Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee (PRC) Meeting held under the Chairmanship of Shri Alok Vardhan Chaturvedi, Director General of Foreign Trade

Meeting No. 19/AM19 held on 16.10.2018 at 10:30 AM

The following members were present in the meeting:

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

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

PH Case No.01: M/s Hindalco Industries Ltd., Mumbai
F. No. 01/60/162/496/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Request for revalidation in connection with requirement of debiting differential CIF value after expiry of the validity of advance authorisation at the time of finalisation of provisionally assessed bills of entry at customs (Total 36 advance authorisations).

The Advance Authorizations are as under:
(1) 3410026384 dated 17.02.2010 (2) 3410026611 dated 16.03.2010 (3) 3410029905 dated 13.04.2011 (4) 3410030596 dated 15.06.2011 (5) 3410030947 dated 18.07.2011 (6) 3410031096 dated 29.07.2011 (7) 3410031097 dated 29.07.2011 (8) 3410031825 dated 04.10.2011 (9) 3410031863 dated 11.10.2011 (10) 3410032454 dated 08.12.2011 (11) 3410033084 dated 01.02.2012 (12) 3410035617 dated 06.12.2012 (13) 3410035618 dated 06.12.2012 (14) 3410035619 dated 06.12.2012 (15) 3410035655 dated 14.12.2012 (16) 3410037685 dated 20.08.2013 (17) 3410039905 dated 29.04.2014 (18) 3410040387 dated 22.07.2014 (19) 3410040609 dated 10.10.2014 (20) 3410040776 dated 10.12.2014 (21) 3410041114 dated 31.03.2015 (22) 3410041116 dated 31.03.2015 (23) 3410041343 dated 02.07.2015 (24) 3410041437 dated 07.08.2015 (25) 3410041579 dated 06.10.2015 (26) 3410041697 dated 26.11.2015 (27) 3410041881 dated 12.02.2016 (28) 3410042186 dated 19.05.2016 (29) 3410042501 dated 14.09.2016 (30) 3410042644 dated 03.11.2016 (31) 3410042663 dated 10.11.2016 (32) 3410042771 dated 19.12.2016 (33) 3410042833 dated 12.01.2017 (34) 3410042834 dated

12.01.2017 (35) 3410042909 dated 06.02.2017 and (36) 3410043000 dated 08.03.2017.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, Shri Sushil Pareek, President –Taxation, appeared before the committee on behalf of the firm and made the following submissions:

- The firm wanted Customs Authorities to finalise provisionally assessed bills of entry covered under advance authorisation..
- The Customs Authority expressed difficulty in debiting the licenses as the CBEC instruction dated 28th September, 2016 instructed discontinuance of manual debit in advance authorisation at EDI Customs. As a result, it has become necessary to make debit and credit under advance authorisation in EDI system only. Therefore, the technical incapability of EDI system and absence of possibility of re-opening the license in the system requires revalidation of licences
- Concerned Deputy Commissioner has further stated in their communication that in order solve the issue, the DGFT may take appropriate steps either by integrating the EDI system with DGFT or any possibility such as re-opening of license in the system or any other option, if available, may be executed. They have informed that on implementation of IDPMS by the Reserve Bank of India to facilitate online reconciliation of outward remittance of Foreign Exchange with the actual imports, it has become mandatory to submit bill of entry with the final transaction value, to the authorised dealers (Banks) to knock-off the outstanding outward payment details in the bank ledger of the importers failing which IE code would appear in caution list. The last date for submission of BOE's for period up to 30.09.2016 is 01.10.2018.

Decision: The Committee heard the submission made by the representative of the firm and after discussing the matter at length, decided that the imports have already been made and firm has actually suffered problem which was beyond their control and hence acceded to the request of the firm for grant of revalidation of above 36 Advance Authorizations for six months from the date of endorsement so that customs authorities can finalise provisionally assessed Bills of Entries..

