Directorate General of Foreign Trade

(PRC-section)

Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of DGFT Shri Alok Vardhan Chaturvedi, Director General of Foreign Trade on 08.08.2017

Meeting No. 12/AM18 held on 08.08.2017 at 10:00 AM

The following Members were present in the meeting:

1.	Shri K. C. Rout	Addl. DGFT
2.	Shri Jaikant Singh	Addl. DGFT
3.	Shri Darshan Singh	Addl. DGFT
4.	Shri J. V. Patil	Addl. DGFT
5.	Shri S. B. S. Reddy	Addl. DGFT
6.	Shri N. K. Srivastava	Addl. DGFT
7.	Shri Jay Karan Singh	Jt. DGFT
8.	Shri Akash Taneja	Jt. DGFT
9.	Shri Rakesh Kumar	Jt. DGFT
10.	Shri Lokesh H.D	Jt. DGFT

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

Case No.1: M/s. Lok Beta Pharmaceuticals (I). Ltd., Mumbai (P.H. case)
F. No. 01/60/162/411/AM17/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: **Request for (i) EOP extension of Advance Authorization No. 0310698958 dated 18.06.2012 and (ii) waiver of PC-18 condition issued under PC-9 condition.**

Aggrieved by the committee's decision dated 19.07.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 08.08.2017. Mr. Avdhesh Kumar, Group President from M/s Lok Beta Pharmaceuticals (I). Ltd., appeared before the committee and made the following submissions stating that:

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1. The delay in making exports was due to late order of the buyer, they had got confirmed order but supply was to be made as per convenience and requirements of the buyer. The material was costly therefore they could not have sent the finished products without re-confirmed order of the buyer.
2. They have received payments in respect of all the S/Bills and the value addition is more than 15%. 53.33% of the export obligation has been fulfilled within the initial export obligation period. Further the remaining export had already been fulfilled after expiry.
3. However, due to late export they have not been issued EODC. The regularization is necessary for issuance of EODC.
4. They are ready to pay additional composition fee as applicable as per rules.
5. Hence, they have request for extension of E.O. period and waiver of PC-18 conditions in respect of late export.

Decision: The committee discussed the case at length and observed that the Authorisation under question was issued with conditions of PC-9 dated 30.06.2003 read with Appendix-30A, which provides import of drugs from unregistered sources with pre-import condition and fulfillment of EO within 12 months from import of each consignment. There is no provision of extension in such cases. The applicant was fully aware with these facts and obtained the Authorisation. There are two options available to exporter in such cases. Either the Authorisation holder should re-export the unutilized raw materials to the supplier or in case finished products manufactured out of imported inputs, it should be exported to any other buyer within the obligation period, as stipulated. However, taking into consideration the genuine hardship, the PRC has allowed six month's extension in continuity on payment of composition fee in its meeting No 12/AM17 dated 19.07.2016. The committee, therefore, did not accede to the request and decided to maintained the earlier decision.

The applicant is hereby directed to get the case regularized in terms of Para 4.49 of HBP, 2015-20 read with PC-18 dated 30.10.2007 within a month. In case of failure, RA shall initiate action under the provisions of FT(DR)Act, 1992, as amended.

(Action: RA, Mumbai/Applicant)

Case No.2: M/s. Lok Beta Pharmaceuticals (P). Ltd., Mumbai (P.H. case)
F. No. 01/60/162/563/AM14/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for extension of E.O.P of advance authorization No.0310525292 dated 22.06.2009 issued under PC-9 condition for regularization purpose.

Aggrieved by the committee's decision dated 15.10.2013, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 08.08.2017. Mr. Avdhesh Kumar, Group President from M/s Lok Beta Pharmaceuticals (I). Ltd., appeared before the committee and made the following submissions stating that:

1. They have fulfilled the all conditions viz. – There is no shortfall in the quantity of export. The payments have also been received. They have deposited composition fees of 0.5% of the FOB value of export remained to be exported.
2. They have imported 176.13 Kgs. of Amikacin Sulphate and exported 180 Kgs. of Amikacin Sul Injection and their last consignment is 06.08.2010 late by 6 days from the extension E.O. period.
3. Hence, they have requested for extension of E.O. period for further 6 days for regularization purpose.

Decision:

Decision at case No 1 is reiterated. However, the applicant can avail the benefit of Para 9.11(C) of HBP, 2015-2020 if goods were handed over to the Customs Authority prior to expiry of EOP including extension granted by the PRC.

Case No.3: M/s. Lok Beta Pharmaceuticals (I). Ltd., Mumbai (P.H. case)
F. No. 01/60/162/555/AM14/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for extension of E.O.P of advance authorization No.0310554733 dated 12.01.2010 issued under PC - 18 conditions for regularization purpose.

Aggrieved by the committee's decision dated 15.10.2013, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 08.08.2017. Mr. Avdhesh Kumar, Group President from M/s Lok Beta Pharmaceuticals (I). Ltd., appeared before the committee and made the following submissions stating that:

1. They have fulfilled the all conditions viz. – The payments have also been received. They have deposited composition fees of 0.5% of the FOB value of export remained to be exported.
2. They have imported 70 Kgs. of Meropenem with Sodium Carbonate and exported 68.98 Kgs. of Meropenem for Injection and their last consignment is 03.08.2011 late by 3 days from the extension E.O. period.
3. Hence, they have requested for extension of E.O. period for further 3 days for regularization purpose.

Decision: Decision at case No 1 is reiterated. However, the applicant can avail the benefit of Para 9.11(C) of HBP, 2015-2020 if goods were handed over to the Customs Authority prior to expiry of EOP including extension granted by the PRC.

Case No.4: M/s Lok Beta Pharmaceuticals (I). Ltd., Mumbai (P.H. case)
F. No. 01/60/162/408/AM17/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for extension of E.O.P of advance authorization No.0310696315 dated 18.05.2012 and (ii) waiver of PC-18 condition issued under PC-9 condition. (P.H. case)

Aggrieved by the committee's decision dated 19.07.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 08.08.2017. Mr. Avdhesh Kumar, Group President from M/s Lok Beta Pharmaceuticals (I). Ltd., appeared before the committee and made the following submissions stating that:

1. The exports were made under three trenches vide S/Bills No.5571138 dt. 17.10.2014; 5571144 dt. 17.10.2014 and 9943834 dt. 02.06.2015 which are late by 290 days and 518 days, respectively after extension of EOP from 12 to 18 months granted by PRC.
2. The delay was due to late order of the buyer, they had got confirmed order but supply was to be made as per convenience and requirements of the buyer. The material was costly therefore they could not have sent the finished products without re-confirmed order of the buyer.
3. In this case, they have received payments in respect of all the S/Bills and the value addition is more than 15%. 81.66% of the export obligation has been fulfilled within the initial export obligation period. Further the remaining export had already been fulfilled.
4. However due to late export they have not been issued EODC. The regularization is necessary for issuance of EODC.
5. They are ready to pay additional composition fee as applicable as per rules.
6. Hence, they have request for extension of E.O. period and waiver of PC-18 conditions in respect of late export.

Decision: Decision at case No 1 is reiterated.

Case No.5: M/s. Keshoram Industries Ltd., Kolkaata (P.H. case)
F. No. 01/60/162/33/AM17/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for extension in EOP for Advance Authorization No.021079595 dated 10.07.2012 from 31.7.2014 to 30.9.2015.

