

Minutes of the Policy Relaxation Committee

Meeting no. 27/AM14 held on 29.10.2013 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 Hardeep Singh	Jt. DGFT
9. Shri AkashTaneja	Jt. DGFT
10. Shri A.K. Srivastava	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 Aarti Industries Ltd, Mumbai.

F.No. 01/60/162/614/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for EOP extension of Advance Authorization no. 0310589264 dated 24.08.2010.

The Committee decided the following:

- I. Export obligation period is extended upto 31.5.2014 or 6 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 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: Mumbai/ applicant)

Case No.2. M/s Medreich Limited, Bangalore.

F.No. 01/60/162/303/AM13/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for EOP extension of Advance Authorization no. 0710055578 dated 25.01.2008 where imports of drugs from unregistered source.

Deferred for seeking specific report from RA as to whether the firm apprised the concerned RA about the source of import (registered or unregistered) at the time of applying for the Advance Authorization or at the time of seeking EOP extension. After getting the information the matter may again be placed before PRC.

(Action: RA, Bangalore)

Case No.3. M/s Vadhman Exports, Mumbai.

F.No. 01/60/162/591/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for EOP extension of Advance Authorization no. 0310231960 dated 20.10.2003 issued under PC-9 condition.

The committee noted that this is a PC-9 case and one extension of 6 months in EOP had already been granted by RA. Hence the request of further extension is rejected. However exports made beyond extended validity may be regularized in terms of Para 4.28 of HBP. PC-18 condition stands waived on such exports to the extent of requirement of destruction/re-export condition.

Case No.4. M/s Vadhman Exports, Mumbai.

F.No. 01/60/162/590/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for EOP extension of Advance Authorization no. 0310136556 dated 03.05.2002.

The Committee noted that the authorization was issued prior to PC-9 dt. 30.6.2003 therefore condition of Appendix 30A would not be applicable in this case. However RA shall check whether 100% export obligation is fulfilled within 48 months from the date of issue of authorization on pro-rata basis. If so, following action may be taken:

- I. To extend export obligation period upto 28.2.2006.
- II. 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.
- III. Export made beyond 28.2.2006 shall not be accounted for.

(Action: RA, Mumbai)

Case No.5. M/s Simpex Pharma Pvt. Ltd, New Delhi.

F.No. 01/60/162/608/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for EOP extension of Advance Authorization no. 0510203694 dated 16.05.2007 for regularization purpose.

The Committee decided the following:

- I. Export obligation period is extended from 6 months to 12 months from the date of import of first consignment i.e. upto 30.5.2008.
- 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, CLA, New Delhi)

Case No.6. M/s Meghmani Organics Ltd, Ahmedabad.

F.No. 01/60/162/611/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for EOP extension of Advance Authorization No. 0810094308 dated 01.12.2010.

The committee noted that no considerable exports, which form merit of the case, have been made by the firm within the original export obligation period, hence the request is rejected. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP, within a month or may avail the Public Notice no. 22 dt. 12.8.2013.

(Action: RA Ahmedabad- If the party fails to get the case regularized in terms of 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.7. M/s Eastern Copper Manufacturing Co. Pvt. Ltd, Kolkata.

F.No. 01/60/162/454/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for revalidation of Advance Authorization no. 0210153700 dated 10.01.2011

Subject: - Request for revalidation of Advance Authorization No. 0210133790 dated 19.01.2011.

The committee did not accede to the request as non availability of fund could not be justifiable grounds for not importing within original validity of 24 months. Secondly for exports to SEZ, BRC in appendix 22 A is required. Therefore there is no merit in the case.

Case No.8. M/s CitoChem Industries Pvt. Ltd, Indore.

F.No. 01/60/162/583/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for restoration of the quantity of import item, value authorization & revalidation for 6 months in respect of Advance Authorization No. 1110022293 dated 28.04.2010.

Deferred for obtaining report from RA as no details of export or shipping bills are available in PRC file. The reasons for requesting PRC at such delayed time is not clear.

(Action: RA Bhopal)

Case No.9. M/s CitoChem Industries Pvt. Ltd, Indore.

F.No. 01/60/162/582/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for restoration of the quantity of import item, value authorization & revalidation for 6 months in respect of Advance Authorization No. 1110022043 dated 18.03.2010.

Deferred for obtaining report from RA as no details of export or shipping bills are available in PRC file. The reasons for requesting PRC at such delayed time is not clear.

(Action: RA Bhopal)

Case No.10. M/s Delite Apparels Ltd, NOIDA

F.No. 01/60/162/494/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for consideration of export made in two S/bill no. 2010772 dt. 11.1.2011 and 2257532 dt. 17.1.2011 under DFIA Scheme for issuance of DFIA.

