

THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 27/AM13 HELD ON 02.11.2012 AT 12.00 N 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 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 Jaikaran Singh | Jt..DGFT |
| 6. Shri S.K. Samal | Jt. DGFT |
| 7. Shri Ajay Srivastava | Jt. DGFT |
| 8. Shri A. Mishra | Stats Advisor |
| 9. Shri. Sanjay Kumar | DDG |
| 10. Smt. Sonika Khattar | FTDO |

Case No.1. M/s HPL Additives Limited, New Delhi

F.No. 01/60/162/487/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension & regularization of three shipping bills against advance authorization no. 0510209800 dt. 1.10.2007.

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

- I. Export obligation period is extended upto 31.1.2010.
- II. This is only for regularization and closure purpose.
- III. This is also subject to the condition that the case has not been adjudicated.

(Action : RA, CLA Delhi)

Case No.2. M/s Garware Polyester Limited, Aurangabad

F.No. 01/60/162/488/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of advance authorization no. 0310367374 dt. 17.2.2006 for regularization purpose.

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

- I. Export obligation period is extended upto 31.12.2008.
- II. This is only for regularization and closure purpose.
- III. This is also subject to the condition that the case has not been adjudicated.

(Action : RA, Mumbai)

Case No.3. M/s Emmbi Polyarns, Mumbai

F.No. 01/60/162/479/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of two advance licence Nos. 0310500462 dt. 30.12.2008 & 0310488142 dt. 26.9.2008.

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 or upto 31.5.2013 which ever 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 more than 50% within the valid EOP.
- iv) The applicant is advised to submit all these licences for endorsement to RA as early as possible.

(Action : RA Mumbai,)

Case No.4. M/s MRK Healthcare Pvt Limited, Mumbai

F.No. 01/60/162/477/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of advance authorization no. 0310526351 dt. 29.6.2009.

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 or upto 31.5.2013 which ever 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 more than 50% within the valid EOP.
- iv) The applicant is advised to submit all these licences for endorsement to RA as early as possible.

(Action : RA Mumbai)

Case No.5. M/s Electro Copper & Alloy Mfg. Co. Ltd, Kolkata

F.No. 01/60/162/490/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of advance authorization no. 0210102175 dt. 5.7.2007.

The Committee rejected the request of the firm as there is no merit for consideration as the authorization is too old. It was decided that the cases may be finalized as per the provisions of the FTP/HBP.

(Action : RA Kolkata)

Case No.6. M/s Bhushan Power & Steel Limited, Kolkata

F.No. 01/60/162/457/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for clubbing (5) advance authorization.

- 1) 0210105479 dated 24.10.2007
- 2) 0210102596 dated 25.07.2007
- 3) 0210126154 dated 01.05.2009
- 4) 0210126158 dated 01.05.2009
- 5) 0210136905 dated 22.01.2010

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

- i) To allow clubbing of 5 above advance authorizations as referred above.
- 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 is issued against any licence to be clubbed.

(Action : RA, Kolkata)

Case No.7. M/s Madura Coats Pvt Limited

F.No. 01/60/162/576/AM12/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for clubbing of 5 AAs 1. 3510017443 dt.21.10.05 2. 3510018055 dt.22.2.06 3. 3510024515 dt.28.8.08 4. 3510016709 dt. 27.6.2008 5. 3510016711 dt.28.6.2005.

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 18.10.2011.

Case No.8. M/s Alginates Allied Chemicals Pvt. Limited, Mumbai

F.No. 01/60/162/184/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for closure of advance licence No. 0310123997 dt. 11.2.2002.

The case was discussed in length and it was decided to accept documents towards discharge of export obligation against advance licence no. 0310123997 dt. 11.2.2002 if shipping bill along with corresponding BRC is submitted. The shipping bill for which BRC is not available shall also be accepted if the applicant submit "XOS" of RBI showing no pending/ outstanding bill for realization. However, for that the exporter has to submit an affidavit to that effect that no bill is outstanding.

