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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of Shri Alok Vardhan Chaturvedi, Director General of Foreign Trade on 05.02.2019

Meeting No.30/AM19 held on 05.02.2019

The following members were present in the meeting:

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

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

S. No	Name of the firm	Case No.
1.	M/s. Tetra Pak India Private Limited, Pune	01
2.	M/s. Chanderpur works Pvt. Ltd., Yamuna Nagar	02
3.	M/s. SMR Automotive Systems India Limited Noida	03 to 04
4.	M/s. SLS Export Pvt. Ltd., Cochin	05
5.	M/s. Alpha Compressor Valves Pvt. Ltd., Pune	06
6.	M/s. Swiss Parenterals Pvt. Ltd., Ahmedabad	07 to 09 and 19 to 23
7.	M/s. Nutrivita Foods Pvt. Ltd., Mumbai	10
8.	M/s. SAS International, Gurgaon	11
9.	M/s. Siddhi Vinayak., Indore	12
10.	M/s. Oriental Rubber Industries Pvt. Ltd., Maharashtra	13 & 18
11.	M/s. Torrent Pharmaceutical Limited, Ahmedabad	14
12.	M/s. Goa Shipyard Limited, Goa	15
13.	M/s. Uttam Galva Steel Ltd., Mumbai	16
14.	M/s. Dhanya Agro Industrial Pvt. Ltd., Mumbai	17
15.	M/s. Glenmark Pharmaceutical Limited., Maharashtra	24
16.	M/s. Impel Exports., Bangalore	25
17.	M/s. Mercury Fabric Pvt. Ltd., New Delhi	26
18.	M/s. Usha Fashions Pvt. Ltd., Maharashtra	27
19.	M/s. Kasatex Home Furnishing	28
20.	M/s. Simpex Pharma Pvt. Ltd., Delhi	29

21.	M/s. Renaissance RTW(P) Limited, Tirupur	30 to 32
22.	M/s Dolphin Clothing, Mumbai	33
23.	M/s J.V.S Exports, Madurai	34
24.	M/s Rubamin Limited, Vadodara	35 to 36
25.	M/s Spirotech Heat Exchangers Pvt. Ltd., New Delhi	37
26.	Incomplete Cases	38

PH Case No.01: M/s. Tetra Pak India Private Limited, Pune
F. No. 01/60/162/275/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Request for review of clarification on condonation of delay in online filling of shipping bills for Focus Product Scheme benefit.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019. Shri Rajat Chhabra, Partner of the firm appeared before the committee and made the following submissions:

On reading of the minutes dated 04.12.2018 the company understands that the Committee has allowed an extension period of two days for filling of all FPS applications from the date of order granting FPS benefit. Accordingly, the FPS benefits of the applications filed till December 16, 2016 shall be allowed without any late cut. Further, they believe that the intent of the Committee is to allow the FPS benefit of applications filed after December 16, 2016 after deducting applicable late cut thereon. The company reiterates that even after the FPS benefit was allowed as on December 14, 2016 the Company was not able to file the Shipping bills pertaining to the period 2013-14 and 2014-15 online due to the non-functioning of the DGFT server and other technical issues. Partial relief provided vide minutes of the PRC Meeting no. 24/AM19 may not serve the desired purpose sought by the Company and will thereby cause great financial adversity.

Decision: The Committee heard the submissions made by the representative of the firm and after lengthy discussions decided that intention of the earlier PRC decision was not that applications filed after 16.12.2016 will not be considered. It was clarified that applications filed after 16.12.2016 would be considered after applying applicable late cuts as per policy/handbook.

(Action: Applicant)

PH Case No.02: M/s. Chanderpur works Pvt. Ltd., Yamuna Nagar
F. No. 01/60/162/406/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: To allow DEPB benefit against the conversion of free shipping bill into DEPB shipping bills.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019. Shri Sanjay Sharma, General Manager of the firm appeared before the committee and made the following submissions:

They have submitted that Sonauli Customs denied the DEPB benefits to them on one pretext or other and they were forced to file free shipping bills to clear the shipment. After Intervention of the Allahabad HC and CESTAT, the Additional Commissioner, Customs, Lucknow finally allowed conversion of free shipping bills into DEPB shipping bills and said order was received by them on 03.04.2018 and accordingly office of the Deputy Commissioner Sonauli converted free shipping bills into DEPB bills on 22.05.2018.

Decision: The Committee heard the case in detail and observed that there is merit in firm's contention and they have suffered for no fault of theirs. Accordingly, it decided to allow DEPB benefits for export made during 2003 to 2005 for the Free Shipping bills converted into DEPB shipping bills in 2018 as per Hon'ble CESTAT Order.

