THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 38/AM13 HELD ON 05.02.2013 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
Shri V.K. Srivastava	Addl. DG
Shri Mukesh Bhatnagar	Addl.DG
Shri L.B. Singhal	Addl. DG
Shri K.C. Raut	Addl. DG
Shri Hardeep Singh	Jt.DGFT
Shri Jaikant Singh	Jt. DGFT
Shri J.K. Singh	Jt. DGFT
Shri S.K.Samal	Jt. DGFT
. Shri Ajay Kumar Srivastava	Jt. DGFT
. Shri A.K. Mishra	Stats Advisor
2. Smt. Sonika Khattar	FTDO

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

Case No.1. M/s Shree Electric Limited.
F.No. 01/92/180/76/AM-12/PC-VI
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for in view of supplies to a project covered under Para 8.2 (d) whether the goods supplied by the Main Contractor, Outsourced from other, shall be eligible for deemed export benefit in view of details furnished.

Withdrawn for processing on file.

Case No.2. M/s ITC Limited.
F.No. 01/36/218/147/AM13/EPCG-I
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for to accept LUTs signed by Managre/Vice President and Divisional Chief Executive of the Company holding a valid power of Attorney, which would facilitate in expediting the process of obtaining EPCG Authorizations.

The case was discussed in length and it was decided to reject the request on the ground that LUT is legal documents hence signing of the same by other person rather director can’t be allowed.

Case No.3. M/s Focus Energy Limited, New Delhi.
F.No. 01/89/180/20/AM-09/PC-2(A)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for permit relaxation for import of Electric Tricycles.

The committee did not agree with the request hence rejected.

Case No.4. M/s DSM Sinochem Pharmaceuticals India Pvt. Limited, Gurgaon.
F.No. 01/60/162/851/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for EOP extension of advance licence no. 2210005979 dt. 11.9.2006 issued with PC-9 condition.

After deliberating the case in length the following decisions were taken:

I. Export obligation period is extended from 6 months to 12 months from the date of first import consignment.

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.

IV. The applicant has to pay duty +interest on inputs consumed and exported after 12 months from date of first import.
V. PC-18 condition is waived on this exports to the extent of requirement of re-export/destruction certificate on export made outside the extended EOP.

(Action : RA, Chandigarh)

Case No.5. M/s DSM Sinochem Pharmaceuticals India Pvt. Limited, Gurgaon.
F.No. 01/60/162/858/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for EOP extension of advance licence no. 2210006785 dt. 12.6.2007 issued with PC-9 condition.

After deliberating the case in length the following decisions were taken:

I. Export obligation period is extended from 6 months to 12 months from the date of first import consignment.

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, Chandigarh)

Case No.6. M/s DSM Sinochem Pharmaceuticals India Pvt. Limited, Gurgaon.
F.No. 01/60/162/854/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for EOP extension of advance licence no. 2210004424 dt. 25.4.2005 issued with PC-9 condition.

After deliberating the case in length the following decisions were taken:

i. Export obligation period is extended from 6 months to 12 months from the date of first import consignment.

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, Chandigarh)

Case No.7. M/s DSM Sinochem Pharmaceuticals India Pvt. Limited, Gurgaon.
F.No. 01/60/162/852/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for EOP extension of advance licence no. 2210008448 dt. 13.12.2008 issued with PC-9 condition.

After deliberating the case in length the following decisions were taken:

IV. Export obligation period is extended from 6 months to 12 months from the date of first import consignment.

V. This is only for regularization and closure purpose.

VI. 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, Chandigarh)

Case No.8. M/s Apar Industries Limited, Vadodara.
F.No. 01/60/162/850/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for revalidation of Advance Authorization No. 3410026737 dated 31.3.2010.

The committee did not find any cogent reason given by the firm warranting relaxation. Hence, the request is rejected.

Case No.9. M/s Raptakos Brett & Co Limited, Mumbai
F.No. 01/60/162/869/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for revalidation of DEPB No. 0310572635 dt. 3.5.2010.

The Committee noted that the firm could not utilized the DEPB on account of non transmission of DEPB due to error code '107' and '94'. The committee on the basis of the technical records decided to revalidate the aforesaid DEPB for 3 months from the date of endorsement. The applicant is directed to get the endorsement from RA within one month from the date of uploadation of PRC minutes.

(Action : RA, Mumbai)

Case No.10. M/s Annexy International Morbi, Gujarat
F.No. 01/60/162/876/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for revalidation of DFIA No. 2410026645 dt. 1.12.2009.

The committee did not find any cogent reason given by the firm warranting relaxation. Hence, the request is rejected.

