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 20.11.2018

Meeting No.23/AM19 held on 20.11.2018 at 10:30 AM

The following members were present in the meeting:

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

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

PH Case No.01: M/s. Microtech Energy Pvt. Ltd., Bengaluru
F. No. 01/60/162/541/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Consideration of free shipping bills for fulfillment of Export Obligation against EPCG No.0730002957 dated 10.06.2005.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Ravi Govindan, CMD and Shri Ramachandra Naidau M., Commercial Head, of the firm appeared before the Committee and made the following submissions:

They had lost the Original EPCG License during the time of exports. The matter was brought to the notice of the RA vide letter dated 03.02.2014. Since the original license was not in their possession at the time of export, the Customs Authorities refused to entertain their request for computation of license number in the relevant Shipping Bills and hence all their legitimate shipping bills have turned into free shipping bills even though technically they are all export shipping bills satisfying all the requirements under the above said license.

Decision: The Committee heard the submission made by the firm and discussed the matter at length and found no merit in considering free shipping bills towards discharge of EO against EPCG authorization and decided to reject the request.

(Action: Applicant/RA)

PH Case No.02: M/s. Shree Ambika Sugars Limited, Chennai
F. No. 01/60/162/273/AM19/PRC

PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Extension in Export Obligation Period of advance authorization No.0410163336 dated 18.07.2017 obtained for import of Raw Sugar listed under Appendix 4J.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Ram V. Tyagarajan, CMD of the firm appeared before the Committee and made the following submissions:

Due to maintenance of Plant & Machinery, they could not make the exports on time and required another 3-6 months for balance exports. They had already fulfilled 60% export obligation. Their factory was under maintenance of Plant & Machinery for future production and goods are ready for export. But their export validity has already expired. Custom office does not allow exporting their goods against advance license. Now their buyer is chasing them for supply the goods.

<u>Decision</u>: The Committee went through the statements made by the firm and observed that it is an AA for import of raw sugar and issued under Appendix 4 J with reduced EO period. Apparently no exports have been made as can be seen from the application and imports have been made fully. Accordingly after discussions, committee found no merit in the request for EO extension and decided to reject it.

(Action: Applicant/RA)

PH Case No.03: M/s. Thiru Arooran Sugars Limited, Chennai
F. No. 01/60/162/272/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Extension in Export Obligation Period of advance authorization No.0410163331 dated 17.07.2017 obtained for import clearance of Raw Sugar listed under Appendix 4J.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Ram V. Tyagarajan, CMD of the firm appeared before the Committee and made the following submissions:

Due maintenance of Plant & Machinery, they could not achieve the exports on time and required another 3-6 months for exports of balance 40% Qty. They had already fulfilled 60% export obligation. Their factory was under maintenance of Plant & Machinery for future production and goods are ready for export. But their export validity has already been expired. Custom office does not allow exporting their goods against advance license. Now their buyer is chasing to them for supply the goods.

<u>Decision</u>: The Committee went through the statements made by the firm and observed that it is an AA for import of raw sugar and issued under Appendix 4 J with reduced EO period. Apparently no exports have been made as can be seen from the application and imports have been made fully. Accordingly after discussions, committee found no merit in the request for EO extension and decided to reject it.

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(Action: Applicant/RA)

PH Case No.04: M/s. Eastern Cargo Carriers (India) Pvt. Ltd., Mumbai
F. No. 01/60/162/552/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Relaxation of Policy for the grant of restricted license for import of POLYAL (Composite waste of Plastic and Aluminum foil).

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Alok Seth, Director, Shri Suraj Lal, Head-Projects and Ms Shreya Ganju, Sr. Legal Associate, of the firm appeared before the Committee and made the following submissions:

They have set up a unit in Dahej, Bharuch, Gujarat under "MAKE IN INDIA" program to make corrugated roof sheet which will help to make "LOW COST HOUSING" and toilets under "SWACH BHARAT" scheme. As per them they have taken all requisite clearance from different departments and the item has lot of potential in domestic market. They have submitted repeated applications for the grant of restricted license for POLYAL. However, all such applications were rejected by the EFC without going into the merits of the case.

__Decision__: The Committee heard the submission made by the firm and discussed the matter at length and decided to refer the request of the firm to Exim facilitation Committee(EFC) to examine the request and put up the same to DG for a decision.

(Action: EFC Division/PC 2)

PH Case No.05: M/s. Ceat Limited, Mumbai
F. No. 01/60/162/517/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of Advance Authorization No.0310808757 dated 26.10.2016.

__Decision__: The applicant had sought personal hearing, which was afforded on 20.11.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case and give the firm another opportunity for PH in the next meeting. In case the applicant does not still appear, the case would stand rejected.

