Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of DGFT, Shri Anup Wadhawan, IAS on 12.01.2016

Meeting No. 19/AM16 held on 12.01.2016 at 11:00 AM

List of Members present in the meeting is given below:

1.	Shri D.K. Singh	Addl. DGFT
2.	Shri Darshan Singh	Addl. DGFT
3.	Shri S.K.Samal	Jt. DGFT
4.	Shri Jay Karan Singh	Jt. DGFT
5.	Shri AkashTaneja	Jt. DGFT
6.	Shri J. M. Gupta	Jt. DGFT
7.	Dr. S.K. Bansal	Jt. DGFT
8.	Shri S.K. Mohapatra	Dy. DGFT

The following cases were discussed and decision taken on the individual cases are as under:-

Case No.1: M/s. SGM Paper Products, Gurgaon. –
Personal Hearing request in terms of Para 2.59 of FTP.
F.No. 01/60/162/736/AM14/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject: -Request for Revalidation of 3 DFIAs Nos.0510287323 dt. 31.03.2011, 0510286117 dt. 15.03.2011 and 0510281038 dt. 07.01.2011.

Mr. Gagan Sachdeva Director and Mr. Arun Puri, Manager Exports from M/s SGM Paper Products appeared before the committee and made the following submission:

1. They had obtained 18 DFIAs during 2011-2012. Out of that they have received EODC and transferability against 15 DFIAs.
2. Against three DFIAs, exports were made to same buyer containing multi-products under one S/b mentioning pertaining to more than one DFIA number issued SION wise.
3. Online filing of EODC was made compulsory on 01.04.2009. However, system was not accepting the same S/b if it has already been used for issue of EODC against any other DFIA. In the manual EODC, they were getting benefits by feeding details manually.
4. They were consistently taking up the matter with EDI officers of DGFT.
5. Finally, software was made available on 15.09.2013. In the meantime their DFIAs lost its validity and they could not avail the benefits of exports made against the three DFIAs.
6. They therefore requested to allow revalidation for six months against three DFIAs.

Decision:

The committee discussed the case at length. It was noted that exports could be made against more than one scheme/Authorisation in the same shipping bills. As per Policy,

export obligation can be discharged against the Authorisation of that number was mentioned in the S/b. However, software for EODC was developed and implemented only on 15.09.2013. Taking into consideration this aspect, the committee decided to allow revalidation of three DFIAs No 0510287323 dt. 31.03.2011, No 0510286117 dt. 15.03.2011 and No 0510281038 dt. 07.01.2011 for three months from the date of endorsement. The applicant is directed to submit the said DFIAs to RA, CLA within 30 days from the date of publication of these minutes on the Directorate website.

(Action: Applicant /RA, CLA)

Case No.2 : M/s. NSIL Exports Ltd., Mumbai. –
Personal Hearing request in terms of Para 2.59 of FTP.
F.No. 01/60/162/811/AM13/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject: - Request for Revalidation of Advance Authorization No.1110022088 dt. 23.03.2010 issued from RA, Bhopal.

Mr. Amit Nagar, Export officer and Advocate Shri D.K. Singh appeared before the committee on behalf of M/s NSIL Exports Ltd., Mumbai and made following submissions in the justification of their request:

1. They obtained the Authorisation No 1110022088 dt. 23.03.2010 without declaring the name of their supporting manufacturer.
2. On 15.06.2010 they got Authorisation amended by incorporating the name of M/s National Steel & Agro Industries Ltd. as Co-licensee.
3. However, this amendment could not be transmitted to Customs Server.
4. As advised by Mumbai Customs on 25.01.2012, they approached to ICEGATE and ICEGATE advised to get the IEC No of Co-licensee endorsed and transmitted to ICEGATE.
5. They again approached to RA for getting the name of supporting manufacturer endorsed on the Authorisation along with IEC which was done by RA on 02.02.2012.
6. They again approached to ICEGATE on 06.03.2012 but the IEC of supporting manufacturer was not reflecting in the ICEGATE hence they suggested to approach DGFT.
7. As instructed by ICEGATE, they wrote e-mail to DGFT on 07.03.2012. Meanwhile the Authorisation lost its validity. They therefore requested to allow revalidation for six months, as they could not utilised Authorisation due to system problems.