(Action: Applicant/RA)

PH Case No.03: M/s. SMR Automotive Systems India Limited, Noida
F. No. 01/60/162/490/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Revalidation of duty credit Scrips No. 0510399704 dated 15.09.2016 issued under Served from India Scheme beyond a period of 24 Months.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019. Shri Rajat Jain, Executive Vice President of the firm appeared before the Committee and made the following submissions:

Firm explained that they are a manufacture exporter cum service provider. However since the SFIS is issued on actual user basis, they have not been able to utilize the same for their own use or for selling purpose. Due to which it is lying unutilized/partially utilized with them. Since this is an incentive benefit granted to them by the Government for the service exports done by them, they would like to utilize the same fully. So the request for revalidation.

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.04: M/s. SMR Automotive Systems India Limited, Noida
F. No. 01/60/162/489/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Revalidation of duty credit Scrips No. 0510399702 dated 15.09.2016 issued under Served from India Scheme beyond a period of 24 Months.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019, Shri Rajat Jain, Executive Vice President of the firm appeared before the Committee and made the following submissions:

They are a manufacture exporter cum service provider. However since the SFIS is issued on actual user basis, they have not been able to utilize the same for their own use or for selling purpose. Due to which it is lying unutilized/partially utilized with them. Since this is an incentive benefit granted to them by the Government for the service exports done by them, they would like to utilize the same fully. So the request for revalidation.

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.05: M/s. SLS Export Pvt. Ltd., Cochin
F. No. 01/60/162/109/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Revalidation of unutilized Special Import License (SIL) No. 1040000302 dated 12.10.2000 as per the recommendation of GRC dated 07.03.2005.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019. Shri Hari Krishnan, Managing Director of the firm appeared before the Committee along with his representatives and made the following submissions:

Any import license is generally valid for a initial validity of 12 months. In this case the initial validity itself was indicated as 31.03.2001 which is less than even half the normal period. The Committee will kindly appreciate that a license of such huge value cannot be prudently utilized by an importer within such a short validity period. As the license is issued under an export incentive scheme, no policy of compensation for such drastic change in the Policy pertaining to the validity period of license was issued by the government. A number of trade representations were submitted, as the trade was put to great loss. It is prayed that the validity for import may be granted for a further period of six months from the date of endorsement of revalidation. He also drew the attention of PRC to the HC of Kerala decision dated 18.06.2018 asking DGFT to consider the case at the earliest taking into account GRC decision taken in 2005, which sought formulation of adequate policy to deal with such cases.

Decision: Committee discussed the case and observed that the issue pertains to granting validity of 6 months to the Special import Licences(SILs) which was initially issued on 12.10.2000, about 18 years back. The scheme, under which it was issued, was itself only up to 31.3.2001. Grievance Redressal Committee (GRC) had considered this case in 2005 and developments after 2005 were not known. It was also informed to the committee that there are old files in PC 2 section, where this issue was dealt subsequent to the GRC decision. After detailed discussions, committee decided to refer this case to PC 2 for its detailed examination in terms of HC Kerala's directions. If required, another opportunity of PH would be given to the firm before issuing the final order.

(Action: PC 2)

PH Case No.06: M/s. Alpha Compressor Valves Pvt. Ltd., Pune
F. No. 01/60/162/643/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

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

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019. Shri Subhash Dhekane, Director of the firm appeared before the Committee and made the following submissions:

They have submitted that the Capital Goods imported under the EPCG Scheme were installed at their factory and the production of the various parts of Compressor Valves against the same was initiated. They were unaware of the specific provisions related to the export benefits and though there were substantive benefits available against these exports viz. Duty Drawback, Duty Credit Scrips; all their exports were made under Free Shipping Bills without the mention of the EPCG License Number in all these shipments. They have been facing various problems during the same such as; (i) The bankers refused to issue them e-BRC against export remittance and they only had copies of the FIRC and (ii) Loss of substantial business opportunities since 2013 due to Chinese competition for the similar products which provided for a business setback to their organization.

<u>Decision</u>: 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.07 to 09: M/s. Swiss Parenterals Pvt. Ltd., Ahmedabad
F. No. 01/60/162/130/AM18/PRC, 01/60/162/142/AM18/PRC and 01/60/162/286(a)/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: To condone the delay in fulfill the Export Obligation within the stipulated period and waive the composition fee imposed on their request, otherwise the same may be reduced to 0.5 % consolidated on unfulfilled FOB without any time frame against 03 Advance Authorizations No. (i) 0810120955 dated 09.05.2013, (ii) 0810124983 dated 20.09.2013 and (iii) 0810134475 dated 03.02.2015.