(Action: Applicant)

PH Case No.06: M/s. Naari Pharma Pvt. Ltd., New Delhi
F. No. 01/60/162/830/AM18/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Extension of EO for another 03 months against Advance Authorization No.0510397978 dated 18.03.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Suraj Pal Singh Rawat and Shri Diwakar Audichya, representatives of the firm appeared before the Committee and made the following submissions:

They have received 2nd EO extension of above said advance license. But due to factory up-gradation, they could not achieve the exports on time and required another 1-2 months for Exports of balance 10% Qty. They had already fulfilled 90% export obligation. Their factory was upgrading for future production and goods are ready for export at present. But their export validity has expired. Now their buyer is chasing to them for supply the goods but they cannot export.

Decision: The Committee deliberated the case in detail and noted that the firm has not completed the export obligation within the original/extended obligation period, despite being aware that their facility was under up gradation. The Committee felt that there was no genuine hardship. Hence, the Committee did not accede to the request of the firm.

(Action: Applicant/RA)

PH Case No.07: M/s. SAS International, Chennai
F. No. 01/60/162/427/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Relaxation of norms for discharging of EO and clubbing of Advance Authorizations (0510392102/21.11.2014, 0510390018/3.7.2014, 0510395575 dated 24.4.2015, 0510393955/10.9.2015) for Annual Use under Chapter-4 of the FTP.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Ravindra Kumar, representative of the firm appeared before the Committee and made the following submissions:

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 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. Also, in the condition sheet of these four-advance authorization for annual requirements there is no mention of Appendix-4J. Prima-facie The case relates to "advance" authorizations and not annual authorizations. 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

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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. Therefore, the exports made on the white shipping bills where the duty incentive scrip's were not availed should also be considered and endorsed for export obligation discharge certificate against these advance annual authorizations.

Decision: The Committee heard the submission made by the firm and observed that it is essentially a request for clubbing of Annual Advance authorizations and consideration of free shipping bills towards discharge of export obligation against these authorizations. After deliberations, it decided to defer the case and asked the firm to submit their detailed representation with further justification and authorization wise details of exports made, within 7 days to further consider their case.

(Action: Applicant)

PH Case No.08: M/s. Lalit Pipes & Pipes Limited, Mumbai
F. No. 01/60/162/360/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of DFIA No.0310703684 dated 01.08.2012.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Salim Diler, MD&CEO of the firm appeared before the Committee and made the following submissions:

The DFIA Authorization bearing no. 031703684 was issued on 01.08.2012 and the exports were fulfilled by 11.05.2013 and that thereafter the payment was also received in time. However from March 2013 to June 2016, there was labour unrest in their factory and lot of time was lost due to exchange of various deficiency memo in their EODC request and the company faced difficulty in retrieving documentation and further clarification and or information in relation to the deficiency memos owing to the fact that the Company was facing 'DARK hours', making it difficult to attend the same within the prescribed time. Owing to the reasons as stated hereinabove, though the export obligation was fulfilled within prescribed time period, no import could be affected.

Decision: The Committee heard the submission made by the representative of the firm and after discussing the matter at length decided that the firm has actually suffered for reasons beyond their control and there indeed was genuine hardship, hence acceded to the request of the firm and allowed revalidation for six months from the date of EODC.

(Action: Applicant/RA)

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PH Case No.09: M/s. Lalit Pipes & Pipes Limited, Mumbai
F. No. 01/60/162/361/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of DFIA No.0310673954 dated 02.01.2012.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Salim Diler, MD&CEO of the firm appeared before the Committee and made the following submissions:

The DFIA Authorization bearing no. 0310673954 was issued on 02.01.2012 and the exports were fulfilled by 23.08.2012 and that thereafter the payment was also received in time. However from March 2013 to June 2016, there was labour unrest in their factory and lot of time was lost due to exchange of various deficiency memos in their EODC request and the company faced difficulty in retrieving documentation and further clarification and or information in relation to the deficiency memos owing to the fact that the Company was facing 'DARK hours', making it difficult to attend the same within the prescribed time. Owing to the reasons as stated hereinabove, though the export obligation was fulfilled within prescribed time period, no import could be affected.

Decision: The Committee heard the submission made by the representative of the firm and after discussing the matter at length decided that the firm has actually suffered for reasons beyond their control and there indeed was genuine hardship, hence acceded to the request of the firm and allowed revalidation for six months from the date of EODC.

(Action: Applicant/RA)

PH Case No.10: M/s. Lalit Pipes & Pipes Limited, Mumbai
F. No. 01/60/162/491/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of DFIA No.0310730064 dated 02.04.2013.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Salim Diler, MD&CEO of the firm appeared before the Committee and made the following submissions:

The DFIA Authorization bearing no. 0310730064 was issued on 02.04.2013 and the exports were fulfilled by 30.5.2014 and that thereafter the payment was also received in time. That, there was substantial loss of time due to Submission of their request for EODC in July 2014. Further period of six months was lost due to exchange of various deficiency memos and the company faced difficulty in retrieving documentation and further clarification and or information in relation to the deficiency memos owing to the fact that the Company was facing 'DARK hours', making it difficult to attend the same within the prescribed time. Owing to the reasons as stated hereinabove, though the export obligation was fulfilled within prescribed time period, no import could be affected.

