

MINUTES OF THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO.19/AM11 HELD ON 08.03.2011 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 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 A. Mishra	Stats Advisor
6.	Shri D.C. Sharma	Stats Advisor
7.	Shri Rajiv Arora	Jt. DGFT
8.	Shri L.B. Singhal	Jt. DGFT
9.	Shri Satyan Sharda	Jt. DGFT
10.	Shri A.K. Singh	Jt. DGFT
11.	Shri Tapan Mazumdar	Jt. DGFT
12.	Ms. Shubhara	Jt. DGFT
13.	Shri Hardeep Singh	Jt. DGFT
14.	Shri A.K. Cashyap	Dy. DGFT
15.	Smt. Sonika Khattar	FTDO

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

Case No. 1: M/s Pradeep Kumar Piyush Kumar, Indore.
File No. 01/91/180/632/AM11/PC-3
PRC Meeting No. 19/AM11 dated: 08.03.2011
Subject: Revalidation of VKGUY Scrip No. 1110017232 dt. 21.5.2008.

The Committee considered the request of the firm and came to the conclusion that 24 months validity is quite adequate for utilization of VKGUY scrips. The Committee felt that there exists no 'genuine hardship' or 'adverse impact on trade' which merits relaxation. Accordingly, the Committee did not find any merit in relaxing the case and rejected the request.

Case No. 2: M/s R.P.C. Foods, New Delhi.
File No. 01/53/8/333/AM11/Import Cell
PRC Meeting No. 19/AM11 dated: 08.03.2011
Subject: Grant of Import licence for import of 56,000 Kgs. of Arborio Rice.

The Committee considered the request of the applicant for import of Arborio Rice for stock & sale. It was observed that the processing of request has taken a long time because of the requirement of comments of DAC. As these are specialized rice and they would not affect the local crop/price etc. such cases should be

processed in DGFT without waiting for DAC comments and standard conditions prescribed by DAC be imposed on permission after approval of DG in terms of Para 2.11. The Committee approved issue of import permission and also allowed permission for stock & sale.

Case No. 3: M/s Piramal Life Science, Mumbai.
File No. 01.53.8/115/AM-09/N-12/Import Cell
PRC Meeting No. 19/AM11 dated: 08.03.2011
Subject: 2nd revalidation of Import Licence No. 0350001579 dt. 02.09.2008.

The Committee considered and approved revalidation of import licence upto 01.09.2011.

Case No. 4: M/s Ole Rugholm Jensen, New Delhi.
File No. 01/53/162/961/AM11/O-6/Import Cell
PRC Meeting No. 19/AM11 dated: 08.03.2011
Subject: Grant of permission to import "Turtle (Pet) from Denmark.

The Committee considered and approved the import permission for import of pet turtle in relaxation of policy which prohibits import of animals. This turtle is a pet animal and is not being imported for commercial/public use.

Case No. 5: M/s Hester Biosciences Ltd., Ahmedabad.
File No. 01/538/343/AM08/H-25/IC
PRC Meeting No. 19/AM11 dated: 08.03.2011
Subject: Relaxation of para2.13 of Handbook of Procedures, Vol i.e. grant of 2nd revalidation of import licence No. 0850000161 dt. 02.01.2008.

The Committee considered and approved of revalidation of import licence upto 01.09.2011.

Case No. 6: M/s Indoco Remedies Ltd., Mumbai.
File No. 01/60/162/1888/AM11/EFGC(PRC)
PRC Meeting No. 19/AM11 dated: 08.03.2011
Subject: EO extension/revalidation of 3 advance authorization nos.
i. 0310328555 dt. 04.05.2005
ii. 0310328997 dt. 06.05.2005
iii. 0310298224 dt. 21.10.2004

The Committee noted the request of the firm and decided to re-examine the case by calling a report from Regional Authority regarding complete details of every authorization, whether the case is under adjudication or not and why the firm did not apply in time. After the receipt of details, case be then placed before the PRC.

Case No. 7: M/s Madura Coats P.Ltd., Bangalore..

File No. 01/94/180/1081/AM10/PC-4

PRC Meeting No. 19/AM11 dated: 08.03.2011

Subject: Implementation of Order dated 27.05.2011 passed by Hon'ble High Court of Madras (Madurai Bench) on the Writ Petition No. 6997 to 7006 of 2010 filed.

The Committee noted the earlier decision of PRC of October, 2010 and the comments received from DGEP (DOR) on the feasibility of endorsement on the supply invoices by the field formations of Department of Revenue for the supplies made during the period 2004-05 by M/s Madura Coats P. Ltd. to the EOU Unit. It observed that the Central Excise endorsement on the supply invoices was mandatory as per policy, even during the period 2004-05. After detailed deliberations, the Committee decided that this Directorate shall obtain from the firm, the list of advance authorisations along with the details of the EOUs to whom the supplies were made by the firm. Thereafter, the same shall be forwarded to DGEP (DOR) with a request to instruct the bond officers (under whose jurisdiction EOUs are located) to verify receipt of supplies by the EOUs from the domestic supplier i.e. M/s Madura Coats P Ltd. Verification shall be done through the procurement certificate, records maintained by EOUs and / or any other relevant document.

Case No. 8: M/s Reha Syndicate, New Delhi.

File No. 01/91/180/1416/AM11/PC-3

PRC Meeting No.19/AM11 dated: 08.03.2011

Subject: Validity of expired VKGUY Scrips.

