Directorate General of Foreign Trade
(PRC-section)

Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of DGFT Shri Alok Vardhan Chaturvedi, IAS, Director General of Foreign Trade on 06.07.2017

Meeting No. 10/AM18 held on 06.07.2017 at 03:00 PM

The following members were present in the meeting:

1.	Shri K. C. Rout	Addl. DGFT
2.	Shri Darshan Singh	Addl. DGFT
3.	Shri J. V. Patil	Addl. DGFT
4.	Shri N. K. Srivastava	Addl. DGFT
5.	Shri Jay Karan Singh	Jt. DGFT
6.	Shri Rakesh Kumar	Jt. DGFT
7.	Shri Lokesh H.D	Jt. DGFT

Case No.1: M/s. Electromech Material Handling Systems (India) P. Ltd., Pune. (P.H. Case)
F.No. 01/60/162/166/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request to condone the procedural lapse of not generating bill of export for supplies made to SEZ unit against Advance Authorization No.3110033712 dt. 09.05.2008.

Aggrieved by the decision of PRC meeting dated 29.08.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 06.07.2017. Mr. Sachin Gokhale, Executive VP&CFO with Mr. Sanjay B. Hasole, AGM-Excise & Exim of M/s. Electromech Material Handling Systems (India) P. Ltd., Pune appeared before the committee and made the following submissions:

1. They have obtained Advance Authorisation for import of duty free goods for execution of export border.
2. They have imported duty free raw materials and fulfilled 100% export obligation by exporting the crane/lift/long travel track as finished goods to a SEZ unit.
3. The imported crane kits vide B/E dated 09.09.2008 and dated 10.10.2008.
4. All the supplies were made under cover of Invoice, issued as per applicable law for clearance of goods from factory of the company and after due certification on ARE-1.
5. Subsequently, Superintendent of Central Excise has certified vide letter dated 19.08.2016 that the company had exported the goods as the list of invoices referred therein.
6. However, while exporting the goods, they did not generate Bill of Export by mistake.

7. The details of goods exported; their classification, value and the fact that goods were exported to SEZ Unit is available.
8. PRC has been kind enough to waive the requirement of Bill of Export in their own case in the meeting No 6/AM17 dated 17.05.2016. Similar relaxation was granted to M/s Radial India, M/s Saint Gobin Glass, M/s Prime Energy ltd., in the meeting dated 08.07.2014, 26.11.2013 and 09.07.2013 respectively.
9. They therefore, requested to waive the requirement of Bill of Export for discharge of export obligation against the Advance Authorisation.

The committee asked the representatives of the company to clarify that as to why Bill of Exports were not generated by them despite the fact that it is a prescribed document as per ANF-4F for discharge of export obligation and as per Rule, 30 of SEZ Rules, 2006 for seeking incentives on such supply of goods to SEZ unit? The representative of the company admitted that the non-generating of Bill of Export was a lapse and also informed that subsequently they had been generating Bill of Export and their cases are being redeemed by the regional Authority. They did not give any cogent reason of genuine hardship in the instant case.

Decision: The case was once again discussed at length by the Committee. It was noted that as per Para 4.1.3 of FTP, an Advance Authorisation is issued to allow duty free import of inputs, which are physically incorporated in export product (making normal allowance for wastage). And, in terms of Para 4.12 of FTP, exporter is required to indicate consumption of inputs in the export documents. And, an application for redemption of Advance Authorisation is required to be submitted on ANF-4F. In the ANF-4F under Para (a) (ii) of guidelines for application (HBP, 2009-2014 Vol-I), it is categorically mentioned that exporter shall submit 'Bill of Export' along with other prescribed documents. Further, for getting incentive on supply of goods to SEZ, "Bill of Export" is a prescribed document under Rule 30 of SEZ, Rule, 2006. In view of these provisions, it becomes imperative that Export obligation against an Advance Authorisation cannot be discharged without establishing nexus of duty free imported inputs [or procured indigenously against advance authorization] and resultant product exported to the SEZ Unit. Since ARE-1 does not have such information and no valuation of ARE-1 is being carried out by the Customs/Excise Authority at receiving end; such supplies are considered free shipment meaning thereby that the exporter/supplier do not intend to take any benefit against the supply made. Therefore, the committee was of the view that requirement of 'Bill of Export' cannot be dispensed with being mandatory and vital document. Therefore, the committee was of the view that requirement of 'Bill of Export' cannot be dispensed with.

