Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of Shri Alok Vardhan Chaturvedi, Director General of Foreign Trade on 03.01.2019

Meeting No.26/AM19 held on 03.01.2019 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

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

Case No.01: M/s Balakrishna Industries Limited, Mumbai
F. No. 01/60/162/425/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Relaxation in para 3.01(g) of HBP 2015-20 to allow manual feeding in order to claim MEIS reward against shipping bill pertaining to December 2016 (of which LET exports dates are falling January, 2017).

Decision: The Committee discussed the matter at length and decided to refer the issue to Policy-3 Division to sort out the matter in consultation with EDI.

(Action: PC-3 Division)

Case No.02: M/s Balakrishna Industries Limited, Mumbai
F. No. 01/60/162/424/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Relaxation in accepting manual application for MEIS against EDI shipping bill (5 Nos. of shipping Bills (i) 1919484 dated 21.07.2015, (ii) 2151084 dated 31.07.2015, (iii) 3294431 dated 30.09.2015, (iv) 7505579 dated 06.05.2016 and (v) 9121690 dated 28.07.2016).

Decision: The Committee discussed the matter at length and decided to refer the issue to Policy-3 Division to examine and sort out the matter in consultation with EDI.

(Action: PC-3 Division)

Case No.03: M/s Shashi Cables Limited, Kolkata
F. No. 01/60/162/613/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Revalidation of DFIA No.0610038629 dated 26.05.2017 for a period 6 months from the date of endorsement.

Firms has indicated that they decided to first execute the order from duty paid high value domestic material in small quantity within available financial resources as this will enable them to serve twin purpose of completing the supplies within permitted time & save from levy of liquidated damages from the project Authority and also export obligation will be fulfilled thus earning the valuable foreign exchange for the country and they cannot be declared as defaulter. They have completed 100% exports and revalidation for import for 6 months is required.

Decision: The Committee went through the statements made by the applicant and decided to refer the case to RA, Kolkata for considering the request of the firm as per recently issued Public notice 63/2015-2020 dated 27.12.2018.

(Action: Applicant/RA)

Case No.04: M/s RMG Polyvinyl India Ltd., New Delhi
F. No. 01/60/162/78/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Revalidation of Advance Authorization No.0510293595 dated 16.06.2011.

As per minutes 32AM17 held on 07.03.2017, the Committee had decided to allow 3 months revalidation from the date of endorsement. They submitted the letter to CLA on 06.04.2017 for correction of quantity and overall CIF value and vide their letter dated 13.04.2017 they requested for revalidation as per PRC decision. They were in constant touch with CLA but that office did not correct overall CIF value on the ground that the direction has been given for revalidation only. They approached PRC and submitted letter dated 08.05.2017 to direct CLA for correction of quantity and overall CIF value instead of individual value. CLA endorsed the license which was revalidated on 15.05.2017 but no information was given to them. On 15.06.2017, when they visited the office of CLA they were informed that revalidation has already been done on 15.05.2017 i.e. one month before. As per the endorsement the license expired on 15.08.2017. Within the short period of time they could import only one raw material namely titanium dioxide which is their regular import item but they could not get a suitable offer for balance 4 materials which also include PVC flooring / sheet scrap / off cuts which are not available on a regular basis. Since their export has already been completed and all payments duly received, delayed information of revalidation by the CLA has caused shorter revalidation period.

Decision: The Committee went through the contention of the firm and reference received from RA and it decided to allow correction in overall CIF value and quantity and also revalidation for further three months from the date of endorsement with the

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

(Action: Applicant/RA)

Case No.05: M/s Apex Exports, Kolkata
F. No. 01/60/162/385/AM17/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Revalidation against DFIA No.0210094428 dated 16.10.2006.

The R.A. reduced the quantity of the imported fabric without referring the matter to them. But, subsequently the reduced period was restored by the R.A though it did not restore the reduced quantity even after suitable clarification in the matter by DGFT HQ. Due to the above reason, as the original quantity was not restored by RA, they could not utilize the authorization within the extended validity period.

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

(Action: Applicant)

Case No.06: M/s Dee Development Engineers Limited, Haryana
F. No. 01/60/162/519/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: To waive off the composition fee for extension in E.O. period against advance authorization No.0510402670 dated 23.05.2017.

Firm's request is to waive off the composition fee for extension in E.O. period against advance authorization No.0510402670 dated 23.05.2017.

