Date of Uploading 12 / 02 /2020

Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting held on 21.01.2020 under the Chairmanship of Shri Amit Yadav, Director General of Foreign Trade

Meeting No.28/AM20 held on 21.01.2020

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 Hardeep Singh	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:-

S. No	Name of the firm	Case No.
1.	M/s. Daniel Measurement Solutions Limited, Vadodara	1
2.	M/s. Freshara Picklz Exports, Chennai	2
3.	M/s. Rubamin Limited, Vadodara	3
4.	M/s. Mulberry Silks Limited, Bangalore	4
5.	M/s. Adani Wilmar Limited, Ahmedabad	5
6.	M/s. Cipla Limited, Mumbai	6
7.	M/s. Baroque Pharmaceuticals Pvt. Ltd., Gujarat	7
8.	M/s. NICE Tractor (India), Ludhiana	8
9.	M/s. Skoda Auto Volkswagen India Private Limited, Pune	9
10.	M/s. Swani Spice Mills Pvt. Ltd., Mumbai	10
11.	M/s. Shockley Hall Electronics (P) Ltd., Kolkata	11
12.	M/s. Tolar Ocean Products Pvt. Ltd., Karnataka	12
13.	M/s. Deutsche Labs. Inc., Ahmedabad	13
14.	M/s. Phoenix Overseas Ltd., Kolkata	14
15.	M/s. Swiss Exports Pvt. Ltd., Ahmedabad	15
16.	M/s. ATC Tires Pvt. Ltd., Mumbai	16
17.	M/s. Relisys Medical Devices Ltd., Ibrahimpatnam (T.S)	17
18.	M/s. Mahindra Electric Mobility Limited., Bangalore	18&19
19.	M/s. Varroc Engineering Limited, Aurangabad	20
20.	Incomplete Cases	21

Case No. 01 M/s. Daniel Measurement Solutions Limited, Vadodara
F. No. 01/60/162/762/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Extension in EOP against Advance Authorization No.3410043491 dated 20.09.2017.

The applicant stated that they were unable to export the resultant products owing to following reasons; (a) Changes in scope of product by Customer resulting in redesign of the entire skid. (b) Calibration issues changed at the Customer end and (c) Their factory is situated in Vadodara. On 31st July 2019 major parts of Vadodara got flooded due to unprecedented deluge resulting in delay of export. This project was in fact decided to be awarded to their Indian facility owing to the Make in India initiative promoted by the Government of India whereas owing to the unexpected composition fee, their costs have gone up thereby ultimately making them uncompetitive in the global bidding process. They assure that the exports would be completed well within the extension of period months sought for.

Decision: The Committee went through the statement made by the applicant and decided to allow 2nd EOP extension of Advance Authorization No.3410043491 dated 20.09.2017 for a period of 6 months from the date of expiry of first EOP extension i.e. up to 31.03.2020 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 extended EOP or @1% per month if the export within the extended EOP are less than 50%. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Vadodara)

Case No. 02 M/s. Freshara Picklz Exports, Chennai
F. No. 01/60/162/698/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: To allow MEIS benefit against 2 Shipping Bills No.2763589 dated 09.02.2018 and 2734686 dated 08.02.2018 generated with declaration of intent as "N" mistakenly.

The applicant stated that for the subject shipping bills they processed their export documents with declaration of intent to claim in the MEIS. Accordingly MEIS intent declaration was indicated in the shipping bill remarks column for both the shipping bills, but in reward column selected as 'N' by oversight by their CHA. They immediately brought to the notice of Customs, Chennai to amend the shipping bills. They have issued NOC by manually amending the declaration of intent as 'Y' in S/bills vide letter No.S.MISC.252/2018-EDC-NOC dated 11.05.2018 as they cannot make amendment in the EDI shipping bill, post shipment. Even through manual NOC issued by the Customs, these shipping bills are not transmitted to DGFT Portal to claim the MEIS.

Decision: The Committee examined the case on the basis of justification furnished by the firm and discussed the matter at length. The Committee observed that the Shipping Bills where 'No' is ticked (for any reason) do not get electronically transmitted on-line in the automated environment. Accordingly, it decided to reject the case.

(Action: Applicant)

Case No. 03 M/s. Rubamin Limited, Vadodara
F. No. 01/60/162/697/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: To allow MEIS benefit against 2 Shipping Bills No.5811930 dated 25.07.2019 and 5883180 dated 25.07.2019 in which reward scheme mentioned as "No".

