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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting
Held on 23.07.2021 and 26.07.2021 under the Chairmanship of Shri Amit Yadav, Director General of Foreign Trade

Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

The following members were present in the meeting:

1. Shri Vijay Kumar Addl. DGFT
2. Shri S.B.S. Reddy Addl. DGFT
3. Shri Hardeep Singh Addl. DGFT
4. Shri AkashTaneja Addl. 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. AllanasonsPvt. Ltd., Mumbai	1
2.	M/s. Sun Pharma Advanced Research Company Limited, Mumbai	2
3.	M/s. Sudarshan Chemical Industries Limited, Pune	3
4.	M/s. Kiri Industries Limited, Vadodara	4&5
5.	M/s. Pee Empro Exports Pvt. Ltd., Faridabad	6
6.	M/s. Ratnamani Metals and Tubes Limited, Naranpura, Ahmedabad	7
7.	M/s. Sandhya Marines Ltd., Andhra Pradesh	8
8.	M/s. Uflex Ltd., Noida	9
9.	M/s. Intas Pharmaceuticals Ltd., Ahmedabad	10
10.	M/s. Bharat Heavy Electricals Ltd., Ranipet, Tamil Nadu	11
11.	M/s. Swastik Polymers, New Delhi	12
12.	M/s. Texport Creation, Bangalore	13
13.	M/s. Bhalaria Metal Craft Pvt. Ltd., Gujarat	14
14.	M/s. Ganpati Natural Products, Uttar Pradesh	15
15.	M/s. GE T&D India Ltd., New Delhi	16
16.	M/s. OlectraGreentech Ltd., Hyderabad	17
17.	M/s. Dalas Biotech Ltd., New Delhi	18
18.	M/s. JHS Svendgaard Laboratories Ltd., Nahan, HP	19
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PH Case No. 01 M/s. Allanasons Pvt. Ltd., Mumbai
F. No. HQRPRCAPPLY00084421AM21

Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Condonation of delay in submission of physical copy of TMA application for the period April, 2020 to June, 2020.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. ShriArvindSonawane, Authorised Representative, appeared on behalf of the firm and made the following submissions:

The applicant stated that their TMA application for the period April, 2020 to June, 2020 has been rejected by RA, Mumbai due to non-submission of physical documents within 30 days of online of submission of application. The validity for making TMA application for said period is valid upto June, 2021. Mere rejecting application on account of non-submission of physical documents is not fair.They should be given one more opportunity of the online application for said period. Hence, requested to allow them to resubmit online application for the said period.

Decision: The Committee heard and went through the submission made by the applicant and discussed the matter at length. The Committee decided to accept the request for condonation of delay in submission of physical copy of TMA application for the period April, 2020 to June, 2020 (file No.03/21/102/50636/AM21 Dated 22.09.2020). The firm shall approach RA concerned within 60 days of the uploading of the minutes of meeting.

(Action: Applicant/ RA-Mumbai/EDI/NIC for necessary updation in the System)

PH Case No. 02 M/s. Sun Pharma Advanced Research Company Limited, Baroda
F. No.HQRPRCAPPLY0087200AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Revalidation of SFIS Scrip No.0310825593 dated 11.12.2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Bhavin Shah, DGM-Accounts & Finance and Shri Rajesh Wadhwa, DGM-Exports, appeared on behalf of the firm and made the following submissions:

The applicant stated that on account of Covid-19 pandemic situation, many of their R&D projects are running behind schedule due to non-procurement / availability of imported capital goods from overseas vendors with consequences of not utilizing the above duty scrip within the original validity period and in-complete projects. Now, they intend to re-start these projects by next financial year and would like to procure / import the Capital Goods under above Duty Scrip. Since the above Duty Scrip has already expired on 11.12.2020 they seek revalidation of above Duty Scrip for a period of one year from the date of expiry.

Decision: The Committee heard and examined the case in detail and observed that it is a case of non-transferable SFIS scrip. Accordingly, in view of justification provided by the firm it decided to accede to the request and allowed revalidation of

SFIS Scrip No.0310825593 dated 11.12.2018 for a further period of 6 months from the date of endorsement. The firm shall approach RA within 30 days from the uploading of the date of minutes of meeting.