Action: (Applicant/RA)

PH Case No.02: M/s Greenply Industries Ltd., New Delhi
No. 01/60/162/273/AM17/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Revalidation of six advance authorisation Nos.(1) 0510379239 dated 12.02.2014 (2) 0510382380 dated 21.03.2014 (3) 0510383898 dated 09.04.2014 (4)

0510383899 dated 09.04.2014 (5) 0510379242 dated 12.02.2014 and (6) 0510383895 dated 09.04.2014

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, Shri Ashok Sharma, CFO, appeared before the committee on behalf of the firm and made the following submissions:

The firm has stated that 6 advance authorisation issued by CLA, New Delhi got expired in August,/September/October 2015 by the time they got the PRC decision which was uploaded on the DGFT website, and they approach the RA for its implementation.

Due to Hon"ble Guwahati High Court order dated 31.10.2014 and composite Scheme of arrangement dated 08.01.2015, their two decorative laminates manufacturing and export unit got demerged and had become Greenlam Industries Ltd., (IEC No.1414002017) and until and unless they get addition of Greenlam Industries Ltd., (IEC No.1414002017) as Co-licensee and supporting Manufacturer in the advance authorisation, they could not do any further exports/imports under the above six advance authorisation. Since their request for implementation of PRC decision along with a revalidation for another six months was made to RA office at New Delhi and although the PRC decision was implemented, but their request for 2nd revalidation of the authorisation was similarly rejected by RA asking them vide their letter dated 18.12.2015 to approach PRC for permission to obtain necessary second revalidation. Thereafter, they approached the PRC vide their letter dated 28.03.2016 acknowledged by this office with all relevant fees papers and documents to take up their case to allow Second revalidation in order to complete their balance imports against advance authorisation. Similarly in cases where imports have been completed before the demerger process and some exports are yet to be completed, if they are not allowed to complete the same. They shall be booked for non completion of export obligation and compliance of the regularisation process as per the provision of Policy and Procedure, thereby again incurring huge losses without any fault of theirs.

Decision: The Committee heard the submission made by the representative of the firm and after discussing the matter at length decided that the firm has actually suffered problem which was beyond their control and hence acceded to the request of the firm for grant of revalidation of above 6 Advance Authorizations for a period of six months from the date of endorsement.

Action: (Applicant/RA)

PH Case No.03: M/s Plasma Impex Inc. Noida
F. No. 01/60/162/750/AM18/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Consideration of 2% incremental progress for the year 2012-13 with 2013-14.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.04: M/s JVS Exports Madurai
F. No. 01/60/162/486/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Grant of MEIS benefit on shipment made with ITCHS 63029100 (as against ITCHS 63029190) with the confirmation of amendment of shipping bills

The ITCHS code 6309190 was eligible whereas in ICEGATE this was not enabled. Hence they have filed the SB's using ITCHS code 63029100 as suggested by ICEGATE. 63029100 do not have the MEIS benefit and hence they have filed an application for resolution with DGFT about this issue. Subsequently DGFT have issued public notice No.29 dated 09.08.2018 as resolution for this issue. Upon receipt of the public notice the ITCHS code 63029100 can take the benefit as per 63029190 with the waiver of late cut fee for the period from April 2015 to September 2015. However, firm is unable to create the application because there are 3 issues persists even after the issuance of the public notice 29 dated 09.08.2018.First issue is that PN permits from April 2015 to September 2015 whereas it must be extended with waiver of late cut fee till October 2015 because they have submitted the amendment of shipping bills obtained from customs is from April 2015 to October 2015. Second issue is that they are unable. to create the application after the decision through the PN because the script value is not calculating properly, and late fee is not still not waived (E-Com file will be created, and E-com number can be provided if needed).Thirdly, there are shipping bills which are having other export product in addition with 63029100 in the same shipping bills (example -63026090, 63079020,62160010, 63071010,etc) As per MEIS EDI application, they can create application for the entire shipping bill hence they did not apply MEIS because they were waiting for the decision from DGFT for ITCHS 63029190 issue. Now they need to create application for the shipping bill which contains other ITCHS along with 63029190 in the same shipping bills. This needs to be resolved by extending the benefit for entire shipping (all HS code alognwith 63029100) where the SB has ITCHS Code 63029100 found in the SB with the waiver of late cut fee for entire shipping bill from April 2015 to October, 2015.