The applicant stated that they had filed the above two shipping bills where they have mentioned MEIS declaration that they intend to claim benefits under Merchandise Export India Scheme (MEIS). However, due to typographical error done by CHA, in reward column it has been mentioned as 'NO' on shipping bills. Due to this error, shipping bills cannot be transmitted to DGFT Server from ICEGATE and they are not able to claim MEIS. They are genuine exporter and two star export house status holders. Hence, requested to allow manual filing of MEIS claim against the above 2 shipping bills.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee observed that the Shipping Bills where 'No' is ticked (for any reason) do not get electronically transmitted on-line in the automated environment. Accordingly, it decided to reject the case.

(Action: Applicant)

Case No. 04 M/s. Mulberry Silks Limited, Bangalore
F. No. 01/60/162/711/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Relaxation of pre-import condition in Advance Authorization No.0710110830 dated 22.12.2016.

The applicant stated that the total import made in consignment aggregating to quantity 6000 Kgs. Out of this, last one import consignment of 1476 Kgs was made after 25 days of EOP. They had completed 100% EO in quantity within EO period by using raw material available in stock with them. They are regular Silk Yarn Importer. Further stated that to fulfill urgent requirement of the overseas customer Raw Material available with them was used. Import was made to recoup their stock. Since, pre-import condition has not been adhered to by them, hence the request for relaxation.

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** along with all documents in support of their justification.

(Action: PRC/Applicant)

Case No. 05 M/s. Adani Wilmar Limited, Ahmedabad
F. No. 01/60/162/739/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Revalidation of 3 Advance Authorization No.(i) 0810141217 dated 24.10.2017, (ii) 0810140174 dated 28.04.2017 and (iii) 0810137744 dated 22.04.2016.

The applicant stated that the EO for all the above 3 authorisations have been completed within the stipulated time and the EODC for authorizations at (ii) & (iii) have been issued on 28.01.2019 and 02.08.2018 respectively.
As regard to authorisation at (i), application for issuance of EODC was also done on 10.01.2019, and queries raised in relation to the same have also been suitably resolved. Further, stated that as per SION Norms policy, the subject authorizations were issued with the condition that the imports shall be affected only after the export obligation is completed i.e. EODC is issued. Therefore, they could not complete the imports for authorizations at (i) till date. Since at the time of export, while arriving at the export price of Refined Sunflower Oil, they had taken into consideration the benefit that they would accrue by importing "Crude Sunflower Oil FFA 1.4% to 1.8% duty free under the said license. The export product was priced accordingly keeping very short profit margins and extremely competitive market conditions. Hence, in order to prevent losses, they now wish to import "Crude Sunflower Oil FFA 1.4% to 1.8%.
For authorization at (ii) they could not complete the imports by 28.01.2019. Post 28.01.2019, the import commodity Crude Sunflower Oil with FFA 1.4% to 1.8% was not available for import in the market. However, now the said product is available for import. Since, at the time of export, while arriving at the export price of Refined Sunflower Oil, they had taken into consideration the benefits that they would accrue by importing Crude Sunflower Oil FFA 1.4% to 1.8% duty free under the said license, the export product was priced accordingly keeping very short profit margins and extremely competitive market conditions.
For authorization at (iii) they could not complete the imports by 02.08.2018. Post 02.08.2018, the import commodity Crude Sunflower Oil with FFA 1.4% to 1.8% was not available for import in the market. However, now the said product is available for import. Since, at the time of export, while arriving at the export price of Refined Sunflower Oil, they had taken into consideration the benefits that they would accrue by importing Crude Sunflower Oil FFA 1.4% to 1.8% duty free under the said license, the export product was priced accordingly keeping very short profit margins and extremely competitive market conditions.

Decision: The Committee discussed the case at length and found no merit or hardship in the arguments made by the firm and hence decided to reject the request of the firm for revalidation.

(Action: Applicant)

Case No. 06 M/s. Cipla Limited, Mumbai
F. No. 01/60/162/204/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: To allow MEIS benefit against 44 shipping bills under 5 MEIS applications File No.27/21/90/80180/AM16, 27/21/90/80065/AM17, 27/21/90/80158/AM17, 27/21/90/80202/AM17and 27/21/90/80466/AM16.

