

MINUTES OF THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 17/AM12 HELD ON 02.08.2011 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 D.K Singh	Addl. DG
2. Shri V.K. Gupta	Addl. DG
3. Shri. V.K. Srivastava	Addl. DG
4. Shri N.P.S. Monga	Addl. DG
5. Dr. L.B.S. Singhal	Jt. DGFT
6. Dr. Rajiv Arora	Jt. DGFT
7. Shri A.K. Singh	Jt. DGFT
8. Shri R.S. Ratna	Jt. DGFT
9. Shri. Hardeep Singh	Jt. DGFT
10. Smt. Subhra	Jt. DGFT
11. Smt. Vibha Bhalla	Jt. DGFT
12. Shri A. Mishra	Stats Advisor
13. Shri A.K. Cashyap	Dy. DGFT
14. Smt. Sonika Khattar	FTDO

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

Case No.01 M/s JSW Steel, Mumbai
F.No. 01/60/162/269/AM12/EFGC(PRC)
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Request for revalidation advance licence No. 0310477108 dt. 2.7.08

The case was deferred.

Case No.02 M/s Veer-O-Metals Pvt. Ltd., Bangalore
F.No. 01/60/162/239/AM12/EFGC(PRC)
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Request for clubbing of three advance licence No. 0710055133 dt. 31.12.2007 (ii) 0710055134 dt. 31.12.07 (iii) 0710055135 dt. 31.12.2007

The Committee considered the request of the firm and decided to allow to club above 3 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.03 M/s Flexituff International Limited Dhar

F.No. 01/60/162/251/AM12/EFGC(PRC)

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for revalidation & change in CIF value of two advance licence No. 1110015291 dt. 25.4.2007 (ii) 1110016535 dt. 12.12.2007

The Committee rejected the request of the firm as genuine hardship have not been established from the facts of the case.

Case No.04 M/s Vanasthali Textile Industries Limited Alwar

F.No. 01/60/162/79/AM12/EFGC(PRC)

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for full waiver of export obligation against advance licence no. 0510212555 dt. 26.11.2007

The Committee noted that the firm has expressed inability to complete the remaining export obligation. The committee rejected the request for waiver of the EO shortfall and directed RA to settle the case as per existing provisions of the FTP.

Case No.05 M/s Dalas Biotech Limited Alwar

F.No. 01/60/162/252/AM12/EFGC(PRC)

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for EOP extension of advance licence no. 0510211131 dt. 25.10.2007.

The Committee decided to grant extension for 3 months beyond the permitted 36 months for the purpose of regularization and closure. RA should verify the EO claimed to be fulfilled by the firm within the valid EOP. The relaxation is subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to export obligation beyond export obligation period of 36 months. RA is also directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No.06 M/s Jabs International Pvt. Limited Mumbai

F.No. 01/60/162/308/AM11/EFGC(PRC)

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Regarding import of raw plus(gram) Ethiopia for re-export of processed pilse (roasted) and split pulse (Dalia)-Rejection by EFC.

The Committee noted that the firm is seeking to export pulses which is prohibited for export, in spite of the fact that the proposal is for re-export of imported pulses. The committee rejected the request.

Case No.07 M/s Pokarna Limited Secunderabad

F.No. 01/94/180/267/AM08/PC-4/PRC

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for revalidation of DFIA advance licence No 0910035393 dt. 24.9.2008.

The Committee rejected the request for revalidation of DFIA scrip as the reasons cited are usual commercial risk and do not establish genuine hardship warranting relaxation.

Case No.08 M/s Muskan Industries Vasai

F.No. 01/60/162/223/AM12/EFGC(PRC)

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for revalidation of advance licence no. 0310451057 dt. 21.11.2007.

The committee noted that the firm has stated that EP copies of shipping bills had been lost and that its certification from Custom took some time. The committee decided that, to the extent the Customs Authority delayed the matter, the firm may be given revalidation by RA after satisfying itself on the extent of delay done by Customs on the basis of Custom's certification. The revalidation would be subject to payment of composition fee @ 1% of the unutilized cif value of the authorization and also subject to verification by RA of EO fulfillment status, as claimed by the firm. 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 at the time of revalidation.

Case No.09 M/s Gland Pharma Limited Hyderabad

F.No. 01/94/180/533/AM08/PC-4/EFGC(PRC)

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for revalidation & EOP against advance licence No. 0910020164 dt. 17.9.2004

The Committee considered the request and decided to grant revalidation and EOP extension against the aforesaid advance authorization for 4 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. No composition fee be levied as it was a case delayed in DGFT.