<u>Decision:</u> The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019. But no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No.10: M/s. Nutrivita Foods Pvt. Ltd., Mumbai

F. No. 01/60/162/405/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Extension in EO Period against Advance Authorization no. 0310798407 dated 24.08.2015.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019, Shri K. Ramakrishnan, Manager Shipping & Logistics of the firm appeared before the Committee and made the following submissions:

They firstly get orders as and when they require export product namely Plumpy Sup (ready to use supplementary food). They have to import first, under A.A. and Export thereafter. They are registered supplier to such NGO's only and do not supply anybody in India as their entire production is booked for this world food programme. There was a gap in their requirement and they had to wait for the specific order, and therefore there is first time delay in EOP. They are subject to audit of the finished export product by UNICEF only. Representative of the firm further informed that more than 50% EO had been fulfilled by them within the first EO extension; however, second extension request was rejected by the RA. They have fulfilled the EO completely but within 36 months of the issue of the license.

Decision: After detailed deliberations, committee decided as follows:

I. Export obligation period be extended by 12 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 24^{th} month but upto 30^{th} month (**provided 50% EO has been fulfilled- RA to verify**) and @1% per month of unfulfilled FOB value of exports made after 30^{th} month but upto 36^{th} month.

(Action: Applicant/RA)

PH Case No.11: M/s. SAS International, Gurgaon
F. No. 01/60/162/427/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Clubbing of Advance Authorization No. (1) 0510390018 dated 30.07.2014 (2) 0510392102 dated 21.11.2014 (3) 0510393955 dated 24.04.2015 and (4) 0510395575 dated 10.09.2015.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019. Shri Ravindra Kumar, Chief Executive Officer of the firm appeared before the Committee and made the following submissions:

They have submitted that the Custom Authorities after the notification of the FTP 2015-20 on 01.04.2015 denied endorsing the shipping bill containing 100% silk, a blend of silk or blend of silk with other fibers by quoting para 4.45(a)(iv) of the HBP 2015-20. As a result of non-endorsing of shipping bills by the Custom Authorities, they had to resort to exporting the fulfilling export orders under free shipping bills and drawback bills after FTP 2015-20 came into effect as otherwise they would have lost lot of customers because of delay in dispatch of goods.

Decision: Committee discussed the case in detail and observed that free shipping bills as well as Drawback shipping bills cannot be considered towards discharge of EO against advance authorizations. Accordingly it decided to reject the request of the firm.

(Action: Applicant)

PH Case No.12: M/s. Siddhi Vinayak., Indore
F. No. 01/60/162/750/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Permission for import of yellow peas under Chapter 7 of ITC HS 2017 Schedule-1(import Policy) contract no CS0001083 dated 19.04.2018, Qty-30000 MT.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019. Shri Pankaj Mishra, Manager of the firm appeared before the Committee and made the following submissions:

It is stated that they are importing peas under Chapter 7 of ITC (HS) 2017. Peas was free up to 24.04.2018 as per para 1.02 and 2.01 of FTP 2015-20. Their old contract was made on 19.04.2018 for import of 30,000 MTS Yellow Peas and they paid USD 60,000.00 as advance to the foreign supplier on 20.04.2018. They came to know on 25.04.2018 that DGFT has restricted the yellow peas vide notification no.4&5 dated 25.04.2018. They have submitted application of RA, Indore on last date as per notification dated 25.04.2018. They got the RC for 240 MT against advance payment. In between they approached foreign supplier for cancelling the contract but they refused and informed them that if cancelled then they will be penalized approx USD 1,50,000.00 because they (supplier) have arranged stock for them. Their Indian bank is also pressurizing them for importing yellow peas to close the advance payment transaction. Again DGFT had issued Trade Notice No.25 dated 17.08.2018 and they requested for approval of 125 MT yellow peas. The suppliers are continuously chasing for dispatch the peas but they are unable to supply.

Decision: After detailed discussions, committee decided to refer the case to PC 2 division for its examination, in view of the facts stated by the firm. Case would be brought back before the PRC after examination.

(Action: PC 2/ Applicant/ PRC)

Case No.13: M/s. Oriental Rubber Industries Pvt. Ltd., Maharashtra
F. No. 01/60/162/737/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Condoning of delay in filing MEIS application against 4 Shipping Bills No.(i) 3269064 dated 29.09.2015 (ii) 3392093 dated 06.10.2015 (iii) 3392096

Vyas

dated 06.10.2015 and (iv) 3392090 dated 06.10.2015 due to delay in uploading the correct E-BRC by Authorized Dealer.