Aggrieved by the committee's decision dated 06.09.2016, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 08.08.2017. Mr. Shashi Seth from M/s Keshoram Industries Ltd., appeared before the committee and made the following submissions stating that:

1. Under the Advance Authorization no. 0210179595 dt. 10.07.2012, they have fulfilled almost 99.81% of export obligation in terms of quantity against "Tyres" and 100 % of the required export obligation "tubes & "Flap". Further, in terms of value, they have completed 100% of their export obligation.
2. Based on actual quantities of imports made by them a CIF value of USD 3243931.92, they were required to make exports (1) 2055103.72 Kgs of "Tyres", (2) NIL exports of "Tubes" & (3) 100441.78 Kgs of "Flap" for a total FOB value of USD 3730522 (Maintaining minimum V.Aof 15%)
3. They have actually exported (1) 2051255.27 Kgs of "Tyres", (2) 139872.51 Kgs of "tubes" & (3) 100118.78 kgs of "Flap" for a total FOB value of USD 7,564,409.02. The tatal exports have been completed within 36 months from the date of the issuance of the Authorization.
4. Based on the above facts, it would be observed that they have a shortfall of only 0.19% of export of "Tyres" in terms of quantity, and no shortfall in "Tubes" & "Flap" in 36 month's period. Further, there is no shortfall in terms of value.
5. But since the PRC has imposed the condition of fulfillment of 100% of EO in terms of quantity in order to regularize the export made beyond the valid EO period, they requested to consider the minuscule export shortfall in quantity of 0.19% which is in fraction for export of tyres, and 100% fulfillment of export in Tubes & Flaps, review their decision and waive the stipulated condition of 100% EO fulfillment within 36 months, taking in to consideration the minor shortfall of 019% in quantity terms, that too only against one export terms "Tyres", under relaxation of the FTP & procedure.

Decision: The committee after discussing the issue at length decided to allow regularisation of case if the applicant approach the RA concerned after payment of duties and applicable interest to the Customs Authority on unutilised inputs or inputs consumed and exported after 36 months. Accordingly, the committee decision dated 06.09.2016 is modified to that extent.

(Action: Applicant/RA, Kolkata)

Case No.6: M/s. Flexituff International, Ltd. Indore (P.H. case)
F. No. 01/60/162/1171/AM17/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for revalidation of advance authorization No. 5610004615 dated 1.6.2015. (P.H. Case)

Aggrieved by the committee's decision dated 26.04.2017 the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 08.08.2017. Mr. Vaibhav Verma, Manager Excise, Custom & DGFT from M/s Flexituff

International, Ltd. appeared before the committee and made the following submissions stating that:

1. Due to some technical error in the DGFT server, import revalidation date has not reflected in the ICEGATE Server hence they could not clear the balance import from Customs within the validity period.
2. The date of revalidation was not transmitted to ICEGATE hence balance quantity not imported.
3. Hence, they have requested for revalidation of the above AA for a period of six months from the date of revalidation.

Decision: The committee noted that the Authorisation in question was issued having 12 month's validity to import. The RA concerned has allowed six month's further validity on request of the applicant. It is further noted that the applicant has imported item No 1, 2 and 4 fully and 3 and 5 partially. The applicant had applied for revalidation at fag end of extendable validity. As per EDI report, amendment No 7 was carried out on 12.09.2016, which was transmitted to ICEGAT on 14.09.2016 and the Authorisation was remain valid till 30.11.2016. Therefore, the applicant's contention that they could not utilized the Authorisation due to technical error was found not to be true. The committee, therefore, did not accede to the request.

Case No.7: M/s. Netmatrix Crop Care Ltd. Hyderabad (P.H. case)
F. No. 01/60/162/686/AM17/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension of Advance Authorization No.0910058440 dated 04.12.2013 (PH. Case)

Aggrieved by the committee's decision dated 16.05.2017, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 08.08.2017. Mr. K.M.G. Sharma Jt. Managing Director from M/s Netmatrix Crop Care Ltd. appeared before the committee and made the following submissions stating that:

In terms of Policy provisions para 4.42 (b) of HBP they applied to Jt. DGFT Hyderabad on 22.6.2015. While they were following with RA Hyderabad constantly their case was not taken up for consideration. They were given to understand after a lot of time and lapsed that due to the shifting of their office their file was not traceable for quite some time. Surprisingly they received a letter on 15.3.2016 (after 9 months) from RA, Hyderabad asking them to furnish the details of exports to work out the composition fee. These details were already furnished by them on 22.6.2015. They had immediately approached the concerned DDG who informed the facts of their furnishing all the details on 22.6.2015, and advised them to pay 0.5% for first six months and 0.5% per months for subsequent period after first six months. They had informed the

RA that the delay has taken place in their office and therefore the composition fee for the subsequently period @ 0.5% per months is totally unjustifiable and unfair. They brought this to the notice of the JT.DGFT also who inform them that the regional office has no power for reducing composition fee @ 0.5% of the shortfall in E.O. having expired the period and they have to approach the PRC in obtaining the approval since the period for extensions have already expired and hence nothing could be done at their end.

They therefore requested to allow extension for six months without charging composition fee.

Decision: The case was discussed at length. It was noted that the Authorisation in question was issued to allow duty free import of inputs with export obligation to export resultant products manufactured out of imported inputs within 18 months from the date of issue of the Authorisation. The facility of extension of export obligation is provided under Para 4.42 of HBP, 2015-2020 provided condition of that Para are met. Further, in terms of Para 4.43 of HBP, *"Customs may allow provisional clearance of export consignment as and when Authorisation holder produces documentary evidence of having applied for Export Obligation extension to concerned Regional Authority."* Therefore, the applicant should have had stared exports on provisional basis without waiting for endorsement on the Authorisation. Such exports are regularised later on under the provision of Para 4.42 of HBP. There is no provision of allowing extension beyond 30 months. However, PRC on the ground of any genuine hardship allows extension upto 36 months on merit of the case. The applicant has approached the committee after expiry of this period without making any exports after 18 months. Therefore, the committee, 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 failing which action under the provisions of F.T.(DR)Act, 1992, as amended shall be initiated by RA concerned.

(Action: Applicant/RA, Hyderabad)

Case No 8: M/s Fresenius Kabi Oncology Ltd., New Delhi (P.H. case)
F. No. 01/60/162/933/AM16/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for relaxation of deletion of pre-import condition against the Advance Authorization No.0510303712 dated 26.9.2011

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Aggrieved by the committee's decision dated 26.04.2017, the applicant sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded to them on 08.08.2017. Mr. S.S. Parmar Senior Manager from M/s Fresenius Kabi Oncology Ltd., appeared before the committee and made the following submissions stating that:

1. The source from which Carboplatin was imported was registered with Drug Authorities vide Form 41 No.BD-920 issued on 28.04.2011.
2. Due to delayed availability of this registration documents they could not timely apply for Form 10 (Import Permission by the Drug Authority for importing goods from registered source).
3. Hence in view of urgency they obtained this license with pre-import condition. The Form 10 was issued to them by the Drug Authority on 11.11.2011. Thus it is evident that source of Carboplatin was registered in India at the time of obtaining this license and subsequent imports made by them against this license.
4. In view of circumstances under which they had obtained this advance authorization and documentary evidence presented by them, they request to allow converting this license from Pre-import condition to without Pre-import condition licence.
5. Hence, they have requested to delete pre-import condition of the above authorization.

Decision: The committee discussed the case at length. It was noted that though the Authorisation in question was obtained with PC-9 condition to import drugs from unregistered sources because request for registration of drug was pending with the Drug Controller. However, when they imported the goods, the drug so imported was approved by the Drug controller. Infact, the applicant should have got this PC-9 condition deleted from the RA concerned before import or immediately after import. But, the same was not got deleted. On perusal of documents produced, the committee decided to delete the PC-9 condition being date of registration is prior to import hence imports to be considered from registered sources. Accordingly, exports made within 18 months from the date of issue of the Authorisation/EDI File Number shall be accounted for discharge of EO. Exports made thereafter shall be regularised in terms of Para 4.42 of HBP, 2015-2020. However, shipping bills which carry Authorisation number/EDI File Number shall only be accepted for discharge of EO.

