THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 42/AM12 HELD ON 28.02.2012 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 N.P.S. Monga	Addl. DG
3.	Dr. L.B.S. Singhal	Jt. DGFT
4.	Dr. Rajiv Arora	Jt. DGFT
5.	Shri A.K. Singh	Jt. DGFT
6.	Shri R.S. Ratna	Jt. DGFT
7.	Shri.HardeepSingh	Jt. DGFT
8.	Smt. Subhra	Jt. DGFT
9.	Smt. Vibha Bhalla	Jt. DGFT
10.	Shri A. Mishra	Stats Advisor
11.	Shri D.C.Sharma	Stats Advisor
12.	Shri Sanjay Kumar	Dy. DGFT
13.	Smt. Sonika Khattar	FTDO

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

Case No.1. M/s. Specialty Polyfilms (India) Limited Aurangabad
F.No. 01/60/162/1127/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for revalidation of advance licence No. 0310468581 dt. 16.4.2008.

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.2. M/s. Styl Rite Optical Industries Mumbai
F.No. 01/60/162/1139/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for revalidation of advance licence No. 0310524889 dt. 18.6.2009.

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.3. M/s. Glow Pharma Pvt Limited Mumbai
F.No. 01/60/162/1115/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for EOP extension of advance licence Nos. 0310488014 dt. 26.9.2008 (ii) 0310436946 dt. 20.7.2007 (iii) 0310459163 dt. 25.1.2008 under PC-9.

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 1^{st} 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.4. M/s. Calyx Chemicals & Pharmaceuticals Limited.
F.No. 01/60/162/1135/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for EOP extension of advance licence No. 0310487896 dt. 25.9.2008 issued under PC-9 condition.

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 1^{st} import as stated above may be paid by the firm in accordance with the stipulated policy provisions. Only physical exports be considered for discharge of export obligation. 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.5. M/s. Shalimar Rexine India Limited Pune

F.No. 01/60/162/1158/AM12/EFGC(PRC)

F.No. 01/60/162/1158/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for EOP extension in respect of following 7 files.

1. 312104000040/AM04
2. 312104000050/AM04
3. 318004000056/AM05
4. 312104000072/AM04
5. 318004000099/AM05
6. 318004000097/AM05
7. 318004000068/AM05

The Committee noted that the authorizations are too old, therefore no further EOP may be granted. DEPB entitlement can not be considered for discharge under advance authorization. It was decided that RA may take necessary action as per the provisions of the FTP.

Case No.6. M/s. Shalimar Rexine India Limited Pune
F.No. 01/60/162/1157/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for EOP extension in respect of following 7 files.

1. 312104000119/AM05
2. 312104000019/AM06
3. 31210390001/AM06
4. 318004000398/AM03
5. 318004000295/AM03
6. 318004000285/AM03
7. 318040022/AM05

The Committee noted that the authorizations are too old, therefore no further EOP may be granted. DEPB entitlement can not be considered for discharge under advance authorization. It was decided that RA may take necessary action as per the provisions of the FTP.

Case No.7. M/s. Omkrown Pharmachem Pvt Limited Belgum
F.No. 01/60/162/1130/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for EOP extension of advance licence Nio. 0710056768 dt. 2.4.2008.

The committee decided that the matter may be referred to Norms Committee and be placed before PRC thereafter.

Case No.8. M/s. Shalimar Rexine India Limited Pune

F.No. 01/60/162/1156/AM12/EFGC(PRC)

F.No. 01/60/162/1136/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for EOP extension in respect of following 4 files.

1. <u>312104000027/AM03</u>
2. <u>312104000059/AM04</u>
3. <u>312104000029/AM05</u>
4. <u>318004000428/AM03</u>

The Committee noted that the authorizations are too old, therefore no further EOP may be granted. DEPB entitlement can not be considered for discharge under advance authorization. It was decided that RA may take necessary action as per the provisions of the FTP.

Case No.9. M/s. Wanbury Limited Mumbai
F.No. 01/60/162/1117/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for revalidation & EOP extension of 2 advance licence No. 0310488266 dt. 29.9.2008 & 0310488273 dt. 29.9.2008.

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 both quantity and value wise in the valid EOP.

Case No.10. M/s. C. Tech Engineers Pvt Limited Pune
F.No. 01/60/162/1163/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for extension of export obligation period of advance licence No. 3110034618 dt. 31.7.2008.

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 both quantity and value wise in the valid EOP.

Case No.11. M/s. Mahle Filter Systems India Limited Haryana
F.No. 01/60/162/1156/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for clubbing of 3 advance licence for regularization purpose (1) 0510194554 dt. 16.11.2006 (2) 0510206794 dt. 26.07.2007 (3) 0510212742 dt. 29.11.2007.

The committee decided to allow clubbing of the above 3 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. No further imports and export will be undertaken. RA may do clubbing subject to the condition that adjudication process for the above authorizations has not been initiated/pending.

Case No.12. M/s. Madura Coats Pvt Limited Bangalore
F.No. 01/60/162/1111/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for clubbing of 3 advance licence Nos. 3510019168 dt. 1.8.2006 (2) 3510020041 dt. 19.12.2006 (3) 3510020040 dt. 19.12.2006.