Due to certain issues with overseas Customer they realized exports proceeds just before completion of 3 years period from date of export and therefore they were eligible to apply for MEIS benefits. However the e-BRC uploaded by the Bank could not be attached with applications. The bank further took about one week to rectify the e-BRC and upload on 06.10.2018. However in the interim, period of 3 years was complete on 29.09.2018 and 05.10.2018 due to this they are not able to apply to MEIS. Undue hardship is being caused to exporter due to above.

<u>Decision:</u> The Committee went through the statement made by the applicant and discussed the matter at length. The Committee found that due to delay in realization of their export proceed and uploading the correct e-BRC by their 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 and allowed MEIS benefit against 4 Shipping Bills No.(i) 3269064 dated 29.09.2015 (ii) 3392093 dated 06.10.2015 (iii) 3392096 dated 06.10.2015 and (iv) 3392090 dated 06.10.2015. It also decided that 10% cut would be imposed on the entitlement.

(Action: Applicant/RA)

Case No.14: M/s. Torrent Pharmaceutical Limited, Ahmedabad
F. No. 01/60/162/739/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Relaxation for claiming MEIS benefit for 16 shipping bills where "N" was ticked in the Reward Column inadvertently.

Firm stated that Shipping Bills were not reflecting in DGFT server. They have tried several times to get these shipping bills retransmitted from Customs to DGFT server. However, even after various attempts, these shipping bills were not reflecting at DGFT server. On further scrutiny of all these shipping bills revealed that even though exports were made with an intention to claim MEIS benefit and a declaration on invoices as well as relevant shipping bill were contained that "they intent to claim rewards under Merchandise Exports from India Scheme (MEIS) . However, in reward section"N' was inadvertently indicated, so the request for relaxation..

<u>Decision</u>: The Committee went through the justification furnished by the firm and noted there is no merit in the case of the firm and decided to reject the request of the firm.

(Action: Applicant)

Case No.15: M/s. Goa Shipyard Limited, Goa
F. No. 01/60/162/751/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: To waive the condition required under Para 3.14 (a) of the HBP about marking / ticking of "Y" (for yes) in "Reward" column of shipping bills (No.

4873587 dated 23.12.2015, 6049547 dated 24.02.2016, 6049554 dated 24.02.2016.

They have exported against 3 Shipping Bills. However, by oversight, they ticked 'N' instead of 'Y' in the Reward Column on these Shipping bills. Therefore, they are not available in DGFT S/B Repository. Hence they filed S/B manual MEIS applications but the Regional Authority (RA) did not consider and asked them to file it online which is not possible as the system does not accept uploading of these Shipping Bills manually.

Decision: The Committee having examined the case found that there is no merit in the case and decided to reject the request of the firm for relaxation.

(Action: Applicant)

Case No.16: M/s. Uttam Galva Steel Ltd., Mumbai
F. No. 01/60/162/390/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Revalidation of Advance Authorizations Nos. 0310801179 dated 17.12.2015 and 0310801178 dated 17.12.2015.

Firm has stated that they were not able to import because of their financial constraints as their repayment interest commitments with bankers had failed and their company was marked as Non-Performing Assets since 2016. As a result, their letter of Credit sanctions were frozen. Unable to open LCs on their importers they could not book and import the Raw material and utilize their authorization fully. Further their bankers referred the case to National Companies Law Tribunal (NCLT). Since the company was under IBC, there was working capital pressure affecting their production. Now they have made arrangements with their overseas partners who has cleared their outstanding dues and detached their name as NPA. However they have developed and progress to keep margin with financial institution to review their LC endorsements. Hopefully they would be able to confirm procurements under LC's and cover their pending imports.

Decision: The Committee went through the justification furnished by the firm and after discussing the matter at length observed that the firm has actually suffered for reasons beyond their control and hence decided to accede to the request of the firm and allow revalidation of Advance Authorizations Nos. 0310801179 dated 17.12.2015 and 0310801178 dated 17.12.2015 for a period of six months from the date of endorsement. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

Case No.17: M/s. Dhanya Agro Industrial Pvt. Ltd., Mumbai
F. No. 01/60/162741/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Revalidation of DFIA Authorization No 0310699028 dated 18.06.2012.