Decision: The Committee went through the submission made by the firm and after discussing the matter at length and decided that the firm has actually suffered genuine hardship and hence acceded to the request of the firm to Grant of MEIS benefit on shipment made with ITCHS 63029100 as per the PN no.29/9.8.18.

Action: (Applicant/RA)

PH Case No.05: M/s H.D. Wire Pvt. Ltd., Indore
F. No. 01/60/162/17/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Revalidation of three advance authorisation No.5610004883 dated 31.03.2016 (2)5610004884 dated 18.04.2016 and 5610004924 dated 09.06.2016

<u>**Decision**</u> The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected. In the meanwhile, it decided that report from RA Indore in the matter be obtained expeditiously.

(Action: PRC Section/Applicant)

PH Case No.06: M/s Healthcaps India Ltd., Chandigarh
F. No. 01/60/162/404/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Grant them MEIS benefit against shipping bills containing different ITCHS code other than the ITC HS code mentioned in the MEIS schedule.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, Shri Om Prakash Gupta, CFO, appeared before the committee on behalf of the firm and made the following submissions:

The product is covered under Sr. No.7808 of MEIS schedule for product having HS code as 96020030. Due to ambiguity in ITCHS code classification, they had registered their product with Central Excise Department under Tariff Heading 35030020. Since their product was registered under heading 35030020; they had to mention 35030020 at the time of exports. On approaching Customs , the Customs has confirmed that their product viz empty Gelatin Capsules, is actually covered under ITC classification No.96023300 and not under 35030020. As they could not amend their classification from 35030020 to 96020030 during period of exports in respect of their shipping bills, they made export using the incorrect tariff heading 35030020. Due to ambiguity in ITC/HS code classification they approached Customs tariff unit for correct ITCHS code classification of the product and they got the clarification on 05.04.2017 from customs tariff units. Now they have amended the tariff heading of their product viz Gelatin Capsules empty to 96020020 with the Excise Department also and henceforth, all exports are taking place under this tariff only.

Decision: The Committee heard the submission made by the representative of the firm and discussed the matter at length. The Committee found that the problem faced by the firm was beyond their control and decided to grant them MEIS benefit against shipping bills where customs authorities have corrected the ITC HS number to 96020020 viz. Empty gelatine capsules, as per rate applicable in this case.

Action: (Applicant/RA)

PH Case No.07: M/s Whirlpool of India Ltd., Gurgaon
F. No. 01/60/162/293/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Revalidation of advance authorisation No.0510322554 dated 19.04.2012.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.8: M/s Plantinium Tie-up Pvt. Ltd.,
F No. 01/60/162/496/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Revalidation of advance authorisation No.0810137686 dated 15.04.2016

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.09: M/s Manglam Drugs and Organics Limited Mumbai

F.No. 01/60/162/407/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018
Subject: Accepting of payment realised from Normal Account of the SEZ unit against advance authorisation No.0310803128 dated 08.03.2016

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, Shri Dhoot G.M, Chairman & MD appeared before the Committee on behalf of the firm and made the following submissions:

They have exported goods to Cipla Ltd., Pithampur SEZ unit under advance authorisation but the payment is not realised from Foreign Currency account of the SEZ unit. This is their unintentional mistake and their buyer (Cipla Ltd.) has also seems to have overlooked this requirement unintentionally. They requested for relaxation of para 4.21 (iii) 2015-20 since the payment is not realised from Foreign Currency account of SEZ unit of Cipla Ltd., for supplies made against above advance authorisation. During PH, firm informed that their buyer has now agreed to make the payment from their EEFC account as they will be returning payments already received in rupees from SEZ unit.