Clubbing of licence no. 0310204390 dt. 28.5.2003 which was surrendered without utilization shall also be allowed if the said file is available with RA and facts are confirmed that EO had been fulfilled against the said licence without utilization.

(Action : RA Mumbai)

Case No.9. M/s Naturol Bio-Energy Limited an EOU

F.NO.01/92/180/199/AM10/PC-VI

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for Migration from EOU to EOCG Scheme while the firm has negative NFE

Deferred

Case No.10. M/s CIL Textiles Pvt Limited Indore

F.No. 01/60/162/133/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for revalidation of the DEPB of advance licence no. 1110017199 dt. 16.5.2008.

Deferred for obtaining a report from RA, Bhopal as to what action has been taken by the Custom as respondent no. 1 in pursuance of the Hon'ble High Court of Indore bench order dt. 4.8.2009 and 5.2.2010.

(Action : Custom ICD Pithampur/ RA Bhopal/)

Case No.11. M/s Style Rite Optical Industries, Mumbai

F.No. 01/60/162/1139/AM12/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for revalidation of advance licence No. 0310524889 dt. 18.6.2009.

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 28.02.2012.

Case No.12 M/s Givo Limited

F.No. 01/60/162/587/AM08/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of advance licence No. 0510143868 dt. 24.11.2004.

GRC in its meeting dt. 29.8.2008 granted extension of EOP by six months subject to payment of 1% composition fee.

The case was placed in PRC meeting dt. 21.6.2011 and the committee had noted that GRC has recommended the case as the unit is awaiting BIFR package. Therefore, it was decided to examine the export performance in that context and place before the committee.

Considering the improvement in last 4 years export performance, the committee considered the case and following decision were taken:

- I. Export obligation period is extended up to 48 months from the date of issue of authorization.
- 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. This is also subject to the condition that the case has not been adjudicated.

(Action : RA, Delhi)

Case No.13. M/s Thyssenkrupp Industries India (P) Limited Pune

F.No. 01/94/180/579/AM11/PC/4/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for revalidation of advance licence no. 3110020305 dt.19.4.2005.

Withdrawn

Case No.14. M/s Gandhar Oil Refinery Limited, Mumbai

F.No. 01/60/162/543/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for revalidation of advance licence no. 0310552393 dt. 23.12.2009.

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

Case No.15. M/s D.B. Engg. Delhi

F.No. 01/60/162/542/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for revalidation of advance licence no. 0510257618 dt. 3.2.2010.

The Committee noted the request of the firm and decided to reject as the reasons cited are only commercial risk and not genuine hardship warranting relaxation under Para 2.5 of FTP.

Case No.16. M/s Poppys Garments, Tamilnadu

F.No. 01/60/162/535/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for condone the lapse of not mentioning licence no. 3230017162 dt. 12.9.2011(Zero duty EPCG scheme).

The committee noted that the request for EPCG Scheme should have come through EPCG Committee. However, the committee examine the issue and decided to reject the request because specific export obligation can not be discharged where shipping bill do not bear licence no. and file no. and exports are made through third party.

Case No.17. M/s. Torrent Pharmaceuticals Limited

F.No. 01/60/162/536/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of advance licence no. 0810096593 dt. 23.2.2011.

The Committee rejected the request of the firm as there is no merit for consideration as the authorization on the criteria of minimum 50% export within original validity period has not been met for merit of the case.

Case No.18. M/s Dhanuka Laboratories Limited Delhi

F.No. 01/60/162/537/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Requested for clubbing of advance authorization of advance licence no. 0510168036 dt. 5.10.2005.

The committee noted that the request is made for clubbing of licences but no details of other licence which need to be clubbed is given here, hence rejected.

Case No.19. M/s Aquarelle India Limited Bangalore

F.No. 01/60/162/544/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of advance licence No. 0710066517 dt. 17.8.2009.