They have fulfilled 100% export obligations per the authorization by 02.02.2012 which is within the initial export obligation period of the license and have also obtained EODC and Transferability of the said Authorization on 11.12.2012. Import of pesticides under DFIA was disallowed vide PN 49 dated 13.2.2013 with immediate effect. RA issued them a letter dated 20.08.2013 explaining that as pesticides are directly being used by the farmers and not by the ginning units mentioned as their supporting manufacturer they cannot import pesticides under the Authorization. To this, they want to clarify that as farmer do not have SSI units or any factory license and so the reasons they are unable to add them as supporting manufacturer.

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

(Action: Applicant)

Case No.18: M/s. Oriental Rubber Industries Pvt. Ltd., Maharashtra
F. No. 01/60/162/581/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Permission of clubbing of Advance Authorization no. 3110066072 dated 22.03.2016 with advance authorization no. 3110066617 dated 03.03.2017 or permit transfer the exports of advance authorization no. 3110066072 (which was deleted in EDI systems) to 3110066617 for redemption of both advance authorization.

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

(Action: PRC/Applicant)

Case No.19: M/s. Swiss Parenterals Pvt. Ltd., Ahmedabad
F. No. 01/60/162/736/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Extension in EOP of Advance Authorization No. 0810139524 dated 11.01.2017 issued under PC-9 condition for regularization purpose.

They could not export the entire quantity within stipulated period as the buyer cited the civil war which was taking place in their country due to which party had requested to delay the export of above product. Exports have been completed within 8 months of expiry of EOP.

Decision: The Committee examined the case in detail and in view of justification provided by the firm decided to accede to the request and allowed EOP extension up to 14.09.2018 only for regularization purpose subject to the payment of composition Fee as follows;

i) From 12 month to 18 months @0.5% per month on the unfulfilled FOB Value, if exports are fulfilled more than 50% within initial EOP or @ 1% per month where exports have been made less than 50% within initial EOP.

ii) From 18 month onwards, composition fee @ 1% per month on unfulfilled FOB value.

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

(Action: Applicant/RA)

Case No.20: M/s. Swiss Parenterals Pvt. Ltd., Ahmedabad
F. No. 01/60/162/731/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Extension in EOP of Advance Authorization no.0810137956 dated 20.05.2016 issued under PC-9 condition for regularization purpose.

They could not export the entire quantity within stipulated period as the buyer cited the civil war which was taking place in their country due to which party had requested to delay the export of above product. Exports have been completed within 14 months of expiry of EOP.

Decision: The Committee examined the case in detail and in view of justification provided by the firm decided to accede to the request and allowed EOP extension up to 23.08.2018 only for regularization purpose subject to the payment of composition Fee as follows;

i) From 12 month to 18 months- @0.5% per month on the unfulfilled FOB Value, if exports are fulfilled more than 50% within initial EOP or @ 1% per month where exports have been made less than 50% within initial EOP.

ii) From 18 month onwards, composition fee @ 1% per month on unfulfilled FOB value.

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

(Action: Applicant/RA)

Case No.21: M/s. Swiss Parenterals Pvt. Ltd., Ahmedabad
F. No. 01/60/162/734/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Extension in EOP of Advance Authorization No.0810134476 dated 03.02.2015 issued under PC-9 condition for regularization purpose.

They could not export the entire quantity within stipulated period as the buyer cited the civil war which was taking place in their country due to which party had requested to delay the export of above product. Exports have been completed within 16 months of expiry of EOP.

Decision: The Committee examined the case in detail and in view of justification provided by the firm decided to accede to the request and allowed EOP extension up to 14.07.2017 only for regularization purpose subject to the payment of composition Fee as follows;

i) From 12 month to 18 months- @0.5% per month on the unfulfilled FOB Value, if exports are fulfilled more than 50% within initial EOP or @ 1% per month where exports have been made less than 50% within initial EOP.

ii) From 18 month onwards, composition fee @ 1% per month on unfulfilled FOB value.

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

(Action: Applicant/RA)

Case No.22: M/s. Swiss Parenterals Pvt. Ltd., Ahmedabad
F. No. 01/60/162/735/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Extension in EOP of Advance Authorization No. 0810136915 dated 31.12.2015 issued under PC-9 condition for regularization purpose.

They could not export the entire quantity within stipulated period as the buyer cited the civil war which was taking place in their country due to which party had requested to delay the export of above product. Exports have been completed within 16 months of expiry of EOP.