The committee noted that export against S/bill no. 2257532 dt. 17.1.2011 is made under DFIA Scheme. However, the applicant did not mention the file no. under which the said authorization would be issued. Taking into consideration the genuine mistake, the following decisions were taken:

- I. The exports made under S/bill no. 2257532 dt. 17.1.2011 shall be taken into consideration for issue of DFIA.
- II. The applicant shall submit declaration/undertaking that no other benefits have been availed/ will not be availed in future and the shipping bill shall not be taken into account for issue of **other** DFIA or towards discharge of export obligation against any other DFIA.

(Action: RA, CLA New Delhi)

Case No.11. M/s Premier Mills Pvt. Ltd.

F.No. 01/60/162/281/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for exemption from non-compliance of procedure regarding DEPB Authorization No. 3210055030 dated 11.06.2012.

The committee noted that PC-47 dt. 8.11.2011 allows DEPB benefits only against free shipping bills filed between 1.4.2011 to 4.8.2011. No complaint was reviewed from any other port that software was updated in customs only w.e.f. 8.8.2011. There was no requirement of updation of software because modules for free S/bill and DEPB s/bill were in operation prior to this date also. The committee therefore did not accede to the request.

Case No.12. M/s Paramount Forge, Mumbai.

F.No. 01/60/162/577/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request to condone the delay in submission of application and orders for issuance of DEPB for shipping bills No. 6937208 dated 22.12.2008 & 6516508 dated 24.07.2008.

The committee noted that payment against two S/bill no. 6937208 dated 22.12.2008 & 6516508 dated 24.07.2008 were realized finally on 26.5.2009 and 22.1.2009 respectively. So the getting BRCs issued on 7.4.2012 is not acceptable to the committee hence did not accede to the request.

Case No.13. M/s Motherson Automotive Elastomers Technology, New Delhi.

F.No. 01/60/162/595/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request to condone the procedural lapse of not generating Bill of Exports against exports made to SEZ towards discharge of export obligation against two Advance Authorizations bearing Nos 0510261712 dated 05.04.2010 & 0510277403 dated 19.11.2010.

The committee noted that as per rule 30(3) of SEZ Rules the "Bill of Export" is a mandatory document for claiming export entitlement for the supply of goods from DTA to SEZ. Therefore, the requirement of "Bill of export" can't be condoned.

Case No.14. M/s Unimark Remedies Limited, Mumbai.

F.No. 01/60/162/599/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for clubbing of Advance Authorization with DFIA and EOP / enhancement of DFIA nos. 0310436153 dated 13.07.2007, 0310582124 dated 06.07.2010.

The committee noted that both the authorizations are issued under different Custom Notifications and conditions. The request for clubbing of Advance Authorization with DFIA cannot be considered. Hence the request is rejected.

Case No.15. M/s Alok Industries Limited, Mumbai.

F.No. 01/60/162/576/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for issue of DEPB Authorization without imposing any late cut for the 04 EDI shipping bills no. 6495395 dt. 17.7.2008, 6504381 dt. 21.7.2008, 6504897 dt. 21.7.2008 and 7525515 dt. 20.7.2009 of JNPT customs.

It was decided to get a report from EDI.

[Action: Jt.DG (EDI)]

Case No.16. M/s Hindustan Zinc Ltd, Udaipur.

F.No. 01/89/180/67/AM09/PC-2(A)Pt.IV

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for policy relaxation for import of underground mining equipments.

The committee considered and granted approval for relaxation of the provisions of Import Licensing Note No. 2(II) (a) (i), (ii) and (iii) (b) & (c) (i), (ii) and (iii) of Chapter 87 of ITC(HS) for import of 2 nos. of new underground mining equipments.

Case No.17. M/s Nutrivita Foods Pvt. Ltd, Pune.

F.No. 01/85/50/082/AM13/DES-VI

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Regularization of Advance Authorizations obtained under Para 4.7 of HBP Vol.1 instead of 4.4.2.

The committee noted that M/s. Nutrivita Foods Pvt. Ltd, Pune has obtained following authorizations for exports of Plumpy Nut, Plumpy Doz and Plumpy Supp which are not permitted to be issued under Para 4.7 of HBP.

- I. 3110051583 dt. 22.11.2011
- II. 3110050508 dt. 22.09.2011
- III. 3110050506 dt. 22.09.2011
- IV. 3110057251 dt. 22.2.2013
- V. 0310744679 dt. 8.8.2013

However, in terms of Para 4.4.2 of HBP, authorization for export of such products could be issued after approval from NC. The committee therefore decided that RA shall change the category of authorization from Para 4.7 to normal authorization and case may be regularized after fixation of norms by NC.

