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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of Shri Alok Vardhan Chaturvedi, Director General of Foreign Trade on 09.04.2019

Meeting No.02/AM20 held on 09.04.2019

The following members were present in the meeting:

1. Shri K.C. Rout — Addl. DGFT
2. Shri R. P. Goyal — Addl. DGFT
3. Shri Vijay Kumar — Addl. DGFT
4. Shri Satyan Sharda — Addl. DGFT
5. Shri N.K. Srivastava — Addl. DGFT
6. Shri Anil Aggarwal — Addl. DGFT
7. Shri Rajbir Sharma — Jt. DGFT
8. Dr. Praveen Kumar — Dy. DGFT

Following cases were discussed. The decision taken on the individual cases are as under:-

S. No	Name of the firm	Case No.
1.	M/s V Ensure Pharma Technologies Pvt. Ltd., Mumbai	1
2.	M/s. Koch Chemicals Technology Group India Private Ltd., Vadodara	2
3.	M/s Trident Limited, Ludhiana	3
4.	M/s Asia rubber Products, Ludhiana	4
5.	M/s L & T Kobelco Machinery Private Limited, Kanchipuram	5
6.	M/s L & T Special steel and Heavy Forgings Pvt. Ltd., Mumbai	6
7.	M/s NACL Industries Limited, Hyderabad	7
8.	M/s Hindustan Platinum Pvt. Ltd., Mumbai	8
9.	M/s Indo Rama, Nagpur	9
10.	M/s Gazebo Industries Ltd., Mumbai	10
11.	M/s The Supreme Industries Limited, Mumbai	11
12.	M/s. Prism Johnson Limited, Mumbai	12 & 13
13.	M/s Umedica Laboratories Pvt. Ltd., Mumbai	14
14.	M/s Gajananya Silk Mills, Bangalore	15 & 16
15.	M/s Marine Hydrocolloids, Kerala	17
16.	M/s Fresenius Kabi Oncology Limited, New Delhi	18
17.	M/s Universal Medicap Limited, Vadodara	19
18.	M/s Saivana exports Pvt. Ltd., New Delhi	20
19.	M/s Alpha Compressor Valves Pvt. Ltd., Pune	21
20.	M/s Oriental Rubber Industries Pvt. Ltd., Pune	22

21.	M/s Shree Renuka Sugars Limited, Belgaum (Karnataka)	23
22.	M/s Platinum Textiles Limited, Mumbai	24
23.	Incomplete Cases	25

PH Case No.01: M/s V-Ensure Pharma Technologies Pvt. Ltd., Mumbai
F. No. 01/60/162/669/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Relaxation in para 3.04(b) of FTP 2015-20 to files SEIS claim for FY 2015-16 for 2nd time.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019. However no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No.02: M/s. Koch Chemicals Technology Group India Private Ltd., Vadodara
F. No. 01/60/162/903/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: To allow SEIS benefit for export made during the period 2015-16 and 2016-17 against three RA file Nos.34/21/094/80003/AM17, 34/21/094/80004/AM17 and 34/21/094/50004/AM17.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019. Shri Jairaj Panikar, Manager – Export & Import appeared before the committee on behalf of the firm and made the following submissions:

They have made an application for obtaining SEIS scrips for export made during the period 2015-16 and 2016-17. The RA, Vadodara has found that the services are eligible for SEIS and other conditions have been met. However, the SEIS application has been rejected on a procedural / technical issue that although KCTG had an IEC, in the application for obtaining IEC, KCTG had selected nature of activity as 'manufacturer exporter' instead of 'manufacturer cum service provider'. The SEIS applications have been rejected by RA, as the nature of activity in IEC application was manufacture exporter and service activity was not selected in the application.

Decision: The Committee heard the submission made by the firm and discussed the matter at length and decided to accede to the request of the firm to not reject their SEIS applications for the sole reason that IEC of the firm did not specify the firm as a service exporter. SEIS benefit against RA File No.34/21/094/80003/AM17, 34/21/094/80004/AM17 and 34/21/094/50004/AM17 may be allowed subject to the condition that the firm is holding an active IEC of any category at the time of rendering the services.

(Action: RA/Applicant)

PH Case No.03: M/s Trident Limited, Ludhiana
F. No. 01/60/162/0383/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Revalidation of SHIS License No. 05101351830 dated 17.04.2013.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019, but no one appeared on behalf of the firm. The Committee decided the case as per the justification provided by the firm in their application.

