Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of DGFT, Shri Anup Wadhawan, IAS on 08.12.2015

Meeting No. 16/AM16 held on 08.12.2015 at 11.00 Noon.

List of officers present in the meeting is given below:

1.	Shri D.K.Singh	Addl. DGFT
2.	Shri K.C. Rout	Addl. DGFT
3.	Shri Jaikant Singh	Addl. DGFT
4.	Shri Darshan Singh	Addl. 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.	Dr. S.K. Bansal	Jt. DGFT
10.	Shri Anil Aggarwal	Jt.DGFT
11.	Shri S.K. Mohapatra	Dy. DGFT

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

Case No.1: M/s. DSM Sinochem Pharmaceuticals India Pvt. Ltd. Gurgaon
Person Hearing Case: In terms of Para 2.59 of FTP
F.No. 01/60/162/648/AM14/ EFGC(PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject: - Request for Clubbing of 2 Advance Authorization no. 2210009104 dt. 15.07.2009 & 2210012497 dt. 02.02.2012 EOP extension upto 12 months for regularization purpose.

Decision:

Mr. Shive Kumar Jagotia, Head Demand and Supply and Shree Rajeev Kumar Manager Exim & Excise of the company appeared before the committee and made the following submissions:

1. The request was made for clubbing of two Advance Authorisations.
2. One of the inputs was 6-APA that is intermediate product and not drug. The imports were made from registered sources. Therefore, export obligation period should be normal 36 months instead of 12 months from the date of import.
3. They have submitted a certificate dated 18.11.2003 issued by Director General of Health Services (Drug Control Section) from which it is evident that 6-APA is not drug thus site registration and import licence is not required for import of 6-APA.
4. Hon'ble Minster of Commerce and Industry in his speech made on 27.08.2009 announced that export obligation period for 6-APA will be 36 months from the date of issue of licence instead of 6 months from the date of import.
5. Vide P.N. 2 dated 27.08.2009, appendix 30A was amended deleting 6-APA from it.
6. They therefore requested to consider these two Authorisations as normal obligation Authorisation and allow clubbing of the same.

The committee discussed the issue at length. It was observed that as per general note No 15 of Chemical & Allied product, in HBP Vol-II, export obligation period against import of 6-APA will be 6 months from the date of clearance of first import consignment. Further, vide

P.N. No 135 dated 15.01.2009, EO period for Advance Authorisations issued with input(s) as mentioned in Appendix 30A shall be as per the period stipulated against each entry therein i.e. 12 months from date of clearance of first consignment of drug. Facility of extension of EOP shall not be allowed in case of Advance Authorisation where import of Penicillin and its salt (ITC HS Code No 294111010 and 6-APA (ITC HS Code No 29411050) have been allowed as an input. However, vide P.N. 2 dated 27.08.2009, 6-APA was deleted from Appendix 30A. However, as no revised SION Book i.e. HPB Vol. II was published on 27.08.2009, inadvertently, condition of general note No 15 was left untouched. However, the committee was of the view that specific provisions notified vide P.N. No 2 dated 27.08.2009 will prevail over general provision of HBP, Vol. II. Therefore, Authorisation issued on or after 27.08.2009 allowing 6-APA as input will carry normal export obligation period of 18 months from the date of issue of Authorisation, as per Para 4.22 of HBP, 2009-2014. However, Authorisation issued before 27.08.2009 shall be governed by the provisions of P.N. 135 dated 15.01.2009 and general note No 15 of Chemical & Allied product in HBP, Vol.II. Accordingly, export obligation period in such cases will be 6 months from the date of import of first consignment. The committee therefore decided the following:

1. Clubbing of Authorisation issued on 15.07.2009 and 02.02.2012 cannot be allowed, as both Authorisations carry different export obligation period.
2. RA shall delete the PC-9 condition imposed on Authorisation issued on or after 27.08.2009 allowing 6-APA as input.
3. The applicant, however, may avail the relaxation allowed by the committee in its meeting No 04/AM 16 dated 09.06.2015.

(Action: RA, Chandigarh)

Case No. 2: M/s. DSM Sinochem Pharmaceuticals India Pvt. Ltd. Gurgaon

F.No. 01/60/162/643/AM14 EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: - Request for Clubbing of 4 Advance Authorizations no. 2210010173 dt. 09.07.2010, 2210010163 dt. 09.07.2010, 2210010927 dt. 31.01.2011 & 2210013761 dt. 28.03.2013 EOP extension upto 12 months for regularization purpose.