Case No.11. M/s India Fashion Limited, Mumbai
F.No. 01/60/162/874/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for EOP extension of advance licence no. 0310493090 dt. 5.11.2008.

After deliberating the case in length the following decisions were taken:

I. Export obligation period is extended upto 30.5.2012.

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.
IV. This is also subject to the condition that the case has not been adjudicated.

(Action : RA, Mumbai)

Case No.12. M/s DSM Sinochem India Pvt Limited, Gurgaon (Formerly M/s DSM India-Antilfectives India Limited)
F.No. 01/60/162/875/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for clubbing of two advance authorization no. 2210005685 dt. 26.06.2006, 2210005795 dt. 18.7.2006 issued under PC-9 condition for redemption and regularization purpose.

After deliberating the case in length the following decisions were taken:

i) To allow clubbing of 2 advance authorizations as referred above.
ii) Exports effected within 12 months from the date of import of first consignment shall only be taken into account for clubbing purpose.
iii) Extension of 6 months from the expiry of initial obligation period is allowed. This is subject to composition fee @ 0.5% of FOB value of export made beyond the stipulated EOP. RA is also directed to examine the case in terms of Para 4.1.6 of FTP and to ensure 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 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 EO period. However, the firm is liable to pay Custom duty + interest in terms of Para 4.28 of HBP on such inputs.
v) RA may do clubbing subject to the condition that no adjudication order is issued against any licence to be clubbed.

(Action : RA, Chandigarh)

Case No.13. M/s Merchem Limited, Cochin
F.No. 01/60/162/ 873/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for clubbing of two advance licence No. (1) 1010024071 dt. 02.08.2006 dt. (2) 1010037247 19.2.2010 for redemption and regularization purpose.

The Committee noted the contents of the firm and decided to reject the case as the licences were not issued in continuity with a distinct overlap of 36 months. The applicant is directed to get the case redeemed separately by regularization under Para 4.28 of HBP.

(Action : RA, Cochin is requested to take action as per the provision of FT(D&R) Act 1992 ,as amended, if the licencee is failed to get the case regularized in terms of Para 4.28 of HBP within a month from the receipt of the minutes)

Case No.14. M/s KLJ Organic Limited, New Delhi
F.No. 01/60/162/872/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for clubbing of two advance licence No. (1) 0510242650 dt. 1.6.2009 and (2) 0510313900 dt. 09.01.2012.

After deliberating the case in length the following decisions were taken:

i) To allow clubbing of 2 advance authorizations as referred above.
ii) This is only for regularization and closure purpose and not for any further exports/imports. Excess import if any may be regularized in terms of Para 4.28 of HBP.
iii) RA may examine the case in terms of Para 4.1.6 of FTP and ensure 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 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) RA may do clubbing subject to the condition that no adjudication order is issued against any licence to be clubbed.

(Action : RA, CLA, Delhi)

Case No.15. M/s DSM Sinochem India Pvt Limited, Gurgaon (Formerly M/s DSM Anti-infective India Ltd.
F.No. 01/60/162/871/AM13/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for clubbing of four advance authorization nos. 2210005553 dt. 19.05.2006, 2210005698 dt. 28.06.2006, 2210005757 dt. 11.07.2006 & 2210005582 dt. 30.05.2006 issued with PC-9 condition for redemption and regularization purpose.

After deliberating the case in length the following decisions were taken:

i) To allow clubbing of 4 Advance Authorizations as referred above.
ii) Exports effected within 12 months from the date of import of first consignment shall only be taken into account for clubbing purpose.
iii) Extension of 6 months i.e. upto 31.07.2007 from the expiry of initial obligation period is allowed. This is subject to composition fee @ 0.5% of FOB value of export made beyond the stipulated EOP for clubbing and regularization. RA may examine the case in terms of Para 4.1.6 of FTP and to ensure 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 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 EO period. However, the firm is liable to pay Custom duty + interest in terms of Para 4.28 of HBP on such inputs.

v) RA may do clubbing subject to the condition that no adjudication order is issued against any licence to be clubbed.

(Action : RA, Chandigarh)

Case No.16. M/s HPL Additives Limited, New Delhi
F.No. 01/60/162/870/AM13/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for clubbing of two advance licence No. 0510243923 dt. 18.6.2009 and 0510306966 dt. 2.11.2011.

After deliberating the case in length the following decisions were taken:

i) To allow clubbing of 2 advance authorizations as referred above.
ii) This is only for regularization and closure purpose and not for any further exports/imports. Excess import if any may be regularized in terms of Para 4.28 of HBP.
iii) RA may examine the case in terms of Para 4.1.6 of FTP and ensure 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 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) RA may do clubbing subject to the condition that no adjudication order is issued against any licence to be clubbed.