The precedent cases quoted by the applicant has no bearing in this case for the reason that in the case of the applicant exports were made to Bhutan and not to SEZ unit. Secondly, PRC allows relaxation on merit and taking into consideration genuine hardship and adverse impact on trade, if any. Facts and circumstances may vary in each case. The applicant has failed to establish any genuine hardship in this case.

The Committee, therefore, did not accede to the request and decided to re-iterate its decision taken in Meeting No. 16/AM17 dated 29.08.2016(in case No.58). Accordingly, the applicant is directed to get the case regularized, as per the provisions in Para 4.49 of HBP, 2009-2014.

(Action: Applicant/ RA, Pune shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.**)**

Case No.2: M/s. Electromech Material Handling Systems (India) P. Ltd., Pune. P.H. Case
F.No. 01/60/162/169/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request to condone the procedural lapse of not generating bill of export of supplies made to SEZ unit against Advance Authorization No.3110032376 dt. 21.01.2008.

Aggrieved by the decision of PRC meeting dated 29.08.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 06.07.2017. Mr. Sachin Gokhale, Executive VP&CFO with Mr. Sanjay B. Hasole, AGM-Excise & Exim of M/s. Electromech Material Handling Systems (India) P. Ltd., Pune appeared before the committee and made the submissions as mentioned in the case No 1 above:

Decision: Decision taken in case No 1 above is re-iterated.

(Action: Applicant/ RA, Pune shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.**)**

Case No.3: M/s. Electromech Material Handling Systems (India) P. Ltd., Pune. P.H. Case
F.No. 01/60/162/142/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request to condone the procedural lapse of not generating bill of export of supplies made to SEZ unit against Advance Authorization No.3110037229 dt. 03.02.2009.

Aggrieved by the decision of PRC meeting dated 29.08.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 06.07.2017. Mr. Sachin Gokhale, Executive VP&CFO with Mr. Sanjay B. Hasole, AGM-Excise & Exim of M/s. Electromech Material Handling Systems (India) P. Ltd., Pune appeared before the committee and made the submissions as mentioned in the case No 1 above:

Decision: Decision taken in case No 1 above is re-iterated.

(Action: Applicant/ RA, Pune shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.**)**

Case No.4: M/s. Electromech Material Handling Systems (India) P. Ltd., Pune. P.H. Case
F.No. 01/60/162/173/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request to condone the procedural lapse of not generating bill of export of supplies made to SEZ unit against Advance Authorization No.3110033470 dt. 09.04.2008.

Aggrieved by the decision of PRC meeting dated 29.08.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 06.07.2017. Mr. Sachin Gokhale, Executive VP&CFO with Mr. Sanjay B. Hasole, AGM-Excise & Exim of M/s. Electromech Material Handling Systems (India) P. Ltd., Pune appeared before the committee and made the submissions as mentioned in the case No 1 above:

Decision: Decision taken in case No 1 above is re-iterated.

(Action: Applicant/ RA, Pune shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.**)**

Case No.5: M/s. Navin Fluorine International Ltd., Mumbai. (P.H. Case)
F.No. 01/60/162/170/AM16/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation the procedural lapse in obtaining the bill of exports of Advance Authorization No.0310612992 dt. 28.01.2011.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 06.07.2017. They were informed about the same, through e-mail. However, no one turned up for PH nor requested for postponement of date. The committee, however, in the interest of natural justice decided to defer the case. The applicant may seek next date.

(Action: Applicant)

Case No.6: M/s. Mahendra Industries, Bangalore. (P.H. Case)
F.No. 01/60/162/287/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for acceptance of ARE-1 instead of Bill of Exports for issuance of EODC in the Advance Authorization No.0710077113 dt. 03.02.2011.

Aggrieved by the decision of PRC dated 06.09.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 06.07.2017 to them. Mr. K. Sunil, Manager – Accounts of M/s. Mahendra Industries, Bangalore appeared before the committee and made the following oral as well as written submissions:

1. The CHA was appointed in their case by the buyer and due to some financial dispute he did not filled Bill of Export.
2. Import duty benefits had been passed to the buyer.
3. Exports were made against ARE-1 which were certified by the Central Excise Range Officer along with covering letter for authenticity.
4. He, therefore, requested to accept the ARE-1 in lieu of Bill of Export for redemption of the Advance Authorisation.

The committee asked the representatives of the company to explain as to why Bill of Exports were not generated by them despite the fact that it is a prescribed document as per ANF-4F for discharge of export obligation and as per Rule, 30 of SEZ Rules, 2006 for seeking incentives against such export to SEZ unit? The representative of the company admitted that the non-generating of Bill of Export was a lapse and also informed that subsequently they had been generating Bill of Export and their cases are being redeemed by the Regional Authority.