Decision: The Committee examined the case in detail and in view of justification provided by the firm decided to accede to the request and allowed EOP extension up to 17.05.2018 only for regularization purpose subject to the payment of composition Fee as follows;

i) From 12 month to 18 months- @0.5% per month on the unfulfilled FOB Value, if exports are fulfilled more than 50% within initial EOP or @ 1% per month where exports have been made less than 50% within initial EOP.

ii) From 18 month onwards, composition fee @ 1% per month on unfulfilled FOB value.

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

(Action: Applicant/RA)

Case No.23: M/s. Swiss Parenterals Pvt. Ltd., Ahmedabad
F. No. 01/60/162/733/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Vijay

Subject: Extension in EOP of Advance Authorization no. 0810134729 dated 04.03.2015 issued under PC-9 condition for regularization purpose.

They could not export the entire quantity within stipulated period as the buyer cited the civil war which was taking place in their country due to which party had requested to delay the export of above product. Exports have been completed within 19 months of expiry of EOP.

Decision: The Committee examined the case in detail and in view of justification provided by the firm decided to accede to the request and allowed EOP extension up to 20.08.2018 only for regularization purpose subject to the payment of composition Fee as follows;

i) From 12 month to 18 months- @0.5% per month on the unfulfilled FOB Value, if exports are fulfilled more than 50% within initial EOP or @ 1% per month where exports have been made less than 50% within initial EOP.

ii) From 18 month onwards, composition fee @ 1% per month on unfulfilled FOB value.

iii) 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. Glenmark Pharmaceutical Limited, Maharashtra
F. No. 01/60/162/749/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Accounting of 2 shipping bills no. 1319178 dated 28.09.2016, 1314862 dated 28.09.2016 to authorization no. 0310796899 dated 26.06.2015, instead of authorization no. 0310800087 dated 06.11.2015 for regularization and closure purpose.

They have stated that there was excess export made against Advance Authorization No.0310800087 dated 06.11.2015 and a shortfall in export against Advance Authorization No.0310799329 dated 12.10.2015. Thus to fulfill the shortfall they got both the licenses clubbed by RA. After clubbing there is an excess export of 3248.88 kgs. At the same time, there is a shortfall of 2543.26 kgs in another Advance Authorization No.0310796899 dated 26.06.2015. They want accounting of export of 2 shipping bills no. 1319178 dated 28.09.2016, 1314862 dated 28.09.2016 against Advance Authorization No.0310796899 dated 26.06.2015, instead of authorization no. 0310800087 dated 06.11.2015 to cover the shortfall of export of finished goods equivalent to 2543.26 kgs.

Decision: The Committee having examined the case in detail found that the shipping bills under consideration have already been used in a clubbing request that has already been redeemed/ closed. Therefore, there is no merit and decided to reject the request of the firm.

(Action: Applicant)

PH Case No.25: M/s. Impel Exports., Bangalore
F. No. 01/60/162/690/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Approval of two free shipping bills and 11 duty drawback shipping bills (with repayment of DBK and its interest) towards fulfillment of export obligation of license. DEEC Authorization 0710107235 dated 19.12.2014.

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

(Action: PRC/Applicant)

Case No.26: M/s. Mercury Fabric Pvt. Ltd., New Delhi
F. No. 01/60/162/605/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Relaxation for TED refund against EPCG License No. 0530164024 dated 19.12.2014. (1) Limited to the extent of payment received in terms of para 8.3.1(ii) of HBP (2) EPCG license no. not mentioned in invoice No. 0000006092 and hand written entry of EPCG License No. 0000006286.

Applicant have obtained above mentioned EPCG License and got this authorization invalid for direct import and invalidation letter was issued to respective suppliers. 100% supplies was made by the supplier by charging applicable Excise Duty which was paid by the supplier in full. Copies of Invoices along with copy of the Certificate issued by the Excise Department evidencing payment of Excise duty by the supplier have been submitted. However, due to poor quality of the machines which were not supplied as per orders/ specification, a discount for Rs.323600.00 was given by the supplier. Further, due to oversight, license No was not mentioned on the Excise Invoice No.00006092 and handwritten entry of license number was only made by the supplier on Excise Invoice No.0000006286. RA rejected the case showing their inability to allow TED refund (a) Till realization of 100% payment against supplies made in terms of Para 7.05(a) of the current FTP and (b) Non endorsement of EPCG License number and handwritten entry of License number in Excise Invoices.

Decision: The Committee after examining the case in detail and found no merit in their request and hence decided to reject the case.

(Action: Applicant)

Case No.27: M/s. Usha Fashions Pvt. Ltd., Maharashtra
F. No. 01/60/162/618/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Consideration of TED claimed against 12 invoices/supplies made after issuance of EPCG License no. 0330033030 dated 28.06.2012 but before issuance of invalidation letter.