They have stated that the SHIS is not freely transferable and has limited transferability among few sectors as per provisions of Para 3.8 of FTP 2009-14. SHIS was transferred in their favour by CLA, Delhi on 31.12.2013. They were left with only 9.5 months period to utilize said authorization. They had utilized for Rs.552740/- on 26.08.2014. The order for import of networking system was placed with M/s IBM in the July 2014 and the shipment reported at port in September 2014. On arrival of import material they have filed online B/E in the ICEGATE System and made the duty debit for Rs.1987368/- on 25.09.2016 and 26.09.2016, but could not be finally assessed by the Custom as they refused to clear the imported networking system material under SHIS and the amount remained blocked 25.09.2014 till 15.10.2014. They have taken up with Customs Bangalore however during the process SHIS license got expired.

Decision: The Committee went through the justification furnished by the firm and found no case of genuine hardship in their case and accordingly decided to reject it.

(Action: Applicant)

PH Case No.04: M/s Asia Rubber Products, Ludhiana
F. No. 01/60/162/018/AM20/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Clarification of amendment of chapter heading in view of notification No.05/2019 dated 16.02.2019 under Advance Authorization No.3010104345 dated 28.05.2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019, Shri Aman Goyal, Representative appeared before the committee on behalf of the firm and made the following submissions:

They have stated that the above advance authorization has been obtained for the goods falling under the chapter head 40040000 (Used Butyl Rubber tube Scrap) by M/s.Asia Rubber Products, Village Khakat, Ludhiana. The said importer through Customs Broker M/s.Vinod Brothers, Amritsar has filed BOE availing the benefits under these licenses. The duty foregone is being debited from the bond registered at this port. However, after the issuance of Notification No.05/2019 dated 16.02.2019, the chapter head for the scrap / used rubber tubes imported from Pakistan also stands changed to 9806 along with imposition of higher customs duty. As the chapter

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head of these goods mentioned on the advance authorization is 40040000 which in view of this, debars the importer from its benefits. Accordingly local Customs office has appraised the said BOEs filed in this port on 16.02.2019 with a query to the importer for getting necessary amendment in the Advance Authorization.

<u>Decision:</u> The Committee heard the submission made by the firm and discussed the matter at length and decided to allow the import consignment already arrived at central ware house of ICP-Attari vide bill of entry dated 16.02.2019 against Advance Authorization No.3010104345 dated 28.05.2018 under chapter head 40040000. The above consignment may be treated as received prior to the issue of Notification No.05/2019 dated 16.02.2019 of Department of Revenue.

(Action: RA/Applicant)

PH Case No.05: M/s L&T Kobelco Machinery Private Limited, Kanchipuram
F. No. 01/60/162/712/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: To consider the non generation of bill of exports as an unintentional procedural lapse and ARE 1 endorsed by SEZ customs as the proof of export for their supply made for fulfillment of EO against Advance Authorization No.0410161651 dated 25.02.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019. Shri Jojan Davis, Deputy General Manager - Manufacturing appeared before the committee on behalf of the firm and made the following submissions:

They have actually imported terms worth Rs.74,40,773.98 /- against declared advance authorization import CIF value of Rs.1,89,41,921 and maintained value addition as 97% against stipulated VA as 15%. Since this is the first export they have done for SEZ unit they have not generated the 'Bill of Export', but they have opted for drawback scheme for their recent SEZ supply to the same customer in this year. They have applied and successfully received 'Bill of Export of goods under the claim for duty drawback'.

<u>Decision:</u> The Committee heard the submission made by the firm and discussed the matter at length. It reiterated that Bill of export is a mandatory document for discharge of EO of Advance authorization in case of supplies to SEZ. However, in view of the submissions made by the firm in their representation and in the hearing, it decided to allow consideration of those Bills of exports of goods filed under the claim for Drawback towards fulfillment of EO, subject to the condition that firm will get these Bill of exports converted to Bills of exports under Advance authorization from the concerned customs authorities.