Decision: The Committee heard the submission made by the representative of the firm and after discussing the matter at length decided that the firm has actually suffered for reasons beyond their control and there indeed was genuine hardship decided that firm shall apply for issuance of duplicate DFIA to concerned RA as per prescribed procedure in FTP/HBP 2015-20. RA would also issue Duplicate DFIA with the validity for a period of six months from the date of issue of Duplicate DFIA.

(Action: Applicant/RA)

PH Case No.11: M/s. H.D. Wires Pvt. Ltd., Indore
F. No. 01/60/162/17to19/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of Advance licenses (i) No.5610004884 dated 18.04.2016, (ii) No.5610004924 dated 09.06.2016 and (iii) 5610004924 dated 09.06.2016.

Decision: The applicant had sought personal hearing, which was afforded on 20.11.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case. In case the applicant still does not appear before PRC, the case would stand rejected.

(Action: Applicant)

PH Case No.12: M/s. Anvil Cables Pvt. Ltd., Kolkata
F. No. 01/60/162/559/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: 2nd Revalidation of Advance Authorization No.0210206596 dated 06.04.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Sunil Dalmia, Chief Executive of the firm appeared before the Committee and made the following submissions:

They have completed the export to Iraq within the original validity period of the authorization. Also the 100% value was realized within the stipulated time.For sourcing their raw material at international price of Aluminum Wire Road and LT XLPE Compound they finalized the terms with two indigenous suppliers and applied to RA for issuing Invalidation on 04.07.2016. The Invalidation was issued by RA on 21.07.2016 i.e. after delay of two weeks from the application and prescribed time for three working days. In the mean time they continued the export at huge loss by procuring the raw material at high local price since they did not want to default on the export schedule. Even for the first revalidation they lost 10 days due to procedural delay at RA. Due to above delays they were unable to procure the complete quantity of Aluminum Wire Rod within the original as well as first extended validity period. Bharat Aluminum Company Ltd, indigenous supplier, also made delay in supply of material to them under the invalidation due to their allowing less priority to their supply since they are able to get higher realization on normal domestic supply. Further since they are MSME unit, their financial resources are very limited and they are unable to import the material in bulk from foreign sources. They suffered huge loss in the process and so the request for more time for imports.

Decision: The Committee examined the case in detail and observed that there is merit in the firm's contentions and accordingly decided to allow revalidation for a period of 3 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)

PH Case No.13: M/s. Buch-Plastics & Packaging Pvt. Ltd., Gujarat
F. No. 01/60/162/197/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation for one year upto 20.12.2018 and EOP extension for 06 months upto 20.12.2018 of Advance Authorization No.3410042779 dated 20.12.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Chandu Kothia, Director, of the firm appeared before the Committee and made the following submissions:

As the new management has taken over the reins of M/s. Buch Plastics & Packaging Pvt. Ltd., the ailing company, from Buch brothers with effect from 30.06.2017.The new management began to infuse the capital worth Rs.7.92 crores by way of acquiring the shares of promoters as their company was about to be declared as Non Performing Asset by their lead bank, Bank of Baroda, Ankleshwar branch, Gujarat-393002. Their packing credit worth of Rs.1/- crore vis-à-vis cash credit worth of Rs.3.25/- crores was also found to have been overdue before the acquisition by the new management. He further explained the difficulties, which they are facing due to this acquisition.

Decision: The Committee heard the submission made by the representative of the firm and after discussing the matter at length it decided to allow revalidation for a period of 3 months from the date of endorsement for making the imports proportionate to the export already made. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA)

PH Case No.14: M/s. Union Quality Plastics Ltd., Mumbai
F. No. 01/60/162/1264/AM17/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

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Subject: Clubbing of 02 Advance Authorizations (i) No.0310580051 dated 22.06.2010 and (ii) No.0310732214 dated 22.04.2013.

Decision: The applicant had sought personal hearing, which was afforded on 20.11.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case. In case the applicant still does not appear before PRC, the case would stand rejected.

(Action: Applicant)

PH Case No.15: M/s. Mahendra Industries, Bangalore
F. No. 01/60/162/296/AM17/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Redemption of 03 Advance Authorizations (i) No.0710076832 dated 20.01.2011 (ii) No.0710077113 dated 03.02.2011 and (iii) No.0710090530 dated 03.02.2011 on fulfillment of EO based on supplies made to SEZ unit.

Decision: The applicant had sought personal hearing, which was afforded on 20.11.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case. In case the applicant still does not appear before PRC, the case would stand rejected.