Decision:

The case was discussed at length. It was decided to seek report from EDI to check whether amendment No 1 and 2 was transmitted to ICEGATE in time or after expiry of validity of the Authorisation?

(Action: EDI)

Case No.3: M/s. Universal Oleoresins, Cochin. –
Personal Hearing request in terms of Para 2.59 of FTP.
F.No. 06/247/2013/GRC/PRC

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject: - Request for EOP extension against Advance Authorization No.1010034784 dt. 05.08.2009 for regularization purpose.

Mr. Chetan Shah, Partner of M/s Universal Oleoresins, Cochin appeared before the committee and made the following submissions in support of his request:

1. The Authorisation was obtained to import light Black Pepper and to export (1) Pepper Oleoresins and (2) Pepper Oil manufactured out of same input.
2. Pepper Oil of first output in which yield is less but value is high. Whereas, oleoresins is the byproduct where yield is more but value is less.
3. As per Policy export obligation was 120 days from the date of import i.e. upto 28.02.2010. However, due to non-receipt of shipping order from the buyer, they could not export Oleoresin. However, they have exported Pepper Oil 100% within time.
4. After receiving order from buyer, they had exported Oleoresin also but after prescribed period. He therefore requested to allow extension up to 19.07.2010.

Decision:

The case was discussed at length. The committee was of the view that exports of spice must be made within 4 months from the date of import. Further, objective of putting shorter period in such cases is to prevent diversion of the imported goods into the domestic market. However, taking in to consideration the genuine hardship, the committee has been allowing equivalent period extension in such cases. The date of first import consignment was 01.10.2009. Accordingly, initial obligation period was upto 31.01.2010. The committee, therefore, decided the following:

1. Export obligation period be extended by 4 months in continuation i.e. upto 31.05.2010.
2. This will be subject to payment of composition fee @ 0.5 % of unfulfilled FOB value of exports made after initial obligation period i.e. after 31.01.2010.
3. Exports made after 31.05.2010 shall not be accounted towards discharge of E.O. and shall be regularised on payment of customs duty plus interest as per para 4.49 of HBP, 2015-2020.

(Action: Applicant/RA, Cochin)

Case No.4 : M/s. Universal Oleoresins, Cochin.
Personal Hearing request in terms of Para 2.59 of FTP.
F.No. 01/60/162/1112/AM11/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016

Subject: - Request for EOP extension against Advance Authorization No.1010035409 dt. 25.09.2009 for regularization purpose.

Mr. Chetan Shah, Partner of M/s Universal Oleoresins, Cochin appeared before the committee and made the following submissions in support of his request:

1. The Authorisation was obtained to import light Black pepper and to export (1) Pepper Oleoresins and (2) Pepper Oil manufactured out of same input.

2. Pepper Oil of first output in which yield is less but value is high. Whereas, oleoresins is the byproduct where yield is more but value is less.
3. As per Policy export obligation was 120 days from the date of import i.e. upto 28.03.2010. However, due to non-receipt of shipping order from the buyer, they could not export Oleoresin. However, they have exported Pepper Oil 100% within time.
4. After receiving order from buyer, they had exported Oleoresin also but after prescribed period. He therefore requested to allow extension up to 16.11.2010.
5. PRC in its meeting dated 03.09.2013 has allowed extension of 4 months from import of each consignment but date of extension was mentioned wrong in the minutes which have been rectified in the meeting No 08/AM dated 22.09.2015. However, date for calculation of composition fee was not corrected which would be 28.03.2010 because the date of import of 1st consignment was on 28.11.2009.

Decision:

The case was discussed at length. The committee was of the view that exports of spice must be made within 4 months from the date of import. Further, objective of putting shorter period in such cases is to prevent diversion of the imported goods into the domestic market. However, taking in to consideration the genuine hardship, the committee has been allowing equivalent period extension in such cases, which has already been considered. In this case, import of first consignment was made on 28.11.2009 accordingly initial obligation period was upto 28.03.2010. However, in order to remove anomaly, decision taken in the meeting No 19/AM14 dated 03.09.2013 is corrected to read as under:

1. Export obligation period be extended by 4 months in continuation i.e. upto 31.07.2010.
2. This will be subject to payment of composition fee @ 0.5 % of unfulfilled FOB value of exports made after initial obligation period i.e. after 28.03.2010.
3. Exports made after 31.07.2010 shall not be accounted towards discharge of E.O. and shall be regularised on payment of customs duty plus interest as per para 4.49 of HBP, 2015-2020.