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 or upto 31.5.2013 which ever 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 more than 50% within the valid EOP.
- iv) The applicant is advised to submit the licence for endorsement to RA as early as possible.

(Action : RA Bangalore)

Case No.20. M/s Sturdy Industries, Solan

F.No. 01/60/162/1236/AM12/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of advance licence no. 2210007152 dated 18.10.2007.

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

- I. Export obligation period is extended upto 48 months from the date of issue of authorization..
- 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. This is also subject to the condition that the case has not been adjudicated.
- V. Shortfall, if any, shall be regularized in terms of Para 4.28 of HBP.

(Action : RA Chandigarh)

Case No.21. M/s Sturdy Industries Solan

F.No. 01/60/162/1237-1238/AM12/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of advance licence no. 2210007355 dt. 04.01.2008 and 2210007637 dt.27.3.2008

The case was earlier discussed in the PRC meeting no. 45/AM12 dt. 27.3.2012 and rejected due to low exports i.e. less than 50%. Now party has submitted revised statement stating that they had fulfilled 58% and 59% respectively export obligation against the licences and requested to allow 6 months extension to meet balance export obligation.

The committee therefore took the following decisions :

- i) RA to check whether more than 50% export obligation has been fulfilled within original validity even on pro-rata basis or not?
- ii) If statement is found to be true, 6 months extension in EOP shall be granted from the date of endorsement or upto 31.5.2013 whichever is earlier.
- iii) If statement given by the party is found false or incorrect, the party shall be placed under DEL immediately and other necessary action as per FT(D&R) Act shall also be initiated if party fails to get the case regularized as bonafide default.

(Action : RA Chandigarh)

Case No.22. M/s Sunder Sons Tamilnadu

F.No. 01/60/162/539/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of advance licence no. 3210041097 dt. 25.8.2009

The Committee noted that the firm have made no exports during the valid EOP and, therefore, decided to reject the case on account of no exports made both quantity and value wise in the valid EOP.

Case No.23. M/s Sturdy Industries Solan

F.No. 01/60/162/1239/AM12/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for EOP extension of advance licence no. 2210008011 dt. 23.7.2008.

The case was earlier discussed in the PRC meeting no. 45/AM12 dt. 27.3.2012 and rejected due to low exports i.e. less than 50%. Now party has submitted revised statement stating that they had fulfilled 58% export obligation against the licence and requested to allow 6 months extension to meet balance export obligation.

The committee therefore took the following decisions :

- i) RA to check whether more than 50% export obligation has been fulfilled within original validity even on pro-rata basis or not?
- ii) If statement is found to be true, 6 months extension in EOP shall be granted from the date of endorsement or upto 31.5.2013 whichever is earlier.
- iii) If statement given by the party is found false or incorrect, the party shall be placed under DEL immediately and other necessary action as per FT(D&R) Act shall also be initiated if party fails to get the case regularized as bonafide default.

(Action : RA Chandigarh)

Case No.24. M/s National Steel & Agro Industries Limited, Mumbai

F.No. 01/60/162/540/AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject:- Request for revalidation of DEPB licence no. 1110016038 dt. 25.9.2007

The committee noted that RA is empowered to revalidate DEPB under Para 2.13.2 of HBP if delay is attributed to government agencies. The applicant is advised to approach to the concerned RA with supporting documents for consideration of their request. In case of any doubt RA can seek guidance from PRC.

