

Minutes of the Policy Relaxation Committee

Meeting no. 18/AM14 held on 13.08.2013 at 11.30 A.M.

PRC Meeting was held under the Chairmanship of DGFT. List of officers present in the meeting is given below:

1. Shri D. K. Singh,	Addl. DG
2. Shri V.K. Srivastava	Addl. DG
3. Shri L.B. Singhal	Addl. DG
4. Shri K.C. Rout	Addl. DG
5. Shri Jaikant Singh	Jt.DGFT
6. Shri S.K. Samal	Jt. DGFT
7. Shri Jay Karan Singh	Jt. DGFT
8. Shri Hardeep Singh	Jt.DGFT
9. Shri R. Selvam	Jt. DGFT
10. Shri S.K. Mohapatra	Dy. DGFT
11. Smt. Sonika Khattar	FTDO

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

Case No.1. M/s CEAT Ltd, Mumbai.

F.No. 01/60/162/345/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for revalidation of Advance Authorization No. 0310595542 dated 06.10.2010.

It was noted that RA has issued the amendment sheet on 8.5.2013, when the authorization was expired on 30.4.2013. RA may send a report.

Case No.2. M/s Vaid Elastomer Processors Ltd, Mumbai.

F.No. 01/60/162/1918/AM11/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for revalidation of annual Advance Authorization No. 0310463662 dated 04.03.2008.

There was no bar or restriction on import before Norms committee decision, as authorization had been obtained under self declaration scheme. Therefore the reasons cited by the applicant are not convincing to the committee hence did not agree to accede to the request.

Case No.3. M/s Meghachem Industries, Ahmedabad.

F.No. 01/60/162/341/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for revalidation of Advance Authorization No. 0810083245 dated 30.09.2009.

The reasons and justification given by the party that due to price fluctuation in the international market they could not import was found not convincing to the committee. Hence the committee did not accede to the request.

Case No.4. M/s Torrent Cables Ltd, Ahmedabad.

F.No. 01/60/162/386/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for revalidation of Advance Authorization No. 0810095939 dated 01.02.2011.

The reason cited by the firm that due to commercial viability they could not utilize the authorization for import is not convincing to the committee hence rejected the request.

Case No.5. M/s Torrent Cables Ltd, Ahmedabad.

F.No. 01/60/162/391/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for revalidation of Advance Authorization No. 0810095028 dated 28.12.2010.

The reason cited by the firm that due to commercial viability they could not utilize the authorization for import is not convincing to the committee hence rejected the request.

Case No.6. M/s Torrent Cables Ltd, Ahmedabad.

F.No. 01/60/162/390/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for revalidation of Advance Authorization No. 0810095940 dated 01.02.2011.

The reason cited by the firm that due to commercial viability they could not utilize the authorization for import is not convincing to the committee hence rejected the request.

Case No.7. M/s Grasim Industries Ltd, Birla Cellulosic, Bharuch, Gujarat.

F.No. 01/60/162/389/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for revalidation of DEPB Authorization No. 0310617155 dated 22.02.2011 against P.N. No. 38/2009-14 dated 03.02.2010.

The committee deliberated the case at length and noted that the registration of authorization was rejected by the Customs on the ground that the covering letter is to be attached to DEPB as the same was issued against manual shipping bills. The firm approached RA Mumbai for issuance of the same and RA Mumbai took much time to issue the covering letter.

Since the firm could not utilize the DEPB due to delayed action on the part of Customs/ RA, the committee decided to allow revalidation of DEPB for a period of 3 months from the date of endorsement or upto 30.11.2013.

(Action: RA, Mumbai)

Case No.8. M/s Sadhna Nitro Chem Limited, Mumbai.

F.No. 01/60/162/395/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for revalidation of Advance Authorization No. 0310577716 dated 07.06.2010.

The committee did not agree with the reasons and justification given by the party. Hence, the request is rejected.

Case No.9. M/s Caprihans India Limited, Mumbai.

F.No. 01/60/162/392/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for revalidation of DFIA Authorization No. 0310604957 dated 07.12.2010.

The committee did not agree with the reasons and justification given by the party. Hence, the request is rejected.

Case No.10. M/s Remi Edelstahi Tubulars Ltd, Mumbai.

F.No. 01/60/162/362/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for Extension of Validity Period for utilization of Re-credit Certificate issued by Customs, JNPT, Navi Mumbai on the basis of DGFT Public Notice 22 dated 14.01.2011 for the DEPB Licence.

The committee deliberated the case at length and noted that the firm re-exported the goods as per Public Notice dt. 14.1.2011 and a re-credit certificate was issued. The firm could not utilize the re-credit certificate issued by the Customs due to non reflection of the same in the system as the certificate was issued manually actually in terms of Para 3.11.6 of HBP in such cases, on the basis of certificate from the Customs Authority,

the applicant should have approached to RA concerned for issuance of fresh scrip to the extent of 98% of debited amount. Hence the committee decided to grant 3 months time for utilization of re-credit amount. RA may validate scrip accordingly for 3 months validity.

(Action : RA Mumbai)

Case No.11. M/s CRI Limited, Kolkata.

F.No. 01/60/162/394/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for revalidation of DFIA Authorization No. 0210143690 dated 18.06.2010.

The committee did not agree with the reasons and justification given by the party. Hence, the request is rejected.

Case No.12. M/s Vardhman Exports, Mumbai.

F.No. 01/60/162/385/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for EOP extension of Advance Authorization No. 0310390269 dated 19.07.2006 issued under PC-9 condition for regularization purpose.