(Action: Applicant/RA, Cochin)

Case No.5 : M/s. Dynamatic Technologies Ltd., Bangalore –
Personal Hearing request in terms of Para 2.59 of FTP.

F.No. 01/60/162/285, 286 & 287/AM16/PRC

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject: - Request for permission to incorporate of Advance Authorization in the shipping bills and condonation of non-mentioning in the shipping bills inadvertently the details of the AAs No. (i) 0710036041 dt. 14.02.2005; (ii) 0710031345 dt. 30.07.2004 and (iii) 0710036042 dt. 14.02.2005 mentioned the details of EPCG Authorization no. 0730001528 dt. 02.11.2000 for regularization purpose of both Authorizations

Mr. D. Raman, General Manager Finance and Mr. K. Omprakash, Manager Finance of M/s Dynamatic Technologies Ltd., Bangalore appeared before the committee and made following averment in support of their request:

1. They had imported 21000Kgs raw materials against three Advance Authorisations and fulfilled 100% export obligation in time.
2. They had also obtained EPCG Authorisation No 073001528 dated 02.11.2000. While making exports, they had put EPCG Authorisation details in the Shipping Bills. However, inadvertently their CHA did not mentioned Advance Authorisation No on those Shipping Bills.
3. This was only procedural laps because in Commercial Invoices they have mentioned Advance Authorisation No as well as EPCG Authorisation No.
4. When they came to know about mistake, they immediately approached to the Customs Authority. However, Customs Authority did not allow to amend the Shipping Bills.
5. They therefore requested to allow accounting of these Shipping Bills towards discharge of export obligation against three Authorisation as no further export or import will be made.

Decision:

The committee discussed the case at length and examined the content of the case. The committee was of the view that Para 4.12 of FTP and Para 4.27 of HBP, 2015-2020(Para 4.12 of HBP, 2009-2014) mandates exports to mention File No/ Authorisation No and inputs used in the resultant product in export documents. Para 4.12(iii) of FTP says, "*At the time of discharge of export obligation (issue of EODC) or at the time of redemption, Regional Authority shall allow only those inputs which have been specifically indicated in the shipping bill.*" And, Para 4.27 of HBP emphasises, "*Exports / supplies made from the date of EDI generated file number for an Advance Authorisation, may be accepted towards discharge of EO. Shipping / Supply document(s) should be endorsed with File Number or Authorisation Number to establish co-relation of exports / supplies with Authorisation issued.*" Hence, exporter is required to mention File No/Authorisation No and exempted materials consumption details in export documents i.e. Shipping Bill to establish co-relation. The applicant has not mentioned Advance Authorisation details even in ARE-1 while removing goods for export purpose. Merely endorsement of Licence No on Commercial Invoices can't be relied upon and will not suffice the purpose. Therefore, this requirement of mentioning details in S/B can't be waived. The committee, therefore, did not accede to the request. The applicant is hereby directed to get the cases regularised in terms of para 4.49 of HBP, 2015-2020.

(Action: If the applicant fails to get the case regularised within a month from the date of publication of these minutes on the Directorate website, necessary penal action as per provision under FT(DR) Act, 1992, as amended, should be initiated by the RA, Bangalore)

Case No.6 : M/s. Meyer Organics P. Ltd., Mumbai.

F.No. 01/60/162/533/AM16/ EFGC(PRC)

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject: - Request for (i) waiver of destruction certificate under conditions of PC-18, (ii) To consider the exports under Advance Authorization for the exports made under 9 S/Bills under Drawback Scheme, (iii) Acceptance of 9 drawback shipping bills under A/A No.0310750426 dt. 19.09.2013 for fulfillment of E.O. for export and (iv) export made under DBK are within EOP from date of 1st import.

Decision:

The committee noted that description of item exported against DBK shipping bills does not tally with the description of the resultant product imposed in the Advance Authorisation. The committee, therefore, did not accede to the request. The applicant is hereby directed to get the case regularised in terms of Para 4.49 of HBP, 2015-2020 following the condition of Policy Circular no 18 dated 30.07.2007.