Decision: The Committee after examining the case decided to reject the case as the same was found to be without any merit.

(Action: Applicant)

Case No.07: M/s Poddar Pigments Ltd., Jaipur
F. No. 01/60/162/830/AM16/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Revalidation of Advance Authorization No. 1310044952 dated 29.10.2013 or issue of new authorization in lieu thereof.

They have been facing a prolonged problem of technical error in Advance Authorization No 1310044952 dated 29.10.2013 issued by DGFT. The said error is continuing since last more than 4 years due to which they are unable to use the given license. Authorization has been revalidated thrice by DGFT, but still firm has not been able to use the authorization because of the system error.

Decision: The Committee examined the case in detail and noted that the circumstances stated by the firm above were beyond the control of the firm and therefore decided to issue a fresh Advance Authorization in lieu of Advance Authorization No. 1310044952 dated 29.10.2013 without imposing any fresh export obligation (EO already fulfilled against authorization dated 29.10.2013 would be counted towards EO to be fulfilled against fresh authorization). Fresh authorization will have validity of 6 months from the date of its issue. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

Case No.08: M/s Best Value Chem Pvt. Ltd., Vadodara
F. No. 01/60/162/617/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: To accept the export made to SEZ unit for discharge of E.O. of the 7 Advance Authorizations Nos. (i) 3410041662 dated 05.11.2015 (ii) 3410042152 dated 10.05.2016 (iii) 3410042966 dated 27.02.2017 (iv) 3410042258 dated 10.06.2016 (v) 3410042595 dated 17.10.2016 (vi) 3410042596 dated 17.10.2016 and (vii) 3410043035 dated 17.03.2017 without certificates from the Bankers of SEZ unit stating that payment have been realized from their Foreign Currency.

RA has raised the deficiency with regard to Para 4.21 (iii) of FTP 2015-20 which states "Export to SEZ Units shall be taken into account for discharge of Export Obligation provided payment is realized from the Foreign Currency Account of the SEZ Unit". Accordingly RA has asked them to submit a certificate from the Bankers of SEZ Unit stating that payment has been released from their Foreign Currency Account. They have taken up the matter with the concerned SEZ Unit but they are still not convinced about this requirement According to SEZ, there is no other suppliers who are Advanced Authorization holders. Also, according to SEZ, they have been releasing the payments from their Foreign Currency Accounts strictly as per the provisions of OM dated 15.07.2015 of DGFT wherein all SEZ Units have been advised to release payments from their Foreign Currency Accounts in cases of supplies received by SEZ fulfillment of export obligation against the Advance Authorization of the DTA suppliers as per Rule 30(8) of SEZ. Bills of Export & e-BRCs are available in Foreign Currency (USD), the exports to SEZ Unit should be taken into account for discharge for export obligation of the AA holder without insisting for the said Bank Certificate.

Decision: The Committee having examined the case found that it is not a case of policy relaxation and therefore rejected the request of the firm.

(Action: Applicant)

Case No.09: M/s Global Gourmet Pvt. Ltd., Vadodara
F. No. 01/60/162/604/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Consider their exports as per authorization as genuine since norms of Advance Authorization No. 3410031853 dated 11.10.2011 was fixed after completion of exports and Norms Committee had advised to add suffix with import and export item name.

Firm explained that Norms have been fixed by NC with addition of suffix for both export and import item as "made of wheat flour not containing cocoa". However, their exports were completed much before the ratification of norms and therefore, they could not add the suffix in the shipping bills and therefore RA has rejected their closure request.

Decision: The Committee went through the submission made by the firm and after discussing the matter at length, in view of the evidence provided, decided to accept the shipping bills which are not showing the suffix "made of Wheat flour and not containing cocoa" in the description of the export items towards fulfillment of export obligation against Advance Authorization No. 3410031853 dated 11.10.2011 for closure purposes.

(Action: Applicant/RA)

Case No.10 to 12: M/s Renaissance RTW Asia (P) Ltd., Coimbatore
F. No. 01/60/162/822/AM17/PRC, 01/60/162/823/AM17/PRC &
01/60/162/824/AM17/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: EO extension for further period of 90 days against 03 advance authorizations (i) No.3210051346 dated 09.12.2011, (ii) No.3210051882 dated 30.12.2011 and (iii) No.3210049129 dated 29.07.2011 without bank guarantee clause which was imposed by the decision of PRC Meeting NO.01/AM18 dated 11.04.2017.