Decision: The case was once again discussed at length by the Committee. It was noted that as per Para 4.1.3 of FTP, an Advance Authorisation is issued to allow duty free import of inputs, which are physically incorporated in export product (making normal allowance for wastage). And, in terms of Para 4.12 of FTP, exporter is required to indicate consumption of inputs in the export documents. And, an application for redemption of Advance Authorisation is required to be submitted on ANF-4F. In the ANF-4F under Para (a) (ii) of guidelines for application (HBP, 2009-2014 Vol-I), it is categorically mentioned that exporter shall submit 'Bill of Export' along with other prescribed documents. Further, for getting incentive on supply of goods to SEZ, "Bill of Export" is a prescribed document under Rule 30 of SEZ, Rule, 2006. In view of these provisions, it becomes imperative that Export obligation against an Advance Authorisation cannot be discharged without establishing nexus of duty free imported inputs [or procured indigenously against advance authorization] and resultant product exported to the SEZ Unit. Since ARE-1 does not have such information and no valuation of ARE-1 is being carried out by the Customs/Excise Authority at receiving end; such supplies are considered free shipment meaning thereby that the exporter/supplier do not intend to take any benefit against the supply made. Therefore, the committee was of the view that requirement of 'Bill of Export' cannot be dispensed with being mandatory and vital document. Therefore, the committee was of the view that requirement of 'Bill of Export' cannot be dispensed with.

The applicant is hereby directed to get the case regularized, as per the provisions in Para 4.49 of HBP, 2009-2014.

(Action: Applicant/ RA, Bangalore shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.**)**

Case No.7: M/s. Mahendra Industries, Bangalore. (P.H. Case)
F.No. 01/60/162/296/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

D-6

Subject: Request for acceptance of ARE-1 instead of Bill of Exports for issuance of EODC in Advance Authorization No.0710090530 dt. 31.08.2012.

Aggrieved by the decision of PRC dated 06.09.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 06.07.2017 to them. Mr. K. Sunil, Manager – Accounts of M/s. Mahendra Industries, Bangalore appeared before the committee and made the oral as well as written submissions as per case No 6 above:

Decision: The decision taken in case No. 6 above is re-iterated.

(Action: Applicant/ RA, Bangalore shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.**)**

Case No.8: M/s. Mahendra Industries, Bangalore. (P.H. Case)
F.No. 01/60/162/295/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for acceptance of ARE-1 instead of Bill of Exports for issuance of EODC in Advance Authorization No.0710076832 dt. 20.01.2011.

Aggrieved by the decision of PRC dated 06.09.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 06.07.2017 to them. Mr. K. Sunil, Manager – Accounts of M/s. Mahendra Industries, Bangalore appeared before the committee and made the oral as well as written submissions, as per case No 6 above:

Decision: The decision taken in case No. 6 above is re-iterated.

(Action: Applicant/ RA, Bangalore shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.**)**

Case No.9: M/s. Shashi Cables Ltd., Kanpur. (P.H. Case)
F.No. 01/60/162/806/AM16/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for 2nd revalidation of DFIA No.0610029174 dt. 28.09.2012.

Aggrieved by the decision of the PRC meeting No 17/AM17 dated 06.09.2017, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 06.07.2017 to them. Mr. V.K. Agarwal, Managing Director of M/s. Shashi Cables Ltd., Kanpur appeared before the committee and made the following submissions:

1. Their request for second revalidation of the Duty Free Import Authorisation was rejected on the ground that they did not give any cogent reason for not making imports within 24 months' validity which could not establish the ground

of genuine hardship and reason cited was of commercial risk and not genuine hardship.

2. In this connection they submitted that they received export order for supply of ACSR for FOB value of US$ 6.7 million for delivery to be made in 21 months. Keeping in view the financial resources, size of the order was big challenge for them to execute in time. Therefore, financial constraints prevented them from completing imports. Under these circumstances, they were requested only a relaxation in procedure and not a relaxation in Policy and that too after fulfillment of 100% export obligation.
3. Para 2.58 of FTP allows relaxation in policy procedure in case of adverse impact on trade to any person. We could not import due to financial constraints which amount genuine hardship. They procured small small quantities from domestic sources for fulfillment of export obligation. They were not in position to block huge fund for long period.
4. Refusal to grant 2nd revalidation amounts to injustice to exporters like them who have completed export obligation but could not complete import.