(Action: Applicant/ RA, Bangalore)

Case No.7 : M/s. Cadila Healthcare Ltd., Ahmedabad.
F.No. 01/60/162/703/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject: - Request for EOP extension of Advance Authorization No.0810115565 dt. 30.10.2012 issued under PC-9 condition for regularization purpose.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The import of first consignment was made on 06.10.2012 and second consignment was made on 30.04.2013. Accordingly, the initial export obligation period was upto 31.10.2013 and 30.04.2014 respectively. The applicant has completed less than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 30.04.2014 in the case of 1st import consignment and upto 31.10.2014 in the case of 2nd import consignment.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
V. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.

(Action: RA, Ahmedabad)

Case No.8 : M/s. Intas Pharmaceuticals Ltd., Ahmedabad.
F.No. 01/60/162/707/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for EOP extension of Advance Authorization No.0810131022 dt. 01.05.2014 issued under PC-9 condition for regularization purpose.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The import of first consignment was made on 29.05.2014 and second was made on 16.08.2014. Accordingly, the initial period of export obligation was upto 31.05.2015 and 31.08.2015 respectively. The applicant has completed more than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 30.11.2015 in the case of 1st import consignment and upto 28.02.2016 in the case of 2nd import consignment.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of exports made after initial obligation period.
IV. RA shall check that minimum 50% exports are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 0.5% per month of FOB.
V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
VI. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.

(Action: RA, Ahmedabad)

Case No.9 : M/s. Cadila Healthcare Ltd., Ahmedabad.
F.No. 01/60/162/705AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for EOP extension of Advance Authorization No.0810109841 dt. 19.03.2012 issued under PC-9 condition for regularization purpose.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The date of import of first consignment was 11.04.2012 and second consignment was on 04.02.2013. Accordingly, the initial period of export obligation was upto 30.04.2013 and 28.02.2014 respectively. The applicant has claimed to have completed more than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 31.10.2013 in the case of 1st import consignment and upto 31.08.2014 in the case of 2nd import consignment.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of exports made after initial obligation period.

IV. RA shall check that minimum 50% exports are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 0.5% per month of FOB.

V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.

VI. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.

(Action: RA, Ahmedabad)

Case No.10 : M/s. Cadila Healthcare Ltd., Ahmedabad.

F.No. 01/60/162/704/AM16/ EFGC(PRC)

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject:- Request for EOP extension of Advance Authorization No.0810117325 dt. 02.01.2013 issued under PC-9 condition for regularization purpose.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The date of import of first consignment was 25.01.2013 and second consignment was on 11.11.2013. Accordingly, the initial period of export obligation was upto 31.01.2014 and 30.11.2014 respectively. The applicant has completed less than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 31.07.2014 in the case of 1st import consignment and upto 30.05.2015 in the case of 2nd import consignment.

II. This is only for accounting and regularization of exports already effected.

III. This is subject to a payment of composition fee @ 0.5% per month on FOB value of exports made after initial obligation period.

IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.

V. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.

VI. PC 18 condition to be followed.

(Action: RA, Ahmedabad)

Case No.11 : M/s. Cadila Healthcare Ltd., Ahmedabad.

F.No. 01/60/162/706/AM16/ EFGC(PRC)

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject: - Request for EOP extension of Advance Authorization No.0810117641 dt. 18.01.2013 issued under PC-9 condition for regularization purpose.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The date of import of first consignment was 06.02.2013 and accordingly the export obligation period was upto 28.02.2014. The applicant has completed less than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 31.08.2014.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% per month on FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
V. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.
VI. PC 18 condition to be followed.

(Action: RA, Ahmedabad)

Case No.12 : M/s. Cadila Healthcare Ltd., Ahmedabad.

F.No. 01/60/162/710/AM16/ EFGC(PRC)

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject:- Request for EOP extension of Advance Authorization No.0810120653 dt. 01.05.2013 issued under PC-9 condition.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The date of import of first consignment was 05.07.2013 and accordingly the export obligation period was upto 31.07.2014. The applicant has completed more than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 31.01.2015.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of exports made after initial obligation period.
IV. RA shall check that minimum 50% exports are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 0.5% per month of FOB.
V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
VI. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.
VII. PC 18 condition to be followed.

