

THE POLICY RELAXATION COMMITTEE (PRC) MEETING NO. 42/AM13 HELD ON 05.03.2013 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
2. Shri. V.K. Srivastava	Addl. DG
3. Shri Mukesh Bhatnagar	Addl. DG
4. Shri L.B. Singhal	Addl. DG
5. Shri K.C. Raut	Addl. DG
6. Shri S.K. Samal	Jt. DGFT
7. Shri Hardeep Singh	Jt. DGFT
8. Shri Jaikant Singh	Jt. DGFT
9. Shri Jaikaran Singh	Jt. DGFT
10. Shri Ajay Kumar Srivastava	Jt. DGFT
11. Shri A.K. Mishra	Stats Advisor
12. Smt. Sonika Khattar	FTDO

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

Case No.1. M/s Solar Industries India Limited, Nagpur.

F.No. 01/60/162/972/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for revalidation of Advance Authorization No. 5010000306 dated 21.6.2010.

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

Case No.2. M/s Minex Metallurgical Company Limited, Mumbai.

F.No. 01/60/162/970/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for revalidation of Advance Authorization No. 0310497822 dated 15.12.2008.

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

Case No.3. M/s Caterpillar India Pvt. Limited, Chennai.

F.No. 01/60/162/805/AM13/EFGC (PRC)Pol-VI

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for a LTU falls E-return process and is seeking relaxation of submission of duty paid certificate.

Withdrawn for processing on file.

Case No.4. M/s Lion Holdings Pvt. Limited, NOIDA.

F.No. 01/60/162/955/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for revalidation of Advance Authorization No. 0510264999 dated 31.05.2010.

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

Case No.5. M/s Solar Industries India Limited, Nagpur.

F.No. 01/60/162/962/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for revalidation of Advance Authorization No. 5010000232 dated 13.01.2010.

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

Case No.6. M/s Essem Technopinz Pvt. Limited, Nasik.

F.No. 01/60/162/956/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for revalidation of Advance Authorization No. 3110043397 dated 28.05.2010.

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

Case No.7. M/s Persang Alloy Industries Pvt. Limited, Vadodara.

F.No. 01/60/162/954/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for revalidation of Advance Authorization No. 3410021738 dated 02.07.2008

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

Case No.8. M/s Xicon International Limited, Mumbai.

F.No. 01/60/162/934/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for EOP extension of Advance Authorization No. 0310422286 dated 07.03.2007.

The committee noted that this is not a Policy Relaxation issue. Hence RA is directed to process the request as per Para 4.22 of HBP.

Case No.9. M/s Ashish Life Science Pvt. Limited, Mumbai.

F.No. 01/60/162/596/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Requested for EOP extension /redemption of Advance Authorization No. 0310408604 dated 17.11.2006 issued under PC-9 condition.

The committee observed that when the matter was earlier considered in PRC meeting held on 4.12.2012, the firm did not disclose the entire facts and the request was wrongly agreed to . On verification by RA, it was found that the firm has already availed benefit of DEPB. Not disclosing the complete facts and truth before the committee, not only amounts to wastage of precious time and manpower. It is also not good conduct. The committee therefore expressed its strong displeasure and rejected the case.

(Action : RA, Mumbai; 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.10. M/s Drytech Processes (I) Pvt. Limited, Mumbai.

F.No. 01/60/162/491/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for EOP extension period of Advance Authorization No. 0310531366 dated 20.07.2009.

Deferred for re-examination.

Case No.11. M/s Modern Insecticides.

F.No. 01/60/162/965/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for clubbing of two Advance Authorization Nos. 3010053984 dated 21.11.2007 with 3010066911 dated 17.05.2010 for redemption and regularization purpose.

After deliberating the case in length and taking into consideration the facts of the case, the following decisions were taken:

- i) To allow clubbing of 2 above Advance Authorizations.
- 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 grant necessary extension in EO subject to composition fee @ 0.5% of FOB value of export made beyond the stipulated EOP for clubbing and regularization. RA is also directed to 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, Ludhiana)

Case No.12. M/s Conros Steel Pvt. Limited, Mumbai.