Decision:

Mr. Shive Kumar Jagotia, Head Demand and Supply and Shree Rajeev Kumar Manager Exim & Excise of the company appeared before the committee and made the following submissions:

1. The request was made for clubbing of four Advance Authorisations.
2. One of the inputs was 6-APA that is intermediate product and not drug. The imports were made from registered sources. Therefore, export obligation period should be normal 36 months instead of 12 months from the date of import.
3. They have submitted a certificate dated 18.11.2003 issued by Director General of Health Services (Drug Control Section) from which it is evident that 6-APA is not drug thus site registration and import licence is not required for import of 6-APA.
4. Hon'ble Minster of Commerce and Industry in his speech made on 27.08.2009 announced that export obligation period for 6-APA will be 36 months from the date of issue of licence instead of 6 months from the date of import.
5. Vide P.N. 2 dated 27.08.2009, appendix 30A was amended deleting 6-APA from it.

6. They therefore requested to consider these four Authorisations as normal obligation Authorisation and allow clubbing of the same.

The committee discussed the issue at length. It was observed that as per general note No 15 of Chemical & Allied product, in HBP Vol-II, export obligation period against import of 6-APA will be 6 months from the date of clearance of first import consignment. Further, vide P.N. No 135 dated 15.01.2009, EO period for Advance Authorisations issued with input(s) as mentioned in Appendix 30A shall be as per the period stipulated against each entry therein i.e. 12 months from date of clearance of first consignment of drug. Facility of extension of EOP shall not be allowed in case of Advance Authorisation where import of Penicillin and its salt (ITC HS Code No 294111010 and 6-APA (ITC HS Code No 29411050) have been allowed as an input. However, vide P.N. 2 dated 27.08.2009, 6-APA was deleted from Appendix 30A. However, as no revised SION Book i.e. HPB Vol. II was published on 27.08.2009, inadvertently, condition of general note No 15 was left untouched. However, the committee was of the view that specific provisions notified vide P.N. No 2 dated 27.08.2009 will prevail over general provision of HBP, Vol. II. Therefore, Authorisation issued on or after 27.08.2009 allowing 6-APA as input will carry normal export obligation period of 18 months from the date of issue of Authorisation, as per Para 4.22 of HBP, 2009-2014. However, Authorisation issued before 27.08.2009 shall be governed by the provisions of P.N. 135 dated 15.01.2009 and general note No 15 of Chemical & Allied product in HBP, Vol.II. Accordingly, export obligation period in such cases will be 6 months from the date of import of first consignment. The committee therefore decided the following:

1. RA shall delete the PC-9 condition imposed on Authorisation issued on or after 27.08.2009 allowing 6-APA as input.
2. The applicant, however, if wish, may avail facility of clubbing of Authorisations in terms of Para 4.38 of HBP, 2015-2020 as amended vide P.N. 16 dated 04.06.2015 read with P.N. 20 dated 09.06.2015.

Case No. 3: M/s. DSM Sinochem Pharmaceuticals India Pvt. Ltd. Gurgaon

F.No. 01/60/162/748/AM14/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: - Request for Clubbing of 5 Advance Authorizations no. 2210009103 dt. 15.07.2009, 2210010247 dt. 05.08.2010, 2210011303 dt. 10.05.2011, 2210012097 dt. 02.11.2011 & 2210012495 dt. 02.02.2012 issued under PC-9.

Decision:

Mr. Shive Kumar Jagotia, Head Demand and Supply and Shree Rajeev Kumar Manager Exim & Excise of the company appeared before the committee and made the following submissions:

1. The request was made for clubbing of five Advance Authorisations.
2. One of the inputs was 6-APA that is intermediate product and not drug. The imports were made from registered sources. Therefore, export obligation period should be normal 36 months instead of 12 months from the date of import.
3. They have submitted a certificate dated 18.11.2003 issued by Director General of Health Services (Drug Control Section) from which it is evident that 6-APA is not drug thus site registration and import licence is not required for import of 6-APA.

4. Hon'ble Minster of Commerce and Industry in his speech made on 27.08.2009 announced that export obligation period for 6-APA will be 36 months from the date of issue of licence instead of 6 months from the date of import.
5. Vide P.N. 2 dated 27.08.2009, appendix 30A was amended deleting 6-APA from it.
6. They therefore requested to consider two Authorisations as normal obligation Authorisation and allow clubbing of the same.