Firm expressed that they were not able to furnish the Bank Gaurantee (BG), as required by the decision of PRC, as the duty saved amount along with interest amounts to huge value. However, they are trying hard with the bank, but banks were insisting on 100% margin money and company is not in a position to provide due to to liquidity crisis because of demonetization and tight money market.

Decision: The Committee examined the case in detail and in view of justification provided by the firm decided to accede to the request and allow EOP extension for a period of 3 months from the date of endorsement subject to furnishing of 100% BG equivalent to amount of duty saved only. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

Case No.13: M/s Fermenta Biotech Ltd., Thane
F. No. 01/60/162/171/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Extension of validity of MEIS Script No.3719000687 dated 03.06.2016 and No.3719000789 dated 02.07.2016.

Firm had indicated that the scripts were debited/partially utilized within the original validity period only. Post Public Notice No. 33/2015-20 dated 23.10.2018, they had approached JNPT Customs to extend the validity and debit the script, who informed that there is no provision in the EDI and the extension should be obtained from script issuing authority. Based on JNPT Customs request, they had approached script issuing authority viz. Kandla SEZ (KASEZ), who also informed that there is no provision in the system for extending validity of the script. Hence, they had obtained manual extension from KASEZ. In the whole process, the scripts expired and could not be utilized completely.

Decision: The Committee went through the justification furnished by the firm and observed that PN no. 33 was very clear and therefore found no merit in the case and hence decided to reject it.

(Action: Applicant)

Case No.14: M/s Wintac Limited, Bengaluru
F. No. 01/60/162/629/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Transfer of six Advance Authorizations Nos. (i) 0710113260 dated 10.05.2018, (ii) 0710113471 dated 22.6.2018 (iii) 0710113687 dated 06.08.2018 (iv) 0710113686 dated 06.08.2018 (v) 0710113754 dated 24.08.2018 and (vi) 0710114058 dated 26.10.2018 along with the unutilized raw material imported under the above advance authorization.

The Company has recently entered into a Business Transfer Agreement dated 26 April 2018 ("BTA") with M/s Par Formulations Pvt. Ltd., for the sale / transfer of its business along with all its assets and liabilities lying with the signing of the BTA. Therefore, the Company seeks to transfer the captioned Advance Authorizations to Par Formulations along with the all the unutilized raw materials lying with the Company imported by it under the cover of the captioned Advance Authorizations. Pursuant to the BTA dated 26 April 2018, the entire business of the Company has been transferred to Par Formulations.

Decision: The Committee having examined the case and found that it is not a case of policy relaxation and advised the firm to approach RA in the matter.

(Action: Applicant/RA)

Case No.15: M/s SAS International, Chennai
F. No. 01/60/162/427/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Clubbing of 4 Advance Authorizations Nos. (i) 0510390018 dated 30.07.2014 (2) 0510392102 dated 21.11.2014, (3) 0510393955 dated 24.04.2015 and (4) 0510395575 dated 10.09.2015.

They have approached the Central Licensing Authority, New Delhi for the clubbing of the above 4 Advance Authorization for Annual Requirements. The Regional Authority, New Delhi has denied their application for fulfillment of export obligations as it is found deficient on technicalities relating to imports and exports of silk and fine animal hair. Being fully involved in designing, marketing and quality control quality control aspect of the business, firm mentioned that they were unable to comprehend that the Government of India did not permit the duty free import of silk and fine animal hair for re-export on advance authorization for annual use as had been the practice till the Public Notice No. 62 dated 24.03.2017. The clarification by the way of the public notice no. 62/2015-20 dated 24.03.2017 further prohibiting exports under annual authorization for annual requirement is not applicable to them as all the imports and exports were already done by them prior to the circulation of this public notice. Because of the sudden change of the policy all their exports was done without availing the benefit of duty-free inputs amounting to Rs 10,406,155/- which has already caused them serious operational losses. Because of the disruption of policy and the customs department not agreeing to endorse the exports made of articles wholly consisting of silk and blends of silk, they had to export them without any export benefits under free shipping bills.

__Decision__: The Committee having examined the statement made by the firm found no merit in their case and decided to reject it.

