Minutes of the Policy Relaxation Committee

Meeting no. 19/AM14 held on 03.09.2013 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	Addl..DGFT
6.	Shri S.K. Samal	Jt. DGFT
7.	Shri Jay Karan Singh	Jt. DGFT
8.	Shri Hardeep Singh	Jt.DGFT
9.	Shri Akash Taneja	Jt. DGFT
10.	Shri R. Selvam	Jt. DGFT
11.	Shri S.K. Mohapatra	Dy. DGFT
12.	Smt. Sonika Khattar	FTDO

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

Case No.1. M/s Exotica International, Kolkata.
F.No. 01/60/162/980/AM13/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for regularization of import under DFIA No. 0210110527 dated 08.03.2008 effected after expiry of extended validity period i.e. extend import validity for 6 months i.e. upto 36 months.

The committee noted that this is case of an audit objection and need to be examined on file. Accordingly the case is withdrawn.

Case No.2. M/s Desmet Ballestra India Pvt. Ltd, Mumbai.
F.No. 01/94/180/119/AM14/PC-4/PRC
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for redemption of Advance Authorization No. 0310425700 dated 05.04.2007 for regularization purpose.

Deferred for further examination.

Case No.3. M/s Bharat Petroleum Corporation Ltd, Mumbai.
F.No. 01/60/162/119/AM14/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for clubbing of 3 Advance Authorization Nos. 0310471762 dated 21.05.2008, 0310474706 dated 13.06.2008 & 0310594474 dated 29.09.2010.

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

I. Clubbing of the 3 advance authorizations as referred above is allowed.
II. This is only for regularization and closure purpose and not for any further exports/imports. However, exports which is affected within 48 months of earliest authorization shall only be taken into account for clubbing purpose.
III. Extension upto 48 months in EOP in the first authorization is allowed subject to payment of composition fee @ 0.5% on FOB value of export made beyond the stipulated EOP for clubbing and regularization. RA is directed to 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.4. M/s Saint-Gobain Glass India Ltd, Kanchipuram.
F.No. 01/60/162/384/AM14/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request to treating Invalidation as ARO for the purpose of claim of Deemed Drawback benefits as no double benefit has been obtained, in relaxation of policy against Advance Authorization No. 0410084466 dated 25.09.2006.

The committee noted that before making supplies, no request is made by applicant to RA for correcting invalidation letter and issuing ARO. It is also not clear whether supply were made on payment of TED and no application for Advance Authorization was made against the invalidation letter by the supplier of goods. The committee did not accede to the request.

Case No.5. M/s Saint-Gobain Glass India Ltd, Kanchipuram.
F.No. 01/60/162/383/AM14/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request to treating Invalidation as ARO for the purpose of claim of Deemed Drawback benefits as no double benefit has been obtained, in relaxation of policy against Advance Authorization No. 0410084413 dated 21.09.2006.

The committee noted that before making supplies, no request is made by applicant to RA for correcting invalidation letter and issuing ARO. It is also not clear whether supply were made on payment of TED and no application for Advance Authorization was made against the invalidation letter by the supplier of goods. The committee did not accede to the request.

Case No.6. M/s Jindal Saw Ltd, New Delhi.
F.No. 01/60/162/405/AM14/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for redemption of Advance Authorization No. 0510202310 dated 10.04.2007 without having file / licence details on export documents.

The committee deliberated the case at length and noted that the firm did not mention the authorization no. or file number on the invoices and also that the supplies have been made to the Project Authority. Committee decided that the supplies made after filing of application for Advance Authorization and within obligation period may be taken into account for discharge of export obligation, provided, RA is satisfied with the documents that imported inputs were incorporated in the resultant product so supplied. For this purpose a certificate from the concerned Excise Authority shall be submitted.

(**Action : RA CLA, New Delhi**)

Case No.7. M/s Wockhardt Limited, Mumbai.
F.No. 01/60/162/381/AM14/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for EOP extension of Advance Authorization No. 0310498031 dated 16.12.2008.

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

I. Export obligation period is extended from 6 months to 12 months from the date of first import consignment.
II. This is only for the purpose of regularization and closure.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of export made outside the original EOP and minimum value addition of 15% as prescribed under para 4.1.6 of FTP is maintained.
IV. The applicant has to pay duty +interest on inputs consumed for exports made after 12 months from date of first import consignment.
V. 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.8. M/s Sergio Leathers Pvt. Ltd, Chennai.
F.No. 01/60/162/397/AM14/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Issuance of Focus License for Time Barred Shipping Bills pertaining to 2009-12.

The Committee noted that the applicant had no genuine hardship due to which they could not submit application within 3 years from the date of export. The committee therefore did not accede to the request.

Case No.9. M/s National Steel and Agro Industries Ltd, Indore.
F.No. 01/60/162/719/AM13/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for revalidation of 4 DEPB Authorizations.

1. 1110016040 dtaed 25.09.2007
2. 1110016059 dated 29.09.2007
3. 1110016066 dated 26.09.2007
4. 1110016079 dated 26.09.2007

The Committee noted that due to data transmission error the firm could not utilize the said 4 DEPBs in question. Therefore, it was decided to revalidate the aforesaid scrips for 3 months from the date of transmission of said amendment to ICEGATE Customs. The RA Bhopal is directed to revalidate said DEPBs and re-transmit the same after correcting the Customs notification for DEPB scheme.