(Action: RA, Ahmedabad)

Case No.13 : M/s. Cadila Healthcare Ltd., Ahmedabad.
F.No. 01/60/162/709/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for EOP extension of Advance Authorization No.0810120702 dt. 02.05.2013 issued under PC-9 condition for regularization purpose.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The date of import of first consignment was 09.05.2013 and accordingly the export obligation period was upto 31.05.2014. The applicant has completed more than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 30.11.2014.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of exports made after initial obligation period.
IV. RA shall check that minimum 50% exports are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 0.5% per month of FOB.
V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
VI. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.
VII. PC 18 condition to be followed.

(Action: RA, Ahmedabad)

Case No.14 : M/s. Cadila Healthcare Ltd., Ahmedabad.
F.No. 01/60/162/702/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for EOP extension of Advance Authorization No.0810113889 dt. 31.07.2012 issued under PC-9 condition for regularization purpose.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from

import of each consignment. The import of first consignment was made on 09.08.2012 and second consignment was on 15.12.2012. Accordingly, the initial period of export obligation was upto 31.08.2013 and 31.12.2013 respectively. The applicant has completed less than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 28.02.2014 in the case of 1st import consignment and upto 30.06.2014 in the case of 2nd import consignment.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% per month on FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
V. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.
VI. PC 18 condition to be followed.

(Action: RA, Ahmedabad)

Case No.15: M/s. Cadila Healthcare Ltd., Ahmedabad.

F.No. 01/60/162/701/AM16/ EFGC(PRC)

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject:- Request for EOP extension of Advance Authorization No.0810103633 dt. 16.09.2011 issued under PC-9 condition for regularization purpose.

__Decision:__

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The date of import of first consignment was 24.11.2011 and accordingly the export obligation period was upto 30.11.2012. The applicant has completed more than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 30.05.2013.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of exports made after initial obligation period.
IV. RA shall check that minimum 50% exports are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 0.5% per month of FOB.
V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.

VI. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.
VII. PC 18 condition to be followed.

(Action: RA, Ahmedabad)

Case No.16: M/s. Zenith Ind. Rubber Products Pvt. Ltd., Mumbai.
F.No. 01/60/162/721/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject: -Request for EOP extension/Revalidation of Advance Authorization No.0310732764 dt. 29.04.2013.

Decision:

The Committee noted that the applicant has imported most of items 100% but fulfilled only 11.48% exports obligation within initial period of 18 months. In terms of Para 4.42 of HBP, 2015-2020, extension in EOP is not allowed if exports obligation fulfilment is less than 50%. There is no case of genuine hardship established. The committee, therefore, did not accede to the request. The applicant is hereby directed to get the case regularised in terms of Para 4.49 of HBP, 2015-2020.

(Action: If the applicant fails to get the case regularised within a month from the date of publication of these minutes on the Directorate website, necessary penal action as per provision under FT(DR) Act, 1992, as amended, should be initiated by the RA)

Case No.17: M/s. Bharat Parenterals Ltd., Vadodara.
F.No. 01/60/162/669/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for EOP extension of Advance Authorization No.3410038941 dt. 06.01.2014 issued under PC-9 condition for regularization purpose.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The date of import of first consignment was 29.04.2014 and accordingly the export obligation period was upto 30.04.2015. The applicant has completed more than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 31.10.2015.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of exports made after initial obligation period.

IV. RA shall check that minimum 50% exports are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 0.5% per month of FOB value.

V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.

VI. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.

VII. PC 18 condition to be followed.

(Action: RA, Vadodara)

Case No.18: M/s. Grind Master Machines P. Ltd., Aurangabad.

F.No. 01/60/162/487/AM16/ EFGC(PRC)

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject:- Request for EOP extension of Advance Authorization No.0310669505 dt. 08.12.2011.

Decision:

The Committee noted that the applicant was aware that exports made against free shipping bills can't be accepted towards discharge of export obligation. Authorisation was obtained on 08.12.2011. Hence, 48 months is over. Extension in obligation period beyond 48 months is not allowed. Therefore, the committee, did not accede to the request. The applicant is hereby directed to get the case regularised in terms of Para 4.49 of HBP.

(Action: Applicant/RA, Mumbai)

Case No.19: M/s. Prachi Pharmaceuticals P. Ltd., Mumbai.