(Action: Applicant)

PH Case No.16: M/s. Plasma Impex Inc., Noida
F. No. 01/60/162/750/AM18/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

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

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Satish Kumar, CEO, of the firm appeared before the Committee and made the following submissions:

They have stated 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 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 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 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/RA)

PH Case No.17: M/s. Whirpool of India Limited, Gurgaon
F. No. 01/60/162/293/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of Advance Authorization No.0510322554 dated 19.04.2012.

Decision: The applicant had sought personal hearing, which was afforded on 20.11.2018, but no one appeared on behalf of the firm. The Committee, in the interest of natural justice, decided to defer the case. In case the applicant still does not appear before PRC, the case would stand rejected.

(Action: Applicant)

PH Case No.18: M/s. Uttam Galva Metallics Limited, Mumbai
F. No. 01/60/162/387/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of Advance Authorization No.0310807610 dated 06.09.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Rajinder Miglani, Chairman and ShriAmar N. Jha, Exe. Director (Commercial & Indirect Taxation), of the firm appeared before the Committee and made the following submissions:

They had pending entitled imports accumulated against their Authorization, which they were not able to import because of their financial constraints. The company has been going through some financial hardships in recent times. This affected their repayment commitments with bankers who then marked the company as non-performing assets since 2016. Resulting their Letter of Credit sanctions has been frozen. Since they were not able to open LC's on their importers, they could not book and import the Raw material and utilize their authorization fully. Further the scenario worsted after the implementation of the Insolvency and Bankruptcy Code as their Bankers referred the case to the National Companies Law Tribunal. Since the company was under IBC, there was working capital pressure affecting their production. Plants were not running to optimum utilization. Before their case had been admitted with the NCLT, they have arrangements by their overseas partner, who has cleared their outstanding dues and detached their name as NPA. Now they have developments 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 heard the submission made by the representative of the firm and after discussing the matter at length and decided that the firm has actually suffered for reasons beyond their control and hence acceded to the request of the firm and allow revalidation of above advance authorization 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)

PH Case No.19: M/s. Uttam Galva Steels Limited, Mumbai
F. No. 01/60/162/389/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of Advance Authorization No.0310809121 dated 10.11.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Rajinder Miglani, Chairman and Shri Amar N. Jha, Exe. Director (Commercial & Indirect Taxation), of the firm appeared before the Committee and made the following submissions:

They had pending entitled imports accumulated against their Authorization, which they were not able to import because of their financial constraints. The company has been going through some financial hardships in recent times. This affected their repayment commitments with bankers who then marked the company as non-performing assets since 2016. Resulting their Letter of Credit sanctions has been frozen. Since they were not able to open LC's on their importers, they could not book and import the Raw material and utilize their authorization fully. Further the scenario worsted after the implementation of the Insolvency and Bankruptcy Code as their Bankers referred the case to the National Companies Law Tribunal. Since the company was under IBC, there was working capital pressure affecting their production. Plants were not running to optimum utilization. Before their case had been admitted with the NCLT, they have arrangements by their overseas partner, who has cleared their outstanding dues and detached their name as NPA. Now they have developments 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 heard the submission made by the representative of the firm and after discussing the matter at length and it is observed and decided that the firm has actually suffered for reasons beyond their control and hence acceded to the request of the firm and allow revalidation of above advance authorization 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)

PH Case No.20: M/s. Uttam Galva Steels Limited, Mumbai
F. No. 01/60/162/389(A)/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of Advance Authorization No.0310809235 dated 22.11.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Rajinder Miglani, Chairman and Shri Amar N. Jha, Exe. Director (Commercial & Indirect Taxation), of the firm appeared before the Committee and made the following submissions:

They had pending entitled imports accumulated against their Authorization, which they were not able to import because of their financial constraints. The company has been going through some financial hardships in recent times. This affected their repayment commitments with bankers who then marked the company as non-performing assets since 2016. Resulting their Letter of Credit sanctions has been frozen. Since they were not able to open LC's on their importers, they could not book and import the Raw material and utilize their authorization fully. Further the scenario worsted after the implementation of the Insolvency and Bankruptcy Code as their Bankers referred the case to the National Companies Law Tribunal. Since the company was under IBC, there was working capital pressure affecting their production. Plants were not running to optimum utilization. Before their case had been admitted with the NCLT, they have arrangements by their overseas partner, who has cleared their outstanding dues and detached their name as NPA. Now they have developments 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 heard the submission made by the representative of the firm and after discussing the matter at length and it is observed and decided that the firm has actually suffered for reasons beyond their control and hence acceded to the request of the firm and allow revalidation of above advance authorization 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)

PH Case No.21: M/s. Uttam Value Steels Limited, Mumbai
F. No. 01/60/162/388/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of Advance Authorization No.0310810211 dated 30.12.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Rajinder Miglani, Chairman and Shri Amar N. Jha, Exe. Director (Commercial & Indirect Taxation), of the firm appeared before the Committee and made the following submissions:

