Minutes of the Policy Relaxation Committee

Meeting no. 23/AM14 held on 01.10.2013 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. DGFT
2.	Shri V.K. Srivastava	Addl. DGFT
3.	Shri L.B. Singhal	Addl. DGFT
4.	Shri K.C. Rout	Addl. DGFT
5.	Shri Jaikant Singh	Addl. DGFT
6.	Shri S.K. Samal	Jt. DGFT
7.	Shri Jay Karan Singh	Jt. DGFT
8.	Shri Akash Taneja	Jt. DGFT
9.	Shri S.K. Mohapatra	Dy. DGFT
10.	Smt. Sonika Khattar	FTDO

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

Case No.1. M/s Techno Economics Services Pvt. Ltd, Thane.
F.No. 01/60/162/480/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for EOP extension of Advance Authorization No. 0310350123 dated 03.10.2005 issued under PC-9 condition for regularization.

The Committee decided the following:

I. Export obligation period is extended. upto 31.7.2006.
II. This is only for regularization and closure purpose.
III. This is subject to a payment of composition fee @ 0.5% of FOB value of exports made outside the original EOP and minimum value addition of 15% as prescribed under para 4.1.6 of FTP.

(**Action: RA, Mumbai**)

Case No.2. M/s Techno Economics Services Pvt. Ltd, Thane.
F.No. 01/60/162/479/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for EOP extension of Advance Authorization No. 0310276049 dated 21.06.2004 issued under PC-9 condition for regularization.

The Committee decided the following:

I. Export obligation period is extended. upto 28.02.2005.
II. This is only for regularization and closure purpose.
III. This is subject to a payment of composition fee @ 0.5% of FOB value of exports made outside the original EOP and minimum value addition of 15% as prescribed under para 4.1.6 of FTP.

(**Action: RA, Mumbai**)

Case No.3. M/s Techno Economics Services Pvt. Ltd, Thane.
F.No. 01/60/162/492/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for EOP extension of Advance Authorization No. 0310299446 dated 28.10.2004 issued under PC-9 condition for regularization.

The Committee decided the following:

I. Export obligation period is extended. upto 31.05.2005.
II. This is only for regularization and closure purpose.
III. This is subject to a payment of composition fee @ 0.5% of FOB value of exports made outside the original EOP and minimum value addition of 15% as prescribed under para 4.1.6 of FTP.

(**Action: RA, Mumbai**)

Case No.4. M/s Metro Exporters Pvt. Ltd, Mumbai.
F.No. 01/60/162/455/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for relaxation for eligibility of Time Barred Shipping bills pertains to 2009-10 to allow claim under Chapter 3.

Deferred and may be brought again before PRC after getting report from RA, New Delhi and RA, Pudducherry. Similar other cases should be reviewed.

Action: PRC / RA, New Delhi/RA, Pudducherry

Case No.5. M/s IOL Chemicals and Pharmaceuticals Limited, Ludhiana.
F.No. 01/60/162/475/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for clubbing of Advance Authorization Nos. 3010061260 dated 15.05.2009 with 3010085772 dated 08.05.2012 and Advance Authorization Nos. 3010061539 dated 09.06.2009 with 3010086489 dated 04.06.2012.

Deferred for seeking details of the shipments made within validity and outside validity of EOP.

(**Action: Applicant**)

Case No.6. M/s Venus Wire Industries Limited, Mumbai.
F.No. 01/60/162/107/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for revalidation of DEPB Authorization No. 0310489481 dated 08.10.2008.

Deferred for seeking EDI report.

(**Action: EDI**)

Case No.7. M/s DellOrto India Pvt. Ltd, Faridabad, Haryana.
F.No. 01/60/162/495/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for condonation of procedural lapse of not mentioning of imported inputs in some of the export shipping bills under Advance Authorization No. 0510223812 dated 14.07.2008.

The Committee decided that the request of the firm can be considered if the firm can produce any prescribed documentary evidence to co-relate inputs vis-à-vis output against the Advance Authorization. This aspect shall be examined on file.

Case No.8. M/s DellOrto India Pvt. Ltd, Faridabad, Haryana.
F.No. 01/60/162/489/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for condonation of procedural lapse of not mentioning of imported inputs in some of the export shipping bills under Advance Authorization No. 0510225483 dated 13.08.2008.