Case No.10 M/s Seema Exports, Kanpur
F.No. 01/60/162/1906/AM11/EFGC(PRC)
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Request for revalidation of DFIA No. 0610011904 dt. 10.4.2007

The Committee noted that the shipping bills were not initially considered by Customs as there was a dispute on the test certificate regarding finished leather. However, Customs under its appeal procedure decided in favour of the firm. The committee therefore decided to grant revalidation to the aforesaid authorization for a period of six months from the date of communication of the decision of PRC, subject to payment of composition fee @ 1% of the unutilized cif value of the authorization and also subject to verification by RA of EO fulfillment status, as claimed by the firm. 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 at the time of revalidation.

Case No.11 M/s Britacel Silicones Limited Mumbai
F.No. 01/94/180/31/AM09/PC-4/EFGC(PRC)
PRC Meeting No. 17/AM12 dated: 02.08.2011
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 noted that the case has been pending for quite some time and that the earlier PRC committee had also rejected the matter on account of delay in applying . It was further noted that earlier also firm's case was rejected by RA as they did not pay the composition fee. The

committee took lenient view in the matter and decided to club the above authorizations in light of the Para 4.20.5 of HBP. The clubbing is 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. The committee also decided that the firm's request to waive off composition fee will not be entertained any further and the matter need not be placed before PRC again on this account.

Case No.12 M/s Allied Holding Pvt Limited N. Delhi
F.No. 01/60/162/305/AM12/EFGC(PRC
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Revalidation of DEPB licence No. 0510235141 dt. 28.1.2009.

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

Case No.13 M/s Syncom Formulations India Limited Mumbai
F.No. 01/60/162/281/AM12/EFGC(PRC
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Request for clubbing of two advance licence No. 1110014301 dt. 9.1.2006 & (ii) 1110015173 dt. 30.3.2007 for the purpose of regularization.

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.14 M/s Pokarana Limited Secunderabad
F.No. 01/60/162/253/AM10/EFGC(PRC
PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for revalidation of DFIA No. 0910034420 dt. 25.6.2008.

The Committee rejected the request for revalidation of DFIA scrip as the reasons cited are usual commercial risk and do not establish genuine hardship warranting relaxation.

Case No.15 M/s Pokarana Limited Secunderabad
F.No. 01/60/162/230/AM12/EFGC(PRC
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Revalidation of DFIA No. 0910034994 dt. 11.8.2008

The Committee rejected the request for revalidation of DFIA scrip as the reasons cited are usual commercial risk and do not establish genuine hardship warranting relaxation.

Case No.16 M/s Flexituff International Limited Dhar
F.No. 01/60/162/271/AM12/EFGC(PRC
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Request for revalidation of advance licence No. 1110016536 dt. 12.12.2007

The Committee rejected the request for revalidation of DFIA scrip as the reasons cited are usual commercial risk and do not establish genuine hardship warranting relaxation.

Case No.17 M/s Enzal Chemicals (India) Limited Mumbai
F.No. 01/60/162/247/AM12/EFGC(PRC
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Request for clubbing of three advance licence No. (i) 0310281505 dt. 19.7.2004 (ii) 0310267870 dt. 11.5.2004 (iii) 0310309069 dt. 24.12.2004.

The Committee decided to allow to club above 3 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.18 M/s Glenmark Generics Limited Mumbai
F.No. 01/60/162/24/AM12/EFGC(PRC)
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Request for extension in EO period against advance license No. 0310538962 dt. 23.9.2009.

Withdrawn,

Case No.19 M/s Ravin Cables Limited Mumbai
F.No. . 01/81/162/769/AM09/DES-II(pt)
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Request for review of norms in r/o two advance licence No. 0310083250 dt. 4.5.2001 and 0310111242 dt. 22.11.2001.

The committee noted that the case essentially pertains to regularization in light of the norms fixation by Norms Committee. The committee noted that although in its earlier decision it had rejected the matter on account of delay, the case needs to be examined with respect to correlation of export and import items by the Norms Committee for the purpose of regularization only and not for any prospective imports. The committee therefore decided that the matter be remanded back to the Norms Committee.

Case No.20 M/s Supreme Devices Pvt. Limited Delhi
F.No. 01/60/162/225/AM12/EFGC(PRC)
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Request for revalidation of advance licence No. 0510226453 dt. 28.8.08.