The applicant stated that they had applied the MEIS application online on MEIS Portal in time. However, DC, SEEPZ had raised query asking them to submit Tracking Reports from the goods carrier duly certified by them, evidencing arrival of export cargo into relevant destination markets. They had arranged the required Tracking Reports from concerned carriers, which took them significant amount of time reaching out to foreign carriers and convincing them about the genuine requirement. By the time they had submitted their reply with copies of Tracking Reports, DC office had rejected their applications due to non-compliance within 30 days and asked them to re-apply online for those shipping bills. They had re-applied for some shipping bills and received license for the same. But they were not able to re-apply for some shipping bills as it was showing as Lapsed. After rejection the said shipping bills should have been transferred to reactivation portal, but in their case these were not transferred to reactivation portal. Hence, it is showing lapse.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee decided to allow MEIS benefit against 44 Shipping Bills filed under Five MEIS applications (File no.27/21/90/80180/AM16, 27/21/90/80065/AM17, 27/21/90/80158/AM17, 27/21/90/80202/AM17and 27/21/90/80466/AM16) with late cut, if any, based on the initial date of applications. The firm shall approach RA within 180 days from the date of uploading of the minutes of meeting.

(Action: Applicant/SEEPZ, Mumbai/EDI-Division)

Case No. 07 M/s. Baroque Pharmaceuticals Pvt. Ltd., Gujarat
F. No. 01/60/162/717/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Extension in EOP against Advance Authorization No.0810140266 dated 09.05.2017.

The applicant stated that they had been granted the above authorisation for export of Amoxillin and Potassium Clavulate 100 MG tablets but inadvertently due to the negligence of their new export staff, exports against authorization were made under drawback Shipping Bills No.(i) 6372653 dated 29.05.2017, (ii) 7337002 dated 13.07.2017, (iii) 7766290 dated 02.08.2017, (iv) 7766268 dated 02.08.2017, (v) 7926634 dated 10.08.2017, (vi) 8139320 dated 21.08.2017, (vii) 6905891 dated 14.08.2018, (viii) 8664907 dated 1.11.2018 and (ix) 9651832 dated 15.12.2018. The said matter came to their notice only when the application for closure of the case was under process. Even though 100% export obligation was completed, as these exports were under drawback, they had to execute fresh exports for completion of their export obligation against the license. Meanwhile they had completed 50% exports obligation and hence requested extension in EOP to export the balance quantity as one time extension for six months.

Decision: The Committee examined the case in detail and in view of justification provided by the firm, it decided to agree to the request and allowed EOP extension of Advance Authorization No.0810140266 dated 09.05.2017 for a further period of 6 months from the date of endorsement 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/extended EOP and @ 1% per month if the export within the initial/extended EOP are less than 50%. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Ahmedabad)

Case No. 08 M/s. NICE Tractor (India), Ludhiana
F. No. 01/60/162/721/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: To allow MEIS benefit against 2 time barred Shipping Bills No.1229476 dated 16.06.2015 and 2397882 dated 13.08.2015 due to delay in uploading of e-BRC.

The applicant stated that the export shipment were made to their buyer M/s R.G. Daroga Nigeria Limited against invoice No.002 dated 15.06.2015 vide shipping bill no.1229476 dated 16.06.2015 and invoice No.003 dated 12.08.2015 vide shipping bill no.2397882 dated 13.08.2015 respectively. They applied for grant of license under MEIS Scheme on 12.02.2018 as the payment against both the said shipments was not received by them from their said buyer and the said party was insured with ECGC and the same was paid by ECGC to them in form of claim. Further stated that RA, Ludhiana has got the approval for uploading the value (in lieu of e-BRC) in EDI system of DGFT and accordingly the e-BRC of the same has been uploaded against both the invoices on 16.08.2019. But when they follow up with RA, Ludhiana regarding license under MEIS scheme, RA told them that validity of shipping bill has been lapsed and due to this reason RA has refused to issue license under MEIS scheme. Since, they had applied in time frame i.e. 15.02.2018 it is not their fault for the delay and should not be affected for the same as they are totally faultless in this regard.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee found that due to delay in uploading of e-BRC in DGFT Portal, the firm has faced the problem which was beyond their control and accordingly the Committee agreed to the request of the firm and allowed MEIS benefit against two time barred Shipping Bill No.1229476 dated 16.06.2015 and 2397882 dated 13.08.2015. It also decided that no cut would be imposed on the entitlement. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Ludhiana)

Case No. 09 M/s. Skoda Auto Volkswagen India Private Limited, Pune
F. No. 01/60/162/719/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Approval to run 04 imported right hand drive vehicles on public road in India for R&D purpose.

