MINUTES OF THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO.15/AM11HELD ON 24.01.2011 AT 02:30 P.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. Srivastava Addl. DG
3. Shri V.K. Gupta Addl. DG
4. Shri N.P.S Monga Addl. DG
5. Shri D.C. Sharma Stats Advisor
6. Shri Rajiv Arora Jt. DGFT
7. Shri L.B. Singhal Jt. DGFT
8. Shri Satyan Sharda Jt. DGFT
9. Shri R.S. Ratna Jt. DGFT
10. Shri Hardeep Singh Jt. DGFT
11. Ms. Shubhra Jt. DGFT
12. Shri A.K. Cashyap Dy. DGFT
13. Smt. Sonika Khattar FTDO

The decisions taken on the individual cases are as under:

Case No. 1: M/s Medley Pharmaceutical Ltd., Mumbai.
File No. 01/60/162/1768/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Request for grant of relaxation – Para 2.5 of the FTP 2004-2009 issued of DEPB licences – Time barred under Para 4.46 of the H.B.P (Vol. 1).

The Committee considered the request of the firm and decided to reject the same as there were no convincing reasons of genuine hardship and merits for consideration and also the request was highly delayed.

Case No. 2: M/s DCM Textiles Ltd., Delhi.
File No. 01/60/162/1766/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Request for relaxation of policy procedure for filing of DEPB application for EDI generated 3 shipping bills.

The Committee considered the request of the firm and decided to reject the same as the firm was not eligible for the DEPB benefit, since DEPB was withdrawn w.e.f. 21.4.2010 and the LEO date is also 21.4.2010.

Case No. 3: M/s Riddhi Siddhi Gluco Biols Ltd., Ahmedabad.
File No. 01/60/162/1668/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization No. 0810062294 dt. 10.01.2007 for the purpose of clubbing with advance authorization no. 0810063146 dt. 22.02.2007 and 0810064036 dt. 30.03.2007.

The Committee considered the request of the firm and decided to club advance authorization Nos. 0810062294 dt. 10.01.2007, 0810063146 dt. 22.02.2007 and 0810064036 dt. 30.03.2007 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. 4: M/s Marksans Pharma Ltd., Mumbai.
File No. 01/60/162/1763/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Redemption and clubbing of Advance Authorization Nos.
i. 0310274652 dt. 14.06.2004
ii. 0310298100 dt. 21.10.2004
iii. 0310299518 dt. 28.10.2004
iv. 0310308293 dt. 21.12.2004
v. 0310314040 dt. 28.01.2005

The Committee noted that the firm has made a request for clubbing of above mentioned advance authorizations after a period of expiry of more than 4 years from the date of expiry of export obligation period of the authorizations. The Committee rejected the request of the firm for want of merits.

Case No. 5: M/s Aryan International, New Delhi.
File No. 01/60/162/1708/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of 3 DEPB No.
i. 0510216101 dt. 08.02.2008
ii. 0510215380 dt. 24.01.2008
iii. 0510216099 dt. 08.02.2008

The Committee considered the request of the firm and decided to reject as the committee did not find any cogent reasons to revalidate the same and also as per para 4.50, there is no provision to revalidate the DEPB scrip until it expired in a govt. agency/Regional Authority.

Case No. 6: M/s J.B. Chemicals & Pharmaceuticals Ltd., Mumbai.
File No. 01/60/162/785/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: EOP extension of Advance Authorization No. 0310474867 dt. 16.06.2008.

The Committee noted that it was due to the complaint from the buyer that the firm had to repack the goods after re-importing the same on 17.9.2009 i.e. 2 months after the expiry of EOP. The Committee, decided to extend EOP against the aforesaid advance authorizations for a period of 2 months for regularization purpose only.

Case No. 7: M/s Nocil Ltd., Mumbai.
File No. 01/94/180/579/AM10/PC-4(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization No. 0310174256 dt. 24.12.2002 for the purpose of clubbing with Advance Authorization No. 0310261773 dt. 30.03.2004.

