

MINUTES OF THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 32/AM12 HELD ON 16.12.2011 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:

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|--------------------------|---------------|
| 1. Shri D.K Singh | Addl. DG |
| 2. Shri. V.K. Srivastava | Addl. DG |
| 3. Shri N.P.S. Monga | Addl. DG |
| 4. Dr. L.B.S. Singhal | Jt. DGFT |
| 5. Dr. Rajiv Arora | Jt. DGFT |
| 6. Shri A.K. Singh | Jt. DGFT |
| 7. Shri R.S. Ratna | Jt. DGFT |
| 8. Shri.HardeepSingh | Jt. DGFT |
| 9. Smt. Subhra | Jt. DGFT |
| 10. Shri A. Mishra | Stats Advisor |
| 11. Shri D.C. Sharma | Stats Advisor |
| 12. Smt. Vibha Bhalla | Jt. DGFT |
| 13. Smt. Sonika Khattar | FTDO |

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

Case No. 1 M/s. Ruchi Infrastructure Limited Mumbai

F.No. 01/60/162/1089/AM11/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for revalidation of 4 DEPB no. 0310390371 dt. 20.7.2006, 3010048375 dt. 26.7.2006, 3010048376 dt. 26.7.2006 and 0310048359 dt. 25.7.2006 in view of Order of the AC Customs, Kakinada for re-credit of Rs. 1119294.

The committee noted that the excess duty collected by Customs has been recredited to the DEPBs after their expiry. The committee deliberated the issue in detail and felt that for such cases a much simpler procedure would be that a credit note is issued by the Customs to the exporters rather than recrediting such amount to the expired DEPBs. It was decided that the matter may be taken up with CBEC.

Case No. 2 M/s. Phillips Carbon Black Limited Kolkata

F.No. 01/60/162/1736/AM11/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for EOP extension of two advance licence No. 0210096426 dt. 18.12.2006 & 0210096432 dt. 18.12.2006.

The Committee considered the request and decided to extend EOP against the aforesaid advance authorizations for 3 months from the date of endorsement or from 15.1.2012 which ever is earlier, subject to verification by RA of EO claimed to have been fulfilled by the firm within the valid EOP and also subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to exports beyond export

obligation period. RA is directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher.

Case No. 3 M/s. Neo Wheels Limited Mumbai

F.No. 01/60/162/241/AM11/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for clubbing of 3 advance licence no. 0003026660 dt. 3.12.1998, 0310071004 dt. 31.1.2001 and 0310149408 dt. 23.7.2002.

The Committee considered the request of the firm and decided to club advance authorization no. 0003026660 dt. 3.12.1998 with 0310071004 dt. 31.1.2001 only as both are issued in continuity with a distinct overlap in the validity period for the purpose of regularization. The advance authorization no. 0310149408 dated 23.7.2002 was not considered for clubbing as the same was not issued in continuity with a distinct overlap in the validity period. RA may grant necessary extension in EO required with the stipulated composition fee for clubbing and regularization. No EOP extension beyond 30.1.2003 may be given in either of the authorizations for the purpose of clubbing. RA is also directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding 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 authorization. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the authorizations.

Case No. 4 M/s. Alkyl Amines Chemicals Limited Mumbai

F.No. 01/60/162/458/AM11/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for extension of EOP of advance licence No. 0310313904 dt. 27.1.2005 upto 5.2.2009 for the purpose of clubbing with advance authorization no. 0310516145 dt. 17.4.2009.

The committee agreed to the request of EOP extension of advance licence No. 0310313904 dt. 27.1.2005 upto 5.2.2009 or to any other date as considered appropriate by RA as per the FTP provisions for the purpose of clubbing. RA may inform the Headquarters about implementation of the aforesaid case.

Case No. 5 M/s. Maruti Suzuki India Limited Gurgaon

F.No. 01/89/180/51/AM09/PC-2(A)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for import of new pre-sold (for strategic purpose) car Nissan Micra (Acental) Under R&D certification

The Committee decided to relax the provisions of Para 2(II) f of Import Licensing Note of Chapter 87 for import of the one pre-sold Nissan Micra (Acental), subject to the following :

- (i) The vehicles will be used for R&D purpose and will not ply on public roads.
- (ii) The vehicle will be dismantled after completion of R&D activities.

Case No. 6 M/s Rommel Pandit Mumbai
F.No. 01/53/162/1353/AM09/S-143/ IC
PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for grant of 2nd revalidation of import licence No. 0117751 dt. 20.5.2009.