The applicant stated that they are engaged in manufacturing of vehicles of various brands including Volkswagen and Skoda, both brands belong to the VW Group. They are developing current range of models to meet new regulation Bharat stage VI emission norms effective from 1st April, 2020 mandated by Govt. of India. Cars will be imported from their parent company Skoda Auto a.s. Mlada Boleslav, Czech Republic and it is required to perform development testing of the cars and run up to 1,00,000 kms each on Indian road according to provision of Central Motor Vehicle Rule Section 41 (a) with use of trade certificate issued by registering authority for the purpose of testing. SAVWIPL intent to import 04 Right Hand Drive Vehicles from Czech Republic to perform development testing, R&D purpose. The Vehicles will be re-exported back after the completion of testing. However as per Notification No.07/2015-2020 dated 8th May 2018, vehicles imported under Chapter 87 for R&D/testing are not allowed to ply on public roads. Hence, requested to allow them the import required 04 cars Skoda Kamiq (VIN No.(i) TMBHK6NW2L3052911, (ii) TMBHK6NW8L3053657, (iii) TMBHR6NW1L3039398 and (iv) TMBHR6NW1L3040101 and run them on public road which is allowed under the aforesaid CMVR provision.

__Decision:__ The Committee went through the justification provided by the firm and decided to agree to the request of the firm to import right hand drive vehicles (Four Cars, Skoda Kamiq (VIN No.(i) TMBHK6NW2L3052911, (ii) TMBHK6NW8L3053657, (iii) TMBHR6NW1L3039398 and (iv) TMBHR6NW1L3040101) for R&D purposes and its plying on Indian roads subject to the permission granted by Ministry of Road Transport & Highways in this regard. The same would be re-exported back after the completion of testing.

(Action: Applicant)

Case No. 10 M/s. Swani Spice Mills Pvt. Ltd., Mumbai
F. No. 01/60/162/254/AM19/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Extension in EOP by 90 days for export already effected against Advance Authorization No.0310804398 dated 04.05.2016.

The application stated that the export could not be completed in 90 days due to very short time in obtaining total export orders and executing the same. Moreover, there was a breakdown in sterilisation plant during the second half of the year, hence their earlier shipment was perfectly on time and the later shipment was delayed due to outgoing maintenance to the capital goods. Hence, requested to condone the delay of 90 days in completion of exports.

Decision: The Committee reviewed the case on the basis of justification furnished by the firm and found no merit in the request and hence decided to maintain rejection of the earlier decision of PRC in its Meeting No.12/AM19 dated 21.08.2018.

(Action: Applicant)

Case No. 11 M/s. Shockley Hall Electronics (P) Ltd., Kolkata
F. No. 01/60/162/358/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Clubbing and discharge of EO against 4 License No.(i) 0210205108 dated 31.10.2014, (ii) 0210205803 dated 15.05.2015, (iii) 0210207803 dated 17.10.2016 and (iv) 0210207644 dated 31.05.2017.

The applicant stated that they are exporting same item Soft Stuffed Toys. Their buyer advised them to delay the shipment. Also big toy retail of the world got closed for bankruptcy causing further delay in shipment. Afterwards some shipments were effected at later date enabling them to use up the imported raw material and do the EO fulfillment. The relaxation sought is only for time aspect. Further stated that for the License No.0210205108 dated 31.10.2014, during that period the biggest toy retailer "Roys R Us" was in a difficult financial situation which resulted the closure of the same in 2018 and which have a cascading effect on all toy buyers, resulting they cannot export the item under this license in time. For the other licenses the export was also affected for this. But afterwards the exports were made proportionate to the imports and the exports were done with the material available against the previous imports. Thus the EO for all the four licenses, if clubbed together, is fulfilled. Currently Chinese manufacturer for toys are coming out from toy business for high labour cost and thus the buyers are looking for the suppliers from India, which is a big opportunity for them. Moreover the rift between China and Western World also opening up opportunities with toy manufacturing and they need to hold on this. Their company has been put in DEL for non-submission of documents, though they submitted all the documents with their clubbing application. Hence, requested for clubbing and removal from DEL to enable them to do the current exports.