(Action: Applicant/RA, CLA)

Case No 9: M/s J B Chemicals & Pharmaceutical Limited Mumbai (RA, Mumbai)
F. No. 01/60/162/08/AM18/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension of Advance Authorization No.0310801430 dated 31.12.2015 issued under PC-9 condition.

Decision: The Committee noted that the Authorization in question was issued with conditions stipulated under PC-9 dated 30.06.2003 read with Appendix-4J, which allows 12 month's period for EO fulfillment from import of each consignment. The imports were made on 01.02.2016. Accordingly, initial obligation period was upto 31.01.2017. The applicant has stated to have fulfilled 47.31% export obligation within initial period. Taking all these facts into account, the Committee decided the following:

i. Export obligation period be extended from 12 to 18 months from import of each consignment in continuity.
ii. This will, however, be subject to payment of a composition fee @ 1% per month of unfulfilled FOB value of exports made after initial export obligation period;
iii. Exports made indicating EDI file No/Authorisation Number shall only be taken into account;
iv. Value addition as prescribed is maintained.

(Action: Applicant/RA, Mumbai)

Case No 10: M/s Glenmark Pharmaceuticals Ltd., Mumbai (RA Mumbai).
F. No. 01/60/162/13/AM18/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017
Subject: Request for accounting of exports made under 2 shipping bills No 4993154 dated 30.12.2015 and S/B No 6887309 dated 05.04.2016 to Authorization No.0310799864 dated 30.10.2015 instead of Authorisation No 0310796900 dated 26.06.2015 for regularization and discharge of export obligation.

Decision: The committee noted that the Authorisation dated 30.10.2015 was issued with pre-import condition under PC-9 read with appendix-4J for import of drugs from unregistered sources. Export obligation has to be fulfilled by use of same raw materials. Exports made prior to imports cannot be accounted for discharge of export obligation. Imports in this case was made on 15.03.2016 and one shipment was effected prior to that date. The committee, therefore, did not accede to the request.

The applicant is hereby directed to regularise the case as per PC-18 dated 30.10.2007 read with Para 4.49 of HBP, 2015-2020.

(Action: Applicant/RA)

Case No 11: M/s Glenmark Pharmaceuticals Ltd., Mumbai
F. No. 01/60/162/14/AM18/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for accounting of 6 shipping bills No 1567054 dated 03.07.2015, 2546340 dated 21.08.2015, 2574122 dated 24.08.2015, 2637421 dated 26.08.2015, 2661304 dated 27.08.2015 and 2719711 dated 31.08.2015 to Authorization No. 0310796497 dated 08.06.2015 instead of Authorization No.0310783595 dated 29.05.2014 for Regularization and closure purpose.

Decision: The committee noted that the Authorisation dated 08.06.2015 was issued with pre-import condition under PC-9 read with appendix-4J for import of drugs from unregistered sources. Export obligation has to be fulfilled by use of same raw materials. Exports made prior to imports cannot be accounted for discharge of export obligation. Imports in this case was made on 28.03.2016 and all six shipments were effected prior to that date. The committee, therefore, did not accede to the request.

The applicant is hereby directed to regularise the case as per PC-18 dated 30.10.2007 read with Para 4.49 of HBP, 2015-2020.

(Action: Applicant/RA)

Case No 12: M/s Param Wood Moulding Pvt. Ltd., Mumbai (R.A. Mumbai)
F. No. 01/60/162/16/AM18/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for clubbing of 2 advance authorization no. (i) 0310752335 dated 04.10.2013 and 0310794494 dated 10.03.2015.

Decision: It was noted that facility of clubbing of Authorisation is provided where Authorisation holder has imported goods but failed to fulfill export obligation under first Authorisation. However, in subsequent Authorisation, exports are made using the item imported under first Authorisation. In terms of Para 4.27(a) of HBP, "*Exports / supplies made from the date of EDI generated file number for an Advance Authorisation, may be accepted towards discharge of EO. Shipping / Supply document(s) should be endorsed with File Number or Authorisation Number to establish co-relation of exports / supplies with Authorisation issued.*" Therefore, exports made prior to issue of EDI File Number/Authorisation cannot be accounted for discharge of export obligation. And, this situation prevails in this instant case. Apart from that, in the instant case, the applicant has fulfilled 84.54% export obligation without making any import against first Authorisation dated 04.10.2013 and in the Authorisation dated 10.03.2015 they have imported partially and exported 136%. In such cases, clubbing is not required. Hence the applicant may get both Authorisations redeemed individually.

The applicant is hereby directed to approach the RA concerned for closing Authorisation individually.

(Action: Applicant)

Case No 13: M/s. L K S Bullion Import and Exports Pvt. Ltd., Ahmedbaad (RA, Ahmedabad)
F. No. **01/60/162/225/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: - Request for revalidation of import License No. 0850000415 dated 11.02.2015

Decision: The committee noted that noted the Authorisation in question was issued having initial validity of 18 months. However, the applicant did not import any things. No cogent reason of any genuine hardship is given. The applicant has option of obtaining a new Authorisation. The committee, therefore, did not accede to the request.

Case No 14: M/s Phoenix Foils Pvt. Ltd., Mumbai (RA Mumbai)
F. No. **01/60/162/1011/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for clubbing of two Advance Authorizations No.(i) 0310760256 dated 03.12.2013 (ii) 0310798003 dated 07.08.2015 issued within a period of 21 months for the same type of export product and same type of imported inputs

Decision: It was noted that facility of clubbing is provided where Authorisation holder has imported goods but failed to fulfill export obligation under first Authorisation. However, in subsequent Authorisation, exports are made using the item imported under first Authorisation. In terms of Para 4.27(a) of HBP, "*Exports / supplies made from the date of EDI generated file number for an Advance Authorisation, may be accepted towards discharge of EO. Shipping / Supply document(s) should be endorsed with File Number or Authorisation Number to establish co-relation of exports / supplies with Authorisation issued.*" Therefore, exports made prior to issue of EDI File Number/Authorisation cannot be accounted for discharge of export obligation. And, that is the case here because exports under first Authorisation was completed by 14.06.2014 i.e. prior to issue of second Authorisation. Apart from that, in the instant case, the applicant has fulfilled 104% export obligation making 45% imports against the first Authorisation dated 03.12.2013 and in the subsequent Authorisation dated 10.03.2015, they have imported partially and exported 92%. Clubbing of such Authorisations amount to indirect revalidation of first Authorisation. The committee, therefore, did not accede to the request.

The applicant is hereby directed to approach the RA concerned for closing Authorisation individually.

(Action: Applicant, RA, Mumbai)

Case No 15: M/s Viswa Silk Bangalore
F. No. **01/06/162/1208/AM12/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Extension of EOP & Clubbing of two Advance authorizations No.07100728145 dated 12.07.2010 and (ii) 0710075957 dated 13.12.2010 for regularization purpose

Decision: The committee noted that the Authorisations in question were issued to allow import of Mulberry raw silk as one of the input. Such Authorisation are issued with prior import condition and having 9 months for fulfillment of export obligation. Facility of clubbing of such Authorisations is not allowed. However, the committee, considers request provided exports under subsequent Authorisation are completed within 9+4.5 months from import of first consignment under first Authorisation, as the committee allows 4.5 month's extension in such cases. However, in this case, the applicant did not disclose the date of import. The committee, therefore, deferred the case for seeking complete facts and report from RA.