(Action : RA Bhopal/ Applicant)

Case No.25-41. M/s Maruti Koatsu Cylinders Limited, Mumbai

F.No. 01/60/162/541 /AM13/EFGC(PRC)

PRC Meeting No. 27/AM13 dated: 02.11.2012

I. Request for clubbing of following advance authorizations no.

3410018179 dt. 26.06.2007
3410019407 dt. 13.8.2007
3410018959 dt. 13.6.2007.
3410019458 dt. 20.8.2007
3410019786 dt. 08.10.2007
3410019862 dt. 17.10.2007
3410021244 dt. 23.4.2008
34100207786 dt. 8.2.2008
3410016598 dt. 1.8.2006.
34100220927 dt. 28.2.2008.
3410021197 dt. 15.4.2008.
3410021752 dt. 7.7.2008.
3410018178 dt. 26.2.2007
3410019275 dt. 26.7.2007
3410017419 dt. 17.11.2006
3410016541 dt. 24.7.2006

II. Request for revalidation of advance licence no. 3410020854 dt. 19.2.2007

III. Request for EOP extension for regularization purpose of advance licence no. 3410018409 dt. 23.03.2007.

After discussion in details following decisions were taken:

- I) Since no details of other licences which need to be clubbed with the licence is given, the committee rejected the request of clubbing
- II) Request for revalidation of advance licence no. 3410020854 dt. 19.2.2007 was rejected considering no merit.
- v) Request for EOP extension for regularization purpose of advance licence no. 3410018409 dt. 23.03.2007 is allowed and the period is extended upto 48 months from the date of issue of licence subject to payment of composition fee @ 0.5% on unfulfilled FOB value of exports made outside the original validity period and minimum value addition of 15% as prescribed under para 4.1.6 of FTP.

(Action : RA Vadodara)

Case No. 42 Reference from Norms Committee-IV

PRC Meeting No. 27/AM13 dated: 02.11.2012

Subject: Cases for PRC where the firm has represented beyond 4 months and placed before NC in Sept. 2012.

S. No.	Name of the firm	Adv. Autho. No.	M. No. & Date	Date of communication of earlier decision	Representation submitted on	Present status
1.	M/s Kaygee-loporex India P. Ltd.,	0310537288 dt.11.09.09	NC No. 23/13 dt.5.9.12	3.5.2010	24.11.11	Approved
2.	M/s Kaygee-loporex India P. Ltd.,	0310475495 dt.19.6.08	NC No. 23/13 dt.5.9.12	20.5.2009	24.11.11	Approved
3.	M/s Kaygee-loporex India P. Ltd.,	0310463171 dt.28.02.08	NC No. 23/13 dt.5.9.12	24.12.2008	24.11.11	Approved
4..	M/s VIC Ltd., Goa	1710001730 dt. 10.8.07	NC No. 23/13 dt.5.9.12	07.05.08	23.7.11	Deferred
5.	M/s Resonance Speciality Ch.	0210112481 dt. 15.5.08	NC No. 23/13 dt.5.9.12	20.2.09	26.5.11	Deferred
6.	M/s Resonance Speciality Ch.	0210112482 dt. 15.5.08	NC No. 23/13 dt.5.9.12	15.7.09	26.5.11	Deferred
7.	M/s Versatile Chemicals Ltd.,	0310577223 dt. 3.6.10	NC meeting No. 26/13 dt. 26.9.12	29.4.11	5.2.12	Deferred
8.	M/s Luk Pluston Ltd., Nagpur	5010000250 dt. 18.2.10	NC meeting No. 26/13 dt. 26.9.12	16.8.10	13.4.11	Deferred
9.	M/s Haldia Petrochemicals Ltd., Kolkata	0210146325 dt. 12.8.10.	NC meeting No. 26/13 dt. 26.9.12	21.4.11	13.4.11	Deferred
10.	M/s Orion Metal Powder(P) Ltd.,	0210042324 dt. 12.12.02	NC meeting No. 26/13 dt. 26.9.12	Case pertained to DES-II (Year 2002). Norms yet to be fixed	12.7.12	Deferred
11.	M/s Kempesz Trading (P) Ltd.,	0710079220 dtr. 18.5.11	NC meeting No. 26/13 dt. 26.9.12	8.2.12	22.2.12	Deferred

The committee granted ex-post-facto approval for the above cases.

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