Case No.18. M/s EseemTechnophinz Pvt. Ltd, Nashik.

F.No. 01/60/162/613/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for EOP extension of Advance Authorization No. 3110043372 dated 25.05.2010.

The Committee decided the following:

- I. Export obligation period is extended upto 31.5.2014 or 6 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 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: Pune/ applicant)

Case No.19. M/s United Phosphorus Limited, Mumbai.

F.No. 01/60/162/581/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for consideration of 47 MT shipment made under Advance Authorization NO. 0310640059 dated 04.07.2011 for discharge of export obligation against Advance Authorization No. 0310497818 dated 15.12.2008 for closure purpose.

The Committee noted that export through S/bill no. DEEC/358/2011 dt. 5.10.2011 was made under Advance Authorization no. 0310640059 dated 04.07.2011. However, the said shipping is effected within original export obligation period of Advance Authorization No. 0310497818 dated 15.12.2008. Therefore following decisions were taken:

- I. Exports made vide S/bill no. DEEC/358/2011 dt. 5.10.2011 shall be taken into account towards discharge of export obligation against Advance Authorization no. 0310497818 dated 15.12.2008.
- II. The applicant shall submit declaration/ undertaking that S/bill no. DEEC/358/2011 dt. 5.10.2011 shall not be taken into account towards discharge of export obligation against Advance Authorization NO. 0310640059 dated 04.07.2011 in future.

(Action: RA Mumbai)

Case No.20. M/s Hind Rectifiers Limited, Mumbai.

F.No. 01/60/162/1221/AM07/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for EOP extension of Advance Authorization No. 0329226 dated 17.11.1994 for regularization of bonafide default in completing EO.

The committee noted that PN No. 5 dt. 6.4.1999 allows extension of export obligation period upto 31.3.2001 from the date of issue of said public notice subject to following conditions:

- I. Application for extension shall be made within 60 days from the date of public notice.
- II. 100% BG for duty saved amount shall be executed.
- III. BG should be valid upto 31.3.2002.

However, the applicant submitted application on 7.8.1999 for EOP extension in terms of the said Public Notice. The RA rejected the request due to late submission of application and returned the BG. The applicant, however, discharged their export obligation on 9.3.2001 as per the said public notice. The committee further noted that BG condition was imposed just to ensure that exporter take it seriously and discharge their balance obligation. The BG was returnable after discharge of EO. The committee therefore decided to relax the condition of 60 days of said public notice No. 5 as the EO has already completed. Accordingly, export already made upto 31.3.2001 shall be taken into account towards discharge of export obligation against above referred authorization.

(Action: RA, Mumbai)

Case No.21. M/s Hindustan Pencils Pvt. Ltd, Mumbai.

F.No. 01/60/162/612/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Request for EOP extension of Advance Authorization No. 0310594165 dated 28.09.2010.

The Committee decided the following:

- I. Export obligation period is extended upto 31.5.2014 or 6 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 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: Mumbai/ applicant)

Case No.22. M/s Mangalam Drugs and Organics Ltd.

F.No. 01/60/162/623/AM14/EFGC (PRC)

PRC Meeting No. 27/AM14 dated 29.10.2013

Subject: - Closure of Advance Authorization No. 0310553098 dated 31.12.2009 by deleting PC-9 condition.

Committee decided that shortfall in fulfillment of stipulated export obligation against above referred Authorizations be regularized subject to the condition that:

- I. Duty + Interest on unutilised imported goods is to be paid to the Customs Authority.
- II. Composition fee @ 1% on unfulfilled FOB value of stipulated export obligation is paid to RA.
- III. PC-18 condition stands waived.

(Action: RA, Mumbai)

Case No.23. Reference received from Norms Committees.

F.No.
PRC Meeting No. 27/AM14 dated 29.10.2013
Subject: - PRC condoned delay in filing representation beyond 4 months for consideration by NCs in following cases.

Norms Committee-I

Sl No.	Name of the firm	Adv. Authorization. No.	M. No. & Date	Date of communication of earlier decision	Representation submitted on	Present status
1.	M/s. IDMC Limited, Vithal Udyognagar F.No.01/80/050/00509/AM10/DES-I	3410025330 dt. 09.10.2009	04/11 dt. 27.04.2010	03.06.2010	11.01.2013	Approved
2.	M/s. Bharat Heavy Electricals Ltd., Chennai F.No.01/80/050/00330/AM12/DES-I	0410128794 dt. 30.09.2011	24/12 dt 07.02.2012	11.04.2012	30.05.2013	Approved

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