(Action: Applicant/RA, Bangalore)

Case No 16: M/s Innovative Cuisine (P) Ltd., Vadodara. (RA Ahmedabad)
F. No. 01/60/162/5/AM18/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for clubbing of 6 Advance Authorizations Nos. (i) 0810096975 dated 08.03.2011 (2) 0810112496 dated 14.06.2012 (iii) 0810120-378 dated 19.04.2013 (4) 0810132269 dated 10.06.2014 (v) 0810134319 dated 13.01.2015 (6) 0810135710 dated 21.07.2015

Decision: It was noted that facility of clubbing is provided where Authorisation holder has imported goods but failed to fulfill export obligation under first Authorisation. However, in subsequent Authorisations, exports are made using the item imported under first Authorisation. In terms of Para 4.27(a) of HBP, "*Exports / supplies made from the date of EDI generated file number for an Advance Authorisation, may be accepted towards discharge of EO. Shipping / Supply document(s) should be endorsed with File Number or Authorisation Number to establish co-relation of exports / supplies with Authorisation issued.*" Therefore, exports made prior to issue of EDI File Number/Authorisation cannot be accounted for discharge of export obligation. However, that is the case here because exports under first Authorisation was completed by 19.03.2014 i.e. prior to issue of fourth, fifth and sixth Authorisations. Accounting of exports made prior to issue of EDI

File Number/Authorisation cannot be accounted towards discharge of export obligation. The committee, therefore, did not accede to the request.

The applicant is hereby directed to approach the RA concerned for closing of Authorisation individually.

(Action: Applicant/RA, Ahmedabad)

Case No 17: M/s Lupin Ltd., Mumbai (RA Mumbai)
F. No. 01/60/162/07/AM18/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension of Advance Authorization No.0310797265 dated 15.07.2015 issued under PC-9 condition.

Decision: The Committee noted that the above mentioned Authorization was issued with conditions stipulated under PC-9 dated 30.06.2003 read with Appendix-4J, which allows 12 month's period for E.O. fulfillment from import of each consignment. The imports were made on 14.08.2015, 31.10.2015, 30.11.2015, 08.12.2015, 04.02.2016, 23.03.2016 and 28.03.2016. Accordingly, initial obligation period was upto 13.08.2016, 30.10.2016, 29.11.2016, 07.12.2016, 03.02.2017, 22.03.2017 and 27.03.2017, respectively. The applicant has effected 82% exports, during the initial export obligation period, towards discharge of export obligation. Taking all these facts into account, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months in continuity against each consignment.
II. This will, however, be subject to payment of a composition fee @ 0.5% per month of unfulfilled FOB value.
III. RA shall check that minimum 50% exports against each consignment were made within initial export obligation period. If not, composition fee shall be calculated @ 1% per month.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP(2015-2020) shall be maintained.
V. The shipping Bills which indicate EDI File No/Authorisation Number shall only be accounted for.

(Action: RA, Mumbai)

Case No 18: M/s. Alkem Laboratories Ltd., Mumbai (RA Mumbai)
F. No. **01/60/162/01/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for redemption on clubbing of two Advance Authorizations No.0310793055 dated 19.01.2015 (ii) 0310799440 dated 15.10.2015 issued under PC-9 conditions.

Decision: The committee noted that both the Authorisations were issued during same year and exports under subsequent Authorisation were made within initial export obligation period of first Authorisation. The committee, therefore, decided the following:

i. Clubbing of both the Authorisation be allowed.
ii. This will be subject to the condition that inputs are accounted as per SION;
iii. Minimum value addition is maintained;
iv. Exports made by 06.08.2016 shall only be accounted;
v. Exports made prior to import of first consignment shall not be accounted;
vi. Shortfall, if any, shall be regularized in terms of Para 4.49 of HBP, 2015-2020 read with PC-18 dated 30.10.2007.

(Action: Applicant/RA, Mumbai)

Case No 19: M/s. Jindal Alumium Ltd., Bangalore (RA Bangalore)
F. No. **01/60/162/12/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for granting of MEIS benefit against two shipping Bills No.9146584 dated 29.7.2016 and 5208091 dated 11.06.2016

Decision: The committee noted that shipping bill No 9146584 dated 29.07.2016 was effected indicating wrong ITC HS code 76011090 for which MEIS is not eligible. Shipping bill No 5208091 dated 11.06.2016 has been effected indicating option "N" which stands for no claim under incentive scheme. Such shipping bills are not transmitted to DGFT server. Hence, question of allowing incentive does not arise. The applicant should have approached the Customs Authority within the time limit prescribed for amending shipping bill, as per Customs Act. The committee has no role to allow amendment in shipping bills hence did not accede to the request.

Case No 20: M/s Mauria Udyog Limited Delhi (RA, CLA)
F. No. **01/60/162/369/AM16/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for revalidation of DFIA No.0510325790 dated 24.05.2012

Decision: The committee noted that the Authorisation in question was issued having initial 24 month's validity to import. On request of the applicant, RA concerned has extended validity for further six months. No cogent reason of any genuine hardship is explained by the applicant. Commercial viability cannot be construed as genuine hardship. As per RA's report, the applicant had submitted request for revalidation on 03.04.2014 with incomplete documents hence, the RA had issued DL on 01.07.2014. Again they submitted request on 01.07.2014 which was disposed of on 21.08.2014 allowing revalidation upto 30.11.2014. The Authorisation was remain valid for three months. The committee, therefore, did not accede to the request.

Case No 21: M/s Mauria Udyog Limited Delhi (RA, CLA, New Delhi)
F. No. **01/60/162/56/AM16/PRC**

PRC Meeting No. 12/AM18 dated 08.08.2017
Subject: Request for revalidation of DFIA No.0510329700 dated 13.07.2012

Decision: On perusal of RA, CLA report, the committee noted that the applicant submitted request for revalidation and transferability on 03.04.2014 and RA issued deficiency letter on 01.07.2014 taking three months. Revalidation was endorsed on 21.08.2014 which was uploaded in the server on 27.08.2014. The Authorisation was revalidated till 30.09.2014. Thus the Authorisation holder had no time to complete imports. The committee, therefore, decided to allow three month's further revalidation from the date of endorsement. The applicant is directed to get the endorsement from RA within a month from the date of uploading of these minutes on the Directorate website.

(Action: Applicant/RA, CLA)

Case No 22: M/s Multivac India Pvt. Ltd. New Delhi (RA, **CLA, New Delhi)**
F. No. **01/60/162/1014/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for acceptance of Bank Certificate instead of BRC and typing error in thickness 5 MM mentioned on S/Bill for redemption of Advance Authorization No. 0510173453 dated 02.01.2006.

Decision: The committee noted that the Authorisation in question was issued in 2006 and shipment towards discharge of export obligation were effected in 2005. The company, as reported was not working since 2010. However, as per procedure, the Authorisation must have been redeemed by 2006. Bank certificate on Appendix 22A is acceptable, as e-BRC came into issue in 2012. The applicant should, therefore, submit BRC on Appendix-22A. So far as request for waiver of thickness, the committee did not agree to waive such condition. Exporter should have declared the consumption of input as per Authorisation. Any mistake in Shipping Bill can be rectified by the Customs Authority only within the prescribed time under Customs Act and not by PRC. The committee, therefore, did not accede to the request.

The applicant is hereby directed to regularized the case within a month from the date of uploading of these minutes on the Directorate website failing which RA shall initiate action under the provisions of F.T.(D&R) Act, 1992, as amended.

(Action: Applicant: RA, CLA)

Case No 23: M/s United Cholo- paraffins Pvt. Ltd., Kolkata (RA, Kolkata)
F. No. **01/60/162/1244/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for 2nd revalidation of Authorization No.0210205755 dated 30.04.2015 for the period of 6 months

Decision: The committee noted that the Authorisation was issued having initial validity of 12 months to import. The RA has allowed six months' further revalidation on the request of the applicant. Despite allowing the revalidation by RA, applicant did not complete imports within extended period also. No cogent reason which establishes genuine hardship has been submitted by the applicant. The committee. therefore. did not accede to the request.

Case No 24: M/s Sartorius Stedim India Pvt. Ltd., Bangalore. (RA, Bangalore)
F. No. **01/60/162/20/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for condonation of non-filing of Bill of export against Advance Authorization No. 0710080361 dated 04.07.2011.

Decision: 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, the committee was of the view that requirement of 'Bill of Export' cannot be dispensed with. Further, 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.