(**Action : EDI/RA, Bangalore**)

Case No.10. M/s Scotts Garments Ltd, Bangalore.
F.No. 01/60/162/265/AM13/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for EOP extension of Advance Authorization No. 0710071263 dated 28.04.2010.

The committee noted that no considerable exports have been made by the firm within the original validity. Hence the request is rejected. The applicant is directed to get their case regularized in terms of Para 4.28 of HBP.

Case No.11. M/s S. Khoday Silk Twisting Factory, Bangalore.
F.No. 01/60/162/989/AM13/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for EOP extension of Advance Authorization No. 0710064960 dated 26.05.2009 for regularization purpose.

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

I. Export obligation period is extended upto 45 months from the date of issue of authorization..
II. This is only for regularization and closure purpose.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of export made outside the original EOP and minimum value addition of 15% as prescribed under Para 4.1.6 of FTP.
IV. Export made beyond 45 months shall not be accounted for.
V. Shortfall, if any, shall be regularized in terms of Para 4.28 of HBP.

(**Action : RA Bangalore)**

Case No.12. M/s Dosch Parmaceuticals Pvt. Ltd, Mumbai.
F.No. 01/60/162/642/AM13/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for EOP extension of Advance Authorization No. 0310630618 dated 11.05.2011 issued under PC-9 condition for regularization purpose.

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

I. Export obligation period is extended from 6 months to 12 months from the date of first import consignment.
II. This is only for the purpose of regularization and closure.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of export made outside the original EOP and minimum value addition of 15% as prescribed under para 4.1.6 of FTP is maintained.
IV. The applicant has to pay duty +interest on inputs consumed for exports made after 12 months from date of first import consignment.
V. 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 Universal Oleoresins, Cochin.
F.No. 01/60/162/1112/AM11/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for EOP extension of Advance Authorization No. 1010035409 dated 25.09.2009 for regularization purpose.

The case was placed before the Committee and after deliberating the case at length the following decisions were taken:

I. Export obligation fulfilled within 4 months from the date of import of each consignment shall be accepted towards regularization.
II. 4 months EOP extension is allowed from original expiry of EO period of each import consignment i.e. upto 30.6.2010. Therefore exports made upto 30.6.2010 shall only be taken into account for discharge of EO.
III. This is subject to payment of composition fee @ 0.5% on FOB value of export made after 10.2.2010
IV. Shortfall, if any, in exports shall be regularized in terms of Para 4.28 of HBP.

(**Action : RA Cochin)**

Case No.14. M/s Suru Chemicals & Pharmaceuticals Pvt. Ltd, Mumbai.
F.No. 01/60/162/412/AM13/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for review of earlier decision of PRC meeting no. 23/AM13 dt. 01.10.2012 for revalidation of Advance Authorization No. 0310555634 dated 15.01.2010.

The Committee rejected the request reiterating its earlier decision of PRC meeting no. 23/AM13 dt. 01.10.2012 as there is no new fact which could form merit of the case.

Case No.15. M/s S. Khoday Silk Twisting Factory, Bangalore.
F.No. 01/60/162/999/AM13/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for EOP extension of Advance Authorization No. 0710065086 dated 29.05.2009 for regularization purpose.

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

I. Export obligation period is extended upto 45 months from the date of issue of authorization..
II. This is only for regularization and closure purpose.

III. This is subject to a payment of composition fee @ 0.5% on FOB value of export made outside the original EOP and minimum value addition of 15% as prescribed under Para 4.1.6 of FTP.
IV. Export made beyond 45 months shall not be accounted for.
V. Shortfall, if any, shall be regularized in terms of Para 4.28 of HBP.

(**Action : RA Bangalore)**

Case No.16. M/s S. Khoday Silk Twisting Factory, Bangalore.
F.No. 01/60/162/1037/AM13/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for EOP extension of Advance Authorization No. 0710065826 dated 08.07.2009 for regularization purpose.

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

I. Export obligation period is extended upto 43 months from the date of issue of authorization..
II. This is only for regularization and closure purpose.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of export made outside the original EOP and minimum value addition of 15% as prescribed under Para 4.1.6 of FTP.
IV. Export made beyond 43 months shall not be accounted for.
V. Shortfall, if any, shall be regularized in terms of Para 4.28 of HBP.

(**Action : RA Bangalore)**

Case No.17. M/s Karur K.C.P. Packkagings Ltd.
F.No. 01/60/162/207/AM14/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Request for review of earlier decision of PRC meeting no. 11/AM14 dt. 25.06.2013 for revalidation of Advance Authorization No. 3210045721 dated 08.10.2010.

The committee noted that no supporting documents which could justified their genuine hardship were produced by the applicant. The committee therefore rejected the request reiterating its earlier decision dt. 25.06.2013.

Case No.18. M/s Delton Cables Limited, New Delhi.
F.No. 01/60/162/392/AM13/EFGC (PRC)
PRC Meeting No. 19/AM14 dated 03.09.2013
Subject: - Re-consideration of application for sanction of Terminal Excise Duty (TED) with respect to supply of goods under Deemed Export Scheme.

This case concerns to refund of payment made Central Excise. No policy relaxationis required. However the applicant may approach the concerned Excise Authority for refund as per rules.

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

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