The Committee decided that the request of the firm can be considered if the firm can produce any prescribed documentary evidence to co-relate inputs vis-à-vis output against the Advance Authorization. This aspect shall be examined on file.

Case No.9. M/s Indo Rama Synthetics (India) Ltd, Nagpur.
F.No. 01/60/162/491/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for clubbing of 10 Advance Authorizations.

1. 1110021032 dated 10.09.2009
2. 1110021072 dated 18.09.2009
3. 5010000434 dated 28.10.2010
4. 5010001316 dated 21.05.2012
5. 5010001323 dated 24.05.2012
6. 5010001350 dated 04.06.2012
7. 5010001315 dated 21.05.2012
8. 5010001389 dated 22.06.2012
9. 5010001432 dated 13.07.2012
10. 5010001596 dated 19.02.2013

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

I. Clubbing of Advance Authorizations mentioned at sr. no. 1 to 9 as referred above is allowed, subject to the condition that no redemption letter or adjudication order is issued against any licence to be clubbed. However Advance Authorization no. 5010001596 dt. 19.2.2013 cannot be considered for clubbing purpose as there is substantial gap between this Advance Authorization and the earliest advance authorization No. 1110021032 dated 10/09/2009.

II. This is only for regularization and closure purpose and not for any further exports/imports. However, exports which are affected within the extended validity of earliest authorization shall only be taken into account for clubbing purpose.

III. Exports made within 48 months of the first authorization is allowed subject to payment of composition fee @ 0.5% of 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 regularized on payment of Customs Duty + Interest in terms of Para 4.28 of H.B.P.

(**Action: RA, Bhopal** is directed to forward the files pertaining to Advance Authorizations issued by it to RA Nagpur for clubbing of the authorization. RA, Nagpur is requested to take necessary action as per PRC decision under intimation to RA Bhopal and Hqr.)

Case No.10. M/s UOP India Pvt. Ltd, New Delhi.
F.No. 01/60/162/498/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for relaxation of condition of obtaining 'Bank Realization Certificates' and other declaration required in terms of PN-79 dated 02.01.2006 for Advance Authorization No. 0510017547 dated 08.05.2000.

The regularization of old cases, if shipping bills are not logged in the DEEC export book, the applicant has to submit MODVAT declaration in terms of PN 79 dated 02/01/2006 read with PN 151 dated 26/02/2009 from the manufacturer of goods so exported. Requirement of BRC cannot be waived. Applicant can take benefit of PN No.22 dated 12/08/2013.

Case No.11. M/s Ashish Life Science Pvt. Ltd, Thane, Maharashtra.
F.No. 01/60/162/488/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for clubbing of Advance Authorization Nos. 0310542200 dated 23.10.2009 & 0310687363 dated 21.03.2012 issued under PC-9 condition.

The Committee took the following decisions:

The majority of the exports made under subsequent authorization are outside 18 months of earliest authorisation, therefore, the request of clubbing cannot be considered. The applicant is hereby directed to get their case regularized in terms of PN 22 dated 12.8.2013 or under Para 4.28 of HBP read with PC-18 dated 30.10.2007.

(**Action: RA Mumbai**. If the party fails to get the case regularized in terms of PN 22 dated 12.8.2013 or Para 4.28 of HBP within a month from the date of communication of this decision, RA shall take action against the firm under the provision of FT (D&R) Act. 1992 and submit an Action Taken Report).

Case No.12. M/s Vardhman Exports, Mumbai.
F.No. 01/60/162/559/AM12/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for EOP extension of Advance Authorization No. 0310271651 dated 28.05.2004 issued under PC-9 condition.

The committee decided to reject the request for further extension of export obligation period as RA has already granted six months extension upto 17.5.2005. However, PC-18 condition is waived to the extent of requirement of destruction certificate on goods consumed and exported outside obligation period.

Case No.13. M/s Pleaders Kamp, Chennai.
F.No. 01/60/162/434/AM13/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013

Subject: - Request for EOP extension of Advance Authorization No. 0410093856 dated 14.02.2008.

