

Minutes of the Policy Relaxation Committee
Meeting No. 36/AM14 held on 11.02.2014 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 Jaikant Singh	Addl. DGFT
3. Shri Darshan Singh	Jt. DGFT
4. Shri Jay Karan Singh	Jt. DGFT
5. Shri Hardeep Singh	Jt. DGFT
6. Shri Akash Taneja	Jt. DGFT
7. Shri A. K. Srivastava	Jt. DGFT
8. Shri S.K. Mohapatra	Dy. DGFT

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

Case No.1. M/s Meghmani Organics Limited.

F.No. 01/60/162/820/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for EOP extension of Advance Authorization No. 0810093862 dated 15.11.2010.

The Committee decided the following:

- I. Export obligation period be extended by 6 months i.e. upto 31.8.2014.
- II. The extension 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 export obligation period.
- IV. The applicant is advised to submit the Authorisation 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 to be done on the Authorisation.

(Action: RA Ahmedabad/ Applicant)

Case No.2. M/s Gland Pharma Limited. Hyderabad.

F.No. 01/60/162/839/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for EOP extension of Advance Authorization No. 0910043914 dated 14.10.2010.

Deferred for seeking inputs of exports and imports in terms of quantity and value (within validity and outside validity) from the applicant.

Case No.3. M/s Gland Pharma Limited. Hyderabad.

F.No. 01/60/162/838/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for EOP extension of Advance Authorization No. 0910043978 dated 20.10.2010.

Deferred for seeking inputs of exports and imports in terms of quantity and value (within validity and outside validity) from the applicant.

Case No.4. M/s Agog Pharma Ltd, Thane.

F.No. 01/60/162/818/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for EOP extension of Advance Authorization No. 0310704680 dated 09.08.2012 issued under PC-9 condition.

The Committee decided the following:

- I. Export obligation period be extended from 12 months to 18 months i.e. upto 31.05.2014 in **continuation** from the date of first import consignment.
- II. The extension is subject to payment of composition fee @ 0.5% on unfulfilled FOB value of exports and minimum value addition of 15% as prescribed under Para4.1.6 of FTP.
- III. The applicant is advised to submit the Authorisation for endorsement to RA as early as possible.
- IV. They are further advised to start discharging their stipulated balance export obligation on the basis of this minutes without waiting for the endorsement to be done on the Authorisation by RA.

(Action: RA Mumbai/ Applicant)

Case No.5. M/s S. R. Foils and Tissue Limited, New Delhi.

F.No. 01/60/162/817/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for EOP extension of Advance Authorization No. 0510277703 dated 23.11.2010.

The committee noted that the firm has made no considerable exports within the original export obligation period in the above Advance Authorisation as such there is no merit for consideration. The committee decided to reject the request. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP.

(Action: RA Delhi- If the party fails to get the case regularized in terms of Para4.28 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.6. M/s Centaur Pharmaceuticals Pvt. Ltd., Mumbai.

F.No. 01/60/162/825/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for EOP extension of Advance Authorization No. 0310665333 dated 16.11.2011 for regularization purpose.

The Committee decided the following:

- I. Export obligation period be extended upto 31.05.2013.
- II. The extension is only for regularization of exports already effected 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 Para4.1.6 of FTP.

(Action: RA Mumbai)

Case No.7. M/s Supermax Personal Care Pvt. Ltd, Mumbai.

F.No. 01/60/162/823/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for EOP extension and revalidation of Advance Authorization No. 0310605753 dated 10.12.2010.

The committee noted that the firm has fulfilled the export obligation on pro-rata basis hence no need of further EOP extension. Request for revalidation of Authorization beyond 30 months is not allowed.

(Action: Applicant)

Case No.8. M/s William Goodcare & Sons India Pvt. Ltd, Alleppey.

F.No. 01/60/162/819/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for EOP extension of Advance Authorization No. 1010041352 dated 05.01.2011.

The Committee decided the following:

- I. Export obligation period be extended by 6 months i.e. upto 31.7.2014.
- II. The extension 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 export obligation period.
- IV. The applicant is advised to submit the Authorisation 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 to be done on the

Authorisation.