Decision: The Committee reviewed the case on the basis of justification furnished by the firm and found no merit in the request and hence decided to maintain rejection of the earlier decision of PRC in its Meeting No.17/AM20 dated 27.08.2019. The applicant is directed to get the case regularized in terms of Para 4.49 of HBP, 2015-2020 within 30 days from the date of uploading of the minutes of meeting.

(Action: RA, Kolkata: if the applicant fails to get the case regularized within a month from the date of uploading of these minute on the Directorate website, necessary action as per the provisions of F.T.(DR)Act, shall be initiated/Applicant)

Case No. 12 M/s. Tolar Ocean Products Pvt. Ltd., Karnataka
F. No. 01/60/162/724/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: To allow VKGUY benefit against 2 RA File No.07/21/087/50005/AM20 and 07/21/087/50004/AM20 which has been rejected by RA stating all the shipping bills are time barred.

They applicant stated that they have applied for VKGUY benefit to RA, Bangalore wherein RA has rejected their case as time barred vide letter dated 05.08.2019. They had replied to the above rejection letter on 12.08.2019, but RA again confirmed the rejection vide letter dated 24.09.2019. Further, stated that all the shipping bills covered under this application have been lost and they had approached Mangalore Customs for certification of duplicate copy of the shipping bills. They were told that instead of certification on a duplicate copy, Customs will issue a re-print of the shipping which should serve their purpose. Accordingly, they have submitted these re-printed shipping bills along with their application after factoring a cut of 10%. This application was rejected on the ground that shipping bills are re-printed due to the list of the original shipping bill and hence will be not covered by the facility of Para 3.11.9 of the HBP 2009-14 which permit the entitlement if the application is filed within 3 months from the date of printing/release of shipping bills. Further, stated that printing/re-printing should not be demarcated if the claim is otherwise entitled to. Hence, requested that this re-printed copy of the shipping bill be considered as duplication shipping bill as Customs have issued the reprint in lieu of origin.

Decision: The Committee went through the statements made by the firm and noted that the applicant has not submitted any cogent reason/ justification in support of their claim. Accordingly, the Committee decided to reject the request.

(Action: Applicant)

Case No. 13 M/s. Deutsche Labs. Inc., Ahmedabad
F. No. 01/60/162/728/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: To allow MEIS benefit against 7 shipping bills pertain to the year 2015-16 and 01 shipping bill pertain to the year 2016-17 wherein MEIS reward scheme was inadvertently selected as "No" instead of "Y".

The applicant stated that they had made export of Pharma products which were admissible for MEIS benefit as per various ITC(HS) codes under Chapter 3004 which is admissible for 3% MEIS benefit. Exports were made vide total 8 shipping bills through Air Cargo completed /ICD Ahmedabad. Unfortunately when the shipment were made the option 'NO' was ticked instead of 'YES' inadvertently by the CHA while filing the shipping bills. As a result none of shipping bill was transmitted from Customs to DGFT Server. As soon as they realized, they took up matter with concerned Customs Authorities. But, they were informed that once the shipping are filed online no further amendment is possible. Further, stated that claims of lakhs of rupees should not get denied on account of a minor mistake of selecting either 'Yes' or 'No' button. The system of filing claim should be modified suitably so that the option "Yes comes" by default and system should warn the applicant only if he does not want to get MEIS which may be only case in millions where an exporter will not like to get MEIS despite being eligible to get the claim.

Decision: The Committee examined the case on the basis of justification furnished by the firm and discussed the matter at length. The Committee observed that the Shipping Bills where 'No' is ticked (for any reason) do not get electronically transmitted on-line in the automated environment. Accordingly, it decided to reject the case.

(Action: Applicant)

Case No. 14 M/s. Phoenix Overseas Ltd., Kolkata
F. No. 01/60/162/729/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: To allow MEIS benefit against 22 shipping bills in which "N" has been mentioned in reward column instead of "Y".