The committee decided to allow clubbing of the above 3 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. No further imports and export will be undertaken. RA may do clubbing subject to the condition that the adjudication process for the above authorizations has not been initiated.

Case No.13. M/s. Madura Coats Pvt Limited Bangalore
F.No. 01/60/162/1112/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for clubbing of 2 advance licence Nos. 3510021638 dt. 13.9.2007 (2) 3510023258 dt. 28.3.2008.

The committee decided to allow clubbing of 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. No further imports and export will be undertaken. RA may do clubbing subject to the condition that the adjudication process for the above authorizations has not been initiated and no court case is pending.

Case No.14. M/s. M.M. Aqua Technologies Limited Gurgaon
F.No. 01/60/162/1140/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for acceptance of DEEC shipments made against advance licence No. 0510212849 dt. 30.11.2007 towards the discharge of EO against advance licence for regularization of export and imports.

The Committee noted that the request has been made the authorizations issued in 2004 and 2007 respectively. The gap between the authorizations issued is substantial and as such the Committee did not agree to club these two authorizations.

Case No.15. M/s. M.M. Aqua Technologies Limited Gurgaon

F.No. 01/60/162/1146/AM12/EFGC(PRC)

PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for acceptance of DEPB shipments towards the discharge of EO against advance licence No.0510212544 dt. 26.11.2007 for regularization of exports.

The committee noted that there is no policy provision for clubbing of advance authorization and DEPB. In the instant case the firm's request is for accepting the DEPB shipment towards the discharge of EO against the advance authorization and the same tantamounts to request of clubbing of two authorizations which are not clubbable. The committee accordingly rejected the request of the firm. RA may take necessary action on the default of EO in advance authorization as per provisions of FTP.

Case No.16. M/s. Ajanta Pharma Limited Mumbai
F.No. 01/60/162/303/AM10/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for regularization of export of advance licence No. 0310265356 dt. 24.4.2004 issued under PC-9.

Deferred.

Case No.17. M/s. Lepro Herbals Pvt Limited
F.No. 01/60/162/1345/AM11/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for redemption of advance licence No. 0510080872 dt. 18.3.2003.

The committee noted that despite requests, RA has not sent the report. It was decided that RA may be directed to send the report within a period of two weeks.

Case No.18. M/s. Vardhman Exports Mumbai
F.No. 01/60/162/978/AM11/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for regularization of shipping advance licence No. 0310293422 dt. 23.9.2004

Deferred.

Case No.19. M/s. Eastman International Ludhiana
F.No. 01/60/162/1129/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for revalidation of DFIA No 3010061796 dt. 23.6.2009.

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.20. M/s. Bhusan Power & Steel Limited New Delhi.
F.No. 01/60/162/1004/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for revalidation of DEPB Licence No. 0210113100 dt. 2.6.2008.

The committee noted that the delay cited by the firm regarding TRA is not significant that it had in its possession DEPB authorization with a validity of 24 months. The committee did not consider the reasons cited as genuine hardship warranting relaxation under Para 2.5 of FTP.

Case No.21. M/s. Mehar Chand Jain & Sons Jaipur
F.No. 01/60/162/1154/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for recommendation of revalidation of DFIA of silver/Gold issued between 01.4.2008 to 31.3.2009.

The committee noted that the reasons cited by the firm regarding the complexity and time consuming process of fulfillment of EO do not corroborate the request for relaxation for revalidation of the DFIA. The reasons cited were not construed as genuine hardship warranting relaxation under Para 2.5 of FTP.

Case No.22. M/s. NHB Bearing Limited Mumbai
F.No. 01/60/162/935/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for time period for claim of DEPB against Jt. DGFT Mumbai 03/87/051/00745/AM11)

The committee noted that the reasons cited can not be construed as genuine hardship warranting relaxation under Para 2.5 of FTP.

Case No.23. M/s. Keshav International New Delhi
F.No. 01/60/162/1149/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for issue of DEPB against the following file nos. filed after 28 days from the last date.

1. 05/26/051/01970/AM12
2. 05/26/051/01969/AM12
3. 05/26/051/01968/AM12
4. 05/26/051/01967/AM12
5. 05/26/051/01966/AM12

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. Wasi Exports Mumbai
F.No. 01/60/162/1152/AM12/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for clubbing of qty. advance licence i) 03103488 dt. 3.10.1996 and two value based AAs no 031015121 dt. 19.12.1996, 031015126 dt. 19.12.1996.

The committee noted that there was no provision of clubbing of qty. based authorization with value based authorizations. The committee therefore rejected the request.

Case No.25. M/s. Eagle Flask Industries Limited Pune
F.No. 01/60/162/1551 & 1331/AM11/EFGC(PRC)
PRC Meeting No. 42/AM12 dated: 28.02.2012
Subject:- Request for clubbing of two advance licence No. 3489905 dt. 30.1.1995 (2) 3489908 dt. 1.2.1995 (3) 2024425 dt. 8.8.1994 (4) 3489909 dt. 1.2.1995.

Deferred.