The Committee, therefore, did not accede to the request. Accordingly, 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) if the applicant fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website, RA shall initiate action as per the provisions of F.T. (DR) Act, 1992, as amended.

Case No 25: M/s. Sartorius Stedim India Pvt. Ltd., (RA, Bangalore)
F. No. **01/60/162/19/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for condonation of non-filing of Bill of export Advance authorization No. 0710073648 dated 17.08.2010 (RA Bangalore)

Decision: Decision at case No 24 is reiterated.

Case No 26: M/s. Sartorius Stedim India Pvt. Ltd., (RA, Bangalore)
F. No. **01/60/162/21/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for condonation of non-filing of Bill of export Advance authorization No. 0710076205 dated 21.12.2010

Decision: Decision at case No 24 is reiterated.

Case No 27: M/s BOS Natural Flavors Pvt. Ltd., Cochin (RA, Cochin)
F. No. **01/60/162/25/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: - Request for extension of EOP of Authorization No.1010059435 dated 31.03.2016

Decision: It was noted that the Authorisation in question was issued to allow import of Oleoresin Black Pepper with pre-import condition and 120 day's period for fulfillment of export obligation from import of each consignment. The applicant was aware fully that extension in EOP is not allowed in such cases. However, taking into consideration the facts that 73.70% export obligation has been fulfilled within initial period and 25.40% thereafter, the committee decided the following:

i. Export obligation period be extended further for two months in continuity for each consignment.
ii. This will, however, be subject to payment of a composition fee @ 0.5% per month of unfulfilled FOB value;
iii. Shipping bill effected indicating EDI File No/Authorisation No shall only be accounted for.

(Action: Applicant/RA, Cochin)

Case No 28: M/s Larsen & Toubro Ltd., Mumbai (RA, Mumbai)
F. No. **01/60/162/36/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: - Request for waiver in policy and granting extension in validity of SCOMET License No. 0075414 dated 11.9.2014.

Decision: It was decided to refer the case to Export Policy (SCOMET Cell)

(Action: SCOMET Section)

Case No 29: M/s Magsons Exports New Delhi (RA, CLA)
F. No. **01/60/162/901/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension of Advance Authorization No.0510379076 dated 11.02.2014 upto 36 months.

Decision: It was noted that the Authorisation in question was issued having initial export obligation period of 18 months. The applicant has stated to have fulfilled 75.73% export obligation within this period. As per Para 4.42 of HBP, 2015-2020, RA is empowered to allow two extensions of six months each on payment of applicable composition fee. However, the facility available has not been availed by the applicant. The committee, therefore, decided the following:

i. Export obligation period be extended from 18 to 36 months in continuity.
ii. This will, however, be subject to payment of a composition fee @ 0.5% of unfulfilled FOB after 18th month but upto 24th month and 0.5% per month of unfulfilled FOB value of export made from 24th month but upto 30th month and @ 1% per month of unfulfilled FOB value of export made from 30th month but upto 36th month;
iii. Exports effected indicating EDI File No/Authorisation No on shipping bills shall only be accounted for;
iv. Minimum prescribed VA is maintained.

(Action: Applicant/RA, CLA)

Case No 30: M/s Nagreeka Indcon Products (P) Ltd., Mumbai (RA, Mumbai)
F. No. **01/60/162/58/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for 2nd extension in E.O. period for six months against Advance License No.0310713593 dated 25.10.2012

Decision: It was noted that the Authorisation in question was issued having initial export obligation period of 18 months. RA has allowed six month's extension on request of the applicant. The applicant has stated to have fulfilled 28.50% export obligation within this period and 71% thereafter. As per Para 4.42 of HBP, 2015-2020, RA is empowered to allow two extension of six months each on payment of applicable

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composition fee. However, second extension is allowed provided 50% exports are completed. Since, EO has been fulfilled on provisional basis, the committee decided the following:

i. Export obligation period be extended from 24 months to 36 months in continuity.
ii. This will, however, be subject to payment of a composition fee @ 0.5% per month of unfulfilled FOB value of exports made after 24th month but upto 30th month and @ 1% per month of unfulfilled FOB value of export made after 30th month but upto 36th month;
iii. Export effected indicating EDI File No/Authorisation No on shipping bills shall only be accounted for;
iv. Minimum prescribed VA is maintained.

(Action: Applicant/ RA, Mumbai)

Case No 31: M/s Lupin Ltd., Mumbai (RA, Mumbai)
F. No. **01/60/162/1243/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for waiver of PC-18 condition of three Advance Authorisations No. 0310755085 dated 23.10.2013, 0310775893 dated 26.03.2014 and 310790316 dated 16.10.2014 RA Mumbai

Decision: The committee noted that the Authorisations in question were issued to allow import of drugs from unregistered sources with pre-import condition and fulfillment of EO within 12 months from import of each consignment in terms of PC-9 read with Appendix-4J. The applicant was ware of these facts fully. Transfer of raw materials from one Authorisation to other is not permitted in such cases. And, exports made prior to import is not accounted for. In the instant case, export under first Authorisation have been completed 495% and import under subsequent Authorisations have been made thereafter. The committee, therefore, did not accede to the request.

The applicant is hereby directed to get the cases regularized in terms of Para 4.49 of HBP read with PC-18 dated 30.10.2007.

(Action: Applicant/RA, Mumbai)

Case No 32: M/s. Century Pulp & Paper, Kolkata (RA, Kolkata)
F. No. **01/60/162/42/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for condonation of fulfillment of minimum 50 % export & extension from 30 to 36 months from the date of issuance of AA of Authorization No: 0210204815 dated 19.08.2014.

Decision: It was noted that the Authorisation in question was obtained in terms of Para 4.7 of HBP, 2009-2014 under self-declaration scheme being no SION for the resultant product. The applicant stated to have completed 18% EO within initial 18 months and 47.99% within 24 months and 61.27% within 30 months. They have obtained first extension of six months from RA concerned. The committee, therefore, decided the following:

i. Export obligation period be extended from 24 months to 36 months in continuity.
ii. This will, however, be subject to payment of a composition fee @ 0.5% per month of unfulfilled FOB value of exports made after 24th month but upto 30th month and @1% per month of unfulfilled FOB value of exports made after 30th month but upto 36th month;
iii. Export effected indicating EDI File No/Authorisation No on Shipping Bills shall only be accounted for;
iv. Minimum prescribed VA is maintained.

(Action: Applicant/RA, Kolkata)

Case No 33: M/s. Jindal Saw Ltd., New Delhi (RA, CLA)
F. No. **01/60/162/46/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for claim against 12 shipments made to OMAN in currency OMR under MEIS

Decision: Deferred for seeking details from the applicant. The applicant shall submit copy of e-BRC and details of payment in actual currency received by Bank whether OMR or US$.

(Action: Applicant)

Case No 34: M/s. Torrent Pharmaceuticals Ltd., Ahmedabad (RA, Ahmedabad)
F. No. **01/60/162/43/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension to Advance Authorization No. 0810132835 dated 25.07.2014 issued under PC-9 conditions.

Decision: **The Committee noted that the Authorisation was issued with conditions stipulated under PC-9 dated 30.06.2003 read with appendix 30A, which allows 12**

month's period for EO fulfilment from import of each consignment. The applicant has imported goods on 23.08.2014. Accordingly, initial obligation period was upto 31.08.2015. The applicant has stated to have completed 49.10% of its stipulated export obligation during the initial export obligation period and 50.90% outside the validity period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto **28.02.2016**.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @1% per month of unfulfilled FOB value of exports made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
v. Export effected indicating EDI File No/Authorisation No on Shipping Bills shall only be accounted for;
vi. Export effected indicating EDI File No/Authorisation No shall only be accounted for.