(Action: Applicant/RA-Mumbai)

PH Case No. 03 M/s. Sudarshan Chemical Industries Limited, Pune
F. No. HQRPRCAPPLY00087215AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Clubbing of 2 Advance Authorization No.3110065497 dated 22.06.2015 and 3110066507 dated 23.12.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Ms. Manisha Patnaik, Authorised Representative, appeared on behalf of the firm and made the following submissions:

The applicant stated that they have imported duty free raw material & fulfilled export obligation for the above – mentioned advance authorizations. They had submitted application to RA, Pune for clubbing and redemption. However, their application got rejected due to deficiency reason that as per PN No.70 dated 30.01.2019, authorization to be clubbed has to be issued within 18 months of issue of 1st Authorization. They would like to mention that their License No.3110066507 dated 23.12.2016 (while application file dated 17.12.2016) was issued only after one day of expiry of License No.3110065497 dated 22.06.2015. Hence, they have requested to condone Para 4.38(vi) of PN No.70 dated 30.01.2019 and allow them clubbing of authorisations and closure only as they have fulfilled export obligation to the extent import done within the EO period.

<u>Decision:</u> The Committee heard the case on the basis of justification submitted by the applicant and discussed the matter at length. The Committee decided to relax the condition of 18 months from the date of issue of first Advance Authorisation for clubbing of two Advance Authorization No.3110065497 dated 22.06.2015 and 3110066507 dated 23.12.2016 for regularization purpose only. The other terms and conditions for clubbing shall remain same as per policy/HBP provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Pune)

PH Case No. 04 M/s. Kiri Industries Limited, Vadodara
F. No.HQRPRCAPPLY00089676AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Extension of EOP against Advance Authorization No.0810143260 dated 16.08.2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Jayesh Vyas and Shri

Yagnesh Mandad, Authorised Representatives, appeared on behalf of the firm and made the following submissions:

The applicant stated that they had physical stock of imported META PHYENYLENE DIAMAE of 17100 Kgs at their factory imported under the above mentioned authoridation. However, due to Covid-19 and international market fluctuation, they were not able to export the same, but now they had orders so they can complete the exports. Hence, requested for extension of EOP. They had explained in the meeting that 60% of the exports (chemicals) have already been completed.

Decision: The Committee heard the case on the basis of justification submitted by the applicant and discussed the matter at length and decided to allow EOP extension of Advance Authorizations No.0810143260 dated 16.08.2018 for a further period of 6 months from the date of endorsement subject to payment of composition fees @0.5% per month on the unfulfilled FOB value, if exports are fulfilled more than 50% within initial /extended EOP or @ 1% per month where exports have been made less than 50% within initial/extended EOP. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Ahmedabad)

PH Case No. 05 M/s. Kiri Industries Limited, Vadodara
F. No. HQRPRCAPPLY00097506AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Extension of EOP against Advance Authorization No.0810142614 dated 15.05.2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Jayesh Vyas and Shri Yagnesh Mandad, Authorised Representatives, appeared on behalf of the firm and made the following submissions:

The applicant stated that due to Covid-19 they had not received export order due to international prices were low and they were not able to compete the prices.Now they had received an order and they will export the same. Hence, requested for extension of EOP. They mentioned that no exports have been made so far against this authorization.

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

(Action: Applicant)

PH Case No. 06 M/s. Pee Empro Exports Pvt. Ltd., Faridabad
F. No.HQRPRCAPPLY0090718AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Waiver of procedural requirement of Para 4.96 of HBP and to allow ROSCTL claim where the foreign exchange is not realized because to the buyer filing protective shield proceedings (similar to US Chapter 11 Proceedings).

