MINUTES OF THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 38/AM12 HELD ON 27.01.2012 AT 10.00 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. V.K. Srivastava	Addl. DG
4.	Dr. Rajiv Arora	Jt. DGFT
5.	Shri A.K. Singh	Jt. DGFT
6.	Shri R.S. Ratna	Jt. DGFT
7.	Shri.Hardeep Singh	Jt. DGFT
8.	Shri S. K. Samal	Jt. DGFT
9.	Smt. Subhra	Jt. DGFT
10.	Shri A. Mishra	Stats Advisor
11.	Shri D.C. Sharma	Stats Advisor
12.	Shri Sanjay Kumar	DDG
13.	Smt. Sonika Khattar	FTDO

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

Case No.1. M/s. Ostern Engineering Pvt Ltd, Kolkata
F.No. 01/60/162/948/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for revalidation of DFIA license No. 0210100956 dt.21.5.2007.

The committee decided that Zonal Jt. DG(Kolkata) may provide details regarding the case.

Case No.2. M/s. PME Power Solutions (India) Ltd, New Delhi
F.No. 01/60/162/955/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for revalidation and change of Import item of advance license no. 0510241502 dt.15.5.2009.

The committee noted that the firm has stated that they only wanted invalidation from the list of permissible options in SION C-334. However this request was not agreed to by RA. It was decided to obtain a report from RA on this aspect.

Case No.3. M/s. Jai Corp Ltd, Mumbai

F.No. 01/60/162/871/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for EOP extension of advance authorization no. 0310432312 dt. 12.6.2007.

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.

Case No.4. M/s Constech Enterprises Pvt Ltd, New Delhi
F.No. 01/60/162/1905/AM11/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for revalidation of advance authorization no. 0510219938 dt. 30.4.2008.

The committee noted the request and decided that the factual position may be verified from the concerned Norms Committee and case be again placed before PRC.

Case No.5 M/s MPP Technologies Pvt Ltd, Bangalore
F.No. 01/60/162/954/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for revalidation of Advance License No. 0710048373 dt.13.11.2006 with 0710069915 dt.09.02.2010 for the purpose of clubbing.

The Committee noted that the request for clubbing has been made for the authorizations issued in 2006 and 2010 respectively. The gap between the authorizations is quite substantial and Committee did not agree to club these two authorizations.

Case No.6 M/s Yamuna Power & Infrastructure Ltd, Haryana
F.No. 01/60/162/945/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for Relaxation of the provision policy of advance license no. 0510125560 dt.13.05.2004.

The committee noted the request and it was decided to correlate the exports made under advance authorization no. 0510125560 dt. 13.05.2004 with the ARE-1/ invoice so as to establish its linkage with the concerned shipping bill. RA after correlating exports made as per above may take further necessary action for regularization as per the FTP provisions.

Case No.7 M/s. Limtex (India) Ltd, Kolkata
F.No. 01/60/162/921/AM12/EFGC(PRC)

PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for EOP extension of advance license no. 0210132202 dt. 7.10.2009 for regularization purpose.

The Committee considered the request and granted EO extension upto 20.7.2010 for the purpose of regularization, 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.8 M/s. Amoli Organics Pvt. Ltd, Mumbai
F.No. 01/60/162/898/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for EOP extension of advance license no. 0310321443 dt 15.3.2005 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.

Case No.9 M/s. Kopran Ltd, Mumbai
F.No. 01/60/162/927/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for EOP extension of advance license no. 0310114299 dt.17.06.2002.

The Committee rejected the request of the firm as the authorization is too old and there was no cogent reason to consider this delayed request. It was decided that the case may be finalized as per the provisions of the FTP.

Case No.10 M/s. Kopran Ltd, Mumbai
F.No. 01/60/162/926/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for EOP extension of advance license no. 0310460000 dt. 4.2.2008.

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.

Case No.11 M/s LYKA Labs Ltd, Mumbai.
F.No. 01/60/162/949/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for regularization/redemption of Advance authorization no. 0310285502 dt.11.8.2004.

The Committee considered the request and granted EO extension upto 13.10.2006 for the purpose of regularization. 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.

Case No.12 M/s Nectar Life Science Ltd. Chandigarh.
F.No. 01/60/162/783/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for clubbing of 2 advance authorization no. 2210005615 dt.8.6.2006 with 2210009749 dt. 5.3.2010.

The Committee noted that the request has been made the authorizations issued in 2006 and 2010 respectively. The gap between the authorization issued is substantial and the Committee therefore did not agree to club these two authorizations.