Firm request is to consider their claim against 12 invoices as their application for invalidation was under process and They could not hold back their supplies as the entire project would have been delayed in that circumstances. So supplies were made before issue of the invalidation letter.

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

(Action: PRC/Applicant)

Case No.28: M/s. Kasatex Home Furnishing Pvt. Ltd., Bhadohi
F. No. 01/60/162/726/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: (i) Waiver of interest (ii) Allowing interest to be calculated from the date of utilization rather than date of issue of scrip and (iii) Exclusion of the time period which government took for clarification of the matter and the period during which the RA Varanasi did not adjust FPS for calculation of interest.

They firm had taken EPCG benefit and also applied for benefit under SHIS which was granted by RA Varanasi. This means that there was ambiguity in the policy. However, they are still agreeable to surrender the benefit but interest component should not be levied in case of ambiguity in the policy and Government took a lot of time to issue clarification in respect of audit objection raised by the auditor. Even if interest is to be calculated the following factors should be taken into consideration in their case. (i) Interest should be calculated from the date of utilization of the SHIS rather than date of issue of the script as benefit accurse only on utilization and not merely on issue of the script. (ii) They had applied for the FPS Scrip. The same was due for issue by next working day. But RA Varanasi had held up the issue of scrip and the amount was adjusted after considerable lapse of time. The liability of interest after 16.09.2015 should not fall on them as the amount could have been adjusted from the withheld claim from FPS very next day rather than adjusting in July 2017.

Decision: The Committee went through the statements made by the firm and decided to refer the issue to Policy-3 Section for its examination. Upon examination, the case would again be brought before the PRC.

(Action: PC-3 Section)

Case No.29: M/s. Simpex Pharma Pvt. Ltd., Delhi
F. No. 01/60/162/740/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Exemption from submission of destruction certificate by excise department on 5.049 Kg. Excess import made unregistered source under Advance Authorization No. 0510391428 dated 30.09.2014.

There has been excess import of 5.049 kg of Nimodipine and has been hit by PC 18 dated 30.10.2007. The excess material was wasted during the manufacturing process at their plant in Chennai. Further firm has declared that the same was not sold or used for any other purpose. Their application for redemption is held up in RA for want of destruction certificate attested by Excise, which despite of their best effort could not be obtained. However duty +interest have already been deposited at Customs. To the best their ability, they tried to get Destruction Certificate from Excise Chennai, but failed.

Decision: The Committee went through the statements made by the firm and noted that the firm is said to have used excess imports during the purpose of manufacturing. The Committee decided to waive of the requirement of destruction certificate with the condition that the applicant would submit a declaration in order to indemnify to the Government for any diversion of unregistered materials to the domestic market that may be detected in future to Regional Authority and furnish an affidavit to RA in this regard.

(Action: Applicant/RA)

PH Case No.30 to 32: M/s Renaissance RTW(P) Limited, Tirupur
F. No. 01/60/162/822/AM17/PRC, 01/60/162/824/AM17/PRC &
01/60/162/823/AM17/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

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.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019, Ms. C. Anandita Kumar, Director of the firm appeared before the Committee and made the following submissions:

Review of the PRC decision taken in Meeting No.26/AM19 dated 03.01.2019 (under case no.10 to 12). They have stated that the entire problem of non-fulfillment within the stipulated period arose only due to issue in banking. Hence they were not able to furnish the BG as the duty saved amount along with interest amount is too huge value. However, they are trying hard with the bank, but banks were insisting on 100% margin money, company could not provide due to liquidity crisis because of demonetization and tight money market.

Decision: Representative of the firm was heard and after detailed deliberations, in view of the unique difficulties faced by the firm, committee decided to waive the condition of furnishing of BG imposed as per decision of PRC meeting no. 26/dated 3.1.2019. In any case, firm would have given requisite BG/LUT to the customs authorities at the time of imports. Accordingly committee allowed EOP extension for a period of 3 months from the date of endorsement, for completing the exports. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: applicant/RA)

PH Case No.33: M/s Dolphin Clothing, Mumbai
F. No. 01/60/162/709/AM18/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Extending the validity of their status holder for 5 years certification No.03/1/0189/2007/1211 dated 11.12.2007 restricting its validity upto 31.03.2009 instead of 5 years from the date of issue as per FTP 2009-14 to facilitate availing the benefits under SHIS for exports made for the year 2009 to 2012.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019 and Shri Niko Jain, Executive Director of the firm appeared before the Committee and made the following submissions:

They have submitted that under the provisions of PN No.40 (RE-2007)/2004-2009 dated 30.08.2007 which states that all Status Certificate shall be valid for 5 year reckoned from 1st April of relevant year shall be valid beyond 31.03.2009. As such their status holder certificate as a matter of fact should be deemed to be valid for 5 years from 2007. In other words it is valid up to 31.03.2012. As per the new policy FTP (2009-2014) and FTP (2015-2020) the Status Holder Certificate and Star Export House have been renewed for the term of 5 years until 2021 by DGFT.

