THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 26/AM13 HELD ON 30.10.2012 AT 11.30 A.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:

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

Case No.1. M/s. Rajasthan Tools, Mumbai
F.No. 01/60/162/459/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for endorsement of licence no. 1310021334 dateed 12.4.2006, or EDI generated file no. on invoice or CT-3 or ARE-3..

The committee noted the request and it was decided to reject the request because the applicant did not mention file no. or licence number in both the documents i.e. ARE-3 and CT-3 which are only the prescribed documents. Hence the supply can't be treated as deemed export.

(Action : RA Jaipur)

Case No.2. M/s. Medchil Chemicals & Pharmaceuticals Pvt Limited, Secunderabad
F.No. 01/60/162/467/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request of the export made prior to the following 7 advance licences:-

1. 0910038967 dated 14.08.2009.
2. 0910038968 dated 14.08.2009
3. 0910039024 dated 18.08.2009
4. 0910039025 dated 18.08.2009
5. 0910041640 dated 12.04.2010
6. 0910041639 dated 12.04.2010
7. 0910044674 dated 14.12.2010

The committee deliberated the request and decided to defer for obtaining details from RA to know as to when the application for issuance of licence was made by the firm and the time taken for issuance of authorizations. It was also decided that for clubbing purpose the firm may furnish the details of import and export made.

(Action : RA/ Applicant)

Case No.3. M/s. Swelore Engineering Pvt Limited, Ahmedabad
F.No. 01/60/162/465/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request of strict adherence policy provision (para 2.5) of advance authorization no. 0810064104 dt. 4.4.2007.

The committee noted the request and it was decided to accept the documents towards discharge of export obligation if S/bill bear the same invoice number and ARE-1 which bears the details of advance authorization under which goods were removed for export purpose.

Action : RA Ahmedabad)

Case No.4. M/s. S.J.K. Silks, Bangalore
F.No. 01/60/162/286/AM12/EFGC(PRC)

PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for EOP extension of advance licence no. 0710048188 dt. 1.11.2006.

. The committee deliberated the request and the following decisions were taken:

i) The request for further extension of EOP is rejected. However, exports made within 30 months from the issue of licence shall be taken in to account towards regularization and discharge of export obligation

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.

(Action : RA Bangalore)

Case No.5. M/s. Bhise Ceramic Pvt Limited, Mumbai
F.No. 01/60/162/1167/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request to extend the validity of the DEPB certificate authorization no. 0310491456 dt. 22.10.2008 as Mumbai Airport have inadverteny used DEPB Certificate authorization no. 0310528563 dt. 13.07.2009..

Justification and reasoning cited by the applicant are not convincing to the committee hence decided to maintain rejection.

Case No.6. M/s. Nandolia Organic Chemicals Pvt Ltd, Mumbai
F.No. 01/60/162/460/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for policy regarding issue of advance licence for intermediate supplies of advance authorization no. 0310296027 dt. 8/10/2004..

Deferred for obtaining the details of audit objection from RA. RA may examine the case and inform the committee as to how documents were accepted where supplies were made without file number/licence number?

(Action : RA Mumbai)

Case No.7. M/s. Alembic Limited, Vadodara
F.No. 01/94/180/541/AM10/PC-IV/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for clubbing of two advance authorization no. 3410004247 dt. 21.5.2002 & 3410009199 dt. 10.12.2003 for regularization.

Deferred.

Case No.8. M/s. Intas Pharmaceuticals Limited, Ahmedabad
F.No. 01/60/162/353/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for closure of advance licence no. P/L/3158941/C dt. 13.09.1986.

The committee deliberated the case in length and decided that the decision of BIFR be implemented.

(Action : RA Kolkata)

Case No.9. M/s. Umedica Laboratories Limited, Mumbai
F.No. 01/60/162/1546/AM11/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for EOP extension of the advance licence no. 03204584 dt. 3.2.1997 for regularization.

Deferred for obtaining report from RA as called for earlier.

(Action : RA Mumbai)

Case No.10. M/s. CIPLA Limited, Mumbai
F.No. 01/60/162/295/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for revalidation of DEPB licence no. 0310538374 dt. 17.09.2009.

The committee noted that the firm had sufficient time with them for undertaking imports and the reason cited by the firm can not be considered as a genuine hardship warranting policy relaxation. The committee therefore rejected the request.

Case No.11. M/s. Medreich Limited, Bangalore
F.No. 01/60/162/418/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for EOP extension of following 5 advance licences:-

1. 0710073685 dated 19.08.2010
2. 0710075653 dated 25.11.2010
3. 0710077816 dated 03.03.2011
4. 0710078687 dated 20.04.2011
5. 0710079379 dated 25.05.2011

After discussion in length, the following decisions were made:

i) Condition of PC-18 is waived to the extent of raw material consumed and exported.

ii) Export made outside the stipulated EO period shall be regularized in terms of Para 4.28 of HBP.

iii) To justify the consumption of 100% imported raw material, applicant shall submit certificate from the concerned Excise Authority.

(Action : RA, Bangalore)

Case No.12. M/s. Simmond Marshall Limited
F.No. 01/81/163/319/AM-09/DES-II
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Amendment of item of imports per P.No. 16/2011-11 dt.26.11.2010 in AA No.0310481894 dt. 8.8.2008 (2) revalidation of advance licence.

Justification and reasoning cited by the applicant are not convincing to the committee hence decided to maintain rejection.