The applicant stated that during 2018-19 they have exported several consignments through LCS Ranaghat which is currently functioning as EDI Port. However while filing the bill of export of 22 shipping bills due to oversight/inadvertence on the part of their CHA, the reward column was left as Blank/No in all 22 BoEs though it was mentioned in all the 22 BoEs that "Exports made under claim of MEIS". It is pertinent to add here that since introduction of EDI System at Ranaghat LCS w.e.f. 04.10.2018, there was lot of confusion in filling up the columns, as informed by the CHA. As a result of the above inadvertence, none of the above Bill of Export numbering 22 in all is being reflected in the Customs System/not transmitted to DGFT Server. Under the circumstances, they are unable to apply for appropriate post export benefits of approx. 8.21 crores from RA, Kolkata resultantly they are suffering heavy loss and the interest burden in mounting every days. After protracted correspondence Krishnanaar Customs Division Distt. Nadia (West Bengal) have issued a letter dated 27.09.2019 in which Customs have duly mentioned about the amendment in the Bill of Exports about reward scheme from 'No' to 'Yes' and also clearly mentioned that correction as requested by them could not be made in the shipping bills in the EDI System after the exports have taken place. Although the Customs have certified to the genuineness of their claim and issued the amendment certificate, it is shown inability to amend the shipping ills in the EDI System due to technical reasons.

Decision: The Committee went through the statements made by the firm and discussed the matter at length. The Committee observed that the Shipping Bills where 'No' is ticked (for any reason) do not get electronically transmitted on-line in the automated environment. Accordingly, it decided to reject the case.

(Action: Applicant)

Case No. 15 M/s. Swiss Exports Pvt. Ltd., Ahmedabad
F. No. 01/60/162/731/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: To allow MEIS benefit against 16 shipping bills for the year 2015-16 and 10 shipping bills for the year of 2016-2017 wherein MEIS reward scheme was inadvertently selected as "N" instead of "Y".

The applicant stated that they had made export of Pharma products which were admissible for MEIS benefit as per the various HS(ITC) codes under Chapter 3004 which is admissible for 3% MEIS benefits. Export were made vide total 26 shipping bills through Air Cargo Complex/ ICD Ahmedabad. Unfortunately when the shipments were made the option 'No' was ticked instead of 'Yes' inadvertently by the CHA while filing the shipping bills. As a result, none of these shipping bills was transmitted from Customs to DGFT. As soon as they realised they took up the matter with concerned Customs Authorities and they were informed that once the shipping bills file online, no further amendment is possible. Further, stated that the claim of lakhs of rupees should not get denied on account of minor mistake of selecting either 'Yes' or 'No' button. They also requested that the system of filling claims should be modified suitably so that the option yes come by default and system should warn the applicant only if he does not want to MEIS which made only one case in millions where an exporter will not to get MEIS despite bearing eligible to get the claims.

Decision: The Committee examined the case on the basis of justification furnished by the firm and discussed the matter at length. The Committee observed that the Shipping Bills where 'No' is ticked (for any reason) do not get electronically transmitted on-line in the automated environment. Accordingly, it decided to reject the case.

(Action: Applicant)

Case No. 16 M/s. ATC Tires Pvt. Ltd., Mumbai
F. No. 01/60/162/733/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: To allow MEIS benefit against 5 Shipping Bills No.(i) 3168408 dated 30.12.2016, (ii) 3168263 dated 30.12.2016, (iii) 3168191 dated 30.12.2016, (iv) 3168178 dated 30.12.2016 and (v) 3188581 dated 31.12.2016.

The application stated that they are having IEC No.0307085279 and are manufacturer exporters of Tires and they claims MEIS benefit on their export sales. They are facing issue in claiming export incentive on the shipping bills filed on 31.12.2016 and let export order issued on or after 01.01.2017 as government has replaced HS Code version 2012 with 2017 on 01.01.2017 and in the said process of HS Codes for their few export products have got replaced. The above shipping bills were filed on 31.12.2016 with existing HS Codes and let export order issued on or after 01.01.2017. The HS codes mentioned in the said shipping bills are as per old 2012 version and said HS Codes have got replaced in 2017 version and due to which said shipping bills are not showing in DGFT Portal and they are unable to apply MEIS on the same.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee found that the due to changes in MEIS module, the firm has faced the problem which was beyond their control and decided to allow them MEIS benefit without any late cut against 5 Shipping Bills No.(i) 3168408 dated 30.12.2016, (ii) 3168263 dated 30.12.2016, (iii) 3168191 dated 30.12.2016, (iv) 3168178 dated 30.12.2016 and (v) 3188581 dated 31.12.2016.

(Action: Applicant/RA, Mumbai/EDI–Division)

Case No. 17 M/s. Relisys Medical Devices Ltd., Ibrahimpatnam (T.S.)
F. No. 01/60/162/420/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Extension in EOP against 3 EPCG License No.(i) 0930003295 dated 28.06.2007, (ii) 0930003321 dated 12.07.2007 and (iii) 0930003358 dated 30.07.2007.