(Action : RA, CLA, Delhi)

Case No.17. M/s RPG Life Sciences Limited.
F.No. 01/60/162/1099/AM11/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for revalidation of 5 DEPB credit (i) 0310458395 dt. 21.01.2008 (ii) 0310460566 dt. 12.02.2008 (iii) 0310472553 dt. 30.05.2008 (iv) 0310473624 dt. 09.06.2008 and (v) 0310512830 dt. 23.3.2008.

The Committee noted that the firm could not utilized the DEPB on account of non transmission of DEPB due to error code '02' and '18'. The committee on the basis of the technical records decided to revalidate the aforesaid 5 DEPBs for 3 months from the date of endorsement. The applicant is directed to get the endorsement from RA within one month from the date of uploadation of PRC minutes.

(Action : RA, Mumbai)

Case No.18. M/s Sakthi Sugars Limited, Coimbatore
F.No. 01/60/162/321/AM12/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for EOP extension of advance licence no. 3210029022 dt. 09.06.2005.

Withdrawn for processing on file.

Case No.19. M/s Madura Coats Pvt. Limited.
F.No. 01/60/162/06,08,16,17,20,/AM12/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for revalidation of 5 advance licences no. 3510020679 dated 28.03.2007, 3510019563 dated 14.09.2006, 3510020677 dated 28.03.2007, 3510020502 dated 23.02.2007 & 3510020837 dated 24.04.2007.

Justification and reasoning cited by the applicant are not convincing to the committee hence request for revalidation was rejected reiterating the earlier decision of PRC meeting held on 11.9.2011.

Case No.20. M/s A.M.A. Hussian & Co., Mumbai
F.No. 01/60/162/408/AM13/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for revalidation of advance licence no. 0310546388 dt. 19.11.2009.

Justification and reasoning cited by the applicant are not convincing to the committee hence request for revalidation was rejected reiterating the earlier decision of PRC meeting held on 1.10.2012.

Case No.21. M/s Maan Structure Pvt. Limited.
F.No. 01/60/162/333/AM12/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for revalidation of DFIA No. 1310026670 dt. 07.08.2008.

Justification and reasoning cited by the applicant are not convincing to the committee hence request for revalidation was rejected reiterating the earlier decision of PRC meeting held on 28.8.2012.

Case No.22. M/s Global India Limited, Kolkata.
F.No. 01/60/162/842/AM13/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for EOP extension for 6 months of advance licence No. 0210127284 dt. 04/06/2009.

The Committee noted that the applicant could not utilized the opportunity given to them by PRC meeting dt. 10.7.2012 hence rejected the request of the firm. However, it is advised to the party to get the case regularized in terms of Para 4.28 of HBP for balance shortfall.

(Action : RA, Kolkata; If the party fails to get the case regularised 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 report)

Case No.23. M/s Haldia Petrochemicals Limited, Kolkata.
F.No. 01/60/162/879/AM13/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for clubbing of 6 advance licences no. i) 0210123068 dated 10.02.2009, ii) 0210123648 dated 25.02.2009, iii) 0210140818 dated 12.04.2010, iv) 0210157963 dated 20.04.2011, v) 0210171996 dated 06.01.2012 & vi) 0210172026 dated 06.01.2012.

After deliberating the case in length the following decisions were taken:

i) To allow clubbing of 6 Advance Authorizations as referred above.
ii) This is only for regularization and closure purpose and not for any further exports/imports. Excess import if any may be regularized in terms of Para 4.28 of HBP.
iii) RA may examine the case in terms of Para 4.1.6 of FTP and ensure 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 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) RA may do clubbing subject to the condition that no adjudication order is issued against any licence to be clubbed.

(Action : RA, Kolkata)

Case No.24. M/s Haldia Petrochemicals Limited, Kolkata.
F.No. 01/60/162/880/AM13/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013

Subject: - Request for clubbing of 5 advance licences no. i) 0210125397 dated 08.04.2009, ii) 0210125946 dated 27.04.2009, iii) 0210174762 dated 29.02.2012, iv) 0210174764 dated 29.02.2012 & v) 0210176033 dated 29.03.2012.

After deliberating the case in length the following decisions were taken:

i) To allow clubbing of 5 Advance Authorizations as referred above.
ii) This is only for regularization and closure purpose and not for any further exports/imports. Excess import if any may be regularized in terms of Para 4.28 of HBP.
iii) RA may examine the case in terms of Para 4.1.6 of FTP and ensure 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 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) RA may do clubbing subject to the condition that no adjudication order is issued against any licence to be clubbed.