Decision: The committee discussed the case again at length. It was noted that the DFIA was issued on 28.09.2012 as per provisions of FTP, 2009-2014. In terms of Para 4.2.2 of FTP, 2009-2014, DFIA can be issued on post export basis and pre-export basis. In case exporter is intending to export first, he will submit online application and after making exports he shall submit export documents for issue of transferable DFIA. In such cases, transferable DFIA is issued having validity of 12 months from date of issuance of DFIA. In case an exporter intends to import duty free goods first, he can submit online application for issue of DFIA with actual user condition. In such cases, Actual User DFIA is issued having initial validity of 12 months to import and 18 months to discharge export obligation which could be extended for further six months on merit. The applicant was aware of these provisions. If they had been facing financial crunch, they should had obtained the DFIA on post export basis so that they could get 12 months' clear time to import. In this case, the applicant was given advantage because the Authorisation was issued having validity of 18 months i.e. upto 31.03.2014. The RA has already allowed 6 months' further revalidation. Therefore, the DFIA was remained valid for 24 months as compared to others who are given only 12+6 months' validity. Hence it was a conscious decision by the applicant to get a DFIA for the value and quantities knowing fully their financial position. Therefore, the reasons given do not indicate any genuine hardship. The committee, therefore, did not find any merit to allow further revalidation against the DFIA.

(RA, Kanpur/Applicant)

Case No.10: M/s. Stera Engineering India P. Ltd., Chennai. (P.H. Case)
F.No. 01/60/162/094/AM16/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation the procedural lapse in obtaining the bill of exports of Advance Authorization No.0410121207 dt. 01.02.2011.

Aggrieved by the decision of the PRC meeting No 16/AM17 dated 29.08.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 06.07.2017 to them. Mr. G. Ekambaram, Manager – Fianance of M/s. Stera Engineering India Pvt. Ltd., Chennai appeared before the committee and made the following submissions:

1. They obtained the Advance Authorisation for import of duty free goods for execution of export order.
2. They supplied 3U Casing Assembly to M/s Nokia Solutions and Networks India Pvt. Ltd., and M/s Sanmina-SCI India P.Ltd.
3. These products were tailor made and as per the specifications provided by these multi-national companies.
4. They have imported duty free goods against the Authorisation and produced the end products to supply the same to these buyers in SEZ.
5. They have in fact supplied the goods within 6 months from issue of Authorisation. However, when they supplied the goods to SEZ units, the Customs officers did not tell the requirement of Bill of Export.
6. Paying Customs duty with interest on account of procedural laps would put them in tremendous financial hardship.
7. They have submitted all the required documents including evidence from the Central Excise Authority and Certificate from the SEZunit located in the SIPCOT Hitech-SEZ Orgadam, Tamil Nadu confirming the supplies made to the unit.
8. Similar request of M/s Saint Gobain Glass India Ltd. Tamil Nadue has been considered by PRC in its meeting held on 26.11.2013.
9. When they realized the mistake somewhere in 2012, they started to ensure generating Bill of Exports. They, therefore, requested to waive the requirement of Bill of Export for redemption of this case.

Decision: The case and circumstances in this case are similar to case No.1. Hence, the decision taken in case No. 1 is reiterated in this case.

(Action: Applicant/ RA, Chennai shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.**)**

Case No.11: M/s. Stera Engineering India P. Ltd., Chennai. (P.H. Case)
F.No. 01/60/162/092/AM16/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation the procedural lapse in obtaining the bill of exports of Advance Authorization No.0410118541 dt. 02.11.2010.

Aggrieved by the decision of the PRC meeting No 16/AM17 dated 29.08.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 06.07.2017 to them. Mr. G. Ekambaram, Manager – Fianance of M/s. Stera Engineering India Pvt. Ltd., Chennai appeared before the committee and made the submissions as stated in the case No 10 above:

Decision: The case and circumstances in this case are similar to case No.1. Hence, the decision taken in case No. 1 is reiterated in this case.

(Action: Applicant/ RA, Chennai shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.**)**

Case No.12: M/s. Stera Engineering India P. Ltd., Chennai. (P.H. Case)
F.No. 01/60/162/093/AM16/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation the procedural lapse in obtaining the bill of exports of Advance Authorization No.0410116884 dt. 01.09.2010.

Aggrieved by the decision of the PRC meeting No 16/AM17 dated 29.08.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 06.07.2017 to them. Mr. G. Ekambaram, Manager – Fianance of M/s. Stera Engineering India Pvt. Ltd., Chennai appeared before the committee and made the submissions as stated in the case No 10 above:

Decision: The case and circumstances in this case are similar to case No.1. Hence, the decision taken in case No. 1 is reiterated in this case.