The Committee considered the request and decided to grant six months revalidation of import authorization no. 0117751 dt. 20.5.2009 subject to the other conditions as already stipulated on the authorization.

Case No. 7 M/s G.S. Alloy Casting Limited Vijayawada
F.No. 01/60/162/760/AM12/EFGC(PRC)
PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for issue of DEPB licence(RLA file no. 09/68/051/00137/AM12)

The committee noted that the reasons given by the firm regarding DEPB not being reflected on server were not corroborated from the records available with DGFT's server. However the committee keeping in view the hardship enumerated by the firm decided to accept the request for issue of a DEPB after imposing a cut of 15% on the entitlement.

Case No. 8 M/s Puneet Resins Limited Mumbai
F.No. 01/60/162/327/AM12/EFGC(PRC)
PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for issue of EODC of advance licence No. 0310482914 dt. 19.8.2008

The committee noted that there was changes in the grades exported as on those approved by Norms Committee. Also there was a variation in the qty. of various import items in the two conditions. The committee decided to refer the matter to the Norms Committee for their consideration.

Case No. 9 M/s Cable Corporation of India Limited Mumbai
F.No. 01/60/162/760/AM12/EFGC(PRC)
PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for redemption of advance licence No. 0310056991 dt. 13.10.2000

The committee noted that the firm has provided evidence of payment though not under the standard stipulated format. The committee decided that if all the details of the payment received were available, RA may consider the same for redemption of the advance authorization.

Case No.10 M/s KMG Industrial Traders Pvt Ltd. Delhi
F.No. 01/89/180/Moni-5852/AM-03/PC-2(A)
PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for Import of copper wire rod from Sri Lanka under Indo Lanka Free Trade Agreement.

The committee noted that the imports made by the firm from ICD Loni under the ISFTA was not a major departure and the same could be regularized after verification that there was no benefit of tariff concessions made available over and above those and admissible under the ISFTA.

Case No. 11 M/s Ravin Cables Limited Mumbai

F.No. 01/60/162/674/AM12/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for clubbing of 6 advance authorizations no. 1. 0310405365 dt. 24.10.2006, 2. 0310405416 dt. 26.10.2006, 3. 0310437495 dt. 26.7.2007, 4. 0310453851 dt. 13.12.2007, 5. 0310460762 dt. 13.2.2008 and 6. 0310497835 dt. 15.12.2008 for redemption purpose.

The committee noted that as per Public Notice no. 79 dt. 13.10.2011, Regional Authorities of DGFT could do clubbing for authorizations which are issued within 3 years from the date of issue of the earliest authorization sought to be clubbed and conditions as stipulated in the aforesaid Public Notice. As such, this case could have been considered at the level of RA also. However, since this application was already filed in DGFT prior to issuance of PN. NO. 79 dt. 13.10.2011, the committee decided to club the above 6 advance authorizations for the purpose of regularization. RA may grant necessary extension in EO required with the stipulated composition fee for clubbing and regularization. RA is also directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding 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 authorization. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the authorizations.

Case No. 12 M/s. Jubilant Life Sciences Limited Noida

F.No. 01/94/180/456/AM09/ PC-4/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for waiver of time on DFRC claims against order of RA Baroda

The committee noted that the reason provided by the firm for non imports under DFRC did not construe a genuine hardship warranting policy relaxation under para 2.5 of the FTP 2009-14.

Case No. 13 M/s. Elder Pharmaceuticals Limited

F.No. 01/60/162/1161/AM11/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for clubbing of two advance licence No. 0310436176 dt. 13.07.2007 with 0310440734 dt. 24.8.2007.

The committee noted that as per Public Notice no. 79 dt. 13.10.2011, Regional Authorities of DGFT could do clubbing for authorizations which are issued within 3 years from the date of issue of the earliest authorization sought to be clubbed and conditions as stipulated in the aforesaid Public Notice. As such, this case could have been considered at the level of RA also. However, since this application was already filed in DGFT prior to

issuance of PN. NO. 79 dt. 13.10.2011, the committee decided to club the above 2 advance authorizations for the purpose of regularization. RA may grant necessary extension in EO required with the stipulated composition fee for clubbing and regularization. RA is also directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding 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 authorization. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the authorizations.

Case No. 14 M/s Alembic Limited Vadodara
F.No. 01/94/180/898/AM10/ PC-4/EFGC(PRC)
PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for EOP extension advance licence No. 3410015948 dt. 26.4.2006 issued under PC-9 for regularization purpose.

