Minutes of the Policy Relaxation Committee
Meeting No. 38/AM14 held on 27.02.2014 at 2.30 P.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 K.C. Rout	Addl. DGFT
3.	Shri Jaikant Singh	Addl. DGFT
4.	Shri Darshan Singh	Jt. DGFT
5.	Shri Jay Karan Singh	Jt. DGFT
6.	Shri Hardeep Singh	Jt.DGFT
7.	Shri Akash Taneja	Jt. DGFT
8.	Shri S.K. Samal	Jt. DGFT
9.	Shri A.K. Srivastava	Jt. DGFT
10.	Shri S.K. Mohapatra	Dy. DGFT

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

Case No.1. M/s Gadre Marine Exports P. Limited, Ratnagiri.
F.No. 01/60/162/878/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension of Advance Authorization No. 0310583615 dated 14.07.2010 for regularization purpose.

The Committee decided the following:

I. Export obligation period be extended upto 31.1.2014.
II. This 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 para 4.1.6 of FTP.

(**Action: RA, Mumbai)**

Case No.2. M/s Gayatrishakti Paper & Boards Limited, Vapi.
F.No. 01/60/162/882/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension of Advance Authorization No. 5210032617 dated 19.11.2010.

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 Surat/ Applicant**)

Case No.3. M/s Advance Surfactants India Limited, Delhi.
F.No. 01/60/162/879/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension of Annual Advance Authorization No. 0510264086 dated 11.05.2010.

The Committee decided the following:

I. Export obligation period be extended by 3 months i.e. upto 31.5.2014.
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 Delhi/ Applicant**)

Case No.4. M/s Softgel Healthcare Private Limited, Chennai.
F.No. 01/60/162/870/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension of Advance Authorization No. 0410120514 dated 10/01/2011.

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 Chennai/ Applicant**)

Case No.5. M/s Cadila Pharmaceuticals Limited, Gujarat.
F.No. 01/60/162/869/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension for regularization of exports made against Advance Authorization No. 0810088011 dated 07.04.2010

The Committee decided the following:

I. Export obligation period be extended upto 31.10.2013.
II. This 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 para 4.1.6 of FTP.

(**Action: RA, Ahmedabad)**

Case No.6. M/s Vardhaman Exports, Mumbai.
F.No. 01/60/162/890/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension for regularization of exports made vide S/ bill dated 31/03/2007 against Advance Authorization No. 0310349989 dated 03/10/2005 issued with PC-9 conditions.

The Committee decided the following:

I. Export obligation period be extended from 06 months to 12 months i.e. upto 30/11/2006 from the date of first import consignment.
II. This 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 para 4.1.6 of FTP.
IV. The applicant has to pay duty +interest on inputs consumed and exported after 30.11.2006 i.e. after 12 months from date of first import.

V. PC-18 condition stands waived on these exports to the extent of requirement of re-export/destruction certificate on export made outside the extended EOP.

(**Action: RA, Mumbai)**

Case No.7. M/s Symega Savoury Technology Limited, Ernakulam.
F.No. 01/60/162/200/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension of Advance Authorization No. 1010050064 dated 20.06.2012 for regularization purpose.

The committee reviewed the decision of PRC meeting no. 11/AM14 dated 25.06.2013 on the request of the applicant. The exports made without mentioning details of Advance Authorization can't be taken into account towards discharge of export obligation because valuation is not done for free shipping bill. Further it is difficult to monitor that the same S/bill is not taken for redemption of any other Authorization. The committee, therefore, did not find any sufficient reason to interfere with the earlier decision of PRC meeting no. 11/AM14 dated 25.06.2013. The applicant is hereby directed to get their case regularized in terms of Para 4.28 of HBP or PN 22 dt. 12.8.2013.

(**Action: RA Cochin-** 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.8. M/s Vardhaman Exports, Mumbai.
F.No. 01/60/162/891/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension for regularization of S/ bills against Advance Authorization No. 0310271335 dated 27.05.2004 issued with PC-9 conditions.

The Committee decided the following:

I. Export obligation period be extended upto 30.6.2005.
II. This 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 para 4.1.6 of FTP.

(**Action: RA, Mumbai)**

Case No.9. M/s Vardhaman Exports, Mumbai.
F.No. 01/60/162/877/AM14/EFGC (PRC)

PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension for regularization of S/ bills against Advance Authorization No 0310266326 dated 30.04.2004 issued with PC-9 conditions.

The committee decided to reject the request for further extension of export obligation period as RA has already granted six months extension. However, the committee granted waiver from PC-18 condition to the extent of requirement of destruction certificate on goods consumed and exported outside obligation period subject to payment of customs duty + interest on corresponding imports made against exports.