(Action: Applicant/ RA, Chennai shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.**)**

Case No.13: M/s. Bholanath Industries Ltd., Varanasi. (P.H. Case)
F.No. 01/60/162/645/AM16/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for policy relaxation under Para 2.42 and 9.62 of FTP, 2015-20 for export made through third party for DTA Sale permission.

The applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 06.07.2017. Mr.S.C. Dubey, Finance Manager of M/s Bholanath Industries Ltd., appeared before the committee and made the following submissions:

1. They were 100% export oriented unit (EOU) bases in rural area of Varanasi since 1998. They were manufacturing woolen yarn and exporting the same through third party exporter namely M/s BIL Continental Ltd., formerly known as Bholanath International Limited.
2. They have applied for renewal of their DTA Sale permission for the exports made during the year 2011-2012, 2012-2013 and 2013-2014 to DC, NSEZ. But, the same was held up on the grounds that their name was not appearing on the shipping bills and only third party name was appearing.
3. However, the goods were manufactured by them and goods were removed under ARE-1 which indicate details of their name and factory address. And,

details of these ARE-1 appears in all shipping bills. However, DC, NOIDA SEZ did not accept these documents for NFE purpose and determining the DTA sale entitlement.

4. DC, NSEZ has advise for seeking relaxation from PRC.
5. They, therefore, requested to waive the requirement as per Para 2.42 read with 9.62 of FTP of indicating their name on shipping bills and allow permission on the basis of ARE-1.

Decision: The case was discussed at length. The committee noted that in terms of Para 2.34 read with Para 9.62 of FTP, 2009-2014, in case of third party export, name of manufacturer as well as exporter is required to be indicated in the Shipping Bill. However, payment shall be realized in the name of exporter. Shipping bill is prepared on the basis of Invoice, ARE-1 and packing list etc. and details of invoice and ARE-1 are indicated in it. Therefore, it is possible to establish and co-relate the nexus between ARE and Shipping Bills because the Shipping Bill details are indicated and counter signed by concerned Customs Authority in the corresponding ARE after Mate Receipt is filed. The committee, therefore, decided the following:

I. The applicant shall submit all shipping bills, eBRCs, and AREs-1 of the relevant period to DC, NSEZ.

II. DC, NSEZ will examine the case and account for all shipping bills for calculation of NFE which indicates ARE-1details and said ARE indicate the corresponding Shipping Bill details on it and filed by M/s Bholanath Industries while removing the goods from their factory.

III. DTA sale entitlement shall be calculated and allowed as per the Policy.

(Action: DC, NSEZ/Applicant)

Case No.14: M/s. Indeutsch Industries P. Ltd., Noida.
F.No. 01/60/162/469/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for waiver/condone the procedural lapse for not making the declaration of intent to claim reward under MEIS on the S/Bills as per Para-3.14 of HBP 2015-20 for MEIS benefits.

Decision: The committee noted contents of report received from DC, NSEZ vide letter dated 17.04.2017. It was observed that there was no provision in the software at the relevant time to indicate declaration of intent prior to 27.07.2015. NSDL who was developed software for SEZ made provision only on 27.07.2015. In view of the non-existence of the software at relevant time, the committee was of the view that benefit should not be denied to the applicant. Accordingly, Committee decided the following:

i. The applicant shall submit all prescribed documents to DC, NSEZ for issue of Duty Credit under MEIS.

ii. DC, NSEZ shall examine the case and issue Duty Credit as per the Policy provided export shipments were effected under any Scheme of FTP. Free shipping Bills shall not be allowed for Duty Credit Scrip.

(Action: DC, NSEZ/Applicant)

Case No.15: M/s. Mylan Laboratories Ltd., Hyderabad.
F.No. 01/60/162/155/AM18/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation of delay for filing of claim for reimbursement of CST Rs. 25,906/- for the period April,2012 to June,2012.

Decision: The Committee decided to defer the case to seek comments of DC.

(Action: DC, VSEZ, Vishakhapatnam)

Case No.16: M/s. Mylan Laboratories Ltd., Hyderabad.
F.No. 01/60/162/196/AM18/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation of delay for filing of claim for reimbursement of CST Rs.5,76,069/- for the period Oct.,2012 to Dec.,2012.

Decision: The Committee decided to defer the case to seek comments of DC.

(Action: DC, VSEZ)

Case No.17: M/s. Mylan Laboratories Ltd., Hyderabad.
F.No. 01/60/162/197/AM18/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation of delay for filing of claim for reimbursement of CST Rs.12,47,111/- for the period July,2012 to Sept.,2012.

Decision: The Committee decided to defer the case to seek comments of DC.