They had pending entitled imports accumulated against their Authorization, which they were not able to import because of their financial constraints. The company has been going through some financial hardships in recent times. This affected their repayment commitments with bankers who then marked the company as non-performing assets since 2016. Resulting their Letter of Credit sanctions has been

frozen. Since they were not able to open LC's on their importers, they could not book and import the Raw material and utilize their authorization fully. Further the scenario worsted after the implementation of the Insolvency and Bankruptcy Code as their Bankers referred the case to the National Companies Law Tribunal. Since the company was under IBC, there was working capital pressure affecting their production. Plants were not running to optimum utilization. Before their case had been admitted with the NCLT, they have arrangements by their overseas partner, who has cleared their outstanding dues and detached their name as NPA. Now they have developments 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 heard the submission made by the representative of the firm and after discussing the matter at length and it is observed and decided that the firm has actually suffered for reasons beyond their control and hence acceded to the request of the firm and allow revalidation of above advance authorization 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)

PH Case No.22: M/s. ERGO Spaces Pvt. Ltd., Bangalore
F. No. 01/60/162/577/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Waiver of requirement of Bill of export – for closure of 03 EPCG Authorizations (i) No.0730001763 dated 31.04.2004 (ii) No.0730002258 dated 02.11.2004 and (iii) No.0730007310 dated 22.08.2008.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri K. Sachidananda Murthy, Director of the firm appeared before the Committee and made the following submissions:

The supplies against EPCG were made to SEZ units. All exports were affected during 2006 but bill of export was not mandatory during this period. Hence, they were seeking relaxation in this stipulation by accepting ARE-1 duly certified by SEZ to close the EPCG. Since, bill of export was not mandatory during 2006, hence the same was not prepared and certified by SEZ Authorities. The supplies against EPCG was made to SEZ units, all exports were affected during 2006. They further explained that since they are regular exporters to SEZ, they have many Bills of export for supplies which have been made against their advance authorization but EPCG numbers are not mentioned in those. He requested to consider these Bills of exports towards discharge of EO against these EPCG authorizations also.

Decision: The Committee heard the submission made by the representative of the firm and expressed that waiver of requirement of bills of export for supplies to SEZ cannot be accepted. However, as requested by the firm in their representation handed over in the meeting, Bills of exports made as an evidence of discharge of EO against their Advance Authorizations can be accepted even if EPCG authorization number is not indicated on submission of affidavit as provided in Appendix 5 C in terms of provisions of FTP/HBP. Accordingly after deliberations, committee allowed acceptance of bills of exports containing AA number towards discharge of EO against these EPCG authorizations.

(Action: Applicant)

PH Case No.23: M/s. Vishal Tools & Forgings Pvt. Ltd., Jalandhar
F. No. 01/60/162/353/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Extension of EO Period for 12 months against Advance Authorization No.3010085085 dated 09.04.2012.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Sanjeev Puri, Director of the firm appeared before the Committee and made the following submissions:

They stated that the advance authorization was taken for import of Fiber Glass Handles and for export of Sledge Hammers fitted with fiber glass handles against the confirmed export orders in the year 2013 for specific buyer. They successfully exported the sledge hammers fitted with Fiber Glass Handles equal to 37% of the total export obligation against three export invoices. The export orders for remaining quantities were cancelled by the supplier in November 2012. They tried their level to find out the new customers to complete the obligation but they could not succeed. They are suffering losses towards stock carrying for the last six years and total loss suffered till date is US $ 44454 equivalent to INR 30 lacks.

Decision: The Committee heard the submissions made by the firm during PH and was of the view that no case of any genuine hardship has been made by the firm. Accordingly, after discussions, it decided to reject the request of the firm.

(Action: Applicant/ RA)

Case No.24: M/s. Phoenix Foils Pvt. Ltd., Mumbai
F. No. 01/60/162/565/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: To condone pre-import condition against 06 Advance Authorizations (i) No.310817030 dated 14.11.2017 (ii) No.0310818605 dated 18.01.2018 (iii) No.0310818954 dated 07.02.2018 (iv) No.0310819434 dated 27.02.2018 (v) No.0310820004 dated 22.03.2018 and (vi) No.03108020781 dated 04.05.2018.

The above Advance Authorizations were issued with pre-import conditions mentioning in the condition sheet of the Advance Authorization but not on the face of Advance Authorization. They have stated that this policy amendment inadvertently missed their attention as it was not mentioned on the face of the above Advance Authorization due to which they continued doing their import and export as they were doing in regular course of business it is their regular practice to export first and import later and this came to their knowledge when they were planning to import goods under the above Advance Authorization.

Decision: The committee went through the statements made by the firm and noted that it is a policy issue and found no merit in the request of the firm and therefore decided to reject it.