The applicant stated that they are manufacturer of Lifesaving Medical Devices (Stents and Catheters). They are the first Indian Company to have a platform to develop both for Catheters and Stents. They had taken 40 EPCG licenses including above referred 3 EPCG Licenses. During Financial Year 2009-10 to 2011-12 they achieved export turnover close to Rs.7 Crores. But in the year 2012-13, there were changes in the international regulations for CE Marks (mandatory for life saving devices) which lead to adverse impact on exports of the company. Renewing the CE Mark) involved huge financial implication because each country has specified their own specifications and accreditations. Thereafter their company was under huge financial burden. They brought income private funds and investments for their promoters to revive the company. Now they are strategically entering new markets and have received approvals from European Economic Area (EEA), Sudan Myanmar and Indonesia. They are in the process of receiving approvals from Russia, Kyrgyzstan, Bangladesh Bosnia, Herzegovina and Uzbekistan. They are confident of complete the export obligation of remaining licenses if they get addition two years time.

<u>Decision</u>: The Committee went through the submission made by the firm and noted that policy provisions are very clear in this regard. Therefore, after detailed discussions, the Committee found no merit in their case. Hence, decided to reject the request of the firm.

(Action: Applicant)

Case No. 18 M/s. Mahindra Electric Mobility Limited., Bangalore
F. No. 01/60/162/651/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Condonation from non-maintenance of Annual Average EO in respect of EPCG Authorization No.0730011465 dated 19.07.2012.

The applicant stated that the exports were minimal in the Indian Sub-Continent during 2012-15 due to low demand of Electric Cars in Nepal, Bhutan and Sri Lanka. Their European Version of the product was introduced in April 2016 only post proper development meeting European Homologation Standards. The UK market promised to be good but due to BREXIT in July 2016 even the export to UK were affected and they had to wind up their program in May, 2017. Hence, requested to condone the annual average exports committed in the referred license due to above stated uncontrollable global economic factors. The Annual Average shown is less than the specific exports obligation and is duly checked and attested by CA and they do not have detailed shipping bill-wise statements.

Decision: The Committee examined the case on the basis of justification furnished by the firm and noted that policy provisions are very clear in this regard. Therefore, after detailed discussions, it found no merit in their case. Hence, decided to reject the request of the firm.

(Action: Applicant)

Case No. 19 M/s. Mahindra Electric Mobility Limited., Bangalore
F. No. 01/60/162/529/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Condonation from non-maintenance of Annual Average EO in respect of EPCG Authorization No.0730010333 dated 01.07.2011.

The applicant stated that the exports were minimal in the Indian Sub-continent during 2012-15 due to low demand of Electric Cars in Nepal, Bhutan and Sri Lanka. Their European Version of the product was introduced in April 2016 only post roper development meeting European Homologation Standards. The UK market promised to be good but due to BREXIT in July 2016 even the export to UK were affected and they had to wind up their program in May, 2017. Hence, requested to condone the annual average exports committed in the referred license due to above stated uncontrollable global economic factors. The Annual Average shown is less than the specific exports obligation and is duly checked and attested by CA and they do not have detailed shipping bill-wise statements.

Decision: The Committee examined the case on the basis of justification furnished by the firm and noted that policy provisions are very clear in this regard. Therefore, after detailed discussions, it found no merit in their case. Hence, decided to reject the request of the firm.

(Action: Applicant)

Case No. 20 M/s. Varroc Engineering Limited, Aurangabad
F. No. 01/60/162/734/AM20/PRC
PRC Meeting No. 28/AM20 dated 21.01.2020

Subject: Condonation of delay in filing MEIS application against 19 shipping bills No. (i) 8905944 dated 09.04.2015, (ii) 9670681 dated 20.05.2015, (iii) 9911209 dated 01.06.2015, (iv) 1235193 dated 17.06.2015, (v) 1263955 dated 18.06.2015, (vi) 1988917 dated 24.07.2015, (vii) 3265818 dated 29.09.2015, (viii) 3882509 dated 31.10.2015, (ix) 4129647 dated 16.11.2015, (x) 4642481 dated 11.12.2015, (xi) 9835306 dated 02.09.2016, (xii) 5833132 dated 13.02.2016, (xiii) 5833134 dated 13.02.2016, (xiv) 5833120 dated 13.02.2016, (xv) 5833127 dated 13.02.2016, (xvi) 5833136 dated 13.02.2016, (xvii) 5833130 dated 13.02.2016, (xviii) 5833172 dated 13.02.2016 and (xix) 7981132 dated 31.05.2016 due to delay in uploading the BRCs.