<u>**Decision**</u>: The Committee heard the submission made by the firm and discussed the matter at length and decided to accept the request of the firm on the ground that SEZ unit will make payment from their EEFC account and firm will return payments already received by them.

(Action: Applicant/RA)

PH Case No.10: M/s S R B International, Delhi
F. No. 01/60/162/359/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: To allow at least 6 months time from the date of uploading the BRCs to file the claim against the shipment pertaining to the period of 2013-14 2014-15 and 2015016 as all of their payment were realised on time.

<u>**Decision**</u>: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.11: M/s Sri Salasar Balaji Agro Tech (P) Ltd.,
F. No. 01/60/162/849/AM13/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: To grant status start Export house w.e.f 01.04.2012 on the basis of exports made during AM 2007-2008 AM 2008-2009 and AM 2009-2010

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, Shri Ramakant Khetan, Financial Adviser (CA) appeared before the Committee on behalf of the firm and made the following submissions:

They had sent their request for Star Export House recognition w.e.f 01.04.2010 as per para 3.10.2 of FTP 2009-14 by registered post vide their postal receipt No.4562 dated 31.03.2011 issued by Adilabad Post Office, nearest Post office situated from their Registered Office address, which was received by RA, Hyderabad on 04.04.2011, as 2nd and 3rd April were Saturday and Sunday respectively. They submitted a copy of D/L dated 25.04.2011 issued by RA Hyderabad whereby they have asked them to submit documents to grant them Star Export House Status w.e.f. 01.04.2011 instead of 01.04.2010 due to said delay of two working days in receipt of said file. They had personally met RA, Hyderabad on 18.12.2012 in respect of their said pending application. They were advised to approach the DGFT, New Delhi to condone delay of two working days in submitting/receipt of application for grant of status w.e.f.01.04.2010. In fact they are eligible for start export house certificate w.e.f 01.04.2009 also, but right now they are requesting to consider their application for grant of start Export house certificate from retrospective date of 01.04.2009 as they had not applied for the same during licencing year AM 2009-10.

Decision: The Committee heard the submission made by the firm and discussed the matter at length and found no merit in the case and hence decided to reject it.

(Action: Applicant)

PH Case No.12: M/s Sterling Auxilaries Pvt. Ltd., Mumbai
F. No. 01/60/162/496/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Extension in E.O. period of advance authorisation No.0310806464 dated 21.07.2016 because of the accident occurred in their factory on 31.07.2017

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.13: M/s Sterling Auxilaries Pvt. Ltd., Mumbai
F. No. 01/60/162/450/AM19/PRC

PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Extension in E.O. period of advance authorisation No.0310802661 dated 17.02.2016.2016 because of the accident occurred in their factory on 31.07.2017

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.14: M/s Sterling Auxilaries Pvt. Ltd., Mumbai
F. No. 01/60/162/450/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018
Subject: Extension in E.O. period of advance authorisation No.0310806465 dated 21.07.2016.2016 because of the accident occurred in their factory on 31.07.2017

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.15: M/s Sterling Auxilaries Pvt. Ltd., Mumbai

F. No. 01/60/162/447/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018
Subject: Extension in E.O. period of advance authorisation No.0310799822 dated 29.10.2015 because of the accident occurred in their factory on 31.07.2017

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.16: M/s Sterling Auxilaries Pvt. Ltd., Mumbai

F. No. 01/60/162/452/AM19/PRC

PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Extension in E.O. period of advance authorisation No.0310806458 dated 21.07.2016 because of the accident occurred in their factory on 31.07.2017

__Decision__: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.17: M/s Sterling Auxilaries Pvt. Ltd., Mumbai

F. No. 01/60/162/448/AM19/PRC

PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Extension in E.O. period of advance authorisation No.0310806581 dated 21.07.2016 because of the accident occurred in their factory on 31.07.2017

__Decision__: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.18: M/s Sterling Auxilaries Pvt. Ltd., Mumbai

F. No. 01/60/162/449/AM19/PRC

PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Extension in E.O. period of advance authorisation No.0310802283 dated 08.02.2016 because of the accident occurred in their factory on 31.07.2017.