(Action: Applicant/RA)

PH Case No.06: M/s L&T Special Steel and Heavy Forgings Pvt. Ltd., Mumbai
F. No. 01/60/162/25/AM20/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Extension in EOP of 8 EPCG Authorization Nos.(i) 0330026708 dated 28.07.2010, (ii) 0330027607 dated 22.10.2010, (iii) 0330028459 dated 21.01.2011, (iv) 0330028900 dated 10.03.1011, (v) 0330028989 dated 18.03.2011, (vi) 0330030208 dated 03.08.2011, (vii) 0330031281 dated 13.12.2011 and (viii) 0330033560 dated 30.08.2012.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019. Shri Sanjay Sharma, Chief Executive and Shri Ashish Chauhan, Representative appeared before the committee on behalf of the firm and made the following submissions:

They have submitted that due to Fukushima Nuclear Plant accident, Indian Nuclear Program got halted for safety audits and a fresh monitoring. This resulted in no orders for the company to supply and due to negative cash the company got registered with BIFR and sought relaxation for EPCG EOP extension. However, due to repealing of SICA, the BIFR proceedings got abated. The Govt. has recently announced revival of nuclear program and accordingly NPCIL has ordered them to supply forgings for upcoming nuclear plants (700 MW). The value of these orders is to the extent of Rs.500 crores and these supply would quality for Deemed Export under para 7.02 (B) (h).

Decision: The Committee examined the case in detail and in view of justification provided by the firm and it being a strategic sector JV between L&T and NPCIL, decided to accede to the request of the firm and allow EOP extension up to December, 2021 against above 8 EPCG Authorizations. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: RA/Applicant)

PH Case No.07: M/s NACL Industries Limited, Hyderabad
F. No. 01/60/162/936/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Extension of EO period against Advance Authorization No.0910060472 dated 17.06.2014.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019. However, no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No.08: M/s Hindustan Platinum Pvt. Ltd., Mumbai
F. No. 01/60/162/02/AM20/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Clubbing of Advance Authorization No.0310800628 dated 03.12.2015 and 0310814026 dated 16.06.2017.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019. Shri Karthik Venkataraman, DGM - Commercial appeared before the committee on behalf of the firm and made the following submissions:

They have stated that Advance Authorization No.0310814026 dated 16.06.2017 was issued after 18 months and 13 days of earlier issued Advance Authorization No.0310800628 dated 03.12.2015 instead of required condition of 18 months as per para 4.38(vi) as amended vide Public Notice No.70/2015-20 dated 30.01.2019. All other conditions are fulfilled as per para 4.38(vi) except the small overrun of issuance date between the two authorizations by 13 days.

Decision: The Committee heard the submission made by the firm and discussed the matter at length and decided to relax the condition of 18 months as laid down in Para 4.38(vi) (i.e. the delay of 13 days) as amended vide Public Notice No.70/2015-20 dated 30.01.2019 for clubbing of Advance Authorization No.0310800628 dated 03.12.2015 and 0310814026 dated 16.06.2017. The other terms and conditions for clubbing shall remain same as per policy/HBP provisions.

(Action: RA/Applicant)

PH Case No.09: M/s Indo Rama, Nagpur
F. No. 01/60/162/009/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Clubbing of 10 Advance Authorization Nos.(i) 1110021473 dated 22.12.2009 (01 AA from RA Bhopal), (ii) 5010001267 dated 09.04.2012, (iii) 5010001352 dated 04.06.2012, (iv) 5010001415 dated 09.07.2012, (v) 5010001416 dated 09.07.2012, (vi) 5010001594 dated 23.10.2012, (vii) 5010001595 dated 17.10.2012, (viii) 5010001597 dated 20.09.2012, (ix) 5010002118 dated 04.12.2012 and (x) 5010002123 dated 05.11.2012. (9 AAs from RA Nagpur) for discharge of EO.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019. Shri Anupam Singhania, Business Head appeared before the committee on behalf of the firm and made the following submissions:

They are manufacturing five final products (viz.POY, PSF, DTY, FDY and PET Chips) and Advance Authorizations were taken for each final product separately. Raw materials for all final products are common (PTA, MEG, SB203, TIO2 & SFO). Market trend for export of their final products declined from 2012 and w.e.f. 05.06.2012. EOP of Advance Authorization was reduced to 18 months from 36 months. It has caused very hardship to close outstanding Advance Authorization individually. In spite of all possible efforts including installed capacity to export, they could not cover up as planned based on FTP during 2010-11 versus changed on 05.06.2012. Earlier they were claiming AAs from RA Bhopal; however with opening of RA at Nagpur, they shifted to Nagpur RA for issue of AAs due to logistic reasons.

