

THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 23/AM13 HELD ON 01.10.2012 AT 5.00 P.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:

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|--------------------------|---------------|
| 1. Shri D.K Singh | Addl. DG |
| 2. Shri. V.K. Srivastava | Addl. DG |
| 3. Shri Mukesh Bhatnagar | Addl. DG |
| 4. Dr. L.B. Singhal | Addl. DG |
| 5. Shri Jaikant Singh | Jt. DGFT |
| 6. Shri Hardeep Singh | Jt. DGFT |
| 7. Shri Jaikaran Singh | Jt..DGFT |
| 8. Shri S.K. Samul | Jt. DGFT |
| 9. Shri K.C. Raut | Jt. DGFT |
| 10. Shri D.C Sharma | Stats Advisor |
| 11. Shri A. Mishra | Stats Advisor |
| 12. Shri. Sanjay Kumar | DDG |
| 13. Smt. Sonika Khattar | FTDO |

The decisions taken are as under:-

Case No.1 M/s. Rawalwasia Synthetics Pvt Ltd. , Surat

F.No. 01/60/162/72/AM12/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for EOP extension of advance authorization no. 2312312 dt. 3.2.1995.

The committee decided to obtain a detailed report from RA, Surat regarding the Custom Notification under which the authorization had been issued and after that the case may be placed before PRC.

(Action : RA, Surat)

Case No.2 M/s. MPP Technologies Pvt Ltd Bangalore

F.No. 01/60/162/954/AM12/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for revalidation of advance authorization no. 0710048373 dt. 13.11.2006 with 0710069915 dt. 9.2.2010 for the purpose of clubbing.

The Committee reiterated its earlier decision of PRC meeting no. 38/AM12 dt. 27.1.2012 and maintained rejection as there is no merit for reconsideration.

(Action : RA, Bangalore)

Case No. 3. M/s. Mahindra Reva Electric Vehicles Pvt. Ltd, Bangalore

F.No. 01/60/162/251/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for clubbing of advance authorization no. 0710039185 dt. 19.7.2005 and 0710039183 dt. 19.7.2005.

The committee noted that the firm has requested for clubbing of two advance authorizations for export of identical product in two advance authorizations, one of which is under SION and the other one wherein the import items have been permitted under Para 4.7 of HBP (ad hoc norms). Although the authorizations individually carry the export of 100 cars each, the firm has undertaken exports cumulatively to an extent of 100 cars only and have requested for the clubbing of two authorizations. The committee agreed to the request subject to the following condition:-

- i) RA should ensure the import items are fully accounted for in the export product i.e. 100 Riva cars based on the norms as provided on both the authorizations separately.
- ii) No further imports and export will be permitted. The clubbing of inputs as were allowed in two licences is allowed for regularisation purpose.

(Action : RA, Bangalore)

Case No.4 M/s. Oil Country Tubular Ltd., Hyderabad

F.No. 01/60/162/419/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for EOP extension of advance authorization no.0910038367 dt. 26.06.2009.

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

- i) Export obligation period is extended for 6 months from the date of endorsement. However, request for endorsement to RA must be made within a month from the date of communication of PRC decision.
- 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) This is further subject to EO fulfilled which is more than 50% within valid EOP, as claimed by the firm.

(Action : RA , Hyderabad)

Case No. 5 M/s. Varrsana Ispat Ltd., Kolkata

F.No. 01/60/162/423/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for EOP extension of advance authorization no. 3710001029 dt. 09.07.2009.

The applicant did not meet the minimum 50% benchmark of export obligation achieved within original validity period, hence the committee decided to reject the request considering no merit.

Case No.6 M/s. Aparna Polyplast Pvt Ltd, Surat

F.No. 01/60/162/424/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for EOP extension of advance authorization no. 5210025003 dated 18.12.2008.

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

- i) Export obligation period is extended for 6 months from the date of endorsement. However, request for endorsement to RA must be made within a month from the date of communication of PRC decision.
- ii) No further imports will be made under this authorization.
- iii) 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.
- iv) This is further subject to verification by RA of EO claimed to have been fulfilled more than 50% (on pro-rata basis i.e. in proportion to the import made) within the valid EOP.

(Action : RA Surat,)

Case No.7 M/s. Engser Ltd, Howrah

F.No. 01/60/162/425/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for EOP extension of advance authorization no. 0210130849 dt. 26.8.2009.

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

- i) Export obligation period is extended for 6 months from the date of endorsement. However, request for endorsement to RA must be made within a month from the date of communication of PRC decision.
- ii) No further imports will be made under this Authorisation.
- iii) 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.
- iv) This is further subject to verification by RA of EO claimed to have been fulfilled more than 50% (on pro-rata basis i.e. in proportion to the import made) within the valid EOP.

