0510298332 dated 02.08.2011 issued under PC-9 condition.

Decision:

The Committee noted that the applicant has made more than 50% of the stipulated exports within its initial export obligation period and remaining outside the obligation period. Hence, 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 28.02.2013.**
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 such export made outside the extended EOP.**

(**Action: RA, New Delhi)**

Case No.9 M/s Intas Pharmaceuticals Ltd. Ahmedabad .
F.No. 01/60/162/416/AM15/EFGC(PRC)
PRC Meeting No. 14/AM15 dated 16.12.2014

Subject: - Request for EOP extension of Advance Authorization no. 0810114772 dated 3.9.2012 issued under PC-9 condition for regularization purpose.

Decision:

The Committee noted that the applicant has made only 32.481% of the stipulated exports within its initial export obligation period and 67.519% outside the obligation period. Hence, 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 31.03.2014.**
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 outside the original EOP.**
IV. **Minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.**

(**Action: RA, Ahmedabad)**

Case No.10 M/s. Lupin Ltd., Mumbai
F.No. 01/60/162/353/AM15/EFGC(PRC)
PRC Meeting No. 14/AM15 dated 16.12.2014
Subject: - EOP extension of Advance Authorization No. 0310706390 dated 24.8.2012 for regularization issued with PC – 9 conditions.

Decision:

The Committee noted that the applicant has fulfilled only 9% of its stipulated exports within its initial export obligation period and remaining 91% are made after expiry of the obligation period. Hence, 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 31.03.2014.**
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 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 such export made outside the extended EOP.**

(**Action: RA, Mumbai)**

Additional Agenda: Reference from Norms Committee
F.No. Nil
PRC Meeting No. 14/AM15 dated 16.12.2014
Subject: - Condonation of delay

Decision:

The Committee recommended for ex – post facto approval condoning delay in filing representation beyond 4 months for consideration by NC-II in the following cases:

Sl. No.	Name of the firm	AA No. & date	Date of communication	Representation made on
1	M/s. Phoenix Foils	(i) 0310593594 dated 23.09.2010 (ii) 0310630339 dated 10.05.2011 (iii) 0310582844 dated 09.07.2010 (iv) 0310663033 dated 02.11.2011 (v) 0310696592 dated 29.05.2012 (vi) 0310659391 dated 13.10.2011	02.07.2012 03.01.2012 10.02.2012 15.05.2012 23.11.2012 17.05.2012	28.10.2014 15.10.2014 15.10.2014 15.10.2014 15.10.2014 15.10.2014
2	M/s. Manaksia Limited	0210130103 dated 07.08.2009	28.06.2010	25.08.2014
3	M/s. Welspun Corp. Ltd	3410029340 dated 14.02.2011	30.05.2011	01.03.2014
4	M/s. Siemens Limited	0310539877 dated 30.09.2009	13.09.2011	08.10.2014
5	M/s. Ohsung Electronics India Pvt. Limited	(i) 3110051223 dated 28.10.2011 (ii) 3110048866 dated 04.06.2011	12.04.2012 29.08.2011	28.11.2014

Cases Nos.11 to 41 were deferred due to paucity of time.

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

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