(Action: Applicant/RA)

Case No.25: M/s. SMGK Agro Exports, Delhi
F. No. 01/60/162/567/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Extension in EO Period against Advance Authorization No.0510394045 dated 30.04.2015.

Firm has stated that due to slow down in the global market and decrease in demand caused the delay in exports- hence request for EO extension.

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

(Action: Applicant/RA)

Case No.26: M/s. Adcock Ingram Limited, Bangalore
F. No. 01/60/162/553/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Issuance of MEIS benefits for the period of 2015-16.

They had filed each shipping bill under the multiple declarations such as an Advance Authorization and drawback schemes for the year 2015-16 (33 Shipping bills). Further they have stated that each shipping bill contained two invoices. One invoice is filed under Advance Authorization and another invoice filed under duty drawback scheme in the same shipping bill. While applying for MEIS, the DGFT server reflects MEIS benefits only for Advance Authorization line times and duty drawback line items are not reflected to apply. Moreover, they hereby confirmed that they are eligible to avail MEIS benefits under Advance Authorization and duty drawback scheme as per DGFT MEIS list.

Decision: The Committee went through the statements made by the applicant and decided to refer the case to EDI/NIC to further examine it and after examining bring back to the PRC, if any relaxation is required.

(Action: EDI/NIC)

Case No.27: M/s. Dev Ansh Exports Pvt. Ltd., Noida
F. No. 01/60/162/564/AM19/PRC

PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: To allow FPS benefit against F.No.05/50/087/50037/AM19 as the RA has rejected due to time barred as per para 3.11.9 of HBP 2009.

They applied for FPS claim on 27.10.2018 but RA, New Delhi has rejected their case stating that their case is time barred as per Para 3.11.9 of HBP(2009-14). They have stated that without BRC how they can file the claim although there is proof that realization date is in time or within one year but it was banker's delay to issue proper BRC in DGFT BRC Portal. Without uploading of BRC they cannot attach file for FPS claim. Hence when they found BRC in DGFT Portal they applied for FPS benefit but RA rejected the case as per Para 3.11.9 of HBP -2009-14. However, they are eligible to get full entitlement because they have applied their claim within 1 month after uploading of BRC in DGFT Portal.

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 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. It also decided that no cut would be imposed on the entitlement.

(Action: Applicant/RA)

Case No.28: M/s. Dev Ansh Exports Pvt. Ltd., Noida
F. No. 01/60/162/566/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: To allow FPS benefit against F.No.05/50/087/50038/AM19 as the RA has rejected due to time barred as per para 3.11.9 of HBP 2009.

They applied for FPS claim on 27.10.2018 but RA, New Delhi has rejected their case stating that their case is time barred as per Para 3.11.9 of HBP(2009-14). They have stated that without BRC how they can file the claim although there is showing that realization date is in time or within one year but it was banker's delay to issue proper BRC in DGFT BRC Portal. Without uploading of BRC they cannot attach file for FPS claim. Hence when they found BRC in DGFT Portal they applied for FPS benefit but RA rejected the case as per Para 3.11.9 of HBP -2009-14. However, they are eligible to get full entitlement because they have applied claim within 1 month after uploading BRC in DGFT Portal.

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 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. It also decided that no cut would be imposed on the entitlement.

(Action: Applicant/RA)

Case No.29: M/s. AGT Foods India Private Limited, Mumbai

F. No. 01/60/162/276/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Grant of re-store EOP of 18 months in Advance Authorization No.0310818233 dated 04.01.2018.

They imported Lentil (Masoor) for total quantity of 1259.88 M.T. against the above Advance Authorization for the exports of 1199.88 M.T. within the 18 months as prescribed in Exim Policy as well the AA. But the above Advance Authorization was called back and amended by RA Mumbai to give 90 days as EOP. Before that their goods had already arrived at JNPT and the bill of entry was filed for clearance. The said material was imported keeping in view exports period of 18 months and they will process the goods according to buyer's requirement. After imports they have processed some material and exported the goods. The balance quantity of export left is 899.855 M.T. proportionate to imports made.

Decision: The Committee examined the case and after detailed deliberations decided to allow 3 months EOP from the date of endorsement/uploading of minutes of the meeting, up to 31.03.2019, for fulfillment of EO.

(Action: Applicant)

Case No.30: M/s. Fresenius Kabi Oncology Limited, New Delhi.
F. No. 01/60/162/563/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Rectification of the value of SEIS Authorization No.0519079458 dated 18.05.2017.