Case No.10. M/s Vivmed Labs Limited, Hyderabad.
F.No. 01/60/162/885/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension & revalidation of Advance Authorization No. 0910039048 dated 19.08.2009.

The justification given in support of their contention could not convince the Committee hence the Committee did not accede to the request for revalidation of Authorization and extension of EOP.

Case No.11. M/s Vardhman Exports, Mumbai.
F.No. 01/60/162/876/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension of Advance Authorization No. 0310295825 dated 08.10.2004 issued under PC-9.

The committee observed that the export has taken place through two shipping bills dt. 29.12.2004 and 31.3.2007. The committee also observed even if the EOP is extended further by 6 months still then the shipping bill dt. 31.3.2007 remains beyond the extended EOP. Therefore, request for EOP extension was not granted. However, the committee granted waiver from PC-18 condition to the extent of requirement of destruction certificate on goods consumed and exported outside obligation period subject to payment of customs duty + interest on corresponding imports in proportion to exports made.

Case No.12. M/s Krishna Antioxidants Pvt Limited, Mumbai.
F.No. 01/60/162/884/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for revalidation of Advance Authorization No. 0310636366 dated 15.06.2011

The justification given in support of their contention could not convince the Committee hence the Committee did not accede to the request.

Case No.13. M/s Bindal Technopolymer Pvt Limited, Noida.
F.No. 01/60/162/871/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for revalidation of Advance Authorization No. 0510311924 dated 21.12.2011

The committee observed that, in terms of Para 4.23 of HBP v1, the concerned RA is empowered to grant one revalidation for 6 months. The applicant should have approached the concerned RA for revalidation of the Advance Authorization. However, since the applicant has directly approached PRC, therefore, the committee decided to grant revalidation upto 30.6.2014 subject to payment of fee as applicable.

(**Action: RA Delhi**)

Case No.14. M/s Eastern Silk Industries Limited, Kolkata.
F.No. 01/60/162/896/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for revalidation of Advance Authorization & Transferability on pro-rate basis against DFIA No. (i) 0210146715 dated 19/08/2010 (ii) 0210146716 dated 19/08/2010 & (iii) 0210147531 dated 06/09/2010.

The justification given in support of their contention could not convince the Committee hence the Committee did not accede to the request.

Case No.15. M/s BDH Industries, Mumbai.
F.No. 01/60/162/873/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for revalidation of Annual Advance Authorization No. 0310620509 dated 10.03.2011.

Deferred for seeking report from EDI to verify the submission of the applicant.

(**Action: EDI Section**)

Case No.16. M/s Patel Plastic Corporation.
F.No. 01/60/162/880/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for revalidation of Advance Authorization No. 0310621806 dated 17.03.2011.

The justification given in support of their contention could not convince the Committee hence the Committee did not accede to the request.

Case No.17. M/s LRC Speciality Chemicals Pvt. Ltd., Thane.
F.No. 01/60/162/872/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Revalidation of Advance Authorization 0310631798 dated 19.05.2011.

The justification given in support of their contention could not convince the Committee hence the Committee did not accede to the request.

Case No.18. M/s Glenmark Generics Limited, Mumbai.
F.No. 01/60/162/887/AM14/EFGC (PRC)

PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for clubbing of two Advance Authorization No. 0310681479 dated 10.02.2012 & 0310681763 dated 14.02.2012 issued under PC-9 condition for regularization purpose.

The Committee noted that exports against subsequent Authorization are made within EOP of the first Authorization, therefore, the Committee decided the following:

I. Clubbing of two above mentioned authorizations be allowed for regularization purpose.
II. Shortfall if any shall be regularized in terms of Para 4.28 of HBP.
III. Value addition of 15% shall be maintained in terms of Para 4.1.6 of FTP

(Action: RA, Mumbai)

Case No.19. M/s Glenmark Generics Limited, Mumbai.
F.No. 01/60/162/874/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for EOP extension of Advance Licence No. 0310622618 dated 22.03.2011 & (ii) 0310681981 dated 15.02.2012 issued under PC-9 condition for regularization purpose.

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 18 months from the date of import of first consignment i.e. upto 28.02.2013 against earliest authorization shall only be taken into account for clubbing of authorizations.
iii. RA may grant necessary extension upto 6 months in EO in the earliest authorization 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% shall be maintained. 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.

(**Action: RA, Mumbai**)

Case No.20. M/s Oil Country Tubular Limited, Hyderabad.
F.No. 01/60/162/849/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for clubbing of 3 Advance Authorization Nos. 0910040252 dated 15.12.2009, 0910041988 dated 12.05.2010 & 0910056939 dated 29.07.2013 for regularization purpose.