__Decision__: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC SectionApplicant)

PH Case No.19: M/s Tata Motors Limited Mumbai

F. No. 01/60/162/243/AM19/PRC

PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Request under Para 2.58 of FTP for manually amended 24 shipping bill by customs for benefit of MEIS Scrip's for Technical Reasons of EDI System showing "No" in shipping bill in reward column whereas the check list was approved and file with "Yes" supported with an amendment letter from Customs.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, Shri Madan Iyengar, Senior Manager, appeared before the committee on behalf of the firm and made the following submissions:

They were fully aware of the provision for claim of MEIS for exports made after 30.09.2015 that shipment effected selective "N" is not transmitted to DGFT server by ICEGATE. Therefore issuance of duty credit script online under MEIS is not possible against EDI Shipping bills. Therefore, they approved check list of 24 shipping bills for Reward Scheme as "Yes" duly accepted and signed by Customs. In all the 24 shipping bill after print out, due to reasons not known, Reward Scheme declaration got changed as "No" from "Yes". Mumbai Customs accepted the issue and considered the correction for 24 shipping bill for Reward Scheme declaration from "No" to Yes manually as per letter dated 08.03.2018. However system does not facilitate transmission of such correction electronically. As per 3.01 (g) of HBP for EDI Shipping, no manual feeding of shipping data is allowed/permitted. The Customs also accepted on the ground that they declared "Y" in check list for claim of MEIS benefit.

Decision: The Committee went through the justification furnished by the firm and decided to seek a report from the concerned Customs authorities as how S/bills marked Y got changed to N before taking the final decision.

(Action: PRC)

PH Case No.20: M/s Reghav Exports Ludhiana
F. No. 01/60/162/360/AM17/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Extension in E.O. period up to 31.05.2016 and amend the export product against advance authorisation No. 3010086343 dated 30.05.2012

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

PH Case No.21: M/s Tetra Pak India Pvt. Ltd., Pune
F.No. 01/60/162/275/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Condonation of delay in online filling of shipping bills for Focus product scheme benefit

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.10.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and provided the firm one more final opportunity of Personal Hearing. In case the applicant fails to appear this time too, the case would be rejected.

(Action: PRC Section/Applicant)

Case No.22: M/s Intech Organics Ltd., Gurgaon
F.No. 01/60/162/487/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Extension of time for the period of six months after time barred claim of MEIS against shipping bill No.3446600 dated 08.10.2015

The firm has stated that they were unable to file their claim of MEIS incentive to DGFT against their shipping Bill No.3446600 dated 08.10.2015 due to wrong mentioning of date of shipping bill in the BRCs by State Bank of Bikaner and Jaipur (Now known as State Bank of India). They tried to apply for this claim on DGFT portal but no details of BRCs were coming on portal due to wrong mentioning of date of shipping bill in BRCs by State Bank of India. The correct date of Shipping bill No.3446600 was 08.10.2015 but while feeding the date in BRCs it was fed incorrectly as 10.08.2015 by State Bank of Bikaner and Jaipur which the Bank has accepted. For the rectification of above error of wrong mentioning of date of Shipping bills in BRCs was taken up with the SBI and RBI numbers of time though personal visits, letters, email and telephonically. But till date it could not be rectified by the SBI on the ground of technical reasons of non-availability /non migration/no retrieval of data due to merger of number of its subsidiary banks including State Bank of Bikaner and Jaipur. This fact is always mentioned to them on their request from time to time and is also certified by the AGM of SBI (TFCPC). As this shipping bill NO.3446600 dated 08.10.2015 with LEO date of 10.08.2015, this will be ousted it time barred validity period on 10.10.2016 and portal of DGFT is not accepting their claim of MEIS against this bill for want of correct mention of date of shipping in BRCs issued by the State Bank of Bikaner and Jaipur (Now State Bank of India).