They have applied and received first license No. 0519079458 dated 18.05.17. later they applied and received second SEIS license No. 0519095572 dated 08.11.17. They have received scrip with 2% Late-cut. Also in second application, they have shown nil expenses as all expenses of year 2015-16 were captured in first application. However, after internal scrutiny of their records, an inadvertent clerical mistake was discovered by them. The mistake pertains to declaration of expenditure for calculation of Net Foreign Exchange. Erroneously expenses shown in first application were much higher as compared to actual. Pursuant to finding errors committed by them in filling the SEIS claims, they tried to file an online application for rectification of error/revision of ANF-3B. After submitting their supplementary claim in CLA, they asked them to furnish original scrip No. 051907958 to consider request to rectify the claim/duty credit value as per revised application. However, CLA informed them that as they have already utilized the said authorization and now system have no option to amend/rectify the duty credit value. Therefore mistake in declaration of substantially decreased NFE by them has resulted into decreased SEIS benefits.

Decision: The Committee went through the statements made by the firm and decided to refer the issue to Policy-3 Section for its examination.

(Action: PC-3 Section)

Case No.31: M/s. Chemical Process Equipment Pvt. Ltd., Mumbai
F. No. 01/60/162/568/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Second Revalidation of Advance Authorization No.0310811613 dated 03.03.2017.

Firm had obtained the above Advance Authorization under SION basis in the month of March 2017 having license validity up to February 2018 and obtained one revalidation from RA Mumbai up to 02.09.2018. They required specific grade of resin for their FRP Product to be exported as per their client requirement. As the Synthetic Resin in International Market for specific grade was not available hence could not be imported during the extended period. They have now got offer from their supplier but in the mean time the license got expired. They now require this material for their balance export to be effected under above license.

<u>Decision:</u> The Committee went through the statement made by the applicant and after discussing the matter at length and decided to accede the request of the firm for grant of revalidation of above advance authorization for a period of three 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.32: M/s. Pushpak Trademech Limited, Ahmedabad
F. No. 01/60/162/561/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Relaxation in delay in installation of machinery under EPCG Scheme Authorization No.0830002777 dated 28.01.2009.

Firm need relaxation for late submission of installation certificate. They had cleared imported machinery on 31.03.2009 and completed installation on 01.10.2011 and submitted Installation certificate issued by Central Excise authority and chartered engineer to RA. Applied for redemption in December 2014 but due to delay in Installation of the machinery, RA is not considering their redemption application. The imported capital goods viz. Upper Gantry machining centre is technically most advanced and huge and bulky. On receipt of the capital goods they found that their factory area was too small to accommodate the said machinery. Hence simultaneously they started constructing building exclusively for the imported machinery and then started installation work. They have got stage wise inspection of the installation work from independent chartered engineer.

<u>Decision</u>: The Committee went through the statements made by the firm and decided to refer the case to EPCG Section for its examination.

(Action: EPCG-division)

Uyani

Case No.33: M/s. MPD Industries Pvt. Ltd., Indore
F. No. 01/60/162/107/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: To condone the procedural lapse of not generating bill of exports for supplies made to SEZ units against advance authorization No.5610003370 dated 12.12.2013.

They have not been issued bill of exports against their supplies to SEZ. However, they are a tiny unit and paying of such amount now upon regularization may badly affect their business and indirectly affect their employees and their families which are dependent on them. Since the government is emphasizing to encourage small/medium industries to grow business they expect a favorable outcome in their case. Since not filing of Bill of exports is creating genuine hardship for them, they requested to relax this condition and accept the documents like Invoice, ARE-1's as proof of exports.

Decision: The Committee went through the statements made by the firm and noted that bill of export is a mandatory requirement for supplies to SEZ units and therefore the Committee did not accede to the request of the firm.

(Action: Applicant/RA)

Case No.34: M/s. Classic Marble Company Pvt. Ltd., Mumbai
F. No. 01/60/162/551/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Second Revalidation of Advance Authorization No.0310812264 dated 30.03.2017.

They have applied for 2nd revalidation in RA, Mumbai. They have informed that 2nd revalidation is not eligible after EODC has been issued and advised them to approach PRC for of second revalidation.

Decision: The Committee went through the statement made by the firm and after discussing the matter at length decided to accede the request of the firm for grant of revalidation of above advance authorization for a period of three months from the date of endorsement. The firm shall approach RA within 30 days from the date of uploading of the minutes of meting. Further, committee also decided that PC-4 Section shall devise a suitable policy for such cases and submit file to DG.

(Action: Applicant/RA/PC-4)

Case No.35: M/s. Economic Traders (GUJ) Pvt. Ltd., Rajkot
F. No. 01/60/162/642/AM18/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Revalidation of DEPB License No.2410029109 dated 22.07.2010 which was not verified by Mundra Port Customs due to technical error 02&97.

The DEPB was not verified by Mundra Port customs as there was some technical problem in the EDI system with error code 02&97 for which they have done a lot of follow up with various departments concerned. In order to be competitive in international market, the benefit of DEPB credit is something, which the exporters have to take into consideration in the costing while working out the price of their export products. They earn this credit after completing all the export procedures and formalities including realization of the valuable Foreign Exchange for their country and therefore it will be a big loss for them if they are unable to utilize this DEOB credit simply because of technical error of EDI system of Customs and this Directorate.