F.No. 01/60/162/952/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for EOP extension of 2 Advance Authorization Nos. 0310497013 dated 10.12.2008 (2) 0310537915 dated 15.09.2009

The Committee rejected the request of the firm considering no merit in the case. However, it is advised to the party to get the case regularized in terms of Para 4.28 of HBP.

(Action : RA, Pune; 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.13. M/s Torrent Pharmaceuticals Limited, Ahmedabad.

F.No. 01/60/162/975/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for EOP extension of Advance Authorization No. 0810098788 dated 29.04.2011.

The applicant did not supply complete information, therefore the case is deferred for obtaining complete details of the export and import made from the firm.

(Action : Applicant)

Case No.14. M/s Graphite India Limited, Balangir, (Orissa).

F.No. 01/60/162/844/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for EOP extension of Advance Authorization No. 0910033596 dated 09.04.2008 for regularization purpose.

The committee noted that the firm has completed the exports after the export obligation period and seeking extension for regularization purpose. Generally the committee grants extension for regularization purpose upto 48 months but after considering the unusual circumstances i.e. labour problem in the factory and brutally killing of DGM (Operations) during strike which substantiate genuine hardship in discharging obligation in time. Therefore, after deliberating the case in length the following decisions were taken:

- I. Export obligation period is extended upto 31.8.2012.
- 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, Hyderabad)

Case No.15. M/s Aurbindo Pharma Limited, Hyderabad.

F.No. 01/60/162/903/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for clubbing of (7) Advance Authorizations Nos:-

1. 0910024757 dated 30.11.2005
2. 0910025182 dated 16.01.2006
3. 0910025761 dated 28.03.2006
4. 0910026625 dated 21.06.2006
5. 0910038040 dated 28.05.2009
6. 0910010188 dated 10.12.2009
7. 0910040190 dated 10.12.2009 for imports of 6 APA from approved/registered sources for regularization purpose.

Deferred for re-examination by Norms Committee.

(Action : Norms Committee-III)

Case No.16. M/s Spak Orgochem (India) P. Ltd., Mumbai

F.No. 01/60/162/969/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for clubbing of (4) Advance Authorization Nos. 0310513651 dated 30.03.2009, 0310513653 dated 30.03.2009, 0310527877 dated 08.07.2009 & 0310643102 dated 19.07.2011.

After deliberating the case in length and taking into consideration the facts of the case, the following decisions were taken:

- i) To allow clubbing of 4 above referred Advance Authorizations.
- 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 grant necessary extension in EO subject to composition fee @ 0.5% of FOB value of export made beyond the stipulated EOP for clubbing and regularization. RA is also directed to 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.17. M/s Fresenius Kabi Oncology Ltd, New Delhi.

F.No. 01/60/162/177/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for relaxation in respect of Para 4.46 of HBP in respect of time barred shipping bill issued from File No. 05/25/051/02791/AM12 and 05/25/051/02884/AM12.

The Committee decided that the DEPB may be issued with a late cut of 10% on the entitlement subject to fulfillment of other terms and conditions and with the validity of 6 months from date of issue.

(Action : RA, CLA, New Delhi)

Case No.18. M/s Delphi-TVS Diesel Systems Limited, Kanchipuram.

F.No. 01/60/162/957/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for Non-registration (non utilization) Certificate from Customs- DEPB Authorization No. 0410091537 dated 15.10.2007 Rs. 20.60 lacs & revalidation for six month period Transfer of Credit Advance Authorization.

The Committee noted that the firm could not utilized the DEPB on account of non transmission of DEPB. The committee decided to revalidate the aforesaid DEPB for 3 months from the date of transmission of said DEPB to ICEGATE Custom.

(Action : EDI/RA, Chennai)

Case No.19. M/s Shree Renuka Sugar Limited, Bangalore.

F.No. 01/60/162/966/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for issue of EODC and clubbing of the (4) Advance Authorization Nos. 0710061645 dated 11.12.2008, 0710062374 dated 13.01.2009, 0710076122 dated 20.12.2010 & 0710076456 dated 07.01.2011.

Deferred for obtaining complete details from the firm.

(Action : Applicant)

Case No.20. M/s Teracom Limited, Noida.

F.No. 01/60/162/661,705,706,/AM13/EFGC(PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for condonation of non-mentioning the details 1 DFIA Authorization no. on 26 shipping bills common for two DFIA's for regularization purpose as per following details.