The committee discussed the issue at length. It was observed that as per general note No 15 of Chemical & Allied product, in HBP Vol-II, export obligation period against import of 6-APA will be 6 months from the date of clearance of first import consignment. Further, vide P.N. No 135 dated 15.01.2009, EO period for Advance Authorisations issued with input(s) as mentioned in Appendix 30A shall be as per the period stipulated against each entry therein i.e. 12 months from date of clearance of first consignment of drug. Facility of extension of EOP shall not be allowed in case of Advance Authorisation where import of Penicillin and its salt (ITC HS Code No 294111010 and 6-APA (ITC HS Code No 29411050) have been allowed as an input. However, vide P.N. 2 dated 27.08.2009, 6-APA was deleted from Appendix 30A. However, as no revised SION Book i.e. HPB Vol. II was published on 27.08.2009, inadvertently, condition of general note No 15 was left untouched. However, the committee was of the view that specific provisions notified vide P.N. No 2 dated 27.08.2009 will prevail over general provision of HBP, Vol. II. Therefore, Authorisation issued on or after 27.08.2009 allowing 6-APA as input will carry normal export obligation period of 18 months from the date of issue of Authorisation, as per Para 4.22 of HBP, 2009-2014. However, Authorisation issued before 27.08.2009 shall be governed by the provisions of P.N. 135 dated 15.01.2009 and general note No 15 of Chemical & Allied product in HBP, Vol.II. Accordingly, export obligation period in such cases will be 6 months from the date of import of first consignment. The committee therefore decided the following:

1. Authorisation issued on 15.07.2009 cannot be clubbed with Authorisations issued on or after 27.08.2009, as Authorisation issued after 27.08.2009 carries different export obligation period.
2. RA shall delete the PC-9 condition imposed on Authorisation issued on or after 27.08.2009 allowing 6-APA as input.
3. The applicant, however, if wish, may avail the facility of clubbing of Authorisations in terms of Para 4.38 of HBP, 2015-2020 as amended vide P.N. 16 dated 04.06.2015 read with P.N. 20 dated 09.06.2015.

Case No. 4: M/s. DSM Sinochem Pharmaceuticals India Pvt. Ltd. Gurgaon
F.No. 01/60/162/892/AM13/ EFGC(PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject: - Request for Clubbing of 2 Advance Authorizations no. 2210005750 dt. 10.07.2006 & 2210005756 dt. 11.07.2006 and EOP extension upto 12 months for regularization purpose.

Decision:

Mr. Shive Kumar Jagotia, head demand and supply and Shree Rajeev Kumar manager Exim & Excise of the company appeared before the committee and made the following submissions:

1. The request was made for clubbing of two Advance Authorisations.
2. One of the inputs was Penicillin G Potassium and the same was imported from registered sources. Therefore, export obligation should be normal 36 months instead of 6 months from the date of import.
3. They therefore requested to consider normal 36 months exports obligation against these two Authorisations and allow clubbing of the same.

The case was discussed at length. The committee was of the view that export obligation against import of Penicillin G was 6 months from the date of import irrespective of the fact whether import was made from registered sources or not. The committee therefore did not accede to the request and reiterated its decision taken in the meeting No 39/AM held on 12.02.2013.

Case No. 5 : M/s. Lyka BDR International Ltd., Mumbai.
F.No. 01/60/162/283/AM16/ EFGC(PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject: - Request for waiver of destruction certificate as per PC-18 in Advance Authorization No.0310586050 dt. 05.08.2010 issued under PC-9 condition.

Decision:

The Committee noted that the applicant had imported 2200kgs raw materials from unregistered sources. They have consumed only 2061.61kgs and exported. However, they were unable to account for 138.59kgs, as the same were used in the control samples but no proof. The committee was of the view that unaccounted quantity calculated to 6% as against 2% of wastage allowed seems to be too high. The applicant was not in position to submit proof of destruction of unutilised raw materials, as required in terms of PC-18 dated 30.10.2007. The Committee, therefore, decided the following:

1. The applicant shall submit to RA proof of payment of Duty + Interest on unaccounted imported goods as per SION.
2. Composition fee of Rs. One Lakh shall be paid to RA.
3. PC-18 condition stands waived on unaccounted goods.

(Action: RA Mumbai)

Case No. 6 : M/s. Lyka BDR International Ltd., Mumbai.
F.No. 01/60/162/190/AM16/ EFGC(PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject: -Request for rectification of date of first import against Advance Authorization No.0310739893 dt. 02.07.2013, as mentioned in the minutes of PRC Meeting No.10/AM16 dt. 13.10.2015.