Case No.13. M/s. Kopran Limited, Mumbai
F.No. 01/60/162/702/AM12/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for clubbing for 6 advance authorization no. 1) 0310331068 dt. 24.5.2005, 2) 0310416803 dt. 22.1.2007, 3) 0310419754 dt 15.2.2007, 4) 0310573504 dt. 10.05.2010, 5) 0310354792 dt. 7.11.2005 and 6) 0310384368 dt. 13.6.2006

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

i) To allow clubbing of 5 above advance authorizations (sr. no. 1,2,3,5 and 6) as referred above. The advance authorization no. 0310573504 dt. 10.05.2010 was not considered for clubbing as the same was not issued in continuity with distinct overlap of 36 months.
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 upto 30.05.2009 in earliest licence 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 is issued against any licence to be clubbed.

(Action : RA, Mumbai)

Case No.14. M/s. Parmeshwari Silk Mills Limited
F.No. 01/60/162/550/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for EOP of advance authorization No. 3010059896 dt. 30.1.2009 (With AU Condition).

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

i) Export obligation period is extended upto 31.1.2013. 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% value wise even on pro-rata basis i.e. in proportion to the import made within the valid EOP.

(Action : RA, Ludhiana)

Case No.15. M/s. Jay Chemicals, Mumbai
F.No. 01/60/162/308/AM12/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for clubbing of two advance licence nos. 0310384713 dt. 14.06.2006 with advance licence no.0310366967 dt. 14.2.2007 ..

Deferred.

Case No.16. M/s. Kopran Limited, Mumbai
F.No. 01/60/162/1905/AM11/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for revalidation of two DFIA Nos. 0310388267 dt. 6.7.2006 & (ii) 0310395537 dt. 22.8.2006..

Justification and reasoning cited by the applicant are not convincing to the committee hence decided to maintain rejection.

Case No.17. M/s. Bullpack Exports Limited, Indore
F.No. 01/94/180/71/AM10/PC-IV/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for separation/declubbing of two authorization no. 1110014406 dt. 27.11.2006 and 1110015703 dt. 18.7.2007.

The committee deliberated the case in length and observed that no purpose would be served to allow request of the firm because the segregation would require regularization of excess imports made against licence no. 1110014406 dt. 27.11.2006. Further, the committee was not agree to give any revalidation for authorizations which have lost their validity. Therefore it was decided to maintain rejection.

Case No.18. Reference from Export Cell
F.No. 01/91/180/1843/AM11/EC(part.)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for applied for extension of RC for export of cotton yarn of Policy Circular No. 51 dated 28.12.2011.

(i) The request of the firm M/s. Cheslind Textiles Limited, Bangalore to waive the penalty amount imposed by RA was considered in the meeting and it was decided to reject the request as reasons cited by the firm are not convincing to the committee.
(ii) The request of M/s. Shroff Textiles Export, Coimbatore was considered and decided to extend the export obligation period by 15 days in continuation of the validity of RC for regularization of the exports already effected by the firm.

(Action : Export Cell)

Case No.19. M/s. India Glycols Limited, Delhi
F.No. 01/60/162/469/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for revalidation in respect of AA No. 0510227807 dt. 19.9.2008..

There was no bar or restriction to wait for committee decision for making import as licence had been obtained under self declaration scheme. Therefore the reasons cited by the applicant are not convincing to the committee hence decided to reject.

Case No.20. M/s. Greenply Industries Limited, Assam

F.No. 01/60/162/413/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for enhancement & revalidation of DFIA no. 0210089696 dt. 26.5.2006..

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.21. M/s. Associated Cable Pvt Limited, Mumbai
F.No. 01/60/162/478/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for revalidation of advance licence no. 0310563402 dt. 9.3.2010..

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.22. M/s. Polyplex Corporation Limited, Uttarakhand
F.No. 01/60/162/468/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- (i) Request for revalidation of 6 advance authorizations
(ii) Allow invalidation to procure goods from their own unit.

(i) The committee noted the contents of the request made by the firm and decided to reject the request for revalidation of 6 authorization no. i) 0510227271 dt. 29.2.2009, ii) 0510220690 dt. 19.5.2008, iii) 0510229630 dt. 21.10.2008, iv) 0510235175 dt. 28.1.2009, v) 0510237506 dt. 3.3.2009 and vi) 0510240873 dt. 5.5.2009.
(ii) The committee decided to allow procurement of goods from their own other unit against invalidation because SION permit backward integration of inputs.

(Action : RA CLA)

Case No.23. M/s. Gandhar Oil Refinery Limited, Mumbai
F.No. 01/60/162/482/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for revalidation of advance authorization no. 0310552393 dt. 23.12.2009..

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.24. M/s. Bloom Dekor Limited, Ahmedabad
F.No. 01/60/162/489/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for revalidation of advance licence no. 0810084598 dt. 2.12.2009..

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.

(Action : RA Ahmedabad to clarify as to why 6 months revalidation was not granted to the firm.)

Case No.25. M/s. D.B., Engineering Pvt Limited, New Delhi
F.No. 01/60/162/480/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for revalidation of advance authorization no. 0510257618 dt. 3.2.2010.

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.26. M/s. Vivek Pharmachem (India) Ltd, Jaipur

F.No. 01/60/162/438/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for revalidation of advance authorization no. 1310023647 dt. 31.01.2007.

Deferred.

Case No.27. M/s. Krishna Antioxidants Pvt Limited, Mumbai
F.No. 01/60/162/481/AM13/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for revalidation of advance authorization no. 0310551043 dt. 16.12.2009`.

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.28. M/s. Multitex Filteration Engineering Limited
F.No. 01/60/162/1179/AM11/EFGC(PRC)
PRC Meeting No. 26/AM13 dated: 30.10.2012
Subject:- Request for the extension in EOP of advance authorization no. 0510208252 dt. 29.8.2007.

Justification and reasoning cited by the applicant are not convincing to the committee hence decided to maintain rejection.

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