Decision: The Committee heard the submission made by the firm and discussed the matter at length and decided to allow clubbing of above ten advance authorizations issued by 2 different Regional Authorities. RA shall ensure that other terms and conditions of the policy/HBP provisions for clubbing are met.

(Action: Applicant/RA)

PH Case No.10: M/s Gazebo Industries Ltd., Mumbai
F. No. 01/60/162/495/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Regularization of shipping bill for redemption purpose of shipment effected after 1st EO period but within 2nd EO period against Advance Authorization No.0310803728 dated 04.04.2016 and additional EOP extension required till 31.12.2018 for balance shipment.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019. Shri Ashok Parihar, Representative appeared before the committee on behalf of the firm and made the following submissions:

They have stated that due to unavoidable circumstances their overseas buyer held up the order, due to which they could not fulfill the export obligation within first EO period extended. They applied for 2nd extension in EOP to RA, Mumbai, however their export being less than 50% they could not get the extention.

Decision: The Committee having discussed the case found no merit in it and hence decided to maintain the earlier decision of rejection of PRC Meeting No.26/AM19 dated 03.01.2019. The applicant is directed to get the case regularized in terms of Para 4.49 of HBP, 2015-2010 within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

Case No.11: M/s The Supreme Industries Limited, Mumbai
F. No. 01/60/162/932/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: To condone the delay of submission of application for the claim of FPS Scheme under File No.03/93/087/50010/AM19.

They have stated that the export against two shipping bills were made in the month of August, 2012 and realized the export proceeds through insurance Agency (ECGC) on 27.11.2014. However the e-BRCs of these shipping bills are uploaded only on 24.08.2018. They submitted their FPS claim through online mode on 25.09.2018 as soon as they become aware of the uploading of e-BRC on EDI system. The delay in filling of application for FPS Authorization is due to delay in uploading of e-BRC.

Decision: The committee went through the statement made by the firm in its application and noted that the facts of the case have not been clearly specified by the firm and hence decided to call the firm for **Personal Hearing**.

(Action: PRC/Applicant)

Case No.12: M/s. Prism Johnson Limited, Mumbai
F. No. 01/60/162/013/AM20/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: To allow MEIS incentives against 7 EDI shipping bills dated 30.12.2016 and 31.12.2016 for which LET export dates are falling in January, 2017.

They have stated that due to the change in MEIS Schedule w.e.f. 01.01.2017, against the ITC (HS) CODES, their shipping bills shows "0" incentives at the time of application, though they are having shipping bills dated 30.12.2016 & dated 31.12.2016.

Decision: The Committee went through the statements made by the firm and observed that there are many such cases and accordingly decided to refer the issue to PC-3/EDI Division to resolve the problem.

(Action: PC-3/EDI division)

Case No.13: M/s. Prism Johnson Limited, Mumbai
F. No. 01/60/162/014/AM20/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: To allow MEIS incentives against the shipping bills between 01.01.2017 to 31.08.2017 marked with Reward item as "N" instead of Reward item "Y".

They have stated that vide PN 6/2015/2020 dated 7th March, 2017, the DGFT re-notified the harmonized MEIS Schedule under Appendix 3B (Table 2) by consolidating and rearranging the same based on the ITC (HS) 2017, whereby the MEIS (ITC-HS) number underwent changes. The benefits under the new MEIS scheduled were extended to exporters for all shipments w.e.f.01.01.2017. As the ITC (HS) Code under which they have exported merchandise was notified only in August, 2017. And at the time of making the shipments, in the online shipment of generating shipping documents, the field for MEIS reward items was marked as 'N' instead of reward item 'Y'.

Decision: The Committee went through the statements made by the firm and decided to refer the issue to PC-3/EDI Division to examine and resolve the problem.

(Action: PC-3/EDI division)

Case No.14: M/s Umedica Laboratories Pvt. Ltd., Mumbai
F. No. 01/60/162/878/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Revalidation of MEIS No.0319090784 dated 07.11.2016.

They stated that they have obtained MEIS Scrip from RA, Mumbai, but the data was not transmitted to ICEGATE and related customs port for verification & registration with port as per their continuous follow with ICEGATE and EDI.

Decision: The Committee went through the statements made by the firm and decided to refer the matter to EDI/NIC Division to resolve the transmission error and thereafter the case would be again placed before the PRC.

(Action: EDI-Division)

Case No.15: M/s Gajananya Silk Mills, Bangalore
F. No. 01/60/162/003/AM20/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Deletion of pre-import condition and revalidation of DFIA No.710105470 dated 30.06.2014.