Decision:

The Committee noted the submission of the applicant and decided to rectify the date of first import as 09.08.2013 instead of 09.08.2014 as mentioned earlier in the decision of PRC in its Meeting No. 10/AM16 dated 13.10.2015. The Committee's decision dated 13.10.2015 shall now to be read as under:

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The Committee observed that the Advance Authorization No. 0310739893 dated 02.07.2013 was issued under PC-9 condition i.e. with pre – import conditions. As per the submissions of the applicant, the date of import of first consignment was 09/08/2013 whereas the date of last export was 01/11/2013. The initial export obligation period was upto 31/08/2014. The firm has fulfilled more than 50% export obligation within initial export obligation period. Taking all these facts into account, the Committee decided the following:

I. Export obligation period be extended by 6 months from 12 to 18 months from the date of import of first consignment i.e. upto 28.02.2015.
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 after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
V. The applicant has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of first consignment.

(Action: RA, Mumbai)

Case No. 7 : M/s. Medreich Ltd., Bangalore.
F.No. 01/60/162/117/AM16/ EFGC(PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject:- Request for EOP extension/ regularization of Advance Authorization No.0710098348 dt. 18.09.2013 issued under PC-9 condition.

Decision:

The Committee noted that the Authorization No. 0710098348 dt. 18.09.2013 was issued with PC-9 dated 30.06.2003 condition which allows 12 months period for exports from import of each consignment. The date of first import was 25.12.2013 and accordingly the initial export obligation period was upto 31.12.2014. However, the firm has fulfilled less than 50% export obligation during the initial export obligation period. Taking all these facts into account, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 30.06.2015 from the date of first import consignment.
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 after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
V. The applicant has to pay duty plus interest on inputs consumed and exported after 18 months from date of import consignment.

(Action: RA, Bangalore)

Case No. 8 : M/s. Sapphire Lifesciences P. Ltd., Mumbai.
F.No. 01/60/162/76/AM16/ EFGC(PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: - Request for (i) Grant of 6 months extension in the E.O. period from the date of expiry of the initial E.O. period and further extension in the E.O. period for 2 months (i.e. 6+6+2) against the Advance Authorization No.0310230116 dt. 13.10.2003 and (ii) Waiver to the condition of submit documentary evidence as per PC-18 for regularization purpose.

Decision:

The Committee noted that the applicant has fulfilled only 19.75% exports within its initial obligation period and 8.65%% outside the stipulated obligation period. The applicant has paid Customs duty+ interest on 716.04kgs excess materials imported from unregistered sources. Hence, the Committee decided the following:

I. Export obligation period be extended by six months in continuation i.e. upto 31.12.2004. It is for regularisation of exports made after expiry of initial obligation period.
II. This is subject to a payment of composition fee @ 0.5% per month on unfulfilled FOB value of export made outside the stipulated EOP.
III. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
iv. The applicant shall pay Customs duty plus interest on unutilised materials, if any.
V. PC 18 dated 30.10.2007 stands waived on exports made against DEPB S/B No 3000033531 dated 15.12.2003 provided the material exported against it are same as per the Advance Authorisation conditions.

(Action: RA, Mumbai / applicant)

Case No. 9: M/s. Lupin Ltd., Mumbai.

F.No. 01/60/162/555/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: -Request for EOP extension of Advance Authorization No.0310755085 dt. 23.10.2013 issued under PC-9 condition.

Decision:

The Committee noted that the Authorisation was issued with pre-import conditions under PC-9 dated 30.06.2003 read with Appendix 30A, which allows 12 months period for exports from import of each consignment. The applicant has imported goods through 5 consignments i.e. on 30.11.2013, 08.11.2013, 13.12.2013, 15.04.2014 and 03.05.2014 accordingly export obligation was upto 30.11.2014, 30.11.2014, 31.12.2014, 30.04.2015 and 31.05.2015 respectively. He has completed less than 50% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 31.05.2015, 31.05.2015, 30.06.2015, 31.10.2015 & 30.11.2015 respectively from the date of import of each consignment
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period against each consignment.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
V. The applicant has to pay duty plus interest on unutilised inputs and shall follow the provisions of PC-18 dated 30.10.2007.

(Action: RA, Mumbai)

Case No. 10: M/s. Lupin Ltd., Mumbai.

F.No. 01/60/162/557/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: -Request for EOP extension of Advance Authorization No.0310755676 dt. 28.10.2013 issued under PC-9 condition.