(Action : RA, Kolkata)

Case No. 8 M/s. Intas Pharmaceuticals Ltd, Ahmedabad

F.No. 01/60/162/421/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for EOP extension of advance authorization no. 0810089112 dt. 19.5.2010 under PC-9 Condition.

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

- I. Export obligation period is extended from 12 months to 18 months from the date of first import consignment.
- II. This is only for regularization and closure purpose and not for any further exports.
- III. This is subject to a payment of composition fee @ 0.5% of 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. The applicant has to pay duty +interest on inputs consumed and exported after 18 months from date of first import consignment.
- V. PC-18 condition is waived on this exports to the extent of re-export/destruction certificate requirement on export made outside the original/ extended EOP.

(Action : RA ,Ahmedabad)

Case No.9 M/s. Ranbaxy Laborites Ltd, Haryana

F.No. 01/60/162/420/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for EOP extension of advance authorization no. 0510240107 dt. 22.4.2009.

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

- i) Export obligation period is extended for 6 months from the date of endorsement. However, request for endorsement to RA must be made within a month from the date of communication of PRC decision.
- 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) This is further subject to verification by RA of EO claimed to have been fulfilled more than 50% within the valid EOP on pro-rata basis.

(Action : RA, Delhi)

Case No. 10 M/s. Intas Pharmaceuticals Ltd, Ahmedabad

F.No. 01/60/162/4271/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for EOP extension of advance authorization no. 0810092497 dt. 24.9.2010.

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

- I. Export obligation period is extended from 12 months to 18 months from the date of first import consignment.
- II. This is only for regularization and closure purpose and not for any further exports.
- III. This is subject to a payment of composition fee @ 0.5% of 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. The applicant has to pay duty+interest on inputs consumed and exported after 18 months from the date of first import, if any.
- V. PC-18 condition is waived on the export to the extent of re-export/destruction certificate on export made outside the extended EOP.

(Action : RA, Ahmedabad)

Case No.11 M/s. A.M.A. Hussain & Co., Mumbai

F.No. 01/60/162/408/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for revalidation of advance authorization no. 0310546388 dt. 19.11.2009.

The Committee noted the contents of the request made by the firm and decided to reject the case as no cogent and justified reasons establishing genuine hardship warranting relaxation under Para 2.5 of the FTP have been provided.

Case No.12 M/s. Suru Chemicals & Pharmaceuticals Pvt . Ltd, Mumbai

F.No. 01/60/162/412/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for revalidation of advance authorization no. 0310555634 dt.15.1.2010.

The Committee noted the contents of the request made by the firm and decided to reject the case as no cogent and justified reasons establishing genuine hardship warranting relaxation under Para 2.5 of the FTP have been provided.

Case No.13 M/s. VWF Industries Ltd, Mysore

F.No. 01/60/162/416/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for revalidation of two advance authorizations no. 0710063828 dt. 24.3.2009 & 0710066645 dt. 21.8.2009.

The Committee noted the contents of the request made by the firm and decided to reject the case as no cogent and justified reasons establishing genuine hardship warranting relaxation under Para 2.5 of the FTP have been provided.

Case No.14 M/s. Krishna Antioxidants Pvt. Ltd, Mumbai

F.No. 01/60/162/415/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for revalidation of advance authorization no.1)0310540597 dt. 7.10.2009. 2)031052156 dt. 22.12.2009.

Deferred for obtaining the facts of the case as to when the firm applied for the issue of duplicate authorization and how much time was taken by RA for the issuance of duplicate authorization.

(Action : Applicant/RA, Mumbai)

Case No.15 M/s. RPL Industries Ltd, Delhi

F.No. 01/60/162/414/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for revalidation of advance authorization no. 0510256074 dt. 12.01.2010.

After deliberating the case, the committee rejected the request for revalidation of the advance authorization and directed the firm to complete the balance export obligation with respect to the imports made as EO period is still valid.

(Action : Applicant/RA, CLA may advise the party accordingly)

Case No.16 M/s. Krishna Antioxidants Pvt. Ltd Mumbai

F.No. 01/60/162/426/AM13/EFGC(PRC)

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Request for revalidation of advance authorization no. 0310534030 dt. 18.8.2009.

The Committee noted the contents of the request made by the firm and decided to reject the case as no cogent and justified reasons establishing genuine hardship warranting relaxation under Para 2.5 of the FTP have been provided.