Case No.13 M/s. Sun Pharma Advance Research Co, Ltd, Mumbai..
F.No. 01/538/645/AM09/S-155/IC
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for Relaxation of par 2.13 of Handbook of procedures, Vol.1 i.e. grant of 2nd revalidation of import license no. 0350001794 dt.7.5.2009.

The Committee considered the request and decided to grant six months revalidation of import authorization no. 0350001794 dt.7.5.2009.

Case No.14 M/s. Natural Bio-Energy Ltd, an EOU
F.No. 01/92/180/ 199/AM10/PC-VI

PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for migration from EOU to EOCG Scheme while the firm has a negative NFE.

Deferred.

Case No.15 M/s. EGS Survey Pvt Ltd, Navi Mumbai
F.No. 01/91/180/ 1301/AM12/PC-3
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for Extension of SFIS scrip no.0310539789 dt. 30.09.2009..

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.16 M/s. Indoco Remedies Ltd, Mumbai
F.No. 01/60/162/1897AM11/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for clubbing of 5 Advance Authorizations no. 1. 0310352811 dt. 20.10.2005 2. 0310376368 dt. 18.4.2006. 3. 0310471387 dt. 15.5.2008. 4. 0310437033 dt. 20.7.2007. 5. 0310443654 dt. 19.9.2007.

The committee noted the request and decided to club the above 5 advance authorizations for the purpose of regularization. RA may grant necessary extension in EO required with the stipulated composition fee for clubbing and regularization not exceeding 12 months from the date of first import. 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.17 M/s. Haldia Petrochemicals Ltd, Kolkata
F.No. 01/60/162/912/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for EOP extension of advance license no. 0210116968 dt. 4.9.2008.

The Committee decided to grant the requested extension of almost 1 month (not exceeding 6 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.18 M/s. Amoli Organics Pvt. Ltd, Mumbai
F.No. 01/60/162/898/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for EOP extension of advance license no. 0310340217 dt. 20.7.2005 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.

Case No.19 M/s. PME Power solutions (India) Ltd, New Delhi
F.No. 01/60/162/957/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for revalidation & change of Import item against advance license no. 0510241498 dt.15.5.2009.

The committee noted that the firm has stated that they only wanted invalidation from the list of permissible options in SION C-327 & 330. However this request was not agreed to by RA. It was decided to obtain a report from RA on this aspect.

Case No.20 M/s. Met Trade (India) Ltd Delhi.
F.No. 01/60/162/930/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for enhancement and revalidation of DFIA no. 0510235779 dt.5.2.2009.

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.21 M/s. Fourrts (India) Labs Pvt. Ltd. .
F.No. 01/60/162/1957/AM11/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for regularization of shortfall in EO either by adjustment of exports made under DEPB or permission to pay Custom duty with interest on excess import against advance authorization no. 0410094258 dt. 5.3.2008.

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 DEPB shipping bills be considered towards discharge of export obligation against advance authorization no. 0410094258 dt. 5.3.2008 subject to proper verification of export product by RA. 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.22 M/s. S.J.K. Silks Bangalore.
F.No. 01/60/162/191/AM10/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for EOP extension for Advance Authorization no.0710040649 dt.4.10.2005.

Deferred.

Case No.23 M/s. Shiva Pharmachem Ltd, Gujarat..
F.No. 01/60/162/915/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for revalidation of advance authorization no.3410023835 dt.25.03.2009.

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.24 M/s. Cords Cable Industries Ltd, New Delhi
F.No. 01/60/162/906/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for clubbing of 2 advance authorization no. 1. 0510184634 dt. 15.6.2006. 2. 0510217044 dt. 27.2.2008.

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.25 M/s. Godrej and Boyce Mfg.Co. Ltd, Mumbai
F.No. 01/60/162/958/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012

Subject:- Request for relax period of LUT advance authorization no. 0310538092 dt.16.09.2009.

The Committee noted that the M/s Godrej & Boyce Mft. Co. Ltd Mumbai could not get the SCOMET licence within the permitted time. It was decided to grant further time till 31st May, 2010 in relaxation of Policy Circular No. 99 dt. 11th August, 2009 in relaxation of the stipulated time period. Concern was expressed that to avoid such circumstances the trade and industry may file applications with complete details and the SCOMET Committee may also ensure that such time limits are adhered to.

Case No.26 M/s. Techfab India Mumbai
F.No. 01/60/162/947/AM12/EFGC(PRC)
PRC Meeting No. 38/AM12 dated: 27.01.2012
Subject:- Request for consideration of export against advance authorization no.0310361366 dt. 29.12.2005.

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/ Ecom file number/ file number- so as to establish its linkage with the concered shipping bill. RA may correlate the exports made and may take further necessary action for regularization as per the FTP provisions.

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