Decision:

The Committee noted that the Authorisation was issued with pre-import conditions under PC-9 dated 30.06.2003 read with Appendix 30A, which allows 12 months period for exports from import of each consignment. The applicant has imported goods through 3 consignments i.e. on 13.12.2013, 18.03.2014 and 28.05.2014. Accordingly, initial obligation period was 31.02.2014, 31.03.2015 and 31.05.2015 respectively. He has completed more than 50% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 30.06.2015, 30.09.2015 & 30.11.2015 respectively from the date of import of each consignment
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
V. The applicant has to pay duty plus interest on unutilised inputs and shall follow the provisions of PC-18 dated 30.10.2007.

(Action: RA, Mumbai)

Case No. 11: M/s. Lupin Ltd., Mumbai.

F.No. 01/60/162/556/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: -Request for EOP extension of Advance Authorization No.0310706390 dt. 24.08.2012 issued under PC-9 condition.

Decision:

The Committee noted that the Authorisation was issued with pre-import conditions under PC-9 dated 30.06.2003 read with Appendix 30A, which allows 12 months period for exports from import of each consignment. The applicant has imported through two consignments i.e. on 05.03.2013 and 21.09.2013 accordingly obligation period was upto 31.03.2014 and 30.09.2014 respectively. The applicant has completed less than 50% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 30.09.2014 & 31.03.2015 respectively from the date of import of each consignment
II. This is only for accounting and regularization of exports already effected.

III. This is subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
V. The applicant has to pay duty plus interest on unutilised inputs and shall follow the provisions of PC-18 dated 30.10.2007.

(Action: RA, Mumbai)

Case No. 12: M/s. Lupin Ltd., Mumbai.

F.No. 01/60/162/560/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: -Request for EOP extension of Advance Authorization No.0310680961 dt. 08.02.2012 issued under PC-9 condition.

Decision:

The Committee noted that the Authorisation was issued with pre-import conditions under PC-9 dated 30.06.2003 read with Appendix 30A, which allows 12 months period for exports from import of each consignment. Imports were made on 18.02.2012 accordingly, initial obligation period was upto 28.02.2013. The applicant has completed less than 50% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 31.08.2015 from the date of import of consignment
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
V. The applicant has to pay duty plus interest on unutilised inputs and shall follow the provisions of PC-18 dated 30.10.2007.

(Action: RA, Mumbai)

Case No. 13: M/s.Sanofi India Ltd., Mumbai.

F.No. 01/60/162/293/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: -Request for EOP extension of Advance Authorization No.0310641560 dt. 11.07.2011 issued under PC-9 condition.

Decision:

The Committee noted that the Authorisation was issued with pre-import conditions under PC-9 dated 30.06.2003 read with Appendix 30A, which allows 12 months period for exports from import of each consignment. Imports were made on 16.08.2011 accordingly, initial obligation period was upto 31.08.2012. The applicant has completed more than 50% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 28.02.2013.

II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
V. The applicant has to pay duty plus interest on unutilised inputs and shall follow the provisions of PC-18 dated 30.10.2007.

(Action: RA, Mumbai)

Case No. 14: M/s. Fresenius Kabi Oncology Ltd New Delhi

F.No. 01/60/162/420/AM15/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

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 imported on 16.08.2011 accordingly initial obligation period was upto 31.08.2012. PRC has extended export obligation period upto 28.02.2013. The applicant has fulfilled 100% export obligation but some exports are made after extended obligation period. The committee, therefore, decided the following:

I. No further extension in EOP be allowed.
II. The applicant has to pay duty plus interest on inputs consumed and exported after 18 months from the date of import consignment.
III. PC-18 condition stands waived to the extent of requirement of destruction certificate/re-export against the Authorisation mentioned as above.

(Action: RA, CLA Delhi)

Case No. 15: M/s. Fresenius Kabi Oncology Ltd., New Delhi

F.No. 01/60/162/563/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: - Request for EOP extension of Advance Authorization No. 0510373574 dt. 16.12.2013 issued under PC-9 condition.

Decision:

The Committee noted that the Authorisation was issued with pre-import conditions under PC-9 dated 30.06.2003 read with Appendix 30A, which allows 12 months period for exports from import of each consignment. Imports were made on 07.02.2014 accordingly, initial export obligation period was upto 28.02.2015. The applicant has completed more than 50% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto 31.08.2015 from the date of import of first consignment
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

V. The applicant has to pay duty plus interest on unutilised inputs and shall follow the provisions of PC-18 dated 30.10.2007.

(Action: RA, CLA Delhi)

Case No. 16: M/s. Cartoon Sanitation Pvt. Ltd. Mathura (U.P)

F.No. 01/60/162/01/AM14/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: - Request for appeal against decision taken by PRC in Meeting No. 7/AM14 dated 28.05.2013 regarding extension of EOP of 3 Advance Authorization No. (1). 0610013314 dt. 30.04.2008, (2) 0610015395 dt. 17.04.2009 and (3). 0610016529 dt. 04.11.2009.