After deliberating the case at length the following decisions were taken:

- I. The request for EOP extension is rejected as the firm has already got two extension of 6 months each from RA concerned.
- II. However, PC-18 condition stands waived on this exports to the extent of requirement of re-export/destruction certificate on export made outside the original/ extended EOP.
- III. The applicant has to pay duty +interest on inputs consumed and exported after 18 months from date of first import consignment.
- IV. Shortfall if any may be regularized in terms of Para 4.28 of HBP read with PC-18 dt. 30.10.2007.

(Action : RA Mumbai)

Case No.13. M/s Apsara Silks, Bangalore.

F.No. 01/60/162/393/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for EOP extension of Advance Authorization No. 0710089436 dated 03.07.2012.

After deliberating the case at length the following decisions were taken:

- I. Export obligation period is extended for 3 months i.e. upto 30.11.2013.
- II. This is subject to payment of composition fee @ 0.5% on unfulfilled FOB value of exports and minimum value addition of 15% as prescribed under para 4.1.6 of FTP.

III. The applicant is advised to submit the licence for endorsement to RA as early as possible. They are further advised to start discharging their stipulated balance export obligation on the basis of this minutes without waiting for the endorsement on the Authorisation.

(Action : RA Bangalore/Applicant)

Case No.14. M/s Progressive Exim Ltd, Raipur.

F.No. 01/60/162/349/AM14/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for EOP extension of Advance Authorization No. 6310000522 dated 14.01.2010.

The committee noted that no considerable exports, which form merit of the case, have been made by the firm within the original export obligation period, hence the request is rejected. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP.

(Action: RA Raipur. If the party fails to get the case regularized in terms of Para 4.28 of HBP within a month from the date of communication of this decision, RA shall take action against the firm under the provision of FT (D&R) Act. 1992 and submit an Action Taken Report).

Case No.15. M/s Sterling Biotech Ltd, Mumbai.

F.No. 01/60/162/168/AM12/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for review of PRC decision dt. 26.6.2012 for clubbing of Advance Authorization Nos. 3410013965 dated 27.07.2005, 3410013100 dated 29.03.2005 & 3410028119 dated 28.09.2010.

After discussion in details, the Committee reiterated its earlier decision of PRC meeting no. 11/AM13 dated: 26.06.2012 and once again rejected the request of the firm as there is no export in the first and second authorization. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP.

(Action: RA Mumbai. If the party fails to get the case regularized in terms of Para 4.28 of HBP within a month from the date of communication of this decision, RA shall take action against the firm under the provision of FT (D&R) Act. 1992 and submit an Action Taken Report).

Case No.16. M/s Lincoln Helios (India) Limited.

F.No. 01/60/162/181/AM12/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for Non indication of file no. Advance Authorization No. in S/bill – request for policy relaxation for EO discharge in AA no. 0710030376 dated 23.06.2004.

After discussion in details, the Committee found no new reason and reiterated its earlier decision of PRC meeting no. 11/AM13 dated: 26.06.2012.

(Action: RA Bangalore)

Case No.17. M/s FDC Ltd, Mumbai.

F.No. 01/60/162/879/AM12/EFGC (PRC)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for review of PRC decision dt. 23.04.2013 for clubbing of Advance Authorization Nos. 0310230090 dated 13.10.2003 (issued under PC-9 condition) and 0310289131 dated 03.08.2004.

After deliberating the case at length, the committee reviewed the decision taken in PRC meeting no. 03/AM14 dt. 23.4.2013 and noted that import items does not seem to be covered under Appendix 30A. Hence, RA may re-examine and if both the authorization were issued without invoking condition of PC-9 then RA may club the two authorizations subject to the following conditions :

- I. Clubbing of the 2 advance authorizations as referred above may be allowed, subject to the condition that no redemption letter or adjudication order is issued against any licence to be clubbed.
- II. This is only for regularization and closure purpose and not for any further exports/imports.
- III. RA may also examine the case in terms of Para 4.1.6 of FTP and ensure value addition of minimum 15%. The 15% value addition for evaluating entitlement is to be applied on the entire FOB and CIF of the authorizations to be clubbed. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the authorizations.
- IV. Even after clubbing, shortfall if any, may be regularised on payment of Customs Duty + Interest in terms of Para 4.28 of H.B.P.

(Action : RA, Mumbai)

Case No.18. M/s Halliburton Offshore Services Inc, Mumbai.

F.No. 01/89/180/12/AM10/PC-2(A)

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for exemption/relaxation from the conditions under Para 1(II) (a), (b) (i), (ii), (iii), (c), (d), (i), (ii), (iii), and (e) of Chapter 87 for import of the used equipment by sea from USA to Mumbai Port.

The committee considered and granted approval for relaxation of the provisions of Import Licensing Note No. 1(II) (a), (b) (i), (ii), (iii), (c), (d), (i), (ii), (iii), and (e) of Chapter 87 of ITC(HS) for import of trailer/ equipments subject to the condition that it will be kept off the highway and would not ply on public road and will be re-exported completion of the contract.

Case No.19. M/s U.P. State Rifle Association, Lucknow.

F.No. 01/53/162/1082/AM13/U-11/IC

PRC Meeting No. 18/AM14 dated 13.08.2013

Subject: - Request for grant of 2nd revalidation of import Authorization No. 0650000186 dated 30.11.2010 and enhancement in the CIF Value.

The Committee considered the request and decided to grant six months revalidation of import authorization no. 0650000186 dated 30.11.2010.

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