After deliberating the case in length the committee observed that the firm has approached for the clubbing of the authorization no. 0910056939 dated 29.07.2013 which has been issued beyond 36 months from the date of the issue of the authorization no. 910040252 dated 15.12.2009. The committee also observed that the firm has made the 100% exports within the extended validity of 48 months of earliest Authorization. Hence the following decisions were taken:

I. Clubbing of the 3 Advance Authorisations as referred above be allowed.
II. Export obligation period be extended from 36 months to 48 months against Advance Authorization no. 910040252 dated 15.12.2009.
III. This is only for regularization of exports already effected and closure purpose and not for any further exports/imports.
IV. Exports made within 48 months from the date of earliest Authorisation 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 Para 4.1.6 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.
V. Even after clubbing, shortfall, if any, may be regularised on payment of Customs Duty + Interest in terms of Para4.28 of H.B.P.

(Action : RA, Hyderabad)

Case No.21. M/s Givo Limited, Gurgaon.
F.No. 01/60/162/845/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for acceptance of certain shipping bills for discharge of export obligation of Advance Authorization No. 0510156338 dated 28.04.2005.

The committee decided to seek further details from the applicant as to whether the shipping bills, wherein the Advance Authorization no. had not been mentioned, were free shipping bills and whether Advance Authorization no. have been mentioned on any other corroborative document such as ARE-1.

(**Action: Applicant**)

Case No.22. M/s Shalina Labortories Pvt Limited, Mumbai.
F.No. 01/60/162/892/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for allowing benefit of PN 31 dated 14/02/2011 (consignment wise-completion of EO) against Advance Authorization No. 0310471571 dated 16/05/2008 issued with PC-9 conditions.

The committee observed that the applicant is seeking the benefit of PN 31 dt. 14.2.2011 retrospectively which is not permissible. Therefore the committee decided to reject the request. However, waiver from PC-18 condition be allowed to the extent of requirement of destruction certificate provided custom duty + interest is paid on such inputs consumed and exported outside the EOP.

Case No.23. M/s Glenmark Generics Limited, Mumbai.

F.No. 01/60/162/875/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for waiver from destruction certificate of Advance Authorization No. 0310629149 dated 03.05.2011.

Withdrawn.

Case No.24. M/s Titan Laboratories Pvt Limited, Mumbai.
F.No. 01/60/162/781/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for accounting of 2 S/bills 2283019 dt. 12.1.2011 & 2542395 dt. 17.2.2011 endorsed with wrong Advance Authorization No 0310611821 dated 19.01.2011 mentioned for redemption.

The Committee decided the following:

I. The exports made under S/bill no. 2283019 dt. 12.1.2011 & 2542395 dt. 17.2.2011 shall be taken into account for discharge of export obligation against Advance Authorization No 0310611821 dated 19.01.2011.
II. The applicant shall submit declaration/undertaking that no other benefits have been availed/ will not be availed in future and the shipping bill shall not be taken into account for discharge of any other Advance Authorization.
III. RA shall ensure that S/bill no. 2283019 dt. 12.1.2011 & 2542395 dt. 17.2.2011 were not taken into account towards discharge of export obligation against Advance Authorization no. 0310572320 dt. 30.4.2010

(**Action: RA, Mumbai**)

Case No.25. M/s TSS Project & Industries Pvt. Limited, Hyderabad.
F.No. 01/60/162/896/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request for revalidation of duty Credit scrip No. 0910046020 dated 22.03.2011.

The justification given in support of their contention could not convince the Committee hence the Committee did not accede to the request.

Case No.26. M/s Saertex India Private Limited, Pune.
F.No. 01/60/162/881/AM14/EFGC (PRC)
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request to waive the requirement of payment oto be received from foreign currency account for supply of product to SEZ and regularize payment made in Indian currency.

The committee noted that as per SEZ Rule no. 30 (8) payment to DTA supplier must be made from foreign currency account and PRC has no power to relax the rule made under SEZ Act. Hence the committee did not accede to the request.

Case No.27. M/s Wizcraft International Entertainment Pvt. Ltd. Gurgaon.
F.No. 01/61/180/148/AM13/PC3
PRC Meeting No. 38/AM14 dated 27.02.2014
Subject: - Request revalidation of SFIS Scrip no. 0310703557 dt. 30.7.2012.
Deferred.

The committee noted that Para 2.12.2 of HBP is applicable only for Authorization and not for duty credit scrip. And, Para 2.12.3 categorically excludes duty credit scrips issued under Chapter 3 from the preview of Para 2.12.1 of HBP which allows automatic extension of validity till last date of month. The committee, therefore, did not accede to the request.

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

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