Decision:

The Committee observed that initially the applicant had submitted request for extension of export obligation period against Advance Authorisation No 0610013314 dt. 30.04.2008. The committee in its meeting No 20/AM12 held on 29.08.2011 has allowed 6 months extension for fulfillment of export obligation. The applicant could not complete its stipulated export obligation despite extension granted by the Committee. Again, the applicant had submitted request for extension of export obligation against above referred three Authorisations. The committee, in its meeting No 07/AM14 held on 28.05.2013 had discussed the case and decided to reject the request. There is no merit to review the case. The Committee, therefore did not accede to the request of the applicant.

The applicant is hereby directed to get their cases regularised in terms of Para 4.28 of HBP, 2009-2014.

(Action: RA, Kanpur, if the applicant fails to get the cases regularised within a month from the date of publication of these minutes on this Directorate website, action as per the provisions of FT(D&R)Act, 1992 as amended, shall be initiated and action taken report shall be supplied to this Directorate forthwith.)

Case No. 17: M/s. Meyer Vitabiotics, Thane

F.No. 01/60/01/524/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: - 1. Waiver of destruction certificate under condition of PC-18 dated 30.10.2007

2. To consider the exports under Advance License for the exports made in S. Bill No. 9318694 dt. 03.01.2014 under Drawback Scheme.
3. Acceptance of one drawback shipping Bill No. 9318694 dt. 03.01.2014 under Advance license no. 0310754476 dated 21.10.2013 for fulfilment of E.O. for export of harmless medicines containing item of Import i.e. Vitamin E.
4. Export made under DBK within EO period from date of 1st import.

Decision:

The Committee noted that as per duty exemption scheme, exporter must declare on the Shipping Bill the details of consumption of exempted materials used in the resultant

product while making shipment. Under DBK scheme, there is no such requirement is insisted upon. The committee, therefore, decided the following:

1. Exports made against DBK shipping Bills cannot be taken into account towards discharge of export obligation.
2. The applicant has to pay duty plus interest on unutilised imported materials in proportion to shortfall in fulfillment of EO.
3. PC-18 stands waived on goods exported against DBK shipping Bills No 9318694 dated 03.01.2014 provided, the resultant product exported is same as per the Advance Authorisation.

(Action: RA, Mumbai)

Case No. 18: M/s. Sandoz a Navarits Company, Mumbai

F.No. 01/60/162/515/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: - Request for EOP extension (beyond 36 months) against Advance Authorization No. 0310679524 dated 31.01.2012

Decision:

The Committee noted that the Authorisation No 0310679524 dated 31.01.2012 was issued having initial obligation period of 36 months. The applicant has exported only 31.38% within initial obligation period. No case of genuine hardship has been established by the applicant. The Committee therefore did not exceed to the request.

The applicant is hereby directed to get their cases regularised in terms of Para 4.28 of HBP, 2009-2014.

(Action: RA, Mumbai, if the applicant fails to get the cases regularised within a month from the date of publication of these minutes on this Directorate website, action as per the provisions of FT(D&R)Act, 1992 as amended, shall be initiated and action taken report shall be supplied to this Directorate forthwith.)

Case No. 19: M/s. Glenmark Pharmaceutical Ltd. Mumbai

F.No. 01/60/162/519/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: - Request to grant EOP extension from 12 months to 18 months. Advance Authorization no. 0310755749 dt. 28.10.2013.

Decision:

The Committee noted that the Authorisation was issued with pre-import conditions under PC-9 dated 30.06.2003 read with Appendix 30A, which allows 12 months period for exports from import of each consignment. Imports were made on 24.12.2013 accordingly, initial export obligation period was upto 31.12.2014. There were 5 resultant products for exports against the Authorisations. The applicant has fulfilled 100% export obligation against two products and 53.53% against one product. No exports made against two resultant product and overall exports obligation made in terms of value are less than 50%. Taking into consideration all these facts, the Committee decided the following:

i. Export obligation period be extended from 12 months to 18 months, i.e. upto 30.06.2015 from the date of import of first consignment.
ii. This is only for accounting and regularization of exports already effected.
iii. This is subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
iv. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
v. The applicant has to pay duty plus interest on unutilised inputs and shall follow the provisions of PC-18 dated 30.10.2007.