(Action: Applicant/RA)

Case No.16: M/s Ganga Bag Udyog Pvt. Ltd., Varanasi
F. No. 01/60/162/632/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: To allow MEIS benefit against 04 shipping bill Nos. (1) 8172748 dated 09.06.2016 (2) 8692921 dated 06.07.2016 (3) 9154458 dated 29.07.2016 and (4) 2004014 dated 02.11.2016.

Firm explained that third Party Details was not reflecting in shipping bill of Third party export shipment due to system error in Customs so they were unable to claim the MEIS Benefit online. When they proceed to attach third party BRC, it says "No Third Party Data Available". Customs have corroborated the statements of the firm in writing.

__Decision__: Committee went through the request in detail and after deliberations decided to refer the matter to EDI to update the detail in shipping bills on the basis of amendment letter issued by Customs.

(Action: EDI)

Case No.17: M/s Reliance Industries Limited, Mumbai
F. No. 01/60/162/633/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Change in duty credit entitlement under MEIS due to wrong finalization of Foreign Currency of export in US$ instead of EURO at the time of final assessment of shipping bill.

They have exported benzene vide shipping bill no. 7330839 dated 13.07.2017 in **"EURO"** currency on provisional basis as quantity and pricing were not final at the time of export but when they approached customs authority for finalization of shipping bill, Customs authority due to oversight finalized the shipping bill with wrong foreign currency "USD" instead of EURO. When they approached Sikka Customs for correction of the same, Customs authority issued certificate of amendment manually stating that amendment in EDI system is not possible one EGM is filed. Due to this shipping bill data in USD has been transmitted to DGFT server which should be in EURO actually. They have realized the export proceeds in EURO and not in USD. Since both, the foreign currency have different exchange rate for arriving FOB in INR on which MEIS benefit is calculated which is adversely affecting their MEIS entitlement.

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

(Action: Applicant)

Case No.18: M/s Centurion Remedies Pvt. Ltd., Vadodara
F. No. 01/60/162/637/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Extension in E.O. period against Advance Authorization No.3410040759 dated 04.12.2014 issued under PC 9 condition.

Above mention Authorization was obtained under PC 9 with prior import condition. Due to cancellation of in hand order they are unable to fulfill their export obligation in time, but fortunately they have got another order and completed their whole of the export obligation in July 2016. As per PC 9, they had to complete it by 14.01.2016, but in fact it was completed by 22.07.2016 (delay of around 6 months).

<u>**Decision:**</u> The Committee went through the statement made by the applicant and decided to allow EOP extension up to 22.07.2016 for only regularization purpose of Advance Authorization No.3410040759 dated 04.12.2014 subject to payment of composition Fee @0.5% per month on the unfulfilled FOB Value in case export are effected more than 50% within the initial EOP and @1% per month if the export within the initial EOP are less than 50%.

(Action: Applicant/RA)

Case No.19: M/s Bosch Limited, Bangalore
F. No. 01/60/162/634/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Import of used machineries and used spares under EPCG Scheme.

Firm has mentioned that they have a requirement to upgrade the technology i.e. to manufacture new fuel injection systems at their various units to meet the stringent emission & safety norms BSV & BSVI to be rolled out by 2020 involving huge investment on Capital goods. The proposed second hand machines are being imported from their parent company which has the residual life of 8-10 years. The products manufactured out of used machineries has huge export potential and are well proven and approved by OEMs abroad and are capable to meet BS6 emission norms. These machines are customs built and not readily available off the shelf. Lead time to produce these machines in India will be considerably long.

Decision: The Committee went through the justification furnished by the firm and found no merit in the case and hence decided to reject it.

(Action: Applicant)

Case No.20: M/s Mezhukattil Mills, Kochi
F. No. 01/60/162/638/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Extension in E.O. period against advance authorization No.1010059950 dated 25.05.2018 issued under pre-import condition.

The above Advance Authorization is used with pre-import condition and the EO is to be fulfilled within 90 days from the date of clearance of each import consignment. Their export orders are normally long term contract with international buyers. But unfortunately with the new EO period of 90 days (PN 57/25.1.18),it has become practically impossible for them to buy raw material competitively. In their case in order to avoid the loss due to the price fluctuation of their raw material (Copra) in the international marked, they are importing the full quantity available in the AA. Their request is to reconsider shortening of EO period in the policy and grant them 1 year extension.

Decision: The Committee went through the statements made by the firm in its application and after detailed deliberations decided to accede to the request of the firm by granting extension of EO for a maximum period of 6 months from the date of endorsement subject to payment of composition Fee @0.5% per month on the unfulfilled FOB.