Case No.17 M/s. Adity International, Bangalore

F.No. 01/60/162/409/AM13/EFGC(PRC)
PRC Meeting No. 23/AM13 dated: 01.10.2012
Subject:- Request for revalidation of advance authorization no. 0710064189 dt. 16.4.2009.

The Committee noted the contents of the request made by the firm and decided to reject the case as no cogent and justified reasons establishing genuine hardship warranting relaxation under Para 2.5 of the FTP have been provided.

Case No.18. M/s. Jell Pharmaceuticals Pvt Ltd, Mumbai

F.No. 01/60/162/410/AM13/EFGC(PRC)
PRC Meeting No. 23/AM13 dated: 01.10.2012
Subject:- Request for revalidation of advance authorization no. 0310544705 dt. 10.11.2009.

The Committee noted the contents of the request made by the firm and decided to reject the case as no cogent and justified reasons establishing genuine hardship warranting relaxation under Para 2.5 of the FTP have been provided.

Case No.19 M/s. Delton Cables Ltd, New Delhi

F.No. 01/60/162/392/AM13/EFGC(PRC)
PRC Meeting No. 23/AM13 dated: 01.10.2012
Subject:- Application under 2.5 [FTP 2009-2014](#) warranting relaxation of policy and procedures in the matter of TED case (Deemed exports under chapter 8 of FTP & HBP.

Deferred for want of information from the applicant.

Case No.20 M/s. Macoma Hardwares, Mumbai

F.No. 01/60/162/1121/AM12/EFGC(PRC)
PRC Meeting No. 23/AM13 dated: 01.10.2012
Subject:- Request for revalidation of advance authorization no. 0310511126 dt. 12.3.2009.

Justification and reasoning cited by the applicant are not convincing to the committee hence rejected the same reiterating the earlier decision of PRC meeting held on 21.02.2012.

Case No.21 M/s. Jindal Poly Films Ltd, New Delhi

F.No. 01/60/162/677/AM12/EFGC(PRC)
PRC Meeting No. 23/AM13 dated: 01.10.2012
Subject:- Request for clubbing of 3 Annual Advance Authorization nos. 0510096846 dt.22.7.03 (2) 0510136637 dt. 27.08.2004 and 3) 0510266545 dt.21.6.10.

Justification and reasoning cited by the applicant are not convincing to the committee hence rejected the same reiterating the earlier decision of PRC meeting held on 1.11.2011.

Case No.22 M/s. Technova Imaging systems Pvt. Ltd.

F.No. 01/60/162/1724/AM11/EFGC(PRC)
PRC Meeting No. 23/AM13 dated: 01.10.2012
Subject:- Request for revalidation of AA no. 0310460780 dt. 13.2.2008.

Deferred for obtaining the detailed justification on the facts of the case in a chronological order from 28.2.2010 onwards.

(Action : Applicant)

Case No.23 M/s. Umedica Lab. Pvt. Ltd., Mumbai

F.No. 01/94/180/865/AM10/EFGC(PRC)
PRC Meeting No. 23/AM13 dated: 01.10.2012
Subject:- Clubbing of two advance authorization no. 0310151024 dt. 31.7.2002 with 0310179715 dt. 22.1.2003..

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

- i) To allow clubbing of 2 above advance authorizations.
- ii) This is only for regularization and closure purpose and not for any further exports/imports. Excess import, if any, may be regularized in terms of Para 4.28 of HBP.
- iii) RA may grant necessary extension in EO subject to composition fee @ 0.5% of FOB value of export made beyond the stipulated EOP for clubbing and regularization. RA is also directed to examine the case in terms of Para 4.1.6 of FTP and ensure value addition of minimum 15% or as stipulated in the authorization whichever is higher. 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) RA may do clubbing subject to the condition that no adjudication order is issued against any licence to be clubbed.

(Action : RA, Mumbai)

Case No.24 Ref. from Chairman NCs.

PRC Meeting No. 23/AM13 dated: 01.10.2012

Subject:- Reconsideration of Ad-hoc Norms by NC under Para 4.7.5 of HBP Vol.I.

Para 4.7.5 of HBP prescribes that in cases where the NC decides ad-hoc norms based on information available to it and the exporter represents against the decision of NC, time limit for filing representation, if any, before the NC shall be 4 months from the communication of decision of the fixation of ad-hoc norms by NC.

This issue was discussed in the PRC and it was decided that where representations are received for a revision of norms after 4 months, such cases may be considered by NCs and if NCs agreed to carry out the revision, then NC may do so and place a list of such cases on monthly basis before PRC for ex-post-facto approval.

The Committee ended with the Vote of Thanks to the Chair.