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Arun Khetan and Shri Pryanshu Gupta, Authorised Representatives, appeared on behalf of the firm and made the following submissions:

The applicant stated that the Protective Shield Proceedings (similar to US Chapter 11 proceedings) were filed by the buyer, ESPIRIT, Germany and the payment given out at 15% by their custodians. The said proceedings happened after the goods had reached the buyer with the legal approval of German Courts. Custodians were appointed for the Protective shield Process and claim form has been filed by them. They should be allowed the benefit of ROSCTL as all the embedded costs and duties deemed to be refunded by ROSCTL have been incurred by them, as in the normal course of business. The Protective shield process information received after the goods have reached the buyer. No legal process to recover the dues from buyer as it has pre-approved legal backing and due process has been followed. Since they do not have control over recovery of this amount, the ROSCTL benefit should be allowed as is allowed normally.
During the hearing they explained that only 15% of the realization has happened in this case due to conditions mentioned above for the goods exported to Germany.

Decision: The Committee heard and went through the submission made by the firm and it decided to defer the case and ask the firm to submit copy of RBI approval/waiver in the matter before taking final decision.

(Action: Applicant)

PH Case No. 07 M/s. Ratnamani Metals and Tubes Limited, Naranpura, Ahmedabad
F. No. HQRPRCAPPLY00100745AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Revalidation of Advance AuthorisationNo.0810143506 dated 20.09.2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Virendra Kumar Yadav, DGM-Commercial, appeared on behalf of the firm and made the following submissions:

The applicant stated that they are exporting their tubular products to USA, UK, Germany, France, Belgium, Netherland, Norway, South Africa, South Korea, Indonesia, UAE, Kuwait, to name a few. In order to Meet Quality requirements of international markets and to augment acceptability of their tubular products, apart from ISO 9001 / ISO 14000 accreditation; their stainless Steel division has approvals of PED (pressure Equipment Directive 97/23/EC) and ADW2 approval. They are also approved / recognized as "well known tube / pipe maker under Indian boiler Regulation, 1950".

They were issued the subject authorsation under Notification 18/2015 Cus and SION C/1291.They had exported first the export product mentioned in Advance Authorization Carbon Steel submerged Arc Welded Pipes to the Foreign buyer and shipping bill were filed under Section 50 of customs Act and cleared by proper officer of Customs. They have fulfilled their EO 99.91% in terms of Quantity and 99.35% in terms of value.They had procured material indigenously / imported for manufacture of said export products and those were exported to the foreign buyers. Some consumable items were imported under Advance Authorization i.e. contented only by 2% of value of total eligible import items. However, the major raw material (non-alloy HY Coils / plate) which is containing 98% worth from total allowed import is still pending for import.They have been granted revalidation for 30 months i.e. 24 Months + 6 Months – Covid Period i.e. upto 19.03.2021. Due to Covid-19 Pandemic and fluctuation in international steel market, it affect very bad impact on their business. Their order booking is affected and due to payment crisis their cash flow also affected very badly. They have to work with 50% manpower and during the whole year they could not able to achieve sales targets. Company is suffering from the lack of order. Due to this scenario they were unable to import H R Coils with in the extended validity period of the Advance License. Further they intended to procure raw material indigenously and the ARO was issued on 22.02.2021. They have discussed with the suppliers of raw material and due to short period and large quantity of raw material requirement i.e. Approx. 14822/- MT Coils, it is not possible for suppliers to supply material in this short duration of just 25 days. Validity of import is upto 19.03.2021, ARO will expire in 19.03.2021. Therefore, they neither avail duty draw back nor imported duty free material under advance authorisation, because of the export items were exported under advance authorization and all these are leading them to huge losses in export orders. Hence their request is for revalidation of their AA.

Decision: The Committee heard the case on the basis of justification submitted by the applicant and discussed the matter at length. The Committee decided to accede to the request of the firm and allowed revalidation of Advance Authorization No.0810143506 dated 20.09.2018 for a further period of 6 months from the date of endorsement. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Ahmedabad)

PH Case No. 08 M/s. Sandhya Marines Ltd., Andhra Pradesh
F. No.HQRPRCAPPLY00090627AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Condonation of delay in submission of physical documents of TMA application for the period April, 2020 to June, 2020.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Karthik Singisetty, Authorised Representative appeared on behalf of the firm and made the following submissions:

The applicant stated that they are eligible for incentive under TMA as provided under Chapter 7 (A) of the FTP 2015-20. Accordingly, they have applied for the same within time limit prescribed in the policy. However, the hard copy of the application filed in DGFT portal could not be submitted within 30 days to RA, Hyderabad due to unavoidable circumstances. Hence, requested to condone the delay and to allow filing of TMA application for the period April 2020 to June 2020.