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

Case No.21 M/s Jaypee Hotels Limited
F.No. 01/91/180/384/AM12/PC-3
PRC Meeting No. 17/AM12 dated: 02.08.2011
Subject:- Request for revalidation of SFIS scrips No. 0510243378 dt. 9.6.2009.

Case deferred.

Case No.22 M/s PSG Steels (P) Limited
F.No. 01/91/180/373/AM12/PC-3
PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for revalidation of SFIS scrips No. 3310013033 dt. 15.4.2009.

Case deferred.

Case No.23 M/s Kotak Mahindra Bank Limited

F.No. 01/91/180/383/AM12/PC-3

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for revalidation of SFIS scrip No. 0310520077 dt. 15.5.2008.

Case deferred.

Case No.24 M/s LMJ International Limited

F.No. 01/91/180/545/AM11/PC-3

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for extension in validity of Agri Infrastructure Scrip No. 0261183 dt. 28.5.2009.

Case deferred.

Case No.25 M/s Spicejet Limited

F.No. 01/91/180/159/AM12/PC-3

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject- Request for following SFIS Scrips No. 0510241622 and 0510241623 dt. 18.5.2009 (new numbers 0510281949 and 0510281950)

Case deferred.

Case No.26 M/s Allanasons Limited

F.No. 01/91/180/1355/AM11/PC-3

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for extension in the validity of VKGUY licence No. 0261159 dt. 27.5.2009 and 0261198 dt. 26.8.2009.

Case deferred.

Case No.27 M/s Reliance Infrastructure Limited Mumbai

F.No. 01/89/180/AM-12/PC-2(A)

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for policy relaxation for import of 55 nos. of MT 4400 AC Left Hand Drive Dumpers from USA.

The Committee considered and approved the request of M/s Reliance Infrastructure Limited Mumbai to import 55 nos. of MT 4400 AC Left Hand Drive Dumpers from USA to be used for transporting loose materials within the mining area in relaxation of the provisions of Para 2(II) (a) (ii) of Import Licensing Note

of Chapter 87. The permission is subject to the condition that the vehicles would not ply on the public roads and would be use only on project site.

Case No.28 M/s Raj Group

F.No. 01/60/162/83/AM12/EFGC(PRC

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for extension of validity of advance licence No. 0310466895 dt. 1.4.2008.

The Committee rejected the request of the firm to extend the validity of advance authorization as the reasons cited are usual commercial risk and do not establish genuine hardship warranting relaxation.

Case No.29 M/s Wockhardt Limited Mumbai

F.No. 01/60/162/231/AM12/EFGC(PRC

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for EOP extension of advance licence no. 0310567506 dt. 31.3.2010.

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.30 Avents Pharma Limited Mumbai

F.No. 01/60/162/232/AM12/EFGC(PRC

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for EOP extension of advance licence No. 0310520672 dt. 21.5.2009

The Committee decided to extend EOP against the aforesaid advance authorization for 1 month i.e. total 7 months from the date of first import for the purpose of regularization and closure. RA should verify the EO claimed to be fulfilled by the firm within the valid EOP. The relaxation is subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to export obligation beyond export obligation period. RA is also directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No.31 M/s SAS International Tamilnadu

F.No. 01/60/162/231/AM12/EFGC(PRC

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Request for clubbing and redemption of 12 advance licences-

1. 0410047446 dt. 10.10.2003

2. 0410055407 dt. 30.03.2004
3. 0410057627 dt. 28.05.2004
4. 0410058194 dt. 11.06.2004
5. 0410061498 dt. 20.08.2004
6. 0410064700 dt. 02.12.2004
7. 0410073785 dt. 24.08.2005
8. 0410077713 dt. 06.01.2006
9. 041008 1333 dt. 16.05.2006
10. 0410085109 dt. 25.10.2006
11. 0410091714 dt. 22.10.2007
12. 0410093812 dt. 12.02.2008

The Committee considered the request of the firm and noted that authorization nos. 1 -9 have been issued in continuity with a distinct overlap in the validity period and same is the case with authorizations at sl. no. 10-12 and therefore, decided to club advance authorization nos. at sr. no. 1-9 (Block 1) and advance authorization nos. at sr. no. 10-12 separately (Block 2) 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.32 Reference Maharashtra Rifle Association

F.No. 01/53/162/1251/AM08/M-53/IC

PRC Meeting No. 17/AM12 dated: 02.08.2011

Subject:- Grant of 3rd revalidation of import licence No. 0117537 dt. 14.12.2007

The Committee considered the request and decided to grant six months revalidation of import authorization no. 0117537 dt. 14.12.2007. No further extension will be granted.