(Action: Applicant/RA)

Case No.21: M/s Upper India Smelting and Refinery Works, Yamuna Nagar
F. No. 01/60/162/195/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Exemption from non compliance of stipulated procedure – relaxation of para 4.15 of HBP against Advance Authorization No.0510267704 dated 07.07.2010.

The firm had taken advance licenses (under SION) for intermediate exports. Their case was discussed in an earlier PRC meeting dated 19.4.2017. As a consequence to that meeting, Now M/s Apolllo Tyres Ltd., (the recipient) has got issued consolidated "material receipts", duly counter signed by their concerned Central Excise to the effect that they took these supply from the applicant under above advance license. As there is no loss of revenue of Govt. of India and all imports etc. are accounted for by both parties. Therefore relaxation from compliance of the prescribed procedure for intermediate supplies may be granted to them.

Decision: The Committee went through the justification furnished by the firm and after detailed discussions it observed that there is merit in firm's contention and hence decided to accede to the request of the firm for exemption from non-compliance of stipulated procedure in Para 4.15 of HBP against Advance Authorization No. 0510267704 dated 07.07.2010 and advice concerned RA to redeem the authorization based on the corroborative evidence.

(Action: Applicant/RA)

Case No.22: M/s Gazebo Industries Ltd., Mumbai
F. No. 01/60/162/495/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

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

Due to unavoidable circumstances their overseas buyer held up the order, due to which they could not fulfill the export obligation within first export obligation period extension. They applied for 2nd extension EOP at Addl. DGFT Mumbai. However, as their export were less than 50% they could not get extension of 2nd EOP.

Decision: The Committee having reviewed the case on the basis of justification furnished by the firm and observed that there is no merit in firm's contention as 50% exports have not been done till first EOP extension. Accordingly it decided to reject the request of the firm.

(Action: Applicant)

Case No.23: M/s 3F Industries limited, A.P.
F. No. 01/60/162/649/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: EOP extension of Advance Authorization No.0410160270 dated 11.03.2015

During initial EOP they had fulfilled 60.85% in terms of value and 54.54% in terms of quantity. They had applied for EOP extension within time to RA, Chennai on 07.09.2016. EOP was extended up to 11.03.2017. However, the same was received by them on 25.10.2017 after the extended period was also expired. The license was lying with RA, Chennai and presently Customs are not allowing export unless the EOP is extended.

Decision: The Committee went through the statement made by the applicant and concluded that genuine hardship is there in this case and therefore decided to allow EOP extension for a period of 3 months from the date of endorsement subject to payment of composition Fee @0.5% per month on the unfulfilled FOB. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

Case No.24: M/s Kallesuwari Refinery Pvt. Ltd., Chennai
F. No. 01/60/162/646/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Condonation for delay in submission for issue of EODC/No Bond Certificate and allow Import validity for 6 months under Advance Authorization No.0410160840 dated 29.07.2015.

Firm has mentioned that they have fulfilled export obligation well within prescribed time limit of 18 months under the above referred advance authorization. Since, pre-export condition was imposed, they are not allowed to import before EODC and hence, import validity was also expired before EODC. According to Note 2 at SION E 124, first export will take place and import will be allowed only after grant of EODC. According to Policy Circular No. 13 dated 29.06.2005 Point (iii), The NO import condition as stated in Sl. No. (ii) May be deleted after export obligation discharge certificate is issued in terms of Para 4.25 & 4.26. Their imports are pending due to Non-issue of EODC / No Bond Certificate (Bond Waiver) and Removal of Pre-Export Condition. The pre-export condition is fulfilled by them within the time frame of FTP and within the validity period of the advance authorization. After realization of all exports proceeds and BRC uploading they have submitted complete necessary documents to RA for EODC.

Decision: The Committee went through the statements/justification made by the firm and the relevant policy provisions and concluded that there is merit in firm's contention and decided to accede to their request and grant 6 months time from the date of endorsement for making the imports (as exports have already been completed). The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

Case No.25: M/s Kishore Chandra Kalyanji Agri LLP, Mumbai
F. No. 01/60/162/660/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Permission for import of Peas under RC No.03/27/153/00017/AM19.