Decision: The Committee heard the case on the basis of submission made by the firm and discussed the matter at length. The Committee decided to accept the request for condonation of delay in submission of physical copy of TMA application for the period April, 2020 to June, 2020(file No.09/21/102/50196/AM21 Dated 18.11.2020). The firm shall approach RA concerned within 60 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Hyderabad /EDI/NIC for necessary updation in the System)

PH Case No. 09 M/s. Uflex Ltd., Noida
F. No.HQRPRCAPPLY00097798AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: To allow MEIS benefit against 31 shipping bills.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Rajeev Malhotra, Authorised Representative, appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.19/AM21 dated 22.12.2020 (Case No.01), where the Committee rejected the case. The applicant stated that they are regular exporter of above goods with their past three years export performance is as under:-

- 2019-20 561.80 Cr
- 2018-19 536.35 Cr
- 2017-18 489.40 Cr.

They are entitled under MEIS benefit is terms of para 3.04 of FTP 2015-20, as above goods / products with ITC (HS) code are notified in Appendix 3B and are exported to notified markets. They are regularly claiming the benefit under the MEIS. However, they could not file the claim For MEIS benefit of approx. Rs.24,68,075/- (against 31 shipping bills) as inadvertently the letter of intent was filed as 'No' due to technical error in Customs Server at the time of filing of 31 shipping bills. Further, stated that when they have approached to the Customs Department, the department has provided them the amended certificate and amendment allowed in accordance with the provisions of section 149 of Customs Act, 1962 stating that "this amendment cannot be made in the EDI system therefore, this certificate allowing the amendment manually on the documentary evidence which was in existence at the time of export for the DGFT purpose only. Now when they tried to file these shipping bills for reward under MEIS they are getting information i.e. letter of intent is showing as "N"as they could not be able to add these shipping bills in a new ECOM / Not able to file the reward under MEIS which is beyond their control. Hence, requested to allow benefit of the said 31 shipping bills.

Decision: After having heard and reviewed the case on the basis of justification furnished by the firm, Committee observed that there is no merit in firm's contention since manual amendments carried out by customs are not transmitted by customs authorities in the automated system and these shipping bills are also not available online for processing. Accordingly it decided to maintain rejection of the earlier decision of PRC in its Meeting No.19/AM21 dated 22.12.2020(Case No.01).

(Action: Applicant)

PH Case No. 10 M/s. Intas Pharmaceuticals Ltd., Ahmedabad
F. No. HQRPRCAPPLY00097556AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Extension in EOP and to accept the free shipping bills (which is exported after expiry of EO) towards fulfillment of EO against Advance AuthorisationNo.0810142676 dated25.05.2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Keyur Kayastha, General Manager – Supply Chain and Shri Sree Ram Kaza, Vice President – Indirect Taxation, appeared on behalf of the firm and made the following submissions:

The applicant stated that the subject license was availed to cater a specific order and in meantime they have imported entire inputs allowed in advance authorisation to develop and produce the export item and as per accepted norms, since the subject export products are unique drugs and to be consumed by human being as a part of treatment of their ailment thus the importing country as well as the buyer maintains highest safety and standards. Currently they are suffering from global pandemic of Covi-19 and during last one year they are not able to operation full capacity of 100% from all of their manufacturing sites. Since March 2020, they are not able to operate any of their manufacturing site due to complete lockdown declared by Govt. of Gujarat. Currently all treatments related to various ailment are on hold due to Global pandemic of Covid-19. All export orders are being cancelled or delayed by most of buyers since there is still very low demand of generic medicine into global market. they have already produced most of goods and continuously they are exporting the same even after expiry of first extension. With great difficulties, they are able to get some positive response from their buyer for acceptances of few stocks. Their request is for EO extension and they shall pay duty and interest after expiry of second extension.