Decision: The Committee went through the statements made by the firm and decided to refer the issue to EDI Section to sort out the technical error, if any.

(Action: EDI Section)

Case No.36: M/s. Payal Polyplast Pvt. Ltd., New Delhi
F. No. 01/60/162/575/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Clubbing of 02 Advance Authorizations (i) No.0510394707 dated 25.06.2015 and (ii) No.0510399236 dated 27.07.2016.

They have been issued the above licenses against the Export of DINP. They have made the export against the advance authorization No.0510399236 dated 27.07.2016 but the imports could not be made in time. Since they have another license No.0510394707 dated 25.06.2015 in hand for the same item of Import & Export. They have applied for clubbing of both the licenses in RA but they have stated that in terms of Para 8 of Public Notice no. 32 dated 18.10.2017, the licenses should be issued within the validity of first authorization. Since they were not aware about the notification issued later and completed the imports and Exports in both the license if they are clubbed together to treat as one license. Now the license has required to be redeemed to release their bond from customs. If they don't get the permission for clubbing then it amounts to heavy duties and losses as they have already completed the export obligation.

Decision: The Committee went through the submissions of the firm and found no merit in the case and therefore decided to reject it.

(Action: RA/Applicant)

Case No.37: Reference from Policy-4 Section.
F. No. 01/94/180/284/AM19/PC-4
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Expansion of self ratification scheme under Para 4.07 A of the FTP

Decision: issue was discussed in detail and it was decided that PC 4 section will move a detailed self contained note on the issue to DG for a decision.

(Action: PC 4)

PH Case No.38: M/s. Shubhalakshmi Polysters Ltd., Surat
F. No. 01/60/162/371/AM19/PRC
PRC Meeting No. 23/AM19 dated 20.11.2018

Subject: Extension in EO Period against Advance Authorization No.5210041734 dated 19.01.2016 up to 36 months i.e. 19.01.2019.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 20.11.2018 and Shri Manoj Agarwal, Director of the firm appeared before the Committee and made the following submissions:

Egypt and Turkey is the big market of their product and due to political/currency instability and severe double digit inflation of 23.54% in Egypt and 11.14% in Turkey led to decrease demand of Polyester chips. Introduction of GST w.e.f 01.07.2017 lead to blockage of working capital and procedural bottlenecks and compelling international export market created by severe competition from China & Korea. They have been able to fulfill 75.39% only after getting two extensions from R.A.

Decision: The Committee heard the submissions made during PH and after discussing the matter at length decided to accede to the request of the firm for grant of Export obligation extension of above advance authorization for a period of three months from the date of endorsement with 0.5% Composition fee per month. The firm shall approach RA within 30 days from the date of uploading of the minutes of meting.

(Action: Applicant/RA)

Case No. 39 (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. No.	Name of the firm	Subject of the firm	Reasons for rejection
1.	M/s Shantha Biotechnics Private Limited, Hyderabad	Permission to apply for Focus Market Scheme (FMS) for the year 2013-14 and 2014-15 for an amount of Rs.19,77,645/- and Rs.91,04,249/- respectively for the delayed period.	ANF2D and fee not submitted
2.	M/s Base Metal Chemicals, Baroda	Extension of license period for further 06 months or 03 months only	ANF 2D and proof of fee also relevant

		for clubbing purpose with another advance authorization.	documents not submitted.
3.	M/s JBF Industries Limited, Mumbai	Extension of Import validity period of advance authorizations under Chpater 4.41 of HBP 2014-19.	ANF 2D not submitted and fee incomplete.
4.	M/s Same Deutz-Fahr India (P) Ltd., Tamil Nadu	To return the revalidated SHIS duty credit No.0410151682 dated 06.11.2013 from audit observations.	ANF 2D and fee not submitted.
5.	M/s Tanfac Industries Limited, Tamil Nadu	2nd Revalidation of Advance Authorization No.0410162856 dated 03.03.2017.	ANF 2D not submitted
6.	M/s Torrent Pharmaceuticals Limited, Ahmedabad	Relaxation for claiming MEIS benefit for S/Bills where "N" was ticked in the Reward Column inadvertently.	ANF 2D and fee not submitted.
7.	M/s Sangam (Inida) Limited., Mumbai	Condonation of non-mentioning the details of 1 advance license No.0310219411 dated 19.08.2003 in 2 shipping bill no.3567300 dated 01.07.2005 and 3567293 dated 01.07.2005 common for 02 advance license no.0310219411 dated 19.08.2003 and no.0310144825 dated 01.07.2002 for regularization purpose for closure and redemption. (One advance license mentioned but omitted to type the 2nd advance license no. in 2 shipping bills common for both).	ANF 2D and fee not submitted.
8.	M/s Jyoti Impex, Mumbai	Export Incentives on time barred and lost DEPB & Focus Shipping Bills.	Fee not submitted.

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