Decision: The Committee went through the submissions made by the firm and discussed the matter at length and decided to grant of time upto 31.3.2019 (without any late cut) to file their claim of MEIS against shipping bill No.3446600 dated 08.10.2015.

(Action: Applicant/CLA)

Case No.23: M/s Bombardier Transportation India Pvt. Ltd. Vadodaraa
F.No. 01/60/162/482/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Revalidation of advance authorisation No.3410043169 dated 09.05.2017

Above advance authorisation expired on 08.05.2018 before they could fully utilise it and accordingly this advance authorisation was revalidated for six months up to 08.11.2018. However, after revalidation and at the time of checking online transmissions status, there was a transmission error code 44, 45 appearing in the advance authorisation and they were not able to use it. Hence RA Vadodara further amended this AA vide amendment sheet No. 2 & 3 and finally the said advance authorisation successfully transmitted at ICEGATE server on 9th July 2018. As result of this transmission error, they were not able use said Advance Authorisation for 2 months. Further, they have informed that AA No. 3410042477 was also not in use since last one year due to transmission error, as a result of which they were not able to make imports in time.

Decision: The Committee after going through the case observed that Authorisation is valid as on date and validity would expire only on 8.11.2018 and advised firm to utilise the authorisation fully during its validity.

(Action: RA)

Case No.24: M/s Parksons Cartamundi Pvt. Ltd., Mumbai
F.No. 01/60/162/483/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Issue of EODC/redemption and revalidation of DFIA No.0310795092dated 06.04.2015

The firm had submitted an application on 17.03.2015 for grant of DFIA and the same was printed on 06.04.2015 i.e after the announced of New Policy (2015-2020). As per Para 4.27 of the FTP 2015-20 effective from 01.04.2015, DFIA was to be issued on post-export basis for products for which SION were notified. From 01.04.2015, no pre-export DFIA was allowed to be issued. RA Mumbai issued letter dated 13.05.2015 requesting them to surrender DFIA stating that "there is no provision in the current policy to issue non-transferable DFIA i.e. pre export DFIA (As they are not a regular exporter, they were not aware about the new FTP) Unfortunately, they were unable to surrender the DFIA as they had imported Raw Material on 07.05.2015 under the said DFIA. After their response to DGFT Mumbai letter dated 13.05.2015, they did not receive any further communication related to this matter and therefore they continued exporting under the said DFIA. They applied RA Mumbai to issue EODC on 05.07.2016. After that they received 2 D/L from RA Mumbai requesting them to regularise the case in terms of para 4.49 and 4.50 of HBP. They replied to their letters . They had not received any further communication from RA Mumbai. Further they uploaded the matter on DGFT website under grievance vide registration No. DARPG/D2018/08831 on 24th May, 2018, in response to that they received a mail from Asstt. DGFT Mumbai informing that the matter is under reference to higher authorities. Also they follow up with DGFT many times at Mumbai and New Delhi vide various emails but they did not receive any concrete response from RA.

Decision: Committee noted the submission made by the applicant and decided to seek report from RA, Mumbai in the matter before deciding the case.

(Action: Applicant/RA, Mumbai)

Case No.25: M/s Mittal Polypacks Pvt. Ltd., Kolkata
F.No. 01/60/162/484/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Second revalidation against advance authorisation No.0210207336 dated 09.02.2017

The above authorisation expired on 09.02.2018. During the original validity they completed quantity of export and made partial imports. Then there was no authorisation with them hence applied fresh authorisation on 19.02.2018 but RA issued the same on 23.05.2018 after lapse of 4 months. During this period they were compelled to effect excess export of 1388.546kgs against the captioned authorisation to save duty benefit on export. Hence they applied for revalidation for this authorisation against excess export to RA Kolkata on 28.02.2018. Now RA granted the revalidation and enhancement for the period 09.02.2018 to 08.08.2018 (for 6 months). However, unfortunately they received the extension in their hand on 19.06.2018 only after almost 4 months from their application, thus keeping for them 1 month 18 days only to complete the balance import of 1564.573MY. They had applied for extension of validity for 4 months i.e. the period their application for revalidation was lying in RA Kolkata under P.N. 38 dated 09.11.2017. The extension application was made on 27.07.2018. Based on this application RA accorded extension till 18.10.2018 but was received by them on 14.09.2018 i.e. keeping for them only 1 month 4 days to complete the above import 1564.573 MT which under any circumstances is difficult to achieve. In view of above they pray before esteemed PRC to allow them revalidation of validity of the authorisation for 1 year from date of ratification.

