

MINUTES OF THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 37/AM12 HELD ON 17.01.2012 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 D.K Singh	Addl. DG
2. Shri V.K. Gupta	Addl. DG
3. Shri N.P.S. Monga	Addl. DG
4. Dr. Rajiv Arora	Jt. DGFT
5. Shri R.S. Ratna	Jt. DGFT
6. Shri.Hardeep Singh	Jt. DGFT
7. Smt. Subhra	Jt. DGFT
8. Shri A. Mishra	Stats Advisor
9. Shri D.C. Sharma	Stats Advisor
10. Shri Sanjay Kumar	Dy. DGFT

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

Case No.1. M/s. Glastronix Bangalore

F.No. 01/60/162/916/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for EOP extension of advance authorization No. 0710060970 dt. 7.11.2008.

The Committee noted that the firm have made less than 50% exports during the valid EOP and, therefore, decided to reject the case on account of low exports made within the valid EOP.

Case No.2. M/s. Nirmal Poly Plast Pvt. Limited Mumbai

F.No. 01/60/162/870/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for revalidation of advance authorization no. 0310512524 dt. 20.3.2009.

The Committee noted that EODC is not transmitted online to Customs and therefore this reason cited by the firm is not correct as no genuine hardship warranting relaxation under Para 2.5 of the FTP has been established. The committee rejected the request.

Case No.3. M/s. Prime Wovens Limited Mumbai

F.No. 01/60/162/863/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for consideration of shipping bill no. 5450472 dt. 25.7.2007 against the advance license no. 0310367252 dt. 16.02.2006.

The committee noted the request and it was decided to correlate the exports made under advance authorization no. 0310367252 dt. 16.02.2007 with the ARE-1/ invoice so as to establish its linkage with the requested shipping bill. RA may correlate exports made as above and take further necessary action for regularization as per the FTP provisions.

Case No.4. M/s. Apsara Silks Bangalore

F.No. 01/60/162/886/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for EOP extension of advance license No.0710078492 dt. 31.3.2011.

The Committee considered the request and it was noted that Silk Industry has faced severe recession and decided to extend EOP against the aforesaid advance authorization for 3 months from the date of communication, 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.5. M/s. Apollo Tyres, Gurgaon

F.No. 01/60/162/883/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for revalidation of advance authorization no. 0510240047 dt. 21.4.2009

The Committee noted that the reasons cited are only commercial risk and not a genuine hardship warranting relaxation under Para 2.5 of FTP and therefore rejected the request.

Case No.6. M/s. Hindustan Plantium Pvt Limited Mumbai

F.No. 01/60/162/1473/AM11/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for revalidation and enhancement of CIF value & quantity of advance authorization no. 0310321233 dt. 14.3.2005.

Deferred.

Case No.7. M/s. Hindustan Platinum Pvt Limited Mumbai

F.No. 01/60/162/54/AM11/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for revalidation and enhancement of CIF value & quantity of advance license no. 0310322166 dt.18.3.2005.

Deferred.

Case No.8. M/s. Electro copper & Alloys MFG CO. Kolkata

F.No. 01/60/162/550/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for EOP extension of advance license No. 0210100453 dt. 1.5.2007.

The Committee decided to grant extension for 12 months beyond the permitted 36 months for the purpose of regularization and closure, 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 export obligation beyond the permissible export obligation period of 36 months. 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.9. M/s. Apollo Tyres Gurgaon

F.No. 01/60/162/907/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for revalidation of advance license no. 0510240045 dt. 21.04.2009.

The Committee decided to call for a report from RLA on the item wise CIF required to be stipulated as stated by the firm.

Case No.10. M/s. Flow Serve Coimbatore

F.No. 01/60/162/1924/AM11/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for redemption of AA No. 0710051129 dt. 9.4.2007 in absence of bill export.

The committee decided that the case may be referred to Policy-IV Section for examination on file.

Case No.11. M/s. Arch Pharmalabs Limited

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

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for relaxation of procedure for redemption and closure of 5 DFIA's 0310403875 dt. 12.10.2006, 0310405964 dt. 31.10.2006, 0310411648 dt. 11.12.2006, 0310405962 dt. 31.10.2006 and 0310404999 dt. 19.10.2006.

The committee noted that the firm has made supplies subsequent to the invalidation letter though the advance Intermediate licence was issued earlier. RA may correlate all the details relating to date of invoice, date of supply and date of Intermediate Advance licence to establish that the supplies have actually been made towards the original advance authorization and are related to the intermediate advance licence even though they were made prior to the date of issue of Intermediate Advance licence. The committee agreed to grant procedural relaxation on this issue.

Case No.12. M/s. Flow Serve India Control Pvt. Ltd.

F.No. 01/60/162/1970/AM11/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for redemption of advance authorization no. 3210035688 dt. 27.6.2007.

The committee noted the request and it was decided to correlate the exports made under advance authorization no. 3210035688 dt. 27.6.2007 with the ARE-1/ invoice so as to establish its linkage with shipping bill. RA may correlate the exports made and take further necessary action for regularization as per the FTP provisions.

