

Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of DGFT, ShriPravir Kumar, IAS on 17.03.2015

Meeting No. 19/AM15 held on 17.03.2015 at 11.30 A.M.

List of officers present in the meeting is given below:

1. Shri D. K. Singh	Addl. DGFT
2. Shri L.B. Singhal	Addl. DGFT
3. Shri KC. Rout	Addl. DGFT
4. ShriJaikant Singh	Addl. DGFT
5. Shri J.M. Gupta	Jt. DGFT
6. Shri Jay Karan Singh	Jt. DGFT
7. ShriAkashTaneja	Jt. DGFT
8. Shri S.K. Mohapatra	Dy. DGFT

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

Case No.1.M/s. Apar Industries Ltd. Mumbai

F.No. 01/94/180/373/AM10/PC-IV/PRC

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for Personal Hearing under Para 2.49.2 of the FTP for allowing alternate export product 'Power Cable' under Advance Authorization no. 0310231177 dt.16.10.2003.

Decision:

Mr.C.N Desai (MD) of the Company appeared before the Committee and explained their case as under:

- i. The Advance Authorization No. 0310231177 dt. 16.10.2003 was issued to a sick unit (M/s Uniflex Ltd) which was acquired by the applicant.
- ii. The export product, Jelly filled telephone cables for which Authorization is issued, became obsolete in the market.
- iii. SION for alternative resultant product i.e. for Power Cable, is available and three inputs are common in both the resultant products.
- iv. The inputs for the export product have already been imported and are available with them. They will utilize the available inputs for manufacturing the alternate export product. The rest of the inputs, if any, will be obtained on payment of duty.
- v. The firm has already discharged duty liability along with interest on inputs which are not capable to be used in the alternative resultant product.
- vi. As per BIFR package, PRC has already extended EOP for 5 years i.e. upto 30/09/2017. Hence, they requested to allow alternative export product for discharging balance export obligation.

Taking into consideration the facts and circumstances of the case, the Committee decided the following:

- i. Amendment in export product be allowed from Jelly filled Telephone cable to Power cable.**
- ii. If SION for Power cable does not exist, the applicant shall approach Norms Committee for fixation of norms.**
- iii. Inputs imported against the Authorization shall be accounted for as per wastage norms for 'Power Cable' as per SION or as per norms to be fixed by the Norms Committee.**

Case No.2.M/s. Polydrug Laboratories Pvt. Ltd. Mumbai

F.No. 01/60/162/557/AM15/EFGC(PRC)

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for clubbing of 2 Advance Authorizations no. 0310597239 dated 15.10.2010 and 0310607449 dated 22.12.2010 for regularization

Decision:

The Committee decided the following:

- I. Clubbing of the 2 Advance Authorizations referred above be allowed.**
- II. This is only for regularization of exports already effected and closure purpose and not for any further exports/imports.**
- III. Exports made within 48 months (i.e. upto 31.10.2014) from the date of earlier Authorization shall only be taken into consideration for accounting and clubbing.**
- IV. Export obligation period against Authorization No.0310597239 dated 15/10/2010 be extended from 36 months to 42 months subject to payment of composition fee @ 0.5% of FOB value of exports made after 36 months and from 42 to 48 months subject to a composition fee @ 0.5% per month of FOB value of exports made after 42 months.**
- V. RA shall 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.**
- VI. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the Authorizations.**
- VII. Even after clubbing, shortfall, if any, shall be regularized on payment of Customs Duty + Interest in terms of Para 4.28 of H.B.P.**

(Action: RA, Mumbai)

Case No.3. M/s. Kim Chemical Ltd., Mumbai

F.No. 01/60/162/832/AM14/PRC

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for reconsideration for accounting of exports made beyond 48 months for clubbing of two Advance Authorizations no. 0310478479 dt. 14.7.2008 with 0310511442 dt.13.3.2009.

Decision:

Withdrawn as PRC has considered the case twice.

Case No.4. M/s Siddhartha Tubes Ltd., Indore

F.No. 01/60/162/151/AM10/PRC

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Compliance of Hon'ble High Court order dt. 8.1.2015 in WP (Civil) no. 621/2013 and CM no. 1179/2013 regarding clubbing of the following 6 Advance Authorizations as per Para 4.20.3 of HBP 2009-14

1. 1110001229 dt. 13.12.2000
2. 1110001409 dt. 23.01.2001
3. 1110001410 dt. 23.01.2001
4. 1110003132 dt. 30.01.2002
5. 1110003303 dt. 04.03.2002
6. 1110004469 dt. 19.09.2002

Decision:

The Committee noted the request of the firm and it was decided to grant Personal Hearing to the applicant. The applicant may be allowed Personal Hearing before the next PRC.

Case No.5. M/s Videocon Industries Limited, Aurangabad.

F.No. 01/60/162/130/AM15/PRC

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for extension of EOP Advance Authorization No. 0310650145 dated 24.8.2011.