The Committee considered the request of the firm and decided to club advance authorization Nos. 0310174256 dt. 24.12.2002 with 0310261773 dt. 30.03.2004 for the purpose of regularization. RA may revalidate the required 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. 8: M/s Unichem Laboratories Ltd., Mumbai.
File No. 01/60/162/1753/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: EOP extension of Advance Authorization No. 0310522502 dt. 03.06.2009 issued under Policy Circular No. 9 dated 30.06.2003.

The Committee noted that even though the firm has not made any export within the initial EO validity period, they have exported subsequently within a period of one year. The Committee, therefore, decided to extend the EO period for 1 year from the date of 1st import i.e. upto 23.7.2010, 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. 9: M/s Sri Krishna Enterprises, Bangalore.
File No. 01/60/162/1509/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of DFIA No. 0710055482 dt. 18.01.2008.

The Committee noted that the above mentioned DFIA have already been endorsed with transferability and request is rejected.

Case No. 10: M/s Carborundum Universal Ltd., Chennai.
File No. 01/60/162/1752/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization No. 0410094068 dt. 27.02.2008.

The Committee considered the case and noted that the applicant has stated that they could not import the inputs in time owing to price fluctuation in the international markets. Since price fluctuation in the international markets is essentially a commercial risk and it cannot be construed as a genuine hardship warranting relaxation, and rejected the case for Policy Relaxation.

Case No. 11: M/s Mayur Wovens Pvt. Ltd., Gujarat.
File No. 01/60/162/1745/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization No. 0810069184 dt. 26.12.2007.

The Committee noted the request of the firm and decided to re-examine the case by obtaining details on delay in TRA in Customs and then place before the PRC.

Case No. 12: M/s Vishnu Cotton Mills Ltd., West Bengal.
File No. 01/60/162/1703/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: EOP extension of Advance Authorization No. 0210101194 dt. 30.05.2007.

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 in the valid EOP.

Case No. 13: M/s M.D. Equipments Pvt. Ltd., Noida.
File No. 01/60/162/1698/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Extension for EO of Advance Authorization No. 0510208138 dt. 27.08.2007.

The Committee noted that the export obligation fulfilled in respect of aforesaid Advance authorization was 70.40% Qty.-wise and 111% value-wise within the valid EO period. Therefore, the Committee decided to extend EOP against the aforesaid advance authorization for a period of six months from the date of communication of the decision of PRC, subject to verification by RA of EO claimed to have been fulfilled by the firm within the valid EOP, 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 15% value addition for evaluating entitlement is to be applied on the entire FOB and CIF of the authorization and not just on the unutilized CIF.

Case No. 14: M/s Bhise Ceramics Pvt. Ltd., Mumbai.
File No. 01/60/162/1767/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Request to extend the validity of the DEPB certificate Authorization No. 0310491456 dt. 22.10.2008 as Mumbai Airport Customs have inadvertently used DEPB Certificate Authorization No. 0310528563 dt. 13.07.2009.

The Committee noted the request of the firm and decided to re-examine the case by obtaining substantiating documents from the firm regarding the reason furnished by them and then place before the PRC.

Case No. 15: M/s Wockhardt Ltd., Mumbai.
File No. 01/60/162/1746/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: EOP extension of Advance Authorization No. 0310460285 dt. 06.02.2008.

The Committee noted that the firm have made a request for EOP extension of above mentioned advance authorization after the period of expiry of more than 1½ years from the date of expiry of EO period of authorization. The Committee rejected the request of the firm as there were no merits for consideration due to highly delayed request.

Case No. 16: M/s Hindustan Petroleum Corporation Ltd., Mumbai.
File No. 01/60/162/1666/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011

Subject: Revalidation of Advance Authorization No. 0310404707 dt. 18.10.2006.

The Committee noted that firm has sufficient time to import the material during the period when the duty was not nil. The firm failed to utilize the same. The request does not establish any genuine hardship and accordingly the request was rejected.

Case No. 17: M/s Ganapati Herbsline, Delhi.
File No. 01/53/8/275/AM11/G-20/IC
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Grant of import licence for import of 35 MTs of Saussurea Costos (Saussurea Lappa) for Trading.