(Action: RA, Mumbai)

Case No. 20: M/s. Lloyds Steels Industries Engineering Division of Uttam Values Steels Ltd. Mumbai

F.No. 01/60/162/523/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: - Waiver of bill of exports requirement for redemption of Advance Authorization no. 0310695387 dated 18.05.2012

Decision:

The Committee observed that under Rule 30 of SEZ Rules, 2006, read with excise instruction No.6 dated 03.08.2006, export to SEZ unit must be made against Bill of exports if suppliers wish to avail exports incentives against such supplies. And, in terms of Para 4.12 of FTP the Authorisation holder shall declare the consumption of exempted materials used in the resultant products in the export documents while effecting exports. Therefore, the Bill of Export is an essential document for discharging the export obligation against Advance Authorisation. Further, valuation of such supplies are not been done by the Customs, hence, the Committee decided not to accede to the request. The applicant is directed to get the case regularised in terms of Para 4.28 of HBP, 2009-2014.

(Action: RA, Mumbai, if the applicant fails to get the cases regularised within a month from the date of publication of these minutes on this Directorate website, action as per the provisions of FT(D&R)Act, 1992 as amended, shall be initiated and action taken report shall be supplied to this Directorate forthwith.)

Case No. 21: M/s. Meyer Vitabiotics, Thane

F.No. 01/60/162/525/AM16/ EFGC(PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: Request for;

1. Waiver of destruction certificate under conditions of PC-18 dated 30.10.2007
2. To consider the exports under Advance License for the exports made in S. Bill No. 2994005 dt. 29.05.2014 under Drawback Scheme.
3. Acceptance of one drawback shipping Bill No. 2994005 dt. 29.05.2014 under Advance license no. 0310772516 dated 28.02.2014 for fulfillment of E.O. for Export of harmless medicines containing item of Import i.e. Vitamin E (As D- Alpha Tocopherylacid Succinate.)

Decision:

The Committee noted that as per duty exemption scheme, exporter must declare on the Shipping Bill the details of consumption of exempted materials used in the resultant

product while making shipment. Under DBK scheme, there is no such requirement is insisted upon. The committee, therefore, decided the following:

2. Exports made against DBK shipping Bills cannot be taken into account towards discharge of export obligation.
3. The applicant has to pay duty plus interest on unutilised imported materials in proportion to shortfall in fulfillment of EO.
4. PC-18 stands waived on goods exported against DBK shipping Bills No 2994005 dated 29.05.2014 provided, the resultant product exported is same as per the Advance Authorisation.

(Action: RA, Mumbai)

Case No. 22: M/s. Meyer Vitabiotics Thane
F.No. 01/60/162/86/AM16/ (PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject: request for;

1. Waiver of destruction certificate under conditions of PC-18 dated 30.10.2007
2. Acceptance of two drawback shipping Bills under Advance license no. 0310705197 dated 14.08.2012 for fulfillment of E.O. for Export of harmless medicines containing item of Import i.e. Vitamin E (As D- Alpha Tocopherylacid Succinate.)

Decision:

The Committee noted that as per duty exemption scheme, exporter must declare on the Shipping Bill the details of consumption of exempted materials used in the resultant product while making shipment. Under DBK scheme, there is no such requirement is insisted upon. The committee, therefore, decided the following:

5. Exports made against DBK shipping Bills cannot be taken into account towards discharge of export obligation.
6. The applicant has to pay duty plus interest on unutilised imported materials in proportion to shortfall in fulfillment of EO.
7. PC-18 stands waived on goods exported against DBK shipping Bills provided, the resultant product exported is same as per the Advance Authorisation.

(Action: RA, Mumbai)

Case No. 23: M/s. Radiall India Private Ltd., Bangalore
F.No. 01/60/162/518/AM16/ (PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject: Relaxation on export documents in lieu of bill of exports, ARE-1, Advance Authorization No. 0710087469 dated 03.04.2012

Decision:

The Committee observed that under Rule 30 of SEZ Rules, 2006, read with excise instruction No.6 dated 03.08.2006, export to SEZ unit must be made against Bill of exports if suppliers wish to avail exports incentives against such supplies. And, in terms of Para 4.12 of FTP the Authorisation holder shall declare the consumption of exempted materials used in the resultant products in the export documents while effecting exports. Therefore, the Bill of Export is an essential document for discharging the export obligation against Advance Authorisation. Further, valuation of such supplies are not been done by the Customs, hence, the Committee decided not to accede to the request. The applicant is directed to get the case regularised in terms of Para 4.28 of HBP, 2009-2014.