(Action: DC, VSEZ)

Case No.18: M/s. Mylan Laboratories Ltd., Hyderabad.
F.No. 01/60/162/198/AM18/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation of delay for filing of claim for reimbursement of CST Rs.6,73,046/- for the period April,2012 to June,2012.

Decision: The Committee decided to defer the case to seek comments of DC.

(Action: DC, VSEZ)

Case No.19: M/s. Mylan Laboratories Ltd., Hyderabad.
F.No. 01/60/162/199/AM18/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation of delay for filing of claim for reimbursement of CST Rs.1,03,35,179/- for the period Oct.,2012 to Dec.,2012.

Decision: The Committee decided to defer the case to seek comments of DC.

(Action: DC, VSEZ)

Case No.20: M/s. Mylan Laboratories Ltd., Hyderabad.
F.No. 01/60/162/200/AM18/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation of delay for filing of claim for reimbursement of CST Rs.43,78,167/- for the period July,2012 to Sept.,2012.

Decision: The Committee decided to defer the case to seek comments of DC.

(Action: DC, VSEZ)

Case No.21: M/s. Mylan Laboratories Ltd., Hyderabad.
F.No. 01/60/162/201/AM18/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for condonation of delay for filing of claim for reimbursement of CST Rs.7,52,989/- for the period Jan.,2013 to March,2013.

Decision: The Committee decided to defer the case to seek comments of DC.

(Action: DC, VSEZ)

Case No.22: M/s. Calyx Chemicals and Pharmaceuticals Ltd., Mumbai.
F.No. 01/60/162/808/AM16/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for clubbing of 4 Advance Authorizations No.0310417110 dt. 24.01.2007; 0310440640 dt. 23.08.2007; 0310440927 dt. 27.08.2007 & 0310518756 dt. 06.05.2009.

Decision: The Committee noted that all the 4 above referred Advance Authorisations proposed to be clubbed have been issued within 36 months from the earliest issued Advance Authorization No.0310417110 dt. 24.01.2007. Export obligation period was of 30 months and exports have been completed only to the extent of 28.5% in the first Authorisation. Hence, the Committee decided the following:

I. Clubbing of the 4 Advance Authorizations, as referred above be allowed provided the same were not issued with PC-9 dated 30.06.2003 conditions which stipulates shorter EOP.
II. Export obligation period for the clubbed Advance Authorizations would be 42 months from the date of issuance of the first authorization. No exports made beyond 42 months are to be allowed while allowing clubbing.

III. This is only for regularization of exports already effected and closure purpose and not for any further exports/imports.

IV. Accounting of exports made in the subsequent authorizations will be allowed subject to payment of composition fee @ 0.5% per month of FOB value of exports made beyond 30 months but upto 36 months and @ 1% per month of FOB value of exports made after 36 months but upto 42 months from issue of the earliest authorisation.

V. RA shall examine the case in terms of Para 4.09 of FTP (2015-2020) and ensure value addition of minimum 15%. The 15% value addition for evaluating entitlement shall be applied on the clubbed FOB and CIF of the Authorizations.

VI. RA shall ensure proper accounting of the duty free inputs with reference to the export product while clubbing the Authorizations. On clubbing, shortfall if any, shall be regularized on payment of Customs Duty and applicable Interest to the Customs Authority, in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Mumbai/Applicant)

Case No.23: M/s. Bhandari Foils & Tubes Ltd., Mumbai.
F.No. 01/60/162/162/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for (i) acceptance of export product of SION No.61/837 exported against S/Bills No.4151005 dt. 17.06.2011; (2) 4437871 dt. 06.07.2011; (3) 4488875 dt. 11.07.2011; (4) 4532712 dt. 13.07.2011; (5) 4598209 dt. 18.07.2011; (6) 4646835 dt. 21.07.2011 and (7) 7333824 dt. 30.01.2011 towards fulfillment of export obligation against Advance Authorization No.0310468095 dt. 10.04.2008 and (ii) EO Extension for S/Bills exported beyond export obligation period.

Decision: The committee noted that the applicant has made imports to the extent of 100% against the Authorisation dated 10.04.2008 and has stated to have fulfilled only 38% export obligation within a period of 36 months, as stipulated. Now to make up the shortfall, request is made to allow transfer of seven shipping Bills which were effected against three different Advance Authorisations for different resultant products. In such cases, the applicant should have sought clubbing of such Authorisations provided inputs are common and exports have been completed within 48 months from the date of issue of first Authorisation. The request of the applicant is not clear and does not indicate whether the shipments sought to be transferred are in surplus and the same were not accounted in the Authorisation for fulfilment of EO against any other Advance Authorisations and whether these shipping Bills are free S/Bills or under any scheme like DBK or EPCG etc.