F.No. 01/60/162/741/AM15/ EFGC(PRC)

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject:- Request for Clubbing of 5 Advance Authorizations Nos. (1) 0310390437 dt. 20.07.2006; (2) 0310451315 dt. 23.11.2007; (3) 0310470904 dt. 09.05.2008; (4) 0310507250 dt. 16.02.2009 and (5) 0310508539 dt. 20.02.2009.

Decision:

The committee noted that all 5 Authorisations were issued within 36 months from the date of issue of first Authorisation. The committee, therefore, decided the following:

1. Clubbing of above referred Authorisations be allowed.
2. Export obligation period against Authorisation No 0310390437 dt. 20.07.2006 be extended upto 48 months i.e. upto 31.07.2010.
3. This will subject to payment of composition fee @ 0.5% of FOB value of exports made after 36^{th} month to 42^{nd} month i.e. from 01.08.2009 till 31.01.2010 and @ 0.5% per month of FOB value of exports made after 42^{nd} month to 48^{th} month i.e. from 01.02.2010 to 31.07.2010.
4. Exports made upto 31.07.2010 shall only accounted for clubbing.

5. The minimum Value Addition of 15% shall be maintained on clubbing of Authorisation.
6. Shortfall, if any, shall be regularised on payment of Customs Duty plus interest as per Para 4.49 of HBP, 2015-2020.

(Action: RA, Mumbai)

Case No.20: M/s. Alpha-Pharma Healthcare India P. Ltd., Mumbai.
F.No. 01/60/162/736/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for EOP extension of Advance Authorization No.0310744785 dt. 12.08.2013 issued under PC-9 condition.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The date of import of first consignment was 04.10.2013 and accordingly the export obligation period was upto 31.10.2014. The applicant has completed more than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 30.04.2015.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
V. RA shall check that minimum 50% exports are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 0.5% per month of FOB value.
VI. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.
VII. PC 18 condition to be followed.

(Action: RA, Mumbai)

Case No.21: M/s. Alpha-Pharma Healthcare India P. Ltd., Mumbai.
F.No. 01/60/162/735/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for EOP extension of Advance Authorization No.0310733569 dt. 07.05.2013 issued under PC-9 condition.

Decision:

The Committee noted that the Authorisation was issued with conditions stipulated in PC-9 dated 30.06.2003, as amended, which allows 12 months period for exports from import of each consignment. The date of import of first consignment was 12.06.2013 and accordingly the export obligation period was upto 30.06.2014. The applicant has completed more than 50% exports during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months i.e. upto 31.12.2014.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to a payment of composition fee @ 0.5% on FOB value of exports made after initial obligation period.
IV. RA shall check that minimum 50% exports are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 0.5% per month of FOB value.
V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
VI. The has to pay duty plus interest on inputs consumed and exported after 18 months from date of import of each consignment.
VII. PC 18 condition to be followed.

(Action: RA, Mumbai)

Case No.22: M/s. Medley Pharmaceuticals Ltd., Mumbai.
F.No. 01/60/162/732/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for revalidation of DEPB No.0310695234 dt. 18.05.2012.

<u>**Decision**</u>

The committee noted that the DEPB was issued on 18.05.2012 having initial validity of 24 months. However, due to system error, the DEPB could not be transmitted to ICEGATE within its validity. From the EDI report, it is evident that the DEPB was accepted by ICEGATE on 21.08.2014 whereas the DEPB was valid only upto 17.05.2014. Taking into consideration these facts, the committee decided to allow revalidation of the said DEPB for six months from the date of endorsement. The applicant is directed to submit original DEPB to concerned RA for endorsement, within one month from the date of publication of these minutes on the Directorate website.

(Action: Applicant/RA, Mumbai)

Case No.23: M/s. Kishan International, Bangalore.
F.No. 01/60/162/730/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject: - Request for revalidation of DFIA No.0710094948 dt. 19.04.2013.

Decision:

The Committee noted that the said DFIA has been endorsed transferable by RA. And, revalidation of transferable Authorisation/scrip is not allowed unless the said Authorisation/ scrip has lost its validity in the possession of Government agencies. This is not the case here. The committee, therefore, did not accede to the request.

Case No.24: M/s. Daniel & Sons, Mumbai.
F.No. 01/60/162/729/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for 2nd EOP extension of Advance Authorization No.0310736298 dt. 03.06.2013.