The Committee noted that no objection certificate has been provided by Ministry of Agriculture vide O.M No. 13014/2/2010-Trade dt. 16.11.2010 subject to conditions as enumerated therein. In view of the aforesaid recommendation PRC approved the request of the applicant firm for relaxation of para 2.16 of FTP and Para 2.43 of HBP. Vol. I for grant of import licence for import of 35 MTs of Saussurea Costos (Saussurea Lappa) for Trading.
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Case No. 18: M/s Allanasons Ltd., New Delhi.
File No. 01/89/180/87/AM-02/PC-2(A)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Clearance of re-import shipment of 3 consignments of 'Mango Slices' from Jeddah.

The applicant has requested to withdraw the case they have already destroyed the consignment. Therefore, the case is closed.

Case No. 19: M/s Jiwanram Sheduttrai Industries Pvt. Ltd., Kolkata.
File No. 01/60/162/1291/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of DFIA No. 0210100195 dt. 20.04.2007.

The Committee considered the case and noted that the applicant has stated that they could not import the inputs in time owing to price fluctuation in the international markets. Since price fluctuation in the international markets is essentially a commercial risk, it cannot be treated as genuine hardship warranting relaxation of policy. In view of this, the Committee rejected the case for Policy Relaxation.

Case No. 20: M/s Bharat Heavy Electricals Ltd.,
File No. 01/94/180/535/AM08/PC-4 (PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: EOP extension of Advance Authorization No. 1110006311 dt. 04.07.2003.

The Committee noted the request of the firm and the decision of GRC. It decided to waive the composition fee levied in view of the reasons stated by them for non fulfilling the EO within the valid EOP.

Case No. 21: M/s GHCL Ltd., Gujarat.
File No. 01/60/162/1758/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Clubbing of Advance Authorization Nos. 0310421938 dt. 05.03.2007 & 0310426378 dt. 11.04.2007.

The Committee considered the request of the firm and decided to reject the same as the items of export and import are different in the two subject Advance Authorizations.

Case No. 22: M/s Venus Armoury, Kerala.
File No. 01/53/162/757/AM-11/ V020/IC
PRC Meeting No.15/AM11 dated: 24.01.2011
Subject: Grant of Import Licence for import of 16 Stk Second Hand Dist Injuct Pistol.

The Committee noted the no objection certificate provided by Ministry of Home Affairs vide OM No. IV-23011/3/2010-Prov. I dated 3.12.2010 for import of 16 Stk Second Hand Dist Injuct Pistol subject to condition as enumerated by their no objection certificate. The Committee also noted the recommendation of the EFC held on 13.12.2010 to grant import licence to the applicant firm. In view of the aforesaid recommendations PRC considered the request of the applicant firm in relaxation of para 2.16 of FTP and Para 2.43 of HBP Vol.-I and approve issue of import authorization for stock & sale purpose.

Case No. 23: M/s Airport Authority of India, New Delhi.
File No. 01/53//8/632/AM07/A-94/ Import Cell
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Relaxation of Para 2.13 of Handbook of Procedures, Vol. 1 i.e. grant of revalidation of import licence No. 0550000829 dt. 22.06.2007.

The Committee considered the request and the decided to grant revalidation of import licence No. 0550000829 dt. 22.06.2007 for a period of 6 months upto 23.6.2011 in terms of para 2.13 of HBP V.1.

Case No. 24: M/s Kopran Ltd., Mumbai.
File No. 01/60/162/790/AM10/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization Nos. 0310410420 dt. 01.12.2006 for clubbing with Authorization No. 0310409126 dt. 22.11.2006.

The Committee considered the request of the firm and decided to club advance authorization Nos. 0310410420 dt. 01.12.2006 with 0310409126 dt. 22.11.2006 for the purpose of regularization. RA may revalidate the required advance authorizations subject to payment of composition fee @1% of the unutilized CIF value of the authorization as well as 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. 25: M/s JSW Steel Ltd., Mumbai.
File No. 01/60/162/1814/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization No. 0310464096 dt. 10.03.2008.