(Action: RA, Ahmedabad)

Case No 35: M/s. Lupin Ltd., Mumbai (RA, Mumbai)
F. No. **01/60/162/934/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for review of decision dated 01.02.2017 and allow EOP extension against Advance Authorization no. 0310795997 dated 19.05.2015 issued under PC-9 conditions.

Decision: The committee discussed the caser at length at decided to reiterate the decision dated 01.02.2017 taken in meeting No 30/AM17, as no new facts brought.

(Action: applicant/RA, Mumbai)

Case No 36: M/s. Lupin Ltd., Mumbai (RA, Mumbai)
F. No. **01/60/162/1242/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension of Advance Authorization No. 0310744341 dt. 06.08.2013 issued under PC-9 conditions.

Decision: The Committee noted that the Authorisation was issued with conditions stipulated under PC-9 dated 30.06.2003 read with appendix 30A, which allows 12 month's period for EO fulfilment from import of each consignment. The applicant has imported goods on 26.08.2013. Accordingly, initial obligation period was upto 26.08.2014. The applicant has completed 53% of its stipulated export obligation during the initial export obligation period and 47% outside the validity period. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, i.e. upto **28.02.2015**.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 0.5% per month of unfulfilled FOB value;
IV. RA shall check that 50% exports against each consignment were made within initial export obligation period. If not, composition fee will be charged @ 1% per months;
V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained;
vii. Export effected indicating EDI File No/Authorisation No on shipping bills shall only be accounted for.

(Action: RA, Ahmedabad)

Case No 37: M/s. Rossell Techsys, Bangalore (RA, Bangalore)
F. No. **01/60/162/37/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for conversion of Advance Authorization into 100 % EOU Authorization No: 0710100433 dt. 11.12.2013

Decision: Deferred for seeking report from RA/DC, Mangalore SEZ whether goods imported under Advance Authorisation were accounted for NEF calculation)

(Action: DC, Mangalore/RA, Bangalore)

Case No 38: M/s. Fair Export, Panipat (RA, Panipat)
F. No. **01/60/162/50/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for issue of revised Duty Credit Scrip under MEIS in lieu Scrip No 3319008379 Dated: 07.03.2017.

Decision: The applicant stated that they mentioned ITC HS No 57050090 instead of 57039010 while making shipment under 14 shipping bills. HS 57050090 attract only 2% rate whereas HS 57039010 attract 5% rate under MEIS scheme. Accordingly, RA Panipat has issued Duty Credit Scrip @ 2%. The mistake was due to lack of knowledge. Hence requested to allow supplementary claim for differential amount.

The committee, discussed the case at length. It was observed that power to amend shipping bill lies with commissioner of Customs under Customs Act and not with DGFT. If it was mistake, the applicant should have had approach the Customs

Authority within the time prescribed for amendment of Shipping bill. The committee, therefore, did not accede to the request.

Case No 39: M/s. Bharat Serums and Vaccines Ltd. Mumbai (RA, Mumbai)
F. No. **01/60/162/245/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Extension in validity of Duty Credit Scrip no. 0310799157 dated 05.10.2015 issued under SFIS scheme as per provision eligible as per Para 2.20. of HBP.

Decision: The committee noted the Duty Credit Scrip in question was issued to M/S Siro Clinpharma Pvt Ltd having initial validity of 18 months to import. The Scrip was transferred to the applicant being group company. The applicant imported goods. However, Customs Audit raised objection and demanded duty and interest for disputed import on 16.12.2016. The applicant stated to have paid the same on 16.10.2016 and matter regularized on 03.02.2017. Subsequently, Customs Authority allowed re-credit vide order dated 16.12.2016. There is no sequence in orders. The committee failed to understand as to how re-credit was issued on 16.12.2016 whereas matter was regularized on 03.02.2017 and when the applicant accepted the demand and paid duty where question of re-credit arose?

The committee, therefore, did not accede to the request.

Case No 40: M/s. Bharat Serums and Vaccines Ltd. Mumbai
F. No. **01/60/162/246(A)/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Extension in validity of SFIS Authorization no. 0310799156 dt. 05.10.2015 as per provision eligible as per para 2.20 of HBP.

Decision: Decision at case No 39 is reiterated.

Case No 41: M/s. Bharat Serums and Vaccines Ltd. Mumbai
F. No. **01/60/162/240/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Extension in validity of SFIS Authorization no. 0310799165 dt. 05.10.2015 as per provision eligible as per para 2.20 of HBP.

Decision: Decision at case No 39 is reiterated.

Case No 42: M/s. Bharat Serums and Vaccines Ltd. Mumbai
F. No. **01/60/162/246/AM18/PRC**

PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Extension in validity of SFIS Authorization no. 0310799172 dt. 05.10.2015 as per provision eligible as per para 2.20 of HBP.

Decision: Decision at case No 39 is reiterated.

Case No 43: M/s. Bharat Serums and Vaccines Ltd. Mumbai
F. No. **01/60/162/243/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Extension in validity of SFIS Authorization no. 0310799167 dt. 05.10.2015 as per provision eligible as per para 2.20 of HBP.

Decision: Decision at Case No 39 is reiterated.

Case No 44: M/s. Bharat Serums and Vaccines Ltd. Mumbai
F. No. **01/60/162/244/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Extension in validity of SFIS Authorization no. 0310799166 dt. 05.10.2015 as per provision eligible as per para 2.20 of HBP.

Decision: Decision at Case No 39 is reiterated.

Case No 45: M/s. Bharat Serums and Vaccines Ltd. Mumbai
F. No. **01/60/162/241/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Extension in validity of SFIS Authorization no. 0310799174 dt. 05.10.2015 as per provision eligible as per para 2.20 of HBP.

Decision: Decision at Case No 39 is reiterated.

Case No 46: M/s. Bharat Serums and Vaccines Ltd. Mumbai
F. No. **01/60/162/242/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Extension in validity of SFIS Authorization no. 0310799169 dt. 05.10.2015 as per provision eligible as per para 2.20 of HBP.

Decision: Decision at Case No 39 is reiterated.

Case No 47: M/s PVS Agro Vet, Vijaywada (RA, Hyderabad)
F. No. **01/60/162/06/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for waiver of procedural requirement of HBP / condonation of not mentioning advance authorization No.0910061105 dated 16.10.2014 in the shipping Bills submitted towards fulfillment of export obligation.

Decision: It was noted that in terms of Para 4.27(a) of HBP, 2015-20, export/supply made after generating EDI File No/Authorisation No shall only be accounted towards discharge of export obligation. The Authorisation holder shall indicate the File No/Authorisation No on shipping Bills for co-relation. Whereas in terms of 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. Therefore, exports made under free shipping bills are not accounted for discharge of export obligation, as free shipping bills have no co-relation of duty free imported inputs and export product. Such shipping bills are not verified and assessed by Customs Authority. The committee, therefore, did not accede to the request.

The applicant is hereby directed to get the case regularized in terms of Para 4.49 of HBP, 2015-20 within a month from the date of uploading of these minutes on the Directorate website failing which action under the provisions of F.T.(D&R) Act, 1992, as amended shall be initiated by RA.

Case No 48: M/s. Ravi Foods Pvt. Ltd., Hyderabad (RA, Hyderabad)
F. No. **01/60/162/58/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: - Request for Revalidation of DFIA No. 0910055370 dated 12.03.2013.

Decision: The case was discussed at length in the meeting No 32/AM17 held on 07/03/2017 continued on 09.03.2017. It was decided to seek comments of DG System through Policy-4 section for forming a final view. On perusal of DG System's report received vide letter No IV(35)/48/2013/System-pt/4651 dated 17.07.2017, it was mentioned that though there was no provision to select any inputs other than those mentioned in the licence however, the exporter can declare any other information, such as details of specific inputs, in the description column. Since, Para 4.1.15 was inserted vide Notification No 31 dated 01.08.2013 in the FTP, 2009-2014, the applicant was supposed to declare the utilization of actual duty free inputs for seeking replenishment thereof under DFIA. Exports under this Authorisation were made after

01.8.2013, dispensation of such requirement cannot be waived. Therefore, no purpose would be served by allowing revalidation of the Authorisation. The committee, therefore, did not accede to the request.