Decision:

The Committee decided the following:

- I. **Export obligation period be extended upto 30.11.2014.**
- II. **The extension is subject to payment of composition fee @ 0.5% of FOB value of exports made after 36 months.**
- III. **The minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.**
- IV. **Shortfall, if any, shall be regularized in terms of Para 4.28 of HBP.**

(Action: RA, Mumbai / applicant)

Case No.6. M/s Ralson (India) Ltd., Ludhiana

F.No. 01/60/162/573/AM15/PRC

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for EOP of Advance Authorization No. 3010075921 dt.10.06.2011.

Decision:

The Committee noted that the applicant has fulfilled more than 50% of its stipulated export obligation (Qty. wise) within initial obligation period. Hence, the Committee decided the following:

- I. Export obligation period be extended upto 30.06.2015.
- II. The extension is subject to payment of composition fee @ 0.5% of FOB value of exports made after 36 months but upto 42 months i.e. upto 31/12/2014 and @ 0.5% per month of FOB value of exports made / to be made after 42 months but upto 48 months i.e. upto 30/06/2015.
- III. The minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.
- IV. This is further subject to verification by RA that EO as claimed to have been fulfilled is more than 50% in proportion to imports made within original export obligation period.
- V. The applicant is advised to submit the Authorisation for endorsement to RA as early as possible. They are further advised to start discharging their stipulated balance export obligation on the basis of these minutes without waiting for the endorsement to be done on the Authorisation.

(Action: RA, Ludhiana / applicant)

Case No.7.M/s Vivimed Labs Ltd., Hyderabad

F.No. 01/60/162/588/AM15/PRC

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for extension of EOP & revalidation advance authorization No. 0910053225 dt. 11.07.2012

Decision:

The Committee noted that the Advance Authorization has been issued with an Export Obligation Period of 18 months and RA has already granted one extension for a period of 6 months. The Committee also observed that the applicant has fulfilled more than 50% (Qty. wise) of its stipulated export obligation within initial/ extended export obligation period. Hence, the Committee decided the following:

- I. Export obligation period be extended further by six months i.e. upto 31.01.2015.
- II. The second extension is subject to payment of composition fee @ 0.5% per month of unfulfilled FOB value of exports.

- III. The minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.
- IV. This is further subject to verification by RA that EO as claimed to have been fulfilled is more than 50% in proportion to imports made within original export obligation period.
- V. Shortfall, if any, shall be regularized in terms of Para 4.28 of HBP.
- VI. The Committee, however, did not accede to the request for revalidation of the above Advance Authorization.

(Action: RA, Hyderabad / applicant)

Case No.8.M/s Kush Synthetics Pvt. Ltd., Gujarat

F.No. 01/60/162/ 574 /AM15/PRC

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for EOP of Advance Authorization No. 5210038809 dt.03.08.2012.

Decision:

The Committee noted that the Advance Authorization has been issued with an Export Obligation Period of 18 months and RA has already granted one extension for a period of 6 months. The Committee also observed that the applicant has fulfilled more than 50% (Qty. wise in proportion to import) of its stipulated export obligation within initial/ extended export obligation period. Hence, the Committee decided the following:

- I. Export obligation period be extended further by six months i.e. upto 28.02.2015.
- II. The second extension is subject to payment of composition fee @ 0.5% per month of unfulfilled FOB value of exports.
- III. The minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.
- IV. This is further subject to verification by RA that EO as claimed to have been fulfilled is more than 50% in proportion to imports made within original export obligation period.
- V. Shortfall, if any, shall be regularized in terms of Para 4.28 of HBP.

(Action: RA, Surat / applicant)

Case No.9. M/s Ultra Engineers, Pune

F.No. 01/60/162/668/AM15/PRC

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for extension of Export Obligation against Advance Authorization 3110057274 dt.26.02.2013.

Decision:

The Committee noted that the Advance Authorization has been issued with an Export Obligation Period of 18 months and RA has already granted one extension for a period of 6 months. The Committee also observed that the applicant has fulfilled 50% (Qty. wise) of its stipulated export obligation within initial/ extended export obligation period. Hence, the Committee decided the following:

- I. Export obligation period be extended further by six months i.e. upto 31.08.2015.
- II. The second extension is subject to payment of composition fee @ 0.5% per month of unfulfilled FOB value of exports.
- III. The minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.
- IV. This is further subject to verification by RA that EO as claimed to have been fulfilled is 50% in proportion to imports made within original export obligation period.
- V. Shortfall, if any, shall be regularized in terms of Para 4.28 of HBP.
- VI. The applicant is advised to submit the Authorisation for endorsement to RA as early as possible. They are further advised to start discharging their stipulated balance export obligation on the basis of these minutes without waiting for the endorsement to be done on the Authorisation.

(Action: RA, Pune / applicant)

Case No.10.M/s. Camlin Fine Sciences Ltd. Mumbai

F.No. 01/60/162/639/AM15/PRC

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for EOP extension of Advance Authorization No. 0310659110 dated 12.10.2011.