Decision: The Committee went through the justification furnished by the firm and found no merit in the case as enough time was available with the firm to complete its imports and hence decided to reject it.

(Action: Applicant/ RA, Kolkata)

Case No.26: M/s Kalptaru Power Transmission Limited Gandhinagar
F.No. 01/60/162/397/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Extension in E.O. period of advance authorisation No.0810133891 dated 21.11.2014

The above advance authorisation No.0810133891 dated 21.11.2014 was obtained by the firm in pursuant to turnkey project export agreement with the customer as a successful bidder on participation in public tender invited by Nova Scotia and Newfoundland, Canada for Martime Link Project . The said project export was duly approved by Authorised Dealer as per guidelines of RBI. The contract duration was 18 months from the date of award followed with specific condition of warranty and guarantee for a period of 60 months from the date of issue of final completion certificate by the customer. The company imported the raw material, exported the final product and realised entire export proceeds of the export quantity. The contractual terms and condition completed in 2017 and warranty period started valid upto 2021. Accordingly, company has fulfilled 98% export obligation against the above advance authorisation. The stock of raw material 944.343 MY which the firm holds and did not utilise the same due to abandoned clause of warranty period up December, 2021. The said material be utilised for their project export even before end of the warranty period i.e.2021. However, in case further obligation arises within the balance period of warranty, the company shall cater the same by procuring duty paid inputs. It is pertinent to submit that the stock quantity kept in stock for supply of defective part, if any during the course of warranty period for replacement of original supply. The supply under warranty period shall be limited to the required party and not a complete tower.

Decision: The Committee went through the case and concluded that the firm is not facing any hardship as exports has already been completed and EOP cannot be extended to cover the period of warranty and guarantee. Accordingly, committee rejected the request of the firm.

(Action: RA/ Applicant)

Case No.27: M/s Lupin Ltd., Mumbai
F.No. 01/60/162/501/AM19/PRC
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Revalidation of SHIS No. 0310745551 dated 16.08.2013 and 0310716542 dated 06.12.2012

The above mentioned firm had taken script Nos.0310745550 and 0310745551 as split licences issued under common file No.03/85/088/00034/AM14. Customs authorities were holding Script No.0310745550 in their Custody and were not allowing import clearance under SHIS in general. Hon'ble High Court while responding the firm's writ petition directed Customs to resume import clearances under SHIS. Customs accordingly issued a letter admitting that Script No.0310745550 was in their custody and based on which RA Mumbai revalidated the script 0310745550. The other Script No.0310745551 was with the firm as Customs were refusing to clear the imports under SHIS and by the time of issuance of court order, validity of said script had expired. Accordingly, the firm has approach this Directorate for revalidation of Script No.0310745551 for utilisation of entitled duty credit amount. The firm has also sought revalidation of another Script No.0310716542 which is from File No.03.85.088.0003.AM13. In this case, the firm is left with balance duty credit of Rs.3000444 for utilisation and hence request for revalidation is made. But in the script 031071642, the firm has not submitted any letter that this script was in the custody of the Customs. The firm is of the contention that since the script related to SHIS0310745550 was in the custody of the customs and that the customs were refusing import clearance under SHIS, it would not have been feasible to seek the import clearance against other scripts under same scheme. The firm has mentioned that by the time Bombay High Court directed Customs to allow imports, based on their Writ Petition, all scrips had expired. The Bombay High Court has passed an order dated 23.02.2015, in which it has stated in Para 9. Equally, they have no doubt that in future cases and particular of the petitioner either of export or import, the consignments would be duly cleared in terms of applicable policies and or product of the licenses which the statements above refer to considering that the firm did not submit the other SHIS Script and could not have utilised the same, because a similarly placed script was under objection by Customs.