Case No 49: M/s. Alcon Food Packaging, Kolkata. (RA, Kolkata)
F. No. **01/60/162/933/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for review of committee decision dated 09.3.2017 and allow EOP extension against Advance Authorization no. 0210204275 dated 30.06.2014.

Decision: The committee noted that the Authorisation in question was issued to allow duty free import of inputs with obligation to fulfill stipulated export obligation within 18 months from the issue of the Authorisation. The applicant has imported 100% and get six month's extension from the RA concerned. However, despite that he has fulfilled only 0.18% export obligation so far. No new facts have been brought by the applicant hence the committee reiterated its decision dated 09.03.2017.

The applicant is hereby directed to get the case regularized in terms of Para 4.49 of HBP within a month from the date of uploading of these minuets on the Directorate website, failing which action under the provision of F.T.(D&R)Act, 1992, as amended shall be initiated by RA.

(Action: Applicant/RA, Kolkata)

Case No 50: M/s. Cadila Healthcare Ltd. Ahmedabad (RA, Ahmedabad)
F. No. **01/60/162/34/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension of Advance Authorization no. 0810135235 dt. 08.05.2015 issued under PC-9 conditions.

Decision: The Committee noted that the Authorisation was issued with conditions stipulated under PC-9 dated 30.06.2003 read with Appendix-4J, which allows 12 month's period for EO fulfillment from import of each consignment. The applicant has imported inputs through a consignment on 25.05.2015, 10.07.2015, 19.09.2015 & 20.04.2016. Accordingly, initial obligation period was upto 24.05.2016, 09.07.2016, 18.9.2016 & 19.04.2017, respectively. The applicant has stated to have completed 21.82% of its stipulated export obligation during the initial export obligation period and remaining 78.18% thereafter. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months, in continuity against each consignment.
II. This is only for accounting and regularization of exports already effected.
III. This is subject to payment of a composition fee @ 1% per month of unfulfilled FOB value of export made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
V. Exports effected indicating EDI File No/Authorisation No on shipping bill shall only be accounted.
VI. Shortfall, if any, shall be regularised in terms of Para 4.49 of HBP, 2015-2020.
VII. PC-18 dated 30.10.2007 condition to be followed.

(Action: RA, Ahmedabad)

Case No 51: M/s. Cadila Healthcare Ltd. Ahmedabad
F. No. **01/60/162/32/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension of Advance Authorization no. 0810133571 dt. 13.10.2014 issued under PC-9 conditions.

Decision: The Committee noted that the Authorisation was issued with conditions stipulated under PC-9 dated 30.06.2003 read with Appendix-30A, which allows 12 month's period for EO fulfillment from import of each consignment. The applicant has imported inputs through a consignment on 25.11.2014, 29.04.2015, 22.05.2015, 27.07.2017, 18.09.2015, 27.10.2015, 24.11.2015, 16.04.2016 & 18.04.2016. Accordingly, initial obligation period was upto 24.11.2015, 28.04.2016, 21.05.2016, 26.07.2016, 17.09.2016, 26.10.2016, 23.11.2016, 15.04.2017 & 17.04.2017, respectively. The applicant has stated to have completed 67.89% of its stipulated export obligation during the initial export obligation period and 18.79% thereafter. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months in continuity against each consignment.
II. This is only for accounting and regularization of exports already effected/to be effected;
III. This is subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period;
IV. RA shall check that minimum 50% exports are made against each consignment during initial obligation period. If not, composition fee will be charged @1% per month.
V. Export effected indicating EDI File No/Authorisation No on shipping bill shall only be accounted.

VI. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
VII. Shortfall, if any, shall be regularized in terms of Para 4.49 of HBP, 2015-2020.
VIII. PC-18 dated 30.10.2007 condition to be followed.

(Action: RA, Ahmedabad)

Case No 52: M/s. Cadila Healthcare Ltd. Ahmedabad
F. No. **01/60/162/33/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension of Advance Authorization no. 0810135233 dt. 08.05.2015 issued under PC-9 conditions.

Decision: The Committee noted that the Authorisation was issued with conditions stipulated under PC-9 dated 30.06.2003 read with Appendix-4J, which allows 12 month's period for EO fulfillment from import of each consignment. The applicant has imported inputs through a consignment on 15.05.2015, 30.09.2015, 18.11.2015 & 02.05.2016. Accordingly, initial obligation period was upto 14.05.2016, 29.09.2016, 17.11.2016 & 01.05.2017 respectively. The applicant has stated to have completed 41.81% of its stipulated export obligation during the initial export obligation period and 13.52% thereafter. Taking into consideration all these facts, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months in continuity against each consignment.
II. This is only for accounting and regularization of exports already effected/to be effected.
III. This is subject to payment of a composition fee @ 1% per month of unfulfilled FOB value of export made/to be made after initial obligation period.
IV. Export effected indicating EDI File No/Authorisation No on shipping bill shall only be accounted.
V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
VI. Shortfall, if any, shall be regularized in terms of Para 4.49 of HBP, 2015-2020.
VII. PC-18 dated 30.10.2007 condition to be followed.

(Action: RA, Ahmedabad)

Case No 53: M/s. Sun Pharmaceutical Industries Ltd., Mumbai
F. No. **01/60/162/54/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension of Advance Authorization no. 0310790699 dt. 03.11.2014 issued under PC-9 conditions.

Decision: The Committee noted that the Authorisation was issued with conditions stipulated under PC-9 dated 30.06.2003 read with Appendix-30A, which allows 12 month's period for EO fulfillment from import of each consignment. The applicant has imported inputs through a consignment on 21.01.2015. Accordingly, initial obligation period was upto 26.01.2016. The applicant has stated to have completed 46.45% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

i. Export obligation period be extended from 12 months to 18 months in continuity.
ii. This is only for accounting and regularization of exports already effected.
iii. This is subject to payment of a composition fee @ 1% per month of unfulfilled FOB value of export made after initial obligation period.
iv. Exports effected indicating EDI File No/Authorisation No on shipping bill shall only accounted.
v. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
vi. Shortfall, if any, shall be regularized in terms of Para 4.49 of HBP, 2015-2020.
vii. PC-18 dated 30.10.2007 condition to be followed.

(Action: RA, Ahmedabad)

Case No 54: M/s. Rusan Pharma Ltd., Mumbai
F. No. **01/60/162/1062/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Waiver PC-18 condition of Advance Authorization no. 0310704777 dt. 10.08.2012 issued under PC-9 conditions.

Decision: It was noted that the Authorisation was issued with pre-import condition to allow import of drugs from unregistered sources. The applicant was fully aware that accounting of such inputs are very important. Diversion of such inputs or resultant product manufactured out of it in the domestic tariff area is not permitted. Therefore, actual consumption of inputs is required to be declared in the shipping bills. In case any mistake committed while making shipment, request for amendment to Customs Authority can be made within prescribed time under the provisions of Customs Act. Consumption of raw materials declared in the shipping bills are treated as final, as the same is assessed and verified by the Customs Authority. It cannot be verified at later stage. Hence, dispensation of such mandatory condition is not allowed. The committee, therefore did not accede to the request.

The applicant is hereby directed to get the case regularized in terms of Para 4.49 of HBP, 2015-20 read with PC-18 dated 30.10.2007 within a month from the date of publication of these minutes on the Directorate website, failing which action under the provisions of F.T.(D&R) Act, 1992, as amended shall be initiated by RA.