They have stated that they could not import, however, since they could get fabrics from the weavers at local market, they completed the export. They would like to import yarn as they have completed export in the above license. In the present situation since 3 to 4 years is very dull due to abnormal increase in silk yarn and fabric.

Decision: The Committee having discussed the case found no merit in it and hence decided to reject the request of the firm.

(Action: Applicant)

Case No.16: M/s Gajananya Silk Mills, Bangalore
F. No. 01/60/162/005/AM20/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Revalidation of DFIA No.0710095349 dated 14.05.2013.

They have stated that they could not import, however, since they could get fabrics from the weavers at local market, they completed the export. They would like to import yarn as they have completed export in the above license. In the present situation since 3 to 4 years is very dull due to abnormal increase in silk yarn and fabric.

Decision: The Committee having discussed the case found no merit in it and hence decided to reject the request of the firm.

(Action: Applicant)

Case No.17: M/s Marine Hydrocolloids, Kerala
F. No. 01/60/162/935/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Condone the inadvertent mistake and accept the Advance Authorization No.1010059529 dated 05.07.2016 in the shipping bill No.7403948 dated 17.07.2017 and 2858109 dated 14.02.2018.

They have stated that they had inadvertently written wrong Advance Authorization as 1010059329 instead of 1010059529 dated 05.07.2016. After realized their mistake, they immediately approached the customs for rectification of the advance authorization number. However, they are not permitted to alter the shipping bills. They approached to RA also, but did not allow the same.

Decision: The Committee having examined the statement made by the firm found no case of genuine hardship in their case and accordingly decided to reject it.

(Action: Applicant)

Case No.18: M/s Fresenius Kabi Oncology Limited, New Delhi
F. No. 01/60/162/937/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Extension in EOP of Advance Authorization No.0510398377 dated 04.05.2016 for six months from endorsement to do additional exports.

They have completed imports on 18.04.2017 and exports on 18.02.2018. They accordingly submitted redemption application for 17.07.2018. However, in the adhoc norms fixed by NC, import inputs quantities have been reduced by 20%, which has now resulted in shortfall in exports. Under these circumstances, they cannot undertake additional exports since EOP has already lapsed. Hence, requested to allow imported inputs quantities as applied and imported and actually consumed by them as per shipping bills or extension in EO period by six months from the date of endorsement enabling them to undertake additional exports in proportion to excess imports.

Decision: The Committee went through the statement made by the applicant and concluded that there is a genuine hardship in this case as norms got fixed on 5.6.2018 and therefore decided to allow EOP extension for a period of 6 months from the date of endorsement to do additional exports. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

Case No.19: M/s Universal Medicap Limited, Vadodara
F. No. 01/60/162/025/AM20/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Waiver from procedural requirement as per para 4.12 of HBP 2015-20 to mention exempt materials in ARE-3 (supply to 100% EOU) against Advance Authorization No.3410041623 dated 27.10.2015.

They have made Deemed Export – supplies to 100% EOU, through ARE-3A duly signed by Customs Authority of the 100% EOU unit. They have mentioned "SION

NO. A-1674" in ARE-3A instead of various exempted input items and proportionate quantity. RA, Vadodara has rejected their case for closure of License and insisted to mention all exempted items and their Quantity in Export document i.e. ARE-3A with sign of customs authority of EOU units as mentioned in para 4.12 of import policy 2015-20.

Decision: The Committee went through the justifications furnished by the firm. After discussions, it decided to accede to the request of the firm for exemption from non-compliance of stipulated procedure of not mentioning the consumption details in ARE-3 (supply to 100% EOU) towards fulfillment of EO against Advance Authorization No.3410041623 dated 27.10.2015. The firm shall submit Chartered Engineer Certificate mentioning the consumption details based on the records maintained by the firm. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: RA/Applicant)

Case No.20: M/s Saivana Exports Pvt. Ltd., New Delhi
F. No. 01/60/162/930/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Relaxation from provision of Para 4.06 (ii) of FTP against seven Advance Authorization Nos.(i) 510409356 dated 16.01.2019, (ii) 510406222 dated 25.04.2018, (iii) 510403479 dated 24.07.2017, (iv) 510402003 dated 20.03.2017, (v) 510399351 dated 03.08.2016, (vi) 510397815 dated 03.03.2016, and (vii) 510395355 dated 18.08.2015, for Annual requirement in respect of SION where input appears in Appendix 4J.