Decision: After hearing the representative of the firm, committee deliberated in details on the request made and finally decided to refer the case to PC 3 for its detailed examination. Case would be brought back to the PRC after its examination.

(Action: PC 3 section)

Case No.34: M/s J.V.S. Exports, Madurai
F. No. 01/60/162/486/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Grant of MEIS benefit on shipments made with ITCHS 63029100 than 63029190 with the confirmation of amendment of shipping bills.

They have stated that 63029190 was an eligible ITCHS whereas in ICEGATE but 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 in this Directorate. Subsequently, DGFT have issued PN No.29 dated 09.08.2018 as resolution. Upon receipt of the PN 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. They are unable to create the application because there are 3 issues persisting even after the issuance of the PN. (i) The 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. (ii) They are unable to create the application even after the decision through the PC because the scrip value is not calculating properly, and late cut fee is not still not waived and (iii) there are shipping bills which are having other export products in addition with 63029100 in the same shipping bills. 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 bill, 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 statements made by the firm and decided to refer the issue to EDI division to sort out the matter as per the decision of PRC Meeting no.19/AM19 dated 16.10.2018.

(Action: EDI/NIC)

PH Case No.35: M/s Rubamin Limited, Vadodara
F. No. 01/60/162/752/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: To amend port of registration as 'INBRC6' and to issue of Advance Authorization for import by amending port of registration.

They have applied advance license for their supplies to SEZ units on pre-export basis. However, at the time of online application, due to typographical error, they have selected 'DEEMED' as port of registration. Due to this, RA, Vadodara office is not able to issue them advance license and also not able to amend port of registration. As they have completed 100% Export on pre-export basis and now, they want to import using this license.

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 issued vide File no.34/21/040/00186/AM19 dated 06.07.2018 without imposing any fresh export obligation (EO already fulfilled against authorization issued vide File no.34/21/040/00186/AM19 dated 06.07.2018 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 and port of registration "INBRC6"(ICD Vadodara). The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

Case No.36: M/s Rubamin Limited, Vadodara
F. No. 01/60/162/753/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: To amend port of registration as 'INBRC6' and to issue of Advance Authorization for import.

They have applied advance license for their supplies to SEZ units on pre-export basis. However, at the time of online application, due to typographical error, they have selected 'DEEMED' as port of registration. Due to this, RA, Vadodara office is not able to issue them advance license and also not able to amend port of registration. As they have completed 100% Export on pre-export basis and now, they want to import using this license.

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 issued vide File no.34/21/040/00185/AM19 dated 06.07.2018 without imposing any fresh export obligation (EO already fulfilled against authorization issued vide File no.34/21/040/00185/AM19 dated 06.07.2018 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 and port of registration "INBRC6"(ICD Vadodara). The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

PH Case No.37: M/s Spirotech Heat Exchangers Pvt. Ltd., New Delhi
F. No. 01/60/162/688/AM19/PRC
PRC Meeting No. 30/AM19 dated 05.02.2019

Subject: Relaxation for not mentioning the technical specification of input on export shipping bills towards fulfillment of EO against Advance Authorization No.0510393957 dated 24.04.2015.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 05.02.2019 and Ms. Nisha Chauhan, Manager (Commercial & Logistics) of the firm appeared before the Committee and made the following submissions:

Review of the PRC decision taken in Meeting No.28/AM19 dated 15.01.2019 (under Case no.38). They have intimated that they have received NC's decision on 08.01.2016, whereas the Export Obligation had already been fulfilled up to 15.10.2015. Therefore, the thickness of input could not be reflected on the shipping bill of exports. So the request for relaxation.

Decision: The Committee went through the statements made by the firm in its application and during the personal hearing and noted that the thickness of inputs could not be reflected on the shipping bills. The Committee decided to accede to the request of the firm subject to condition that the firm shall submit checklist duly certified by customs, showing the thickness of inputs. RA shall take the necessary action in the matter accordingly.

(Action: Applicant/RA)

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