(Action: applicant/RA, Mumbai)

Case No 55: M/s. UPL Ltd., Mumbai
F. No. **01/60/162/52/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for Revalidation of Duplicate Duty Credit Scrip (FMS) No: 0319034238 dt. 15.05.2015. (RA, Mumbai)

Decision: Deferred to seek report from RA

(Action: RA, Mumbai)

Case No 56: M/s. Sterling Auxiliaries Pvt. Ltd., Mumbai (RA, Mumbai)
F. No. **01/60/162/49/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: - Request for Clubbing of 9 Advance Authorization Nos.

1. 0310722511 dt. 31.01.2013
2. 0310722522 dt. 31.01.2013
3. 0310727321 dt. 07.03.2013
4. 0310749980 dt. 17.09.2013
5. 0310754972 dt. 23.10.2013
6. 0310754556 dt. 22.10.2013
7. 0310766056 dt. 13.01.2014
8. 0310786523 dt. 08.07.2014
9. 0310791701 dt. 04.12.2014 for redemption Purpose.

Decision: In terms of Para 4.38 of HBP, facility of clubbing of Authorisation is allowed provided all Authorisations are issued within 18 months and exports are completed within extended export obligation period of the first Authorisation. PRC allows relaxation to this Para provided imports (including in subsequent Authorisations) are made within the validity of first Authorisation and exports in the subsequent Authorisations are completed within 36 months of first Authorisation. These criteria are not met in the case under consideration. The committee, therefore, did not accede to the request.

The applicant is advised to approach the RA concerned for clubbing of Authorisations in two or more sets which meets the criteria stipulated under Para 4.38 of HBP. For shortfall, he has to get the case regularized in terms of Para 4.49 of HBP, 2015-20.

(Action: Applicant/RA, Mumbai)

Case No 57: M/s. Gland Pharma Ltd., Hyderabad (RA, Hyderabad)
F. No. **01/60/162/1063/AM17/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP Extension of Advance Authorization No. 0910062801 dt. 29.10.2015 issued under PC-9 Condition.

Decision: The Committee noted that the Authorisation was issued with conditions stipulated under PC-9 dated 30.06.2003 read with Appendix-4J, which allows 12 month's period for EO fulfillment from import of each consignment. The applicant has imported inputs through a consignment on 28.11.2015. Accordingly, initial obligation period was upto 27.11.2016. The applicant has stated to have completed 30% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

i. Export obligation period be extended from 12 months to 18 months in continuity.
ii. This is only for accounting and regularization of exports already effected.
iii. This is subject to payment of a composition fee @ 1% per month of unfulfilled FOB value of export made after initial obligation period;
iv. Exports effected indicating EDI File No/Authorisation No on shipping bill shall only accounted;
v. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained;
vi. Shortfall, if any, shall be regularized in terms of Para 4.49 of HBP, 2015-2020;
vii. PC-18 dated 30.10.2007 condition to be followed for unutilized materials.

(Action: Applicant/RA, Hyderabad)

Case No 58: M/s. Siria Impex (P) Ltd., New Delhi
F. No. **01/60/162/51/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: - Request for Revalidation of Advance Authorization No. 0510390157 dt. 06.08.2014.

Decision: It was noted that the Authorisation in question was issued having initial validity of 12 months to import. On request of the applicant, RA has allowed six month's further validity in terms of Para 2.20 of HBP, 2015-2020. Despite that the applicant could not complete its imports. Seeking relaxation to invoke provisions of old Policy 2009-2014 which allows validity till last date of month has no ground when six month's period was already allowed. No cogent reason of genuine hardship is established. The committee, therefore, did not accede to the request.

Case No 59: M/s. Emcure Pharmaceuticals Ltd., Pune (RA, Pune)
F. No. **01/60/162/57/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: - Request for EOP extension of Advance Authorization no. 3110065907 dated 04.02.2016 issued under PC-9 conditions.

Decision: The Committee noted that the Authorisation was issued with conditions stipulated under PC-9 dated 30.06.2003 read with Appendix-4J, which allows 12 month's period for EO fulfillment from import of each consignment. The applicant has imported a consignment on 21.06.2016. Accordingly, initial obligation period was upto 20.06.2017. The applicant has stated to have effected no exports so far. Taking into consideration the facts, the Committee decided the following:

i. Export obligation period be extended from 12 months to 18 months in continuity.
ii. This is subject to payment of a composition fee @ 1% per month of unfulfilled FOB value of export made/to be made after initial obligation period.
iii. Exports effected indicating EDI File No/Authorisation No on shipping bill shall only accounted.
iv. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: Applicant/RA, Pune)

Case No 60: M/s. Swiss Parenterals Pvt. Ltd., Ahmedabad (RA, Ahmedabad)
F. No. **01/60/162/56/AM18/PRC**
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Request for EOP extension of Advance Authorization no. 0810112584 dated 14.06.2012 issued under PC-9 conditions.

Decision: The Committee noted that the Authorisation was issued with conditions stipulated under PC-9 dated 30.06.2003 read with Appendix-30A, which allows 12 month's period for EO fulfillment from import of each consignment. The applicant has imported on 28.06.2012 and 16.09.2013. Accordingly, initial obligation period was upto 30.06.2013 and 30.09.2014, respectively. The applicant has stated to have completed

11.32% of its stipulated export obligation during the initial export obligation period and 68.22% thereafter. Taking into consideration all these facts, the Committee decided the following:

- i. Export obligation period be extended from 12 months to 18 months in continuity against each consignment.
- ii. This is only for accounting and regularization of exports already effected.
- iii. This is subject to payment of a composition fee @ 1% per month of unfulfilled FOB value of export made after initial obligation period.
- iv. Exports effected indicating EDI File No/Authorisation No on shipping bill shall only accounted.
- v. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
- vi. Shortfall, if any, shall be regularized in terms of Para 4.49 of HBP, 2015-2020.
- vii. PC-18 dated 30.10.2007 condition to be followed for unutilized raw materials.

(Action: Applicant/RA, Ahmedabad)

Case No 61: M/s Vayas Multi Trading Pvt. Ltd., New Delhi
File No 01/60/162/370/AM18/PRC
PRC Meeting No. 12/AM18 dated 08.08.2017

Subject: Condonation of delay in getting price fixed within due date and realize the proceeds against final invoice in terms of Para 4.82 (c) of HBP, 2015-2020

M/s Vayas Multi Trading Pvt. Ltd., New Delhi has made a request for condonation of delay in filing the necessary documents for availing the benefits under Replenishment Scheme under Para 4.82 (C) of HBP. Shipments of Gold Jewellery were made in the name of M/s Lotus Pvt Ltd and then company applied for change of name from M/s Lotus Pvt Ltd to M/s Vayas Multi Trading Pvt. Ltd. to ROC and then the name of the company was changed from M/s Lotus Bullions Pvt. Ltd. to M/s Vayas Multi Trading Pvt. Ltd. After that Company applied to Income tax department for change of name in PAN. Finally, name was also changed in IEC. This whole process of KYC norms took around 130 days.

Because of the delay in change in name of company, change in PAN Amendment in IEC, the applicant was not able to apply to M/s Diamond India Ltd.{DIL} (Nominated Agency) for replenishment of Gold within a time limit of 180 days in getting price fixed within due date and realize the proceeds against final invoice in terms of Para 4.82 (c) of HBP, 2015-2020. The applicant applied for replenishment to M/s DIL on 24.06.2017 in time, but 24th June and 25th June being public holidays the application for replenishment was processed on 26th June and informed that application not made in time. The applicant therefore requested to condone the three days delay.

Decision: The committee discussed the case at length and observed that the delay of 3 days happened due to change in name of the company and other amendments required for KYC norms etc. The Committee, therefore, agreed to allow condonation of delay in getting price fixed within due date and realize the proceeds against final invoice in terms of Para 4.82 (c) of HBP, 2015-2020.

The applicant is hereby directed to file claim before M/s DIL within a month from uploading of these minutes on the Directorate website.

(Action: Applicant/DIL)

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

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