The Committee considered the case and noted that the applicant has stated that they could not import the inputs in time owing to global recession and price fluctuation in the international markets. Since price fluctuation in the international markets is essentially a commercial risk, and the argument of recession for not importing does not hold good in light of exports having been fulfilled more than 100% both qty. and value-wise the Committee felt that it cannot be treated as genuine hardship and thus rejected the case.

Case No. 26: M/s Technova Imaging Systems (P) Ltd., Mumbai.
File No. 01/60/162/1817/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization No. 0310483527 dt. 22.08.2008.

The Committee considered the case and noted that the applicant has stated that they could not import the inputs in time owing to price fluctuation in the international markets. Since price fluctuation in the international markets is essentially a commercial risk, it cannot be treated as genuine hardship warranting for policy relaxation. In view of this, the Committee rejected the case.

Case No. 27: M/s Hero Exports, Ludhiana.
File No. 01/60/162/1815/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: EOP extension of Advance Authorization No. 3010053110 dt. 12.09.2007.

The Committee noted that the export obligation fulfilled in respect of aforesaid Advance authorization was more than 50% in qty. wise and value-wise within the valid EO period. Therefore, the Committee decided to extend EOP against the aforesaid advance authorization for a period of six months from the date of communication of the decision of PRC, subject to verification by RA of EO claimed to have been fulfilled by the firm within the valid EOP, 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 15% value addition for evaluating entitlement is to be applied on the entire FOB and CIF of the authorization and not just on the unutilized CIF.

Case No. 28: M/s Wockhardt Ltd., Mumbai.
File No. 01/60/162//AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: EOP extension of Advance Authorization No. 0310417135 dt. 24.01.2007.

The Committee noted that the export obligation fulfilled in respect of aforesaid Advance authorization was 98.05% Qty.-wise within the valid EO period and has imported the full quantity of input. The Committee decided that no EOP extension to be given in this case. The case be regularized as per the provisions of the FTP on the basis of imports made and its done accounting.

Case No. 29: M/s Maxop Engineering Co. Pvt. Ltd., Gurgaon.
File No. 01/60/162/818/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization No. 0510203422 dt. 08.05.2007.

The Committee considered the case and noted that the applicant has stated that they could not import the inputs in time due to some unavoidable circumstances without elucidating any genuine hardship. In view of this, the Committee rejected the case.

Case No. 30: M/s Meenakshi (India) Ltd., Chennai.
File No. 01/60/162/1816/AM11/EFGC(PRC)

PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: EOP extension of Advance Authorization No. 0410089119 dt. 25.04.2007.

The Committee noted the request of the firm and decided to reject it as no cogent and justified reasons establishing genuine hardship have been given by the firm.

Case No. 31: M/s Ketan Plastic Industries Pvt. Ltd., Mumbai.
File No. 01/60/162/1813/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization No. 0310463346 dt. 29.02.2008.

The Committee considered the case and noted that the applicant has asked for the revalidation for import of balance raw material. The Committee did not find any merits in the case and rejected the request.

Case No. 32: M/s Shree Shivaji Global Exports, Amritsar.
File No. 01/53/8/140/AM09/S-41/Import Cell
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Request for grant of 1st revalidation of Import Licence No. 1250000026 dt. 19.11.2008 for a period of twelve months.

The Committee considered the request and the decided to grant revalidation of import licence No. 1250000026 dt. 19.11.2008 for a period of 12 months upto 17.11.2011 in terms of para 2.13 of HBP V.1.

Case No. 33: M/s SA Rawther Spices (P) Ltd., Bangalore.
File No. 01/91/180/1355/AM11/PC-3
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Duty Credit Scrip issued under VKGUY Para 3.8.6 and request for freely transferable clause, dispensation of Actual User Condition.
The Committee considered the case as per agenda and decided to revalidate subject VKGUY scrip of the applicant for six months from the date of endorsement on the scrip with a deduction of 5% of balance unutilized value of the duty credit scrip issued under Para 3.8.6 of the then Policy. The Committee further decided that the AU Condition would continue to be imposed on this scrip. However, the applicant to approach RA immediately within the next 15 days of communication of PRC decision and RA shall endorse the revalidation of the Scrip within a maximum of 7 days thereafter.