(Action: RA Cochin/ Applicant)

Case No.9. M/s IFB Industries Limited, Kolkata.

F.No. 01/60/162/837/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for EOP extension of the following 6 Advance Authorizations No. :

1. P/L/3204038 dated 21.07.1989
2. P/W/3206667 dated 02.11.1989
3. P/W/3259424 dated 11.09.1991
4. P/L/3321987 dated 19.05.1992
5. P/L/3327432 dated 29.09.1992
6. P/L/3327504 dated 04.12.1992.

The committee observed that the concerned RA has already granted EOP extension for 5 years i.e. upto January 2014 as per BIFR rehabilitation package. In view of this, the committee decided to reject the request for further extension in EOP. The applicant has the option of regularizing the case under PN 22 dt. 12.8.2013 read with Policy Circular no. 8 dt. 25.10.2013.

Case No.10. M/s Indoco Remedies Limited, Mumbai.

F.No. 01/60/162/828/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for waiver of destruction certificate for unutilized import material against payment of custom duty for Advance Authorization No. 0310352811 dated 20.10.2005.

The committee decided to allow PC-18 conditions waiver from destruction to the extent of excess exports made in Advance Authorization no. 0310471387 dated 15.05.2008, 0310437033 dated 20.07.2007 & 0310443654 dated 19.09.2007 subject to the condition of payment of duty + interest on the excess import. The RA shall check that 75273 Kgs raw material imported under AA No.0310352811 dated 20/10/2005 have been exported over and above the required obligation against AA No.0310471387 dated 15/05/2008, 0310437033 dated 20/07/2007 and 0310443654 dated 19/09/2007.

(Action: RA Mumbai)

Case No.11. M/s Indoco Remedies Limited, Mumbai.

F.No. 01/60/162/827/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for waiver of destruction certificate for unutilized import material against payment of custom duty for Advance Authorization No. 0310376368 dated 18.04.2006.

The committee decided to allow PC-18 conditions waiver from destruction to the extent of excess exports made in Advance Authorization no. 0310471387 dt. 15.5.2008 subject to the condition of payment of duty + interest on the excess import. The RA shall check that 15246 Kgs raw material imported against AA No.0310376368 dated 18/04/2006 have been exported over and above the required obligation against AA No.0310471387 dated 15/05/2008.

(Action: RA Mumbai)

Case No.12. M/s Glenmark Generics Ltd, Mumbai.

F.No. 01/60/162/821/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for waiver of PC-18 against Advance Authorization No. 0310462983 dated 27.02.2008.

The committee decided to allow PC-18 conditions waiver from destruction to the extent of 1040.565 Kgs excess imports made in Advance Authorization no. 0310462983 dt. 27.02.2008 subject to the payment of duty + interest on the excess import. This waiver is subject to verification by RA that out of this 1040.564 Kgs excess imports, 1025.957 Kgs have been exported against the same Authorization but outside EOP and 153.857 Kgs raw materials have been exported under AA No.0310600695 dated 10/11/2010 over and above the stipulated obligation against the said Authorization.

(Action: RA Mumbai)

Case No.13. M/s Glenmark Generics Ltd, Mumbai.

F.No. 01/60/162/816/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for closure of Advance Authorization No. 0310581794 dated 02.07.2010 issued under PC-9 conditions without destruction certificate waiver of PC-18.

Deferred for seeking details from the applicant.

(Action: Applicant)

Case No.14. M/s Glenmark Generics Ltd, Mumbai.

F.No. 01/60/162/830/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for waiver of PC-18 against Advance Authorization No. 0310505386 dated 04.02.2009.

Deferred for seeking details from the applicant.

(Action: Applicant)

Case No.15. M/s Desmet Ballestra India Pvt. Ltd, Mumbai.

F.No. 01/60/162/327/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for accepting CE certificate instead of custom attested invoices against Advance Authorization No. 0310425700 dated 05.04.2007 for regularization purpose.