Firm had mentioned that they have made a procedural lapse due to ignorance but even in this ignorance the conditions mandated for Appendix 4J items i.e. Pre-Import Condition and completion of 100% EO within 9 months from the date of Imports have been duly fulfilled by them. They applied for Annual advance authorizations and made imports and exports under the above said Annual Advance licenses, but never received any objection or caution from Customs or any authority on import of Silk under Annual License. Even one of their Annual Advance Authorization No.0510395355 dated 18.08.2015 was redeemed in the past by CLA, Delhi wherein they have imported silk and completed 100% exports. The bond executed to customs for the said license has also been released from Customs. Immediately upon knowing the procedural lapse, they have repaid back the Customs Duties and interest for Rs.25,93,018/- on 26.02.2019 against their last Annual Advance License 0510409356 dated 16.01.2019 under which they have made only one import and no export and this licence was recently issued to them. The license has also been surrendered to CLA, Delhi for closure.

Decision: The Committee went through the detailed justifications furnished by the firm and decided to accede to the request of the firm to relax Para 4.06(ii) of FTP against the above seven Advance Authorizations for annual requirement subject to the conditions that two conditions i.e. pre-import condition and fulfillment of EO within a period of 9 months from the date of import are adhered to in all the authorizations .

The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: RA/Applicant)

Case No.21: M/s Alpha Compressor Valves Pvt. Ltd., Pune
F. No. 01/60/162/643/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: To consider free shipping bill towards fulfillment of EO against EPCG Authorization No.3130001814 dated 30.06.2009.

They have imported a vertical CNC Machine Center under the above EPCG Authorization for a duty saved amount of Rs.6.38 lacs. They have no exports before the grant of the EPCG license. They directly exported more than 8 times of duty saved amount to a reputed US Company. They realized the export proceeds in Freely Convertible Currency (US Dollars) and obtained BRC against the same. They got Excise installation certificate. They completed all the export under excise formalities and exported under bond with proper ARE1 plus proof of export. However, due to the lack of knowledge they missed out (i) Shipped under free shipping bill and (ii) EPCG license number was not mentioned in shipping bills.

Decision: The Committee having examined the statement made by the firm and discussed the matter at length and observed that the request of firm to accept free shipping bills towards discharge of EO against EPCG Authorization no. 3130001814 dated 30.06.2009 cannot be acceded to. Accordingly, it decided to maintain the earlier decision of PRC Meeting No.30/AM19 dated 05.02.2019.

(Action: Applicant)

Case No.22: M/s Oriental Rubber Industries Pvt. Ltd., Pune
F. No. 01/60/162/933/AM19/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: To allow MEIS benefit against 18 shipping bills inadvertently ticking "N" instead of 'Y" in Reward Column.

They have stated that during the financial year 2016-17 and 2017-18, while filing the EDI shipping bill, their agent has inadvertently ticked 'N' instead of 'Y' in the 'Reward' Column against 18 shipping bills. However, they declared the intent in the 'Affirmative' on the body of the shipping bills as well as on the 'Custom Invoice' which is duly attested by Customs. The export proceeds against these shipping bills have been realized by them. They approached DC of Customs at ICD Dighi and ICD Talegaon, Pune for amendment, however, they were unable to consider due to restriction in EDI System.

Decision: The Committee having discussed the case found no merit or hardship in the arguments made by the firm and hence decided to reject the request of the firm.

(Action: Applicant)

PH Case No.23: M/s Shree Renuka Sugars Limited, Belgaum (Karnataka)
F. No. 01/60/162/22/AM20/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Waiver of procedural lapse against 3 Annual Advance Authorization Nos.(i)0710108784 dated 23.09.2015, (ii) 0710109415 dated 18.02.2016 and (iii) 0710108783 dated 23.09.2015.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.04.2019. Shri Sunil Kadam, General Manager (Legal & Corporate Compliance), Shri Pavan Kumar and Shri Rahul Patil, Representatives appeared before the committee on behalf of the firm and made the following submissions:

They have submitted that they had fulfilled the EO by imported raw sugar and exported white sugar under the above annual advance authorization. However, while submitting application for EODC, RA, Bangalore issued deficiency letter dated 14.02.2018, thereby advised them to explain as to why Annual Advance Authorization was obtained when raw materials i.e. Raw Sugar is listed under appendix-4J of FTP vide PN 08/2015 dated 01.05.2015. Upon realizing the lapse, they requested to RA, Bangalore to condone for inadvertent error and issue EODC considering the fact that the authorizations were applied and issued by RA in good faith and however RA, Bangalore rejected their request.