Case No. 1	They exported under DFIA S/bills common for 2 DFIA licence no. 0510222473 dt. 19.6.2008 & 0510224652 dt. 29.7.2008 but typed only 1 DFIA no. 0510222473 dt. 19.6.2008 and omitted to type 0510224652 dt. 29.7.2008 on 14 Shipping Bills.
Case No. 2	Exported under DFIA S/bills common for 2 DFIA licence no. 0510227452 dt. 15.9.2008 & 0510224092 dt. 28.12.2007 but typed only 1 DFIA no. 0510227452 dt. 15.9.2008 and omitted to type 0510224092 dt. 28.12.2007 on 7 Shipping Bills.
Case No. 3	Exported under DFIA S/bills common for 2 DFIA licence no. 0510227452 dt. 15.9.2008 & 0510224652 dt. 29.7.2008 but typed only 1 DFIA no. 0510227452 dt. 15.9.2008 and omitted to type 0510224652 dt. 29.7.2008 on 5 Shipping Bills.

After deliberating the case at length the committee decided to relax the provision of non mentioning the details of the other DFIA in the Shipping bill meant for discharging the obligation under two DFIA's. It was decided that RA shall consider 26 shipment towards discharge of export obligation against 3 above referred DFIA's in the manner that stipulated obligation against each Authorization is met by taking into accounts only

those shipping bills for example Authorization (a) by counting 14 shipping bills, (b) by counting 7 shipping bills and Authorization (C) by counting remaining 5 shipping bills as per table above.

(Action : RA, CLA New Delhi)

Case No.21. M/s Himadri Chemicals & Industries Limited, Kolkata.

F.No. 01/60/162/961/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for clubbing and EOP extension of (5) Advance Authorizations Nos. 1. 0210124356 dated 16.03.2009

2. 0210124485 dated 18.03.2009

3. 0210124478 dated 18.03.2009

4. 0210124481 dated 18.03.2009

5. 0210132162 dated 06.10.2009 for regularization purpose.

The committee rejected the request for EOP extension for further exports as after clubbing the licences are redeemed and no further export and import is allowed.

Case No.22. M/s JMG Corporation Limited, Haryana.

F.No. 01/60/162/462/AM13/EFGC (PRC)

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for relaxation regarding not mentioning of Authorization no. /File no. on shipping bills at the time of shipment as per following details:

- I. Incorrect File No. 05/24/040/00302/AM08 mentioned on S/B No. 1745931 dt. 19.07.2007 to Covatence Specialty Adhesives instead of mentioning correct File No. 05/24/040/00356/AM06 or Licence No. 0510166277.
- II. Incorrect File No. 05/24/040/00302/AM08 mentioned on S/B No. 1687677 dt. 18.10.2007 to Western Paper Industries Pvt. Ltd, instead of mentioning correct File No. 05/24/040/00895/AM06 or Licence no. 0510176361.
- III. No File No. has been mentioned on S/B No.1843483 dt. 27.04.2008 to Covalence Specialty Adhesives, instead of mentioning correct File No. 05/24/040/00895/AM06 or Licence No. 0510176361.

After detailed discussion it was decided to allow :

- i) **Shipping bill no.** 1745931 dt. 19.07.2007 towards discharge of export obligation against Advance Authorization no. 0510166277 provided the same has not been utilized under file no. 05/24/040/00302/AM08.
- ii) **Shipping bill no.** 1687677 dt. 18.10.2007 towards discharge of export obligation against Advance Authorization no. 0510176361 provided the same has not been utilized under file no. 05/24/040/00302/AM08.

iii) **Shipping bill no.** 1843483 dt. 27.04.2008 can't be taken into account under any file towards discharge of export obligation.

Case No.23. M/s Punj Lloyd.

F.No. 01/61/180/233/AM13/PC-3

PRC Meeting No. 42/AM13 dated: 05.03.2013

Subject: - Request for revalidation of 5 SFIS scrips for a further period of 12 months. SFIS scrips No.

1. 0510274174 dated 04.10.2010
2. 0510274177 dated 04.10.2010
3. 0510274178 dated 04.10.2010
4. 0510277940 dated 25.11.2010
5. 0510277942 dated 25.11.2010

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

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