The committee, therefore, decided not to accede to request of the applicant.

(Action: RA, Mumbai/Applicant)

Case No.24: M/s. Vedanta Ltd., New Delhi.
F.No. 01/60/162/711/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for EODC, revalidation & transferability of DFIA No.0510392014 dt. 14.11.2014.

Decision: The Committee noted that the shipments in this case were effected indicating two DFIAs numbers. However, resultant product is only one. On perusal of report of NIC, it was observed that bifurcation of value and quantity for using the same shipping bill under two or more DFIAs was not possible in case of single resultant product. The committee, therefore, decided the following:

i. The applicant may use such complete shipping bills against any of DFIA for EODC/enhancement/transferability purpose.
ii. RA shall allow revalidation of such DFIA for six months from the date of endorsement if balance imports are available after enhancement.
iii. The applicant shall get the other DFIA regularized on payment of duty and applicable interest in which imports are made in excess.

(Action: RA, CLA, New Delhi/Applicant)

Case No.25: M/s. Vedanta Ltd., New Delhi.
F.No. 01/60/162/701/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for EODC, revalidation & transferability of DFIA No.0510390222 dt. 08.08.2014.

Decision: Decision taken in case No 24 is re-iterated.

(Action: RA, CLA, New Delhi/Applicant)

Case No.26: M/s. Vedanta Ltd., New Delhi.
F.No. 01/60/162/707/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017
Subject: Request for EODC, revalidation & transferability of DFIA No.0510391041 dt. 09.09.2014.

Decision: Decision taken in case No 24 is re-iterated.

(Action: RA, CLA, New Delhi/Applicant)

Case No.27: M/s. Ebullient Packaging P. Ltd., Mumbai.
F.No. 01/60/162/1030/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for 2nd revalidation of Advance Authorization No.0310664459 dt. 11.11.2011.

Decision: The Committee observed that the Authorisation was issued having initial validity of 24 months. RA has allowed 6 months' revalidation as per request of the applicant. Despite the period of 36 months, they did not utilize the Authorisation. From the submissions made by the applicant, no case of genuine hardship is established. The stands taken by the applicant that amendment was transmitted after 40 days was not found correct. As per NIC report amendment dated 01.05.2014 was transmitted to ICEGATE successfully on 02.05.2014. Hence, the Committee did not accede to the request.

(Action: RA, Mumbai/Applicant)

Case No.28: M/s. Thirumalai Chemicals Ltd., Chennai.
F.No. 01/60/162/998/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for 2nd revalidation of DFIA No.0410160189 dt. 24.02.2015.

Decision: The Committee noted the submissions of the applicant. On perusal of report dated 18.04.2017 received from RA, Chennai, it was observed that the applicant had submitted request for enhancement/EODC/Revalidation of the Authorisation vide letter submitted on 15.02.2016, which was disposed by RA on 07.06.2016 after taking almost 4 months. It is also a matter of fact that 15 days' time is prescribed for disposing of such requests under Para 9.11 of HBP. Keeping in view the circumstances of the case, the committee decided to allow revalidation of the Authorisation for 4 months from the date of endorsement. The applicant is hereby directed to get the endorsement from RA within one month from the date of uploading of PRC minutes on the Directorate website.

(Action: Applicant/RA, Chennai)

Case No.29: M/s. Finolex Cables Ltd., Pune.
F.No. 01/60/162/941/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for submitting FPS application manually for 9 S/Bills for the period of 2014-15 not appearing online to avail FPS credit value of Rs.28,83,016/-.

Decision: It was not clear from the submissions whether shipments were made under any scheme or these were against Free Shipping Bills. The case was deferred for seeking copies of Shipping Bill and other details from the applicant.

(Action: Applicant)

Case No.30: M/s. Soktas India P. Ltd., Kolhapur, Maharashtra.
F.No. 01/60/162/1141/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for re-activation of S/Bill & revalidation of DFIA No.3110064866 dt. 09.09.2014.

Decision: The Committee observed that exports under shipping bills furnished by the applicant were effected indicating only EPCG Authorisation number. They did not indicate DFIA number and consumption of duty free inputs. Such shipping bills cannot be counted towards fulfilment of EO against DFIA. The committee, therefore, did not accede to the request.

(Action: RA, Pune/Applicant)

Case No.31: M/s. Essar Steel India Ltd., Mumbai.
F.No. 01/60/162/519/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for 2nd revalidation of Advance Authorization No.0310792536 dt. 01.01.2015.