Decision: The Committee heard the case on the basis of justification submitted by the applicant and discussed the matter at length. The Committee observed that due to COVID-19 Pandemic, firm has faced the problem which was beyond their control and decided to allow EOP extension of Advance Authorizations No. 0810142676 dated 25.05.2018 for a further period of 6 months from the date of endorsement subject to payment of composition fees @0.5% per month on the unfulfilled FOB value, if exports are fulfilled more than 50% within initial /extended EOP or @ 1% per month where exports have been made less than 50% within initial/extended EOP. The Committee did not accept the request of the firm to count the export of free shipping bills towards fulfillment of EO against the subject authorization. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Ahmedabad)

PH Case No. 11 M/s. Bharat Heavy Electricals Ltd., Ranipet, Tamil Nadu
F. No. HQRPRCAPPLY00115345AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: To consider the supplies made before date of issue of Advance Authorisation No.0410108784 dated 23.10.2009.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Ms. Ashritha, Technical Executing Unit and Ms. Sonia Dalal Dhankar, Authorised Representative, appeared on behalf of the firm and made the following submissions:

The applicant stated that they had obtained the subject authorization for importing materials for execution of the NTECL, Vallur Thermal Power Project Tamil Nadu State – 2x500=1000 MW. The norms were ratified by NC as per Meeting No.40/11 dated 23.03.2011. While amending the authorization, based on NC's recommendations, the weight of the export product is modified as 24,166 MT. The license was obtained in 23.10.2009, whereas erection had already started on 05.01.2009 and drum lifted on 10.06.2009. In this period erection of structural component of ESP only happened which contains indigenous materials alone. The erection of APH, Gates and Dampers take place at least 24 months from the zero date. In nutshell, erection of import portion starts only during erection of Air preheater, Fans and Gates and Dampers, before which only indigenous components are supplied. Each project is designed to meet customer's specification, environmental conditions and other requirements. Products are manufactured and supplied to site in line with the L2 schedule of the project.
License for the items envisaged for import is obtained at a much later date by which time they would have already supplied the foundation materials / supporting structures / other material to site. Only subsequently, the imported materials are received and those products for which the imported materials are used, are manufactured and supplied to the site. Therefore, it is impractical to commence supply only after the date of issue of license.

Decision: The Committee heard the submission made by the firm and discussed the matter in detail and observed that it is the stated policy that supplies made after filing of application for an advance authorization only can be counted towards fulfillment of EO against that authorization. Accordingly it found no merit in the request and decided to reject it.

(Action: Applicant)

PH Case No. 12 M/s. Swastik Polymers, New Delhi

F. No. HQRPRCAPPLY00105307AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: To accept the manual BRC instead of e-BRC against Shipping Bill No.8217895 dated12.10.2018 towards fulfillment of EO of Advance Authorization No.0510408014 dated 08.10.2018 and Shipping Bill No.8254357 dated15.10.2018 towards fulfillment of EO of Advance Authorization No.0510408080 dated 11.10.2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Alok Jain, Managing Partner, appeared on behalf of the firm and made the following submissions:

The applicant stated that they are engaged in manufacturing and export of EVA/PVC/TPR Compounds, have made and export of M/s. NovinNikta Company, Tehran, Iran in discharge of EO in respect of above mentioned Authorizations. The payment against these exports were received against the export of goods under shipping bill No.8217895 dated 12.10.2018 and Shipping bill No.8254357 dated 15.10.2018 of said advance authorisations. They have procured a certificate from their bank to the effect that the realization of proceeds in INR from their buyer in IRAN has been received in their CC A/c No.51008406130 on 25.09.2018.They have submitted all the relevant documents to CLA, New Delhi for redemption on16.01.2021 and 02.02.2021. CLA, New Delhi has issued deficiency letter advising them to submit e-BRC against the said shipping bills. Further, stated that the requirement of e-BRC is policy /procedure only and same cannot be generated by them at this stage in this case. Non-submission of e-BRC has caused genuine hardship and adverse impact on them for non-compliance of policy /procedure of e-BRC in fulfillment of EO. Hence, requested to grant exemption, relaxation or relief in non-submission of e-BRC for redemption of above authorisations.