(Action : RA, Kolkata)

Case No.25. M/s Kopran Limited, Mumbai.
F.No. 01/60/162/187/AM13/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for clubbing of 3 advance licence no. 0310408804 dated 20.11.2006, 0310438246 dated 06.08.2007 & 0310543241 dated 29.10.2009 issued under PC-9 condition for regularization.

The committee noted that date of import under Advance Authorization no. 0310408804 dated 20.11.2006 is shown 29.9.2009 which is prior to issue of authorizations is not possible. Hence the case is deferred for obtaining complete facts from the firm.

(Action : Applicant)

Case No.26. M/s Medreich Limited, Bangalore.
F.No. 01/60/162/137/AM13/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for permission to regularize the advance authorization No. 0710056518 dt. 20.03.2008 on payment of duty + interest.

The case was discussed in details and followings decisions were taken :

i) Imports made under Advance Authorization no. 0710056518 dt. 20.3.2008 shall be allowed to regularized on payment of duty + interest.

ii) PC-18 waiver may be allowed on production of certificate from the Excise Authority concern that imported raw material has been consumed fully in the resultant product exported under other authorizations obtained subsequently.
iii) Exports made under Authorizations obtained prior to imports under said Advance Authorization shall not be taken into account.
iv) On balance raw material, if any, PC-18 condition should be adhered to.

(Action : RA, Bangalore)

Case No.27. M/s Shalina Labortories Pvt Limited, Mumbai.
F.No. 01/60/162/828/AM13/EFGC(PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for clubbing of two advance licences No. 0310471571 dt. 16.5.2008 (2) 0310590196 dt. 31.5.2010 for redemption and regularization purpose.

Deferred for seeking complete details of import and export made under the advance authorizations.

Case No.28. M/s United Phosphorus Limited, Mumbai.
F.No. 01/60/162/881/AM13/EFGC (PRC)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for clubbing of 3 advance licences no. i) 0310518894 dt. 07.05.2009, ii) 0310519097 dt. 08.05.2009 & iii) 0310658240 dt. 05.10.2011.

After deliberating the case in length the following decisions were taken:

i) To allow clubbing of 3 Advance Authorizations as referred above.
ii) This is only for regularization and closure purpose and not for any further exports/imports. Excess import if any may be regularized in terms of Para 4.28 of HBP.
iii) RA may examine the case in terms of Para 4.1.6 of FTP and ensure 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 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) RA may do clubbing subject to the condition that no adjudication order is issued against any licence to be clubbed.

(Action : RA, Mumbai)

Case No.29. M/s DIC India Limited, Kolkata.
F.No. 01/94/180/359/AM13/EFGC (PRC)/PC-IV
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for issue of EODC against their three advance licence nos. (1) 021011204 dt. 2.5.2008 (ii) 0210112046 dt. 2.5.2008 (iii) 0210113527 dt. 13.6.2008

Deferred for obtaining views of Norms Committee-IV.

Case No.30. M/s PME Power Solutions (India) Limited, New Delhi.
F.No. 01/94/180/443/AM12/EFGC (PRC)/PC-IV
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for clarification substitute/ alternate import item allowed under fixed SION i.e. export items Transformers of different KVA for clubbing and redemption of advance licence no. 0510227538 dt. 16.9.2008 & 0510227539 dt. 16.9.2008.

The committee noted that the applicant had exported resultant product consuming CRGO Steel Coils and knowing this fact they have got the Authorization amended subsequently from CRGO Steel Coils to CRGO transformer lamination which was allowed on net to net basis. The committee therefore decided to reject the request and directed the party to pay duty + interest for regularization in terms of Para 4.28 of HBP.

(Action: RA, CLA New Delhi, if the applicant is failed to get the case regularized within a month, action under the provision of FT(D&R) Act, shall be initiated and report.)

Case No.31. M/s A.B. Hotels Limited, New Delhi.
F.No. 01/94/180/79/AM06/PC-6
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for NOC for transferring disposing of two cars.

The committee noted the request of the party and agreed to grant NOC for transfer of two cars imported against DFCE No. 051009330 dt. 13.6.2003. RA to take action as per relevant FTP provisions.

Case No.32. M/s Distant Frontiers, Gurgaon.
F.No. 01/89/180/47/AM-13/PC-2(A)
PRC Meeting No. 38/AM13 dated: 05.02.2013
Subject: - Request for permission for Vintage Cars Travelling Exhibition

The request for the endorsement of the Foreign Organizer/Principal Organizer was agreed to.

The Committee ended with the Vote of Thanks to the Chair.

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