They had entered into contracts with M/s. Tradex Impex DMCC, Dubai for import of Peas (ITC Code 07131000) on 9th April 2018. Advance amount of USD 440000 was paid to Tradex Impex DMCC on 11th April 2018 vide swift reference number 24OBC09181010143. The DGFT issued a notification dated 25th April 2018 restricting the import of Pease. Further DGFT issued Trade Notice no. 19/2018-19 dated 05th July 2018 stating that import will only be allowed to the extent of the 100% amount remitted. They could not import the shipment, as the company with whom they have their contract didn't agree or amend the contracts. They had applied for License to DGFT, RA, Mumbai and accordingly the Mumbai R.A. has issued R C bearing no. 03/27/153/00017/AM19 dated 07th August 2018 as per 100% of the remitted value which is 1760 mts. But their supplier is not agreeing to the R C issued of 1760 mts. and is claiming damages for not fulfilling the entire contract and have also claim to forfeit the entire amount of advanced paid i.e. USD 4,40,000/-. They have not yet used the said RC dated 07.08.2018 for 1760 mts.

Decision: The Committee went through the statements made by the firm and noted that there is no merit in the case and decided to reject it.

(Action: Applicant)

Case No.26: M/s Lalitha Chem Industries Pvt. Ltd., Thane
F. No. 01/60/162/661/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Extension of EOP for regularization of shipping against advance license No.0310652064 dated 07.09.2011.

Due to unavoidable circumstances their export product order has been cancelled and they could not fulfill the EO within 36 months. However they tried their best for the new order and unfortunately they got the order after EO period. They have now fulfilled export quantity 106951.40 KGs which is more than quantity 105600 KGs imposed in their Advance Authorizations. They have fulfilled EO beyond 100% and also realized foreign exchange and request is to extenstion in EOP for rwgularising purposes.

Decision: The Committee went through the statements made by the firm and noted that exports have been made much beyond the permissible EOP and the applicant has not submitted any cogent reason/ justification in support of any genuine hardship faced by them. accordingly, the Committee decided to reject the request.

(Action: Applicant)

Case No.27: M/s Bang Overseas Limited, Mumbai
F. No. 01/60/162/656/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Condoning the lapse of not mentioning GSM of Fabric in the export product (GSM is shown on the inputs used column of shipping bill) against two Authorizations No.0310636159 dated 15.06.2011 and 0310645170 dated 29.07.2011.

Firm has explained that they have missed to indicate the GSM of fabric in the export item detail in the shipping bills which were towards fulfillment of EO imposed against the above two advance authorizations. However GSM of fabric is indicated on the inputs used column of the shipping bills. In the copies of the shipping bills, the descriptions of the export items have been shown. The composition of fabric is also specifically indicated.

Decision: The Committee went through the submission made by the firm and after discussing the matter at length decided to accede to the request of the firm to condone mentioning of GSM in the export product and advise the RA to consider cases for redemption.

(Action: Applicant/RA)

Case No.28: M/s Platinum Textiles Limited, Mumbai
F. No. 01/60/162/659/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

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

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

Decision: The Committee went through the statements made by the firm and noted that there is no merit in the case and decided to reject the request of the firm.

(Action: Applicant)

Case No.29: M/s Orchid Overseas Pvt. Ltd., New Delhi
F. No. 01/60/162/655/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Condonation of delay to file chapter-3 application (F.No.05/51/087/80452/AM18)

They applied FPS claim on 11.01.2018 after appearance of their BRC on DGFT portal although their payment realization was much earlier and within time but problem was that without BRC uploading they could not attach any BRC with shipping bill. That's why they could not file claim in time. When they find that BRC is available in portal they applied their claim, but concerned RA (i.e.CLA,, New Delhi) rejected their case as time barred.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee observed that due to delay in uploading of BRC by the banker in DGFT Portal, the firm has faced the problem which was beyond their control and accordingly decided to accede to the request of the firm for grant of FPS without any late cut.

(Action: Applicant/RA)

Case No.30: M/s Orchid Overseas Pvt. Ltd., New Delhi
F. No. 01/60/162/654/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Condonation of delay to file chapter-3 application (F.No.05/51/087/80453/AM18

They applied FPS claim on 11.01.2018 after appearance of their BRC on DGFT portal although their payment realization was much earlier and within time but problem was that without BRC uploading they could not attach any BRC with shipping bill. That's why they could not file claim in time. When they find that BRC is available in portal they applied their claim, but concerned RA (i.e.CLA,, New Delhi) rejected their case as time barred.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee observed that due to delay in uploading of BRC by the banker in DGFT Portal, the firm has faced the problem which was beyond their control and accordingly decided to accede to the request of the firm for grant of FPS without any late cut.