<u>Decision:</u> The Committee heard the submission made by the firm and discussed the matter at length and decided to accept the manual BRC instead of e-BRC against Shipping Bill No.8217895 dated12.10.2018 towards fulfillment of EO of Advance Authorization No.0510408014 dated 08.10.2018 and Shipping Bill No.8254357 dated15.10.2018 towards fulfillment of EO of Advance Authorization No.0510408080 dated 11.10.2018 subject to confirmation of BRC from the Bank that realization is against the relevant shipping bills only. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/CLA-New Delhi)

PH Case No. 13 M/s. Texport Creation, Bangalore
F. No.HQRPRCAPPLY00113018AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Waiver of procedural requirement as per HBP against Advance Authorization No.0710116070 dated 27.01.2020.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 14 M/s. Bhalaria Metal Craft Pvt. Ltd., Gujarat
F. No. HQRPRCAPPLY00107136AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Extension of validity of DFIA No.0310824429 dated 12.10.2018 and permission to change the ITCHS code of items permitted to be imported within the same chapter.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Nehal Ganatra, Authorised Representative, appeared on behalf of the firm and made the following submissions:

The applicant stated that they are a manufacturer– exporter of Stainless Steel products, & exporting to around 88 countries.They are exporting form 1996 but for the first time they decided to import under advance licenses and obtained the abovementioned DFIA on completing FOB exports worth Rs.14,17,16,174.99. Accordingly, they were authorised to import Stainless Steel Cold valued at CIF Rs. 2,57,85,749.89 or CIF USD 3,94,295.50. Subsequently, for the first time, they imported a small consignment. When the container was to be cleared, they were informed that Anti-Dumping Duty (ADD) of 57.39% is applicable & the same cannot be waived as per DFIA norms. The import would have been unviable had they paid the ADD. They had to apply for an Advance Authorisation immediately to clear the import consignment. They are surprised that why if under Advance Authorisation, they import first and then export, then ADD is not applicable. Due to the applicability of ADD on imports against DFIA, they could not import their required Raw Material. To be eligible for the DFIA, they did not claim Drawback for around Rs.28,34,000 on their exports. This is a huge loss for them being a SME. Now, ADD has been withdrawn in new budget 2021, they have requested to extend the validity of the DFIA so that they can recover their losses by importing against their license and to permit to change the ITCHS Codes of permitted items of imports to 72193320/72193420/72193520 which are of Cold Rolled Coils for use in Stainless Steel Utensils. These are under the same chapter 72.

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

(Action: Applicant)

PH Case No. 15 M/s. Ganpati Natural Products, Uttar Pradesh
F. No.HQRPRCAPPLY00106017AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Vijay

Subject: Condonation of delay in submission of 3 TMA applications for export period (i) 01.03.2019 to 31.03.2019, (ii) 01.04.2019 to 30.06.2019 and (iii) 01.07.2019 to 30.09.2019.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021, Shri Harish Tyagi, Authorised Representative, appeared on behalf of the firm and made the following submissions:

The applicant stated that they had prepared 3 TMA applications vide ECOM No.(i) 06150068680010146346 for export period 01.03.2019 to 31.03.2019, (ii) 06150068680010143709 for export period 01-04-2019 to 30.06.2019 and (iii) 06150068680010143710 for export period 01.07.2019 to 30.09.2019 respectively. While trying to submit all above applications to CLA, New Delhi received message as 'submission date exceed'. Moreover, due to Covid-19 pandemic the work and regularity was affected in these natural calamities. So they were compelled in a condition to submit 3 TMA applications in time. The concerned person, who was deputed to look after the TMA incentive matter, did not come to office due to long lockdown. They were not aware about the date line of submission of said application. Later on when they appointed another person, the time of submission of TMA files expired inadvertently. Hence, requested to allow the condonation of delay to continue the said applications.