(Action: RA, Bangalore, if the applicant fails to get the cases regularised within a month from the date of publication of these minutes on this Directorate website, action as per the provisions of FT(D&R)Act, 1992 as amended, shall be initiated and action taken report shall be supplied to this Directorate forthwith.)

Case No. 24: M/s Hindustan Tin Works Ltd., Jasola, New Delhi

F.No. 01/60/162/504/AM16/ (PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject:- Request for exemption from submission of e-BRC against Advance Authorization no. 0510328429 dated 27.06.2012.

Decision:

The committee noted that the applicant has submitted 11 e-BRC out of 14 shipments. The applicant was not in position get remaining 3 e-BRC but submitted BRC on Appendix 22B. The committee, therefore, decided the following:

1. BRC submitted on Appendix 22-B shall be accepted for discharge of export obligation.
2. The applicant shall submit Indemnity bond cum affidavit affirming therein that the said three e-BRC have not been generated and shall not be generated in future and shall not submitted against any Authorisation.
3. A certificate from the concerned Bank shall be submitted that no e-BRC has been issued and shall not be issued in future.

(Action: RA, CLA)

Case No. 25: M/s. United Chloro-Paraffins Pvt. Ltd. Kolkata

F.No. 01/60/162/697/AM16/ (PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject: Application for revalidation of DFIA No. 021089192 dated 30.04.2013

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, despite that the applicant could not utilize the Authorization. There is no case of genuine hardship. Therefore, the Committee did not accede to the request.

Case No. 26: M/s. Shriram filaments & Ropes pvt. Ltd., Distt. Solapur, Mumbai

F.No. 01/60/162/506/AM16/ (PRC)

PRC Meeting No. 16/AM16 dated 08.12.2015

Subject:- Request for Grant of 2nd revalidation against Advance Authorization no. 0310748482 dt. 05.09.2013.

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, despite that the applicant could not utilize the Authorization. There is no case of genuine hardship. Therefore, the Committee did not accede to the request.

Case No. 27: M/s. Neo Seacless Tubes Ltd., Kolkata
F.No. 01/60/162/513/AM16/ (PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject:- Request for revalidation of DFIA no. 0210177295 dt. 08.05.2012.

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, despite that the applicant could not utilize the Authorization. There is no case of genuine hardship. Therefore, the Committee did not accede to the request.

Case No. 28: M/s. Uttam Galva Steel Ltd, Mumbai
F.No. 01/60/162/512/AM16/ (PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject: -Request for revalidation of no. Advance Authorisation 0310686011 dt. 13.03.2012.

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, despite that the applicant could not utilize the Authorization. There is no case of genuine hardship. Therefore, the Committee did not accede to the request.

Case No. 29: M/s. Meghachem Industries, Ahmedabad
F.No. 01/60/162/521/AM16/ (PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject:- Application for revalidation of Advance Authorization no. 0810088369 dt. 21.04.2010

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, despite that the applicant could not utilize the Authorization. There is no case of genuine hardship. Therefore, the Committee did not accede to the request.

Case No. 30: M/s. Mittal Polypacks Ltd., Jharkhand
F.No. 01/60/162/514/AM16/ (PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject:- Request for grant of 2nd revalidation / enhancement of Advance Authorization no. 0210146508 dt. 13.08.2010

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, despite that the applicant could not utilize the

Authorization. There is no case of genuine hardship. Therefore, the Committee did not accede to the request.

Case No. 31: M/s. SI Group-India Ltd., Mumbai
F.No. 01/60/162/596/AM16/ (PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject:- Request for revalidation of Advance Authorization no. 0310739278 dt. 27.06.2013

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, despite that the applicant could not utilize the Authorization. There is no case of genuine hardship. Therefore, the Committee did not accede to the request.

Case No. 32: M/s. Kankariya Textile Industries Pvt. Ltd. Ahmedabad
F.No. 01/60/162/590/AM16/ (PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject:- Request for revalidation of DFIA No. 0810126863 dt. 04.12.2013

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, despite that the applicant could not utilize the Authorization. There is no case of genuine hardship. Therefore, the Committee did not accede to the request.

Case No. 33: M/s. Jonson Rubber Industries Ltd., New Delhi
F.No. 01/60/162/585/AM16/ (PRC)
PRC Meeting No. 16/AM16 dated 08.12.2015
Subject:- Request for revalidation of Advance Authorization no. 0510323635 dt. 01.05.2012.

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, despite that the applicant could not utilize the Authorization. There is no case of genuine hardship. Therefore, the Committee did not accede to the request.

The meeting ended with a vote of thanks for the chair.

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