Decision: The Committee heard the representatives of the firm and went through the justifications furnished by the firm. At the same time, committee also noted receipt of a communication dated 4.4.2019 from the DRI Hyderabad and accordingly, it decided to defer the matter.

(Action: RA/Applicant)

Case No.24: M/s Platinum Textiles Ltd., Mumbai
F. No. 01/60/162/19/AM20/PRC
PRC Meeting No. 02/AM20 dated 09.04.2019

Subject: Consideration of TED claim against invoice /supplies made after issuance of EPCG License but before issuance of invalidation letter against EPCG License No.0330047334 dated 12.06.2017.

They had applied TED claim at RA, Mumbai, but was rejected as their supplies are made prior to issue of invalidation. However, they have stated that their invalidation request was submitted on time and the same was under consideration. Their supplies were made during the period between application for invalidation and issue of invalidation letter. Invoices clearly show the EPCG license number and there is a clear correlation between supply and EPCG license. Supplies are covered under same invalidation letter.

Decision: The Committee examined the case in detail and in view of justification provided by the firm decided to accede to the request and allowed TED Claim against invoice /supplies made after issuance of EPCG Authorization No. 0330047334 dated 12.06.2017 but before issuance of invalidation letter subject to verification that these supplies were made after the application for issuance of the invalidation letter was filed by the firm in RA. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

Case No. 25: Incomplete Cases

Following cases were discussed. The Committee observed that the applications have been received without ANF 2D and Application Fee as per Appendix 2K (fully/partly) and also without Reasons/Justifications as per Para-15 of ANF 2D are to be treated as incomplete applications. Therefore, such cases are not been taken up by the Committee as mentioned below:

S. No.	Name of the firm	Subject of the firm	Remarks
1.	M/s. Sauras Exports Pvt. Ltd., Mumbai	Updating of shipping bills Showing 'No' in the Reward Column.	ANF 2D and proof of fee not submitted
2.	M/s. Aurangabad Electricals Ltd., Maharashtra	To transmit the Shipping bills	ANF 2D and proof of fee not submitted
3.	M/s. International Tractors Limited, Hoshiarpur	Request for grant of benefit under merchandise exports from India Scheme (MEIS) on export of tractors due to change ITC from January 1, 2017.	ANF 2D and proof of fee not submitted
4.	M/s. Kusuma Pharma, Silvassa	2nd revalidation of Advance Authorization no. 0310807243 dated 22.08.2016.	ANF 2D and proof fee not submitted
5.	M/s. Kusuma Pharma, Silvassa	2nd revalidation of Advance Authorization no. 0310806263 dated 14.07.2016.	ANF 2D and proof of fee not submitted
6.	M/s. Ashish Life Science Pvt. Ltd., Mumbai	100% cut in MEIS entitlement value – EBRC uploaded during Nov-2018 for export made via Bandar Abbas -Iraq	ANF 2D and proof fee not submitted
7.	M/s. Choice Clothing Co. Pvt. Ltd, New Delhi	Redemption of Annual Advance Authorization no. 0510398006 dated 22.03.2016.	ANF 2D and proof fee not submitted
8.	M/s. Nath Bros Exim International Ltd., New Delhi	Relaxation requested against Advance Authorization for Annual requirement License no. 0510403049 dated 06.06.2017	ANF 2D not submitted
9.	M/s. OM Shree International Pvt. Ltd., Mumbai	Waiver of penalty for late MEIS incentive application caused by bank delays	ANF 2D and proof fee not submitted

10.	M/s. Bhandari Foils and Tubes Ltd., Dewas, MP	Clubbing and Redemption of Advance License and extension of export obligation period 1. 0310602053 dated 19.11.2010 2. 0310602639 dated. 24.11.2010 3. 0310602637 dated 24.11.2010 4. 0310664971 dated 24.11.2010	ANF 2D and proof fee not submitted
11.	M/s. Pune Metagraph, Bhosari, Pune	Fixation of input output norms under para 4.7 of the HBP against Advance Authorization no. 3110065375 dated 06.04.2015.	ANF 2D and proof fee not submitted