Case No.13. M/s. M.G.S. Govindharaajulu Chettiar & Sons Karur

F.No. 01/60/162/255/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for extension in EOP of advance license No. 3210035736 dt. 5.7.2007.

The Committee considered the request and decided to extend EOP against the aforesaid advance authorization for 6 months from the date of communication, 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. As goods have been supplied free of cost by the buyer, the value addition be calculated as per Para 4.1.8 of FTP.

Case No.14. M/s. Delphi-TVS Diesel systems Limited) Chennai

F.No. 01/60/162/1047/AM11/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for EOP extension advance licence No. 0410089095 dt. 20.4.2007.

The Committee considered the request of the firm and reiterated its earlier decision to maintain rejection.

Case No.15. M/s. Hindustan Zinc Limited Udaipur

F.No. 01/89/160/67/AM-09/PC-2(A) Pt.

PRC Meeting No. 37/AM12 dated: 17.01.2012

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

The committee considered and granted ex-post-facto approval for relaxation of the provisions of Import Licensing Note No. 2(II) (b), (c) (i) (ii) (iii) of Chapter 87 of ITC(HS) for import of 5 nos. of underground mining equipments.

Case No.16. M/s. Hindustan Platinum Pvt. Limited Mumbai

F.No. 01/60/162/920/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for reduction in value addition & composition fee for the following 10 advance license no. :-

1. 0310530391 dated 23.07.09
2. 0510292885 dated 9.6.11
3. 0310623208 dated 24.03.11
4. 0310590622 dated 01.09.10
5. 0310600428 dated 06.11.10
6. 0310648356 dated 12.08.11
7. 0310551804 dated 21.12.09
8. 0310665383 dated 17.11.11
9. 0310605923 dated 13.12.10
10. 0310622679 dated 22.03.11

The Committee noted that the authorizations requested for reduction of value addition have been obtained in 2009 at a value addition of 15%. The committee did not find the reasons and development cited by the firm for reduction in value addition as a genuine hardship warranting an across the board change for their entire authorization. The committee therefore rejected the request.

Case No.17. M/s. Ratnamani Metals & Tubes Limited Ahmedabad

F.No. 01/60/162/942/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for EOP extension of advance license No. 0810076642 dt. 11.12.2008.

The Committee considered the request and decided to extend EOP against the aforesaid advance authorization for 6 months from the date of communication, 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.18. M/s. Man Industries India Limited Mumbai

F.No. 01/60/162/901/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for EOP extension of advance licence No. 0310491550 dt. 22.10.008.

The Committee noted that the firm have made less than 50% exports during the valid EOP and, therefore, decided to reject the case on account of low exports made within the valid EOP.

Case No.19. M/s. Goverdhan Poly –Plast Limited Surat

F.No. 01/60/162/908/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for revalidation advance license No.5210024824 dt. 25.11.2008.

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

Case No.20. M/s. Gajananya Silk Fabrics Bangalore

F.No. 01/60/162/919/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for deletion of EOP extension of advance license no. 0710076965 dt. 28.01.2011.

The Committee considered the request and it was noted that Silk Industry has faced severe recession and decided to extend EOP against the aforesaid advance authorization for 3 months from the date of communication, 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.21. M/s. Galentic Pharma India Limited Mumbai

F.No. 01/60/162/931/AM12/EFGC(PRC)

PRC Meeting No. 37/AM12 dated: 17.01.2012

Subject:- Request for regularization of the advance license No. 0310349964 dt. 03/10/2005.

The Committee noted that disclaimer was essential requirement and it is not clear as to whether RLA has taken up the matter regarding disclaimer with the 3rd party exporter. It was therefore decided to obtain the details regarding this from RA.

Case No.22. M/s. Oil & Natural Gas Corporation Limited Mumbai
F.No. 01/60/162/922/AM12/EFGC(PRC)
PRC Meeting No. 37/AM12 dated: 17.01.2012
Subject:- Request for revalidation of DFIA License no. 0310511833 dt. 17/3/2009.

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

Case No.23. M/s. Kirloskar Pneumatic Company Ltd. Pune
F.No. 01/60/162/933/AM12/EFGC(PRC)
PRC Meeting No. 37/AM12 dated: 17.01.2012
Subject:- Request for clubbing of two advance license no. 3110028549 dt. 15.3.2007 with 3110031506 dt. 7.11.2007.

The Committee considered the request of the firm and decided to allow to club 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.24. M/s. Uttam Galva Steels Ltd, Mumbai
F.No. 01/60/162/774/AM10/EFGC(PRC)
PRC Meeting No. 37/AM12 dated: 17.01.2012
Subject:- Request for amendment in input from Cold Rolled Galvanized Alloy Steel coils to Hot Rolled steels against advance authorization no.0310426798 dt.16.04.2007.

The committee decided to obtain a report from the Norms Committee regarding reasons of rejection. With this data the case be again placed before PRC.