<u>**Decision**</u>: The Committee went through the submission made by the firm and decided to accept the request of the firm for revalidation of SHIS 031074551 dated 16.08.2013 on account of genuine hardship. However, Committee did not accept the request for revalidation of SHIS No. 0310716542 dated 06.12.2012 having some balance duty credit.

(Action: Applicant/RA)

Case No.28: M/s Vrindavan Chandradoya Mandir Trust
F.No. 01/89//180/26/AM-11/PC-2A)/E-2263/P-546
PRC Meeting No.19/AM19 dated 16.10.2018

Subject: Relaxation of Policy under Para 1 of FTP for import of used Mercedes car, 1968 SL250 registered at California, USA through Nhava Sheva Port. Besides the car, old clothes and books are also to be imported.

Applicant is a religious organisation from Vrindavan, Mathura. They have imported some items from M/s Fiji Vedic Village Society, Fiji Island,USA. Among the imported items there is one car alongwith some clothes and books used by their Spiritual Master who left his physical body on November 14, 1977. These articles are of historical importance for his disciples as he used them during his stay in USA. To honour him the mandir are going to display all the mentioned items as mementos in their mandir at Vrindavan. This consignment is for one time import purpose only. Currently the consignment has not been released by the Customs Office under file no. B.E 7972464 dated 08.09.2018. The car is Mercedes Car, 1968 SL 250 registered at California USA.

Decision: The Committee went through the submission made by the firm and decided to accept the request of the firm for import of used Mercedes car, 1968 SL250 registered at California, USA through Nhava Sheva Port including old clothes and books.

(Action: Applicant)

Incomplete Cases (7)

The following cases were discussed in the meeting. The committee noted that communication have been received for the following firms without the prescribed application in ANF 2D and prescribed application fee as per Appendix 2K (fully / Partly) and therefore are to be treated as incomplete applications. Therefore, the committee decided to reject such case in terms of para 2.05 of the HBP 2015-20:

Sl No.	Name of firm	Subject of firm	Reasons for rejection
1	M/s. Venus Remedies Limited Chandigarh	Grant of MEIS incentives (Ref No.22/21/090/80809/AM18	The firm has not given ANF 2D
2.	M/s. Fabcord International	Revalidation of advance authorisation No.521004224 dated 10.03.2017	ANF 2D and proof of Fee not submitted
3.	M/s. Nazereth Metals Mumbai	Extension in E.O. period in respect of advance authorisation No.0310013174 dated 15.10.1999	ANF2D and proof of fee not submitted
4.	M/s. Salicylates and Chemials Private Ltd.	Request for issuance of Export Obligation (EO) period extension upto 26.03.2019in terms of para 4.4.2 (f) FTP 2015-20 2nd EOP extension	ANF 2D not submitted

	Mumbai	advance authorisation No.0910064100 date 08.09.2016	
5	M/s. Salicylates and Chemials Private Ltd. Mumbai	Request for issuance of Export Obligation (EO) period extension upto 26.03.2019in terms of para 4.4.2 (f) FTP 2015-20 2nd EOP extension advance authorisation No.09100640pp date 08.09.2016	ANF 2D not submitted
6	M/s S A S International Gurgaon	Application under para 2.58 of FTP 2015-20 for relaxation of time jperiod for claiming benefit of duty incentive script under chapter 3 of the FTP reg	ANF2 D and Proof of fee not submitted
7	M/s S A S International Gurgaon	Application under para 2.58 of FTP 2015-20 for relaxation of time jperiod for claiming benefit of duty incentive script under chapter 3 of the FTP reg	ANF2 D and Proof of fee not submitted