(Action: Applicant/RA)

Case No.31: M/s Orchid Overseas Pvt. Ltd., New Delhi
F. No. 01/60/162/653/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Condonation of delay to file chapter-3 application (F.No.05/51/087/80449/AM18)

They applied FPS claim on 07.01.2018 after appearance of their BRC on DGFT portal although their payment realization was much earlier and within time but problem was that without BRC uploading they could not attach any BRC with shipping bill. That's why they could not file claim in time. When they find that BRC is available in portal they applied their claim, but concerned RA (i.e.CLA,, New Delhi) rejected their case as time barred.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee observed that due to delay in uploading of BRC by the banker in DGFT Portal, the firm has faced the problem which was beyond their control and accordingly decided to accede to the request of the firm for grant of FPS without any late cut.

(Action: Applicant/RA)

Case No.32: M/s Orchid Overseas Pvt. Ltd., New Delhi
F. No. 01/60/162/651/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Condonation of delay to file chapter-3 application (F.No.05/51/087/80342 /AM18)

They applied FPS claim on 13.10.2017 after appearance of their BRC on DGFT portal although their payment realization was much earlier and within time but problem was that without BRC uploading they could not attach any BRC with shipping bill. That's why they could not file claim in time. When they find that BRC is available in portal they applied their claim, but concerned RA (i.e. CLA,, New Delhi) rejected their case as time barred.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee observed that due to delay in uploading of BRC by the banker in DGFT Portal, the firm has faced the problem which was beyond their control and accordingly decided to accede to the request of the firm for grant of FPS without any late cut.

(Action: Applicant/RA)

Case No.33: M/s Orchid Overseas Pvt. Ltd., New Delhi
F. No. 01/60/162/652/AM19/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Condonation of delay to file chapter-3 application (F.No.05/51/087/80282 /AM18)

They applied FPS claim on 2.9.17 after appearance of their BRC on DGFT portal although their payment realization was much earlier and within time but problem was that without BRC uploading they could not attach any BRC with shipping bill. That's why they could not file claim in time. When they find that BRC is available in portal they applied their claim, but concerned RA (i.e.CLA,, New Delhi) rejected their case as time barred.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee observed that due to delay in uploading of BRC by the banker in DGFT Portal, the firm has faced the problem which was beyond their control and accordingly decided to accede to the request of the firm for grant of FPS without any late cut.

(Action: Applicant/RA)

Case No.34: M/s Plasma Impex Inc., Noida
F. No. 01/60/162/750/AM18/PRC
PRC Meeting No. 26/AM19 dated 03.01.2019

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

Firm explained that partial payment of few buyers were outstanding for the Year 2013-14, against which the BRC were not generated in due course of time. However the partial payment was also received within time frame. But since their name was still in RBI Caution List and Bank's letter dated 26.07.2017 was received late, they fail to submit their 2% Incremental Application within stipulated Time Frame. For removing/waive off their name from outstanding payment list they have submitted to Bank all the Post Shipping documents in time. But in spite of their all-best efforts the BRC were generated after time and application became time Barred.

Decision: The Committee having reviewed the case on the basis of justification furnished by the firm observed that there is no merit in firm's contention and decided to reject the request of the firm.

(Action: Applicant)

Case No.35: Reference from PC-4 Section
F. No. 01/94/180/325/AM19/PC-4
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Extension of EO period in respect of Advance Authorizations issued to cashew Industry- reference by The Cashew EPC of India.

Cashew EPC has explained that the Cashew industry has been importing raw cashew nut without any duty for the last over 40 years. The introduction of 5% Customs Duty w.e.f.01.03.2016 has created much problem and confusion in their operation. This imposition of duty also forced the industry to obtain advance authorizations.* They are traditional processors and have no knowledge of the Advance Authorization and its conditions. Many of their member exporters are facing difficulties in exports during stipulated EOP. EPC has requested that 6 months additional EOP may be given to the Advance authorizations issued to cashew industry.