Case No. 34: M/s NHB Ball & Roller Ltd., Mumbai.
File No. 01/60/162/870/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Clubbing of 4 Advance Authorization Nos.
i. 0310264208 dt. 19.04.2004
ii. 0310307480 dt. 16.12.2004
iii. 0310315279 dt. 04.02.2005
iv. 0310333702 dt. 08.06.2005

The Committee noted the request of the firm in respect of aforesaid Advance authorizations and also decided to revalidate the advance authorization no. 0310264208 dt. 19.04.2004 for the purpose of clubbing and regularization with 0310307480 dt. 16.12.2004, 0310315279 dt. 04.02.2005, and 0310333702 dt. 08.06.2005. Other terms and conditions will remain the same as per earlier decision taken in PRC meeting No. 03/11 dt. 29.7.2010 (Case No. 44)

Case No. 35: M/s Kora Amruta Exports Gurgaon.
File No. 01/94/180/741/AM10/PC-4/PRC
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization No. 0310410033 dt. 28.11.2006.

The Committee considered the case and noted that the applicant has stated that they could not import the inputs in time owing to price fluctuation in the international markets. Since price fluctuation in the international markets is essentially a commercial risk, it cannot be treated as genuine hardship warranting for policy relaxation. In view of this, the Committee rejected the case.

Case No. 36: M/s Medreich Ltd., Bangalore.
File No. 01/60/162/1185/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation of Advance Authorization No. 0710051477 dt. 01.05.2007 for the purpose of clubbing with advance authorization no. 0710051861 dt. 4.6.2007 and 0710053233 dt. 7.9.2007.

<u>The Committee considered the request of the firm and approved revalidation of adv. Lic. No. 0710051477 dt. 01.05.2007 for the purpose of clubbing and regularization with advance authorization no. 0710051861 dt. 4.6.2007 and 0710053233 dt. 7.9.2007 subject to payment of composition fee @1% for revalidation. 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.</u>

Case No. 37: M/s Laser Cables Pvt. Ltd., Kolkata.
File No. 01/60/162/1712/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation & clubbing of Advance Authorization No. 0210116705 dt. 29.08.2008 with Advance Authorization No. 0210111486 dt. 17.04.2008 for the purpose of redemption.

The Committee considered the request of the firm and decided to club advance authorization Nos. 0210116705 dt. 29.08.2008 with 0210111486 dt. 17.04.2008 for the purpose of regularization. RA may revalidate the required 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 a 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.

Though the request has been considered by PRC yet RA could have decided the issue at its own as the request was filed within the validity of authorizations.

Case No. 38: M/s Amity Thermosets (P) Ltd., Mumbai.
File No. 01/60/162/1793/AM11/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Revalidation (Second) for Advance Authorization No. 0310468025 dt. 10.04.2008.

The Committee considered the case and noted that the applicant has stated that they could not import the inputs in time owing to price fluctuation in the international markets. Since price fluctuation in the international markets is essentially a commercial risk, it cannot be treated as genuine hardship warranting for policy relaxation. In view of this, the Committee rejected the case.

Case No. 39: M/s Brakes India Ltd., Chennai.
File No. 01/60/162/253/AM10/EFGC(PRC)
PRC Meeting No. 15/AM11 dated: 24.01.2011
Subject: Transfer of unutilized imported duty free material to 100% EOU and redemption of Advance Authorization No. 0410075475 dt. 14.10.2005.

The Committee considered the case as per agenda and after detailed deliberations decided to permit the applicant firm to transference of unutilized imported raw material against the advance authorization scheme 0410075475 dt. 14.10.2005 to the 100% EOU (M/s Brakes India Ltd., Chennai) in this case. It would however need to be ensured that duty free raw material was fully accounted for and conditions on value additions of advance authorization and EOU were met in totality. The R.A may to take necessary action subject to compliance of other usual conditions.

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