Decision:

The Committee noted that as per Para 4.42 of HBP, 2015-2020, 2nd extension in EOP for further six months is allowed provided the exporter has fulfilled 50% export obligation. This condition is not met here, as the export obligation fulfilled is only 24%. There is no case of genuine hardship established. The committee, therefore, did not accede to the request. The applicant is hereby directed to get the case regularised in terms of Para 4.49 of HBP, 2015-2020.

(Action: Applicant/RA, Mumbai)

Case No.25: M/s. Meyer Organics P. Ltd., Mumbai.
F.No. 01/60/162/478AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for waiver of destruction certificate under conditions of PC-18 and acceptance of 2 Drawback S/Bills under Advance Authorization Nos.0310713057 dt. 17.10.2012.

Decision:

The committee noted that description of item exported against DBK shipping bills does not tally with the description of the resultant product imposed in the Advance Authorisation. The committee, therefore, did not accede to the request. The applicant is hereby directed to get the case regularised in terms of Para 4.49 of HBP, 2015-2020 following the condition of Policy Circular no 18 dated 30.07.2007.

(Action: Applicant/ RA, Bangalore)

Case No.26: M/s. Larsen & Toubro Ltd., Mumbai.
F.No. 01/60/162/531/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject:- Request for extension of E.O.P. of Advance Authorization No.0310755792 dt. 28.10.2013 and waiver of composition fee.

Decision:

The Committee noted that as per Para 4.42 of HBP, 2015-2020, 2nd extension in EOP for further six months is allowed provided the exporter has fulfilled 50% export obligation. This condition is not met here, as the export obligation fulfilled is only 30%. Strike in the company by workers cannot be considered as force majeure because it indicates failure on the part of management in handing the situation. Further, composition fee is charge in lieu of waiving off interest liability on the duty forgone amount for the stipulated obligation period. Hence, the question of waiving off composition does not arise. The committee, therefore, did not accede to the request. The applicant is hereby directed to get the case regularised in terms of Para 4.49 of HBP, 2015-2020.

(Action: Applicant/RA, Mumbai)

Case No.27: M/s. Top Anchor Industries, Rajkot.
F.No. 01/60/162/738/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject: - Request for revalidation of DFIA No.2410039760 dt.26.08.2013.

Decision:

The Committee noted that the said DFIA has been endorsed transferable by RA. And, revalidation of transferable Authorisation/scrip is not allowed unless the said Authorisation scrip has lost its validity in the possession of Government agencies. This is not the case here. The committee, therefore, did not accede to the request.

Case No.28: M/s. Abdos Lamitubes Pvt. Ltd., Guwahati.
F.No. 01/60/162/731/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject: - Request for revalidation of DFIA No.1410000566 dt. 06.11.2013.

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, against the said DFIA. Despite that the applicant could not utilize the Authorization. Therefore, the Committee did not accede to the request.

Case No.29: M/s. Medley Pharmaceuticals Ltd., Mumbai.
F.No. 01/60/162/733/AM16/ EFGC(PRC)
PRC Meeting No. 19/AM16 dated 12.01.2016
Subject: - Request for revalidation of DEPB No.0310700984 dt. 05.07.2012.

Decision:

Deferred for seeking report from EDI

Case No.30: M/s. Indian Steel Corporation Ltd., Mumbai.
F.No. 01/60/162/708/AM16/ EFGC(PRC)

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject: - Request for revalidation of DFIA No.0310703220 dt. 26.07.2012.

Decision:

The Committee observed that the applicant has already been granted one revalidation of six months by RA, against the said DFIA. Despite that the applicant could not utilize the Authorization. Therefore, the Committee did not accede to the request.

Case No.31: M/s. Maruti Suzuki India Ltd., Gurgaon.

F.No. 01/89/180/51/AM-09/ PC-2(A)

PRC Meeting No. 19/AM16 dated 12.01.2016

Subject: - Request for relax the policy under Para 1(II)[b], (C), (D) & (E) of Chapter-87 of ITC (HS), 2012 and allow the import of one new presold passenger car under R&D certification.

Decision:

The Committee decided to relax the provisions of Policy Conditions under Para 1 (II) (b), (C), (D) & (E) of Chapter 87 of ITC (HS), 2012 for import of one brand new (pre-sold) passenger car, Hyundai i20 of Turkey origin from Germany for strategic and R&D purpose.

The meeting ended with a vote of thanks for the chair.

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