Decision:

The Committee noted that the applicant has fulfilled more than 50% of its stipulated export obligation (Qty. wise) in proportion to imports made within initial obligation period. Hence, the Committee decided the following:

- I. Export obligation period be extended upto 31.10.2015.
- II. The extension is subject to payment of composition fee @ 0.5% of FOB value of exports made after 36 months but upto 42 months i.e. upto 30/04/2015 and @ 0.5% per month of FOB value of exports made / to be made after 42 months but upto 48 months i.e. upto 31/10/2015.
- III. The minimum value addition of 15% as prescribed under Para 4.1.6 of FTP shall be maintained.

- IV. This is further subject to verification by RA that EO as claimed to have been fulfilled is more than 50% in proportion to imports made within original export obligation period.
- V. The applicant is advised to submit the Authorisation for endorsement to RA as early as possible. They are further advised to start discharging their stipulated balance export obligation on the basis of these minutes without waiting for the endorsement to be done on the Authorisation.

(Action: RA, Mumbai / applicant)

Case No.11. HELA Systems Pvt. Ltd., Hyderabad

F.No. 01/77/110/37/AM-13/EC(S)

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for grant of 3rd revalidation of Export License no. 0950000374 dated 27.11.2012 for export of SCOMET item to Israel.

Decision:

The Committee considered the request and decided to grant revalidation of export license no. 0950000374 dt.27.11.2012 for 6 months from the date of endorsement.

Case No.12. M/s. Titan Industries Ltd., Bangalore

F.No. 01/53/08/141/AM13/T-9/IC

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Grant of extension of validity period of import license no. 0750000657 dated 27.07.2012 in relaxation of Para 2.13 of Handbook of Procedures, Vol.I

Decision:

Deferred

Case No.13. M/s. Yanmar India Private Ltd., New Delhi

F.No. 01/89/180/Misc-14/AM10/PC-2(A)

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for import of 2 nos. Garden Tractors imported from USA for R&D purpose.

Decision:

The Committee decided to relax the provisions of Policy Condition Para 7 of Chapter 87 ITC (HS), 2012 for import of 2 nos. of Garden Tractors, Brand John Deere (Model: JD 2025R – 1 number and JD 3005 – 1 number) from USA for R&D Purpose only subject to the condition that these vehicles will not be used or sold for any commercial purpose and shall not ply on the public roads.

Case No.14.M/s. Ford India Private Ltd., Gurgaon

F.No. 01/93/180/06/AM-13/PC-2(B)/ Part

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for permission to import 4 nos. used Prototype vehicles to India from Brazil for testing purpose.

Decision:

The Committee decided to relax the condition no 2 (II) (f) of Chapter 87 of ITC (HS) 2012 Schedule 1 (Import Policy) for import of 4 nos. Prototype vehicles (3 petrol and 1 diesel figo) to India from Brazil for testing purpose only subject to the condition that these vehicles will not be used or sold for any commercial purpose and shall not ply on the public roads.

Case No.15.M/s. Halliburton Offshore Services Inc, Mumbai

F.No. 01/89/180/12/AM-10/PC-2(A)/ Part

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for exemption and relaxation from the Policy condition Para 2 (II) (a), (b) and (c) of Chapter 87 of ITC (HS), 2012 for import of one no. new equipment from USA.

Decision:

The Committee decided to relax the provisions of Policy Conditions 2 (II) (a), (b) and (c) of Chapter 87 of ITC(HS), 2012 for import of one NEW HOT OIL UNIT MOUNTED ON TRAILER "HOT OIL UNIT TRLR MTD, SUPERTHERM OIL equipment. The trailer will be re-exported after completion of the contract and that the same would not ply on public road except at the time of mobilization and de-mobilization and that the equipment would be used only at the project site.

Case No.16.M/s.Hindustan Zinc Ltd, Udaipur

F.No. 01/89/180/67/AM-09/PC-2(A)/Pat. IV

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for policy relaxation for import of underground mining equipment.

Decision:

The Committee decided to relax the provisions of Policy Conditions of Para 2(II) (a) (i) (ii) (iii), (b), (c) (i) (ii) & (iii) and Para 7 of Chapter 87 of ITC (HS), 2012 Schedule – I (Import Policy) for import of 3 nos. of new underground mining equipment, Normet Base Carrier Multimec 6600 with C315 Scissor Cassette along with all associated accessories, subject to the conditions that the equipment would not ply on public road except at the time of mobilization and de-mobilization and that the equipment would be used only at the project site.

Case No.17.M/s. Tata Elxsi Ltd., Bangalore.

F.No. 01/93/180/06/AM-13/PC-2(B)

PRC Meeting No. 19/AM15 dated 17.03.2015

Subject: - Request for revalidation of Import License No. 0750000647 dated 10/07/2012 to import prototype cars to India.

Decision:

The Committee considered the request of the applicant and decided to grant revalidation of the Import license No. 0750000647 dated 10/07/2012 for a further period of 6 months from the date of endorsement.

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