The Committee noted that reference of PN 3 dated 23/08/2010 and Appendix 11A given by the Applicant is required at the time of obtaining Authorization and not at the time of redemption. The applicant must have declared consumption of inputs in the S/ bills. This condition has never been relaxed. Hence the request of the applicant is not acceded to. The applicant, however, has the option of regularizing the case under PN 22 dt. 12.8.2013 read with Policy Circular no. 8 dt. 25.10.2013.

Case No.16. M/s SABIC Innovative Plastic India Ltd, Gurgaon

F.No. 01/60/162/710/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for relaxation from furnishing specified documents-Bill of exports, for the purpose of closure of Advance Authorization No. 3410019441 dated 16.08.2007.

Deferred

Case No.17. M/s CEAT Ltd, Mumbai.

F.No. 01/60/162/345/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for revalidation of Advance Authorization No. 0310595542 dated 06.10.2010.

The committee taking into consideration the delay on the part of RA in issuing the amendment sheet for enhancement in FOB and CIF, decided to grant revalidation for a further period of 45 days from the date of endorsement or upto 15.04.2014, whichever is earlier.

(Action: RA Mumbai)

Case No.18. M/s Shree Ganesh Forgings Ltd, Mumbai.

F.No. 01/60/162/1899/AM11/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for clubbing of two Advance Authorization No. 0310382088 dated 29.05.2006 with 0310581209 dated 29.06.2010 for regularization purpose.

Deferred for seeking report from EDI whether any other Authorizations were obtained by the firm between 29/05/2006 to 29/06/2010 by the applicant.

(Action: EDI Section)

Case No.19. M/s KIM Chemicals Limited, Mumbai.

F.No. 01/60/162/832/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for clubbing of two Advance Authorization No. 0310478479 dated 14.07.2008 with 0310511442 dated 13.03.2009.

The Committee decided the following:

- I. Clubbing of the 2 Advance Authorisations as referred above be allowed.
- II. This is only for regularization of exports already effected and closure purpose and not for any further exports/imports.
- III. Exports made within 48 months from the date of earliest Authorisation i.e. upto 31.07.2012 shall only be taken into consideration for EO fulfilment and clubbing subject to payment of composition fee @ 0.5% on FOB value of export made beyond the stipulated EOP in the earliest Authorisation. RA is directed to examine the case in terms of Para4.1.6 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 Authorisations to be clubbed. RA should ensure proper accounting of the duty free inputs with reference to the export product while clubbing the Authorisations.
- IV. Even after clubbing, shortfall, if any, may be regularised on payment of Customs Duty + Interest in terms of Para4.28 of H.B.P or may avail the benefit of Public Notice no. 22 dt. 12.8.2013.

(Action: RA, Mumbai)

Case No.20. M/s Vivimed Labs Limited, Hyderabad.

F.No. 01/60/162/831/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for clubbing of two Advance Authorization No. 0910041730 dated 20.04.2010 with 0910055852 dated 23.04.2013.

The committee observed that the Authorization No. 0910055852 dated 23.04.2013 is issued after 36 months of the issue of the earliest Authorization and no exports are made in the said Authorization. Further imports under subsequent Authorization are made after expiry of earliest Authorization i.e. after 30/10/2012. Hence clubbing of such Authorizations amounts to indirect revalidation of expired Authorizations beyond 30 months. The Committee, therefore, did not accede to the request. The applicant is advised to get the cases regularized in terms of para 4.28 of HBP.

(Action: RA, Hyderabad. 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.21. M/s Indoco Remedies Ltd, Mumbai.

F.No. 01/60/162/829/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for clubbing of two Advance Authorization No. 0310437033 dated 20.07.2007 with 0310443654 dated 19.09.2007 issued under PC-9 condition and waiver from destruction certificate by granting EOP extension from 6 to 12 months for the purpose of regularization.

The Committee decided the following:

- i. Clubbing of 2 above advance authorizations as referred above be allowed.
- ii. Exports made against subsequent authorization but within 12 months from the date of import of first consignment i.e. upto 31.08.2008 against earliest authorization shall only be taken into account for clubbing of authorizations.
- 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. Value addition of minimum 15% or as stipulated in the authorization whichever is higher shall be ensured. 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. Waiver of PC-18 is allowed for inputs consumed and exported outside the extended EO period. However, the firm is liable to pay Custom duty + interest in terms of Para 4.28 of HBP on such inputs.