The Committee decided to extend EOP against the aforesaid advance authorization for six months i.e. total 12 months from the date of first import for the purpose of regularization and closure. RA should verify the EO claimed to be fulfilled by the firm within the valid EOP. The relaxation is subject to payment of composition fee @ 6% of the duty saved amount for the balance inputs in proportion to export obligation beyond export obligation period. RA is also directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding value addition of minimum 15% or as stipulated in the authorization whichever is higher. The Committee also decided that the condition of re-export/destruction of imported raw material as stipulated in Policy Circular 18 dt. 30.10.2007 be waived as the firm has stated to have already utilized the imported material fully by exporting the product manufactured from these. However, the default in terms of duty saving proportionate to the default in export outside the EO period of 12 months from the date of 1st import as stated above may be paid by the firm in accordance with the stipulated policy provisions. RA to check and verify the aspect of raw material utilization and evaluate the duty-saving default and take necessary action as per the policy provisions. RA should satisfy itself fully that the contention of the firm that PC-9 material has actually been exported under the DEPB scheme has been specifically declared and endorsed on the DEPB shipping bills.

Case No. 15 Evergreen Drumps & Cans Pvt Limited
F.No. 01/60/162/173/AM12/EFGC(PRC)
PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for policy relaxation with regard to diversion of the exports supplied to other exporter for whom invalidation letter was not obtained.

Deferred.

Case No. 16 M/s Britacel Exclusive Silicones
F.No. 01/02/58/AM12/EDI
PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for change of port of registration non-EDI to EDI port due to wrong submission of application.

The committee decided that the port of export may be verified and the case may thereafter be processed on file.

Case No. 17 M/s Arch Pharmalabs Limited

F.No. 01/60/162/173/AM12/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for relaxation of procedure for redemption and closure of 5 DFIA's 031040303875 dt. 12.10.2006 0310405964 dt. 31.10.2006 0310411648 dt. 11.12.2006 0310405962 dt. 31.10.2006 & 0310404999 dt. 19.10.2007

Deferred.

Case No. 18 M/s Auro Laboratories Limited Mumbai

F.No. 01/60/162/406/AM12/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for revalidation of advance licence No. 0310483749 dt. 26.08.2008.

The committee did not agree with the contention of the firm that the case was delayed in RA. The committee also noted that the firm themselves chose to undertake imports after obtaining EODC and that a substantial delay was only on the part of the firm for complying with the requirements for EODC. The committee therefore rejected the request.

Case No. 19 M/s Delphi TVS Diesel Systems Limited Tamilnadu

F.No. 01/60/162/403/AM12/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for EOP extension and revalidation of advance licence No. 0410091900 dt. 5.11.2007

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

Case No. 20 M/s Dalas Biotech Limited N. Delhi

F.No. 01/60/162/571/AM12/EFGC(PRC)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for clubbing of 14 advance authorizations:-

1. 0510208544 dt. 05.09.2007
2. 0510209781 dt. 28.09.2007
3. 0510211273 dt. 31.10.2007
4. 0510203062 dt. 27.04.2007
5. 0510207303 dt. 07.08.2007

6. 0510208544 dt. 05.09.2007
7. 0510209781 dt. 28.09.2007
8. 0510211182 dt. 26.10.2007
9. 0510211129 dt. 25.10.2007
10. 0510211131 dt. 25.10.2007
11. 0510212617 dt. 25.11.2007
12. 0510227965 dt. 22.09.2008
13. 0510281922 dt. 18.01.2011

The Committee considered the request of the firm and decided to club advance authorization no. at sr. no. 1 to 12 only as all are issued in continuity with a distinct overlap in the validity period for the purpose of regularization. The advance authorization no. 0510281922 dt. 18.01.2011 was not considered for clubbing as the same was not issued in continuity with a distinct overlap in the validity period. RA may grant necessary extension in EO required with the stipulated composition fee for clubbing and regularization. No EOP extension beyond 30.1.2003 may be given in either of the authorizations for the purpose of clubbing. RA is also directed to examine the case in terms of Public Notice No. 23 dated 4.12.2009 and make necessary endorsements regarding 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 authorization. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the authorizations.

Case No. 21 M/s Schlumberger Asia Services Limited Mumbai

F.No. 01/89/180/21/AM-12/PC-2(A)

PRC Meeting No. 32/AM12 dated: 16.12.2011

Subject:- Request for policy for import of new RHD Vehicular Equipments

The committee decided to relax provisions under ILN No. 2 (II) b and 2 (ii) c (i) (ii) & (iii) under Chapter 87 of ITC(HS) for import of :

- (i) Single Pump Cementer Truck- CPT 279
- (ii) Stimulation POD IV blender Truck- SBT-628