The Committee noted that the Norms Committee fixed the norms finally on 29/09/2011i.e. after the expiry of export obligation period, i.e. 28/02/2011, of the Advance Authorization. Hence the following decision was taken:

i. Export obligation period is extended for three months from the date of endorsement.
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 that EO as claimed to have been fulfilled is more than 50% in proportion to import made within original obligation period.
iv. The applicant is advised to submit the authorization 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 is done on the Authorization.

(**Action: RA Chennai/ applicant**)

Case No.14. M/s M. R. Agro Industries, Gujarat.
F.No. 01/60/162/181/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for EODC in respect of Advance Authorization No. 0810085372 dated 30.12.2009.

The committee considered the technical views received from Deptt. of Agriculture. As per their views hulled sesame seeds may not be treated as natural sesame seeds. Hence the request is rejected, as the product is different.

Case No.15. M/s Chhaperia Electro Components Pvt. Ltd, Bangalore.
F.No. 01/60/162/227/AM13/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for revalidation of Advance Authorization No. 0710067289 dated 30.09.2009.

The committee considered the case in the light of submissions of the firm and the report received from RA concerned and decided to reject the request as the reasons and justification given by the applicant are not convincing to the Committee.

Case No.16. M/s Techno Economics Services Pvt. Ltd, Thane.
F.No. 01/60/162/503/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for EOP extension of Advance Authorization No. 0310133663 dated 15.04.2002 issued under PC-9 condition for regularization.

The Committee decided the following:

I. Export obligation period is extended from 06 months to 12 months i.e. upto 31.5.2003 from the date of first import consignment. However exports made prior to import shall not be considered.

II. This is only for regularization and closure purpose.
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 12 months from date of first import. Exports made prior to imports shall not be taken into account towards discharge of E.O.

(**Action: RA, Mumbai)**

Case No.17. M/s Techno Economics Services Pvt. Ltd, Thane.
F.No. 01/60/162/502/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for EOP extension of Advance Authorization No. 0310367283 dated 16.02.2006 issued under PC-9 condition for regularization.

The committee observed that there is no policy relaxation involved in the case. RA should account for exports made till the last date of the month under Para 2.12.4 of HBP even for authorization issued under Policy Circular No. 9 dated 30/06/2003. The applicant is advised to approach the concerned RA for regularization of the case.

(**Action: RA, Mumbai**)

Case No.18. M/s Universal Oleoresins, Kerala.
F.No. 01/60/162/500/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for EOP extension for products covered under Appendix 30A against Advance Authorization No. 1010042037 dated 08.03.2011.

The Committee decided the following:

i. Export obligation period is extended upto 31.10.2011.
ii. This is only for regularization and closure purpose.
iii. This is subject to payment of composition fee @ 0.5% on FOB value of exports 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.19. M/s Universal Oleoresins, Kerala.
F.No. 01/60/162/501/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for EOP extension for products covered under Appendix 30A against Advance Authorization No. 1010041045 dated 02.12.2010.

The Committee decided the following:

i. Export obligation period is extended upto 31.08.2011.
ii. This is only for regularization and closure purpose.
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.20. M/s Havells India Ltd. NOIDA
F.No. 01/60/162/508/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for EOP extension of Advance Authorization No. 0510264180 dated 12.5.2010.

The Committee decided the following:

I. Export obligation period is extended upto 30.4.2014 or 4 months from the date of endorsement whichever is earlier.

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 that EO as claimed to have been fulfilled is more than 50%, in proportion to imports made, within original obligation period.

IV. The applicant is advised to submit the authorization 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 is done on the Authorization.

(**Action: RA CLA New Delhi/ applicant**)

Case No.21. M/s Ranbaxy Laboratories Ltd. Mohali
F.No. 01/60/162/511/AM14/EFGC (PRC)
PRC Meeting No. 23/AM14 dated 01.10.2013
Subject: - Request for clubbing of Advance Authorization No. 0510254670 dated 16.12.2009 and 0510296379 dated 12.7.2011.

The Committee decided the following:

I. Clubbing of the 2 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 are affected within 48 months of earliest authorization shall only be taken into account for clubbing purpose.
III. Exports made within 48 months from the date of 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, CLA, New Delhi)**

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

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