(Action: RA, Mumbai)

Case No.22. M/s Arihantanam Organics, Mumbai.

F.No. 01/60/162/835/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for waiving off PC-18 conditions and clubbing of 5 Advance Authorizations No. 0310451681 dated 27.11.2007, 0310463462 dated 03.03.2008, 0310468153 dated 11.04.2008, 0310469684 dated 24.04.2008 & 031052119 dated 18.03.2009 issued under PC-9 conditions.

The committee observed that the exports, against the above mentioned Advance Authorizations, have been made prior to imports which are in violation of PC-9 condition. Therefore the committee decided to reject the request. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP read with Policy Circular 18 dt. 30.10.2007.

(Action: RA Mumbai. 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.23. M/s Sri Vasavi Industries Limited, Kolkata.

F.No. 01/60/162/833/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for clubbing of DFIA Nos. 0210113153 dated 03.06.2008 and 0210119333 dated 05.11.2008.

Under DFIA scheme authorization or item imported there under are freely transferable after fulfillment of stipulated export obligation. Hence clubbing facility is not allowed under the scheme. Therefore the committee did not accede to the request for clubbing of DFIA's. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP.

(Action: RA Kolkata. 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.24. M/s Bharat Heavy Electricals Limited, Bhopal.

F.No. 01/60/162/446/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for Condonation of requirement of Bill of export towards EO discharge of Advance Authorization no. 1110019455 dt. 23.1.2009 and 1110019432 against supplies made to Adani Power SEZ project.

Deferred

Case No.25. M/s Veerprabhu Export House, Mumbai.

F.No. 01/60/162/13/AM14/EFGC (PRC)

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for revalidation of DFIA No. 0310572823 dated 05.05.2010.

The Committee reiterated its earlier decision of PRC meeting no. 02/AM14 dt. 09.04.2013 and once again rejected the request of the firm as there is no merit for reconsideration. There is no logic to allow revalidation of DFIA beyond 30 months from the date of issue. Price competitiveness could not be compelling reasons for Policy relaxation.

Case No.26. M/s EIH Ltd,

F.No. 01/61/180/28/AM14/PC-3/PRC

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for import of Nespresso Coffee Pods / capsules against SFIS scrips being consumable.

The Committee noted that no issue of Policy relaxation is involved. The product requested for import falls under Chapter 9 of ITC (HS) which is covered under ineligible category of Appendix 37-B for SFIS. Hence the request is rejected.

Case No.27. M/s PSS Krishnamurthi Export Pvt. Ltd, Tuticorin

F.No. 01/85/50/00089/AM14/DES-VI.

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request for regularization by fixation of ad-hoc norms by NC under Para 4.4.2 of HBP V.I for Advance Authorization No. 3510041815 dated 08.08.2013.

The committee observed that in terms of Para 4.4.2 of HBP, authorization for export of Her Mix (Piglet) and Her Mix (Milk Replacer) 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.28. M/s Dev Peripherals, Silvassa.

F.No. 01/53/8/291/AM11/D-14/Import Cell

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request to grant 2nd Revalidation of import Authorization no. 0350002208 dated 20.04.2011.

The Committee considered the request and decided to grant further six months revalidation, from the date of endorsement, to import authorization no. 0350002208 dated 20.04.2011.

Case No.29. M/s Tandy Innovative Chemicals Pvt. Ltd. Aurangabad.

F.No. 01/53/162/1198/AM11/T-38/Import Cell

PRC Meeting No. 36/AM14 dated 11.02.2014

Subject: - Request to grant 2nd Revalidation of import Authorization no. 0350002192 dated 15.03.2011.

The Committee considered the request and decided to grant further six months revalidation, from the date of endorsement, to import authorization no. 0350002192 dated 15.03.2011.

The meeting ended with a vote of thanks to the Chair.