Decision: The Committee observed that the Authorisation was issued having initial validity of 12 months. RA has allowed 6 months' revalidation as per request of the applicant. Despite that they could not utilize the Authorisation. The submissions made by the applicant have cited commercial reasons averring that it was difficult to make import within the validity of the authorization. Committee noted that the applicant has fulfilled 100% export obligation in this case. Advance Authorisation is issued with Actual User condition. Authorisation or goods imported thereunder is not allowed to be transferred. So it was very much possible for the applicant to make direct imports and /or get inputs from domestic market against Advance Release Order (ARO) or Invalidation letter.

No case of genuine hardship is established in this case. Hence, the Committee did not accede to the request.

(Action: RA, Mumbai/Applicant)

Case No.32: M/s. RnR International, Gurgaon.
F.No. 01/60/162/946/AM16/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for acceptance of export products (made ups made of silk fabrics) & imported item description written as Textile General in consumption part of S/Bill in the place of actual fabric towards discharge of export obligation against Annual Advance Authorization No.0510272295 dt. 07.09.2010.

Decision: The Committee noted that the applicant is status holder and obtained Annual Advance Authorisation knowing fully about the provisions of FTP/HBP. As per General note for Textile and Textile products under SION book, import of silk fabrics under SION J 270 to J 296 are not allowed to be imported. Further, in terms of Para 4.12 of FTP, consumption of duty free inputs is required to be indicated in the shipping bills while making shipments. Such condition cannot be waived of. The committee, therefore, did not accede to the request.

The applicant is hereby directed to get the case regularised in terms of Para 4.49 of HBP, 2015-2020, within a month from the date of uploading of these minutes on the

Directorate website. In case of failure, RA shall initiate action as per the provisions of FT(DR)Act, 1992, as amended.

(Action: RA, CLA, New Delhi/Applicant)

Case No.33: M/s. Rishabh Forgings, Ludhiana.
F.No. 01/60/162/595/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for revalidation of DEPB No.3010103152 dt. 12.09.2014 for Rs. 71,702/-.

Decision: The committee decided to defer the case for seeking report from RA.

(Action: RA, Ludhiana)

Case No.34: M/s. Aarti Industries Ltd., Mumbai.
F.No. 01/60/162/203/AM17/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for extension of EOP of Advance Authorization No.0310707520 dt. 04.09.2012.

Decision: The committee noted that the Authorisation was issued having initial obligation period of 24 months. RA has extended export obligation period by 6 months i.e. upto 31.03.2015. It is further noted that the applicant has stated to have fulfilled 77.03% of its stipulated export obligation within 30 months. The committee, therefore, decided the following:

1. Export obligation period be extended from 30 months to 36 months i.e. upto **30.09.2015**
2. This will, however, be subject to payment of composition fee @ 1% per month of unfulfilled FOB value of exports made after 30th month but upto 36th month.
3. No extension beyond 36th month shall be allowed.
4. Exports made indicating Authorisation number/File No on shipping bills shall only be taken into account.
5. Shortfall, if any, shall be regularized in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Mumbai/Applicant)

Case No.34: M/s. Sintex Industries Ltd., Gujarat.
F.No. 01/60/162/068/AM18/PRC
PRC Meeting No. 10/AM18 dated 06.07.2017

Subject: Request for claiming of TED refund against supplies received under EPCG Authorisation No.0830006870 dt. 24.12.2014 & No 0830007496 dt. 04.09.2015.

Decision: The committee noted that supply of goods to EPCG Authorisation holder are not exempted from payment of Terminal Excise Duty. Therefore, refund of such duty is allowed under Para 7.03 of FTP. However, third party supply is not entitled under deemed exports. This is due to the fact that only IEC holder is entitled for benefits under FTP. In the present case, EPCG Authorisation holder had awarded contract to M/s Sintex infra Project Ltd. For execution of project. M/s Sintex Infra Project selected goods of DTA supplier on behalf of the applicant. Therefore, name of both the parties were indicated on the commercial Invoices. Goods were supplied to EPCG Authorisation holder against Invalidation letter and payments were also made by the EPCG Authorisation holder. As informed by the applicant, the executor was not registered with the excise Authority. Therefore, question of availing CENVAT credit by him does not arise. Therefore, no scope of misuse of the scheme and infact not third-party supply. The Committee therefore, decided the following:

i. RA shall examine the case and allow refund of TED as per the policy provided no CENVAT credit has been availed by the recipient;
ii. Installation certificate of capital goods in the factory premises of the applicant is submitted.

(Action: RA, Ahmedabad/Applicant)

The meeting ended with a Vote of Thank to the Chair.

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