The Committee, considered the case of the firm as per agenda and accepted the submission made by RA(CLA) that the scrip was expired in their custody. Accordingly, the Committee decided that a duplicate VKGUY duty credit scrip No. 0510192162 dt. 05.10.2006 be issued to the applicant with extended validity. As the scrip was in the custody of RA from 13.12.2006 to 4.10.2008. The Committee also decided to give extended validity of 20 months from the date of endorsement. However, the applicant should approach RA immediately within the next 15 days of communication of PRC decision and RA shall take necessary action within a maximum of 7 days thereafter.

Case No. 9: M/s Hotline Teletube & Components Ltd., New Delhi.

File No. 01/80/160/80/AM-97/DES-1

PRC Meeting No. 19/AM11 dated: 08.03.2011

Subject: Matter of short closure of VABAL referred back to ALC.

The Committee noted that the request is for pro-rata reduction of export obligation for the VABAL dated 19.5.1995 for regularisation. It observed that the Hon'ble High Court had passed the direction for the erstwhile ALC to re-examine the request of the petitioner in terms of para 4.14 of the then EXIM Policy, 1997-2002 for taking a suitable decision in the matter. Since ALC is no more in existence and relaxation recommendation is now being looked after by Policy Relaxation Committee (PRC), the matter was discussed in detail by PRC as per the then policy provision and the Policy Circulars, clarifying the provision, issued from time to time for regularisation of VABAL. The Committee noted that as per the policy provision for VABAL, for export obligation fulfilled below 85% of the original export obligation, the VABAL needs to be converted to Quantity Based Advance Licence (QABAL) for regularisation purpose. Accordingly, the request of the firm for pro-rata reduction could not be acceded to.

Case No. 10: M/s Hindustan Zinc Ltd., Udaipur.

File No. 01/89/180/67/AM09/PC-2(A)

PRC Meeting No. 19/AM11 dated: 08.03.2011

Subject: Request for relaxation in provision of CMVR 1989 and Rules 126 of CMVR 1989 for import of equipments used in underground mining.

The Committee noted that request made by M/s Hindustan Zinc Limited, Udaipur is to import one Base Carrier Multimec 1000 and two Shot Crete Spray Machines (Spraymec 6050) to be used in underground mining and decided to permit import of said vehicles in relaxation of the provisions of Para 2(II) (b) (c) 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 inside their mining premises.

Case No. 11: M/s Nagarjuna Construction Company Ltd., Hyderabad.

File No. 01/89/180/22/AM11/PC-2(A)

PRC Meeting No. 19/AM11 dated: 08.03.2011

Subject: Policy Relaxation for import of two left hand drive "off road refueling truck ATZ" from Russia.

The Committee considered and approved the request of M/s Nagarjuna Construction Company Ltd., Hyderabad to import two left hand drive "off road refueling truck ATZ" from Russia for use in zinc mines 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. 12: M/s United Phosphorus Ltd., Mumbai.

File No. 01/60/162/1875/AM11/EFGC(PRC)

PRC Meeting No. 19/AM11 dated: 08.03.2011

Subject: Clubbing of 2 advance authorization nos. 0310371370 dt. 14.03.2006 & 0310497707 dt. 12.12.2008.

The Committee considered the request of the firm for 0310371370 dt. 14.03.2006 & 0310497707 dt. 12.12.2008 and decided to permit clubbing of these authorizations. RA may revalidate advance authorization subject to payment of composition fee @1% of the unutilized CIF value of the authorization as required for purpose of clubbing. RA should verify EO fulfillment status as claimed by the firm. 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 06.01.2010. RA is further directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and take necessary action and make necessary endorsements at the time of revalidation. 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. It is further clarified that no further imports or exports will be allowed upon revalidation/EOU extension in any of the clubbed authorizations.

Case No. 13: M/s Wintac Ltd., Bangalore.

File No. 01/60/162/1903/AM11/EFGC(PRC)

PRC Meeting No. 19/AM11 dated: 08.03.2011

Subject: EOP extension of advance authorization no. 0710039315 dt. 25.07.2005.

The Committee considered the request of the firm for extension of advance authorization no. 0710039315 dt. 25.07.2005. Keeping in view the special circumstances that the project is of the supply of life-saving drug under the WHO project and the management of the importing organization in Africa underwent a change, the firm was unable to make further exports in time. Therefore, the Committee decided to regularize the case by extending export obligation upto 25.6.2007

Case No. 14: M/s. Indoco Remedies Pvt.
File No. 01/60/162/574/AM11/EFGC(PRC)
PRC Meeting No. 19/AM11 dated: 08.03.2011
Subject: Clubbing of 5 advance authorization nos.

- i. 0310352811 dt. 20.10.2005
- ii. 0310376368 dt. 18.04.2006
- iii. 0310471387 dt. 15.05.2008
- iv. 0310437033 dt. 20.07.2007
- v. 0310443654 dt. 19.09.2007

The Committee considered the request of the firm and took a decision that the issue be examined afresh with respect to dates mentioned in agenda, and placed before PRC.

Case No. 15: M/s. Indoco Remedies Pvt.
File No. 01/60/162/574/AM11/EFGC(PRC)
PRC Meeting No. 19/AM11 dated: 08.03.2011
Subject: Clubbing of 5 advance authorization nos.

- i. 0310331449 dt. 25.05.2005
- ii. 0310383620 dt. 08.06.2006
- iii. 0310393481 dt. 08.08.2006
- iv. 0310399224 dt. 13.09.2006
- v. 0310418555 dt. 06.02.2007

The Committee considered the request of the firm and took a decision that the issue be examined afresh with respect to dates mentioned in agenda, and placed before PRC.