Decision: The Committee went through the request made by the Cashew EP C and after detailed discussions, × decided to allow 6 months additional extension (beyond permissible extension period in Para 4.42 of the HBP) in the EOP to advance authorizations involving import of Raw cashew (SION E 8) subject to payment of composition fee @1% per month on the unfulfilled FOB value of the export obligation.

(Action: Applicant/PC-4 Section)

* in view of difficulties being faced by ~~[illegible]~~ ~~[illegible]~~ Advance Authorisation holders,

Case No.36: Reference from Export Cell
F. No. 01/91/110/153/AM19/EC
PRC Meeting No. 26/AM19 dated 03.01.2019

Subject: Request for grant of permission / Export License for export of 26,250 MTs of imported chemical fertilizer Urea 46% N (from UAE) with CIF value of USD 10,736,250 under ITC (HS) code 31021000 to Krishi Samagri Company Ltd (KSCL) Kathmandu, Nepal (A Govt. of Nepal Company), for agricultural use.

Against **global tender** floated by M/s KSCL, Nepal (A Govt of Nepal Company), the firm bagged supply order for supply of 25,000 MTS UREA (+/-5%) @ USD 409.00 PMT CIF Nepal, amounting to USD 10,225,000/- (+/-5%). The Urea has to be delivered on CIF basis to the buyers warehouses in Nepal at Birganj/Bhairahwa/Biratnagar. The urea is of **UAE Origin** and has been shipped Ex Ruwais Port (UAE) B/L dated 12.11.2018 at **Vizag port** through MV GLOBAL FAITH. The cargo will be **kept in custom bonded warehouse at Vizag Port till its onwards transportation to Nepal by Railway Rakes.** The export/sale price of the same on CIF Nepal basis is USD 409.00 PMT. The firm has further stated that Nepal being a landlocked country and sea ports nearest to Nepal are located in India, almost the entire sea imports of Nepal are transited via Indian seaports. Further as Nepal and India have a Transit Treaty and Trade Treaty for free movement of authorized goods through India to Nepal. The import consignment from UAE has already arrived at Vizag Port on 23.11.2018, presently stored in Customs bonded warehouse at Vizag, and waiting for clearance for onward transport through India into Nepal under customs bond. As farmers in Nepal are in urgent need of the agricultural grade Urea for ensuing crop season, the Govt. of Nepal is pressurizing the firm for expeditious delivery of item.

Decision: The Committee considered the case and after detailed discussions, observed that the goods imported by M/s Indian Potash Limited, New Delhi are meant for export to a 3rd country through Customs bonded area. The Committee observed that the Import Policy on Urea, vide Notification No. 41 dated 05.10.2018, is for domestic consumption and does not restrict for export of imported Urea from the Customs bonded area, without clearance in DTA. Since the goods are not being cleared for DTA and straight away being exported to a 3rd country from Customs bonded area, the Committee decided to relax the policy condition under Para 2.46(e) 'Import for Export' of the revised FTP-2015-20 relating to 'free' import condition' and decided to allow export of 26,250 MT imported Urea 46% N [HS Code 31021000] by M/s Indian Potash Limited, New Delhi to Nepal.

(Action: Applicant/Export Cell)

Case No.37: (Incomplete Cases):

Following cases were discussed. The Committee observed that the applications have been received without ANF 2D and Application Fee as per Appendix 2K (fully/partly) are to be treated as incomplete applications. Therefore, the committee decided to reject such cases as mentioned below:

Sl.	Name of the firm	Subject of the firm	Reasons for

No.			rejection
1	M/s. Greenply Industries Limited, New Delhi	Request to review of PRC Meeting No.19/AM19 dated 16.10.2018.	Proof of fee and ANF 2D not submitted
2	M/s. Shah Nanji Nagsi Exports Pvt. Ltd., Nagpur	Grant of duty credit under MEIS as per chapter 3 of FTP 2015-20 against following 54 shipping bills.	ANF 2D not submitted
3	M/s. Safal Seeds & Biptech Limited, Mumbai	MEIS license under chaper 3 of poicy book	Shortage proof of fee and ANF 2D not submitted
4	M/s. Jindal Aluminium Ltd., Bangalore	Extension of OEP With pre Import condition of AA no.0710112460 dated 27.11.2017	Proof of fee not submitted
5	M/s Shreeyam Power and Steel Industries Limited, Indore	Extension of EOP of Advance Authorizations for 2 years from the date of endorsement as company was declared sick under BIFR from year 2012.	Proof of fee not submitted

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