The applicant stated that the applications for MEIS could not be made within time allowed as per Para 3.15 and 9.02 of FTP, because the payments against export SB were received in time but the BRC were uploaded by the bank after abnormal delay i.e. after the period allowed for MEIS application. They follow up with the bank for uploading of BRC in time but the BRC were Uploaded with abnormal delay i.e. the time taken by bank for generation of BRC was 915 to 1504 days. The BRC for some other SBs are still being uploaded. Now the online system of DGFT is not accepting the application for MEIS with eligible incentive amount. The delay in uploading of BRC was beyond their control. Hence, requested to condone the delay in filing MEIS application so that they can avail their legitimate export incentives.

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 allow MEIS benefit against 19 Shipping Bills No. (i) 8905944 dated 09.04.2015, (ii) 9670681 dated 20.05.2015, (iii) 9911209 dated 01.06.2015, (iv) 1235193 dated 17.06.2015, (v) 1263955 dated 18.06.2015, (vi) 1988917 dated 24.07.2015, (vii) 3265818 dated 29.09.2015, (viii) 3882509 dated 31.10.2015, (ix) 4129647 dated 16.11.2015, (x) 4642481 dated 11.12.2015, (xi) 9835306 dated 02.09.2016, (xii) 5833132 dated 13.02.2016, (xiii) 5833134 dated 13.02.2016, (xiv) 5833120 dated 13.02.2016, (xv) 5833127 dated 13.02.2016, (xvi) 5833136 dated 13.02.2016, (xvii) 5833130 dated 13.02.2016, (xviii) 5833172 dated 13.02.2016 and (xix) 7981132 dated 31.05.2016 without any late cut. The firm shall approach RA within 180 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA, Mumbai)

Case No. 21: 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) and also without Reasons/Justifications as per Para-15 of ANF 2D are to be treated as incomplete applications. Therefore, such cases are not been taken up by the Committee as mentioned below:

S. No.	Name of the firm	Subject of the firm	Remarks
1.	M/s. Metalloys Recycling Limited, Mumbai	Amendment in Import Items against 2 Advance Authorization No.0310831008 dated 14.08.2019 & 0310830984.	Proof of application fee not submitted
2.	M/s. Choice Clothing Co. Pvt. Ltd., Haryana	Redemption of Annual Advance Authorization no. 0510398006 dated 22.03.2016.	ANF 2D and proof of application fee not submitted
3.	M/s. Paramount Products Pvt. Ltd., New Delhi	Availability of used e-BRC for amendment by the bank vide S. Bill No.5729704 dated 28.04.2017.	ANF2D and proof of application fee not submitted
4.	M/s. Alkem	Claim of MEIS benefit against	ANF 2D not

Ulyan

	Laboratories Limited, Maharashtra	Shipping Bill No.1274631 dated 01.12.2017.	submitted
5.	M/s. National Textile Corporation Ltd., Kerala Lakshmi Mills , Kerala	Re-consideration of a decision from DGFT office for relaxation of Re-fixation AA No.1030001059 dated 16.01.2007	ANF 2D and proof of application fee not submitted
6.	M/s. National Textile Corporation Ltd.,Alagappa Textiles (Cochin) Mills, Kerala	Re-consideration of a decision from DGFT office for relaxation of Re-fixation AA No.1030001036 dated 15.11.2006.	ANF 2D and proof of application fee not submitted
7.	M/s. Guarniflon India Pvt. Ltd., Mumbai	Condonation of the delay in Payment of fees for excess utilization against EPCG Authorization No. 0330042185 dated 20.07.2015	ANF 2D not submitted
8.	M/s. Prima Plastics Limited, Mumbai	Revalidation of Advance Authorization No.0310817100.	ANF 2D and proof of application fee not submitted
9.	M/s. Voyage India, Mumbai	Revalidation of Import License No.0350003520 dated 24.01.2018	ANF 2D not submitted
10.	M/s. Kiran Udyog, Sikanderabad, Hyderabad	Extension in EOP against AA No.0910063174 dated 27.01.2016	Proof of application fee not submitted

*****