Decision: The Committee went through the submission made by the firm and discussed the matter at length. The Committee observed that due to COVID-19 Pandemic, the firm has faced the problem which was beyond their control and accordingly decided to accede to the request for condonation of delay in submission of TMA applications for the period (i) 01.03.2019 to 31.03.2019, (ii) 01.04.2019 to 30.06.2019 and (iii) 01.07.2019 to 30.09.2019. The firm shall approach RA concerned within 60 days of the uploading of the minutes of meeting.

(Action: Applicant/ CLA-New Delhi/EDI/NIC for necessary updation in the System)

PH Case No. 16 M/s. GE T&D India Ltd., New Delhi
F. No. HQRPRCAPPLY00002464AM22
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: To allow SEIS benefit for the period 2017-18.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri R. Ramashankar, Customs Operation Analyst, appeared on behalf of the firm and made the following submissions:

The applicant stated that the E-com File No.02/88/007/73500/0725/0929 dated 25.03.2021. But they could not submit their application on 31.03.2021 for SEIS online as the DGFT online filling e-Com application site suspended from 6.00 PM on 31.03.2021 to 3.00 PM on 01.04.2021. They have filed full application on their site with CA. At the end of procedure, they wanted to transfer of EFT of Rs.1000/- application fee on 31.03.2021 at 5.00 PM, but suddenly DGFT server was down for maintenance without any instruction or indication before. The server indicated online filling of all e-com application, e-BRC facility will remain suspended from 6.00 PM on 31.03.2021 (Wednesday) to 3.00 PM on 01.04.2021 (Thursday) to facilitate financial year end processing. The last day eligible for SEIS application was 31.03.2021 for SEIS for the exports of the year 2017-18. It was to be time barred from claim 01.04.2021. Being last day the site/system it would have been helpful if the same was in working till 12.00 PM the night. Hence requested to reinstate the system and allow them the period to apply SEIS for 2017-18 and also still Covid is in serious existence in many states, it is also requested to extend the date.

Decision: The Committee heard the submission made by the firm and noted that the applicant has not submitted any cogent reason/ justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to reject the request of the firm.

(Action: Applicant)

PH Case No. 17 M/s. Olectra Greentech Ltd., Hyderabad
F. No. HQRPRCAPPLY00092812AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Waiver of PC-18 condition/other condition of Advance AuthorisationNo.0910068226 dated 27.11.2019.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri L. Ram Kumar, Deputy Manager (F&A) and Shri S. Satyanarayana, Senior Manager (Commercial), appeared on behalf of the firm and made the following submissions:

The application stated that they have obtained subject authorsation under para4.07-A Self – ratification in November 2019. As per para4.07A(vii) pre-import condition is applicable. However, due to Covid-19 Pandemic situation they did not receive the inputs in time, but as per schedule they have exported the goods before imports using the duty paid inputs. Further stated that they manufacture their finished goods i.e. Silicone Rubber Insulators always with imported duty paid inputs the same supplier M/s. WackerChemie AG, Germany even for their domestic sales. They have consumed the same inputs from the same supplier which were already imported on payment of duty in normal course received before receipt of Advance Authorisation. They also confirmed that the inputs imported duty free against advance authorization were used in the same their own factory for the production of same finished goods i.e. Silicone Rubber Insulators sold in domestic market on payment of GST. They have produced Chartered Accountant Certificate in this regard. Value addition gained is more than the required. NC has approved wastage norms for the same items for the previous license. They are following the same norms. Because of encouragement given by issuing circulars advising the exporter who are registered under AEO, as a registered AEO-T1 they have applied under Self-ratification system, but with the same norms. As explained above, there is no deviation in any manner i.e. value addition, wastage Norms, input items, finished goods etc. everything is same as other licenses what they have obtained under No-Norms para. Hence, requested to relax the pre-import condition for the above Advance Authorisation or else they will be put to irreparable loss and damage.

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

(Action: Applicant)

PH Case No. 18 M/s. Dalas Biotech Ltd., New Delhi
F. No. HQRPRCAPPLY00095905AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Extension of EOP against Advance Authorization No.0510396034 dated 28.10.2015.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Sunit Gupta, CFO, appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.21/AM21 dated 12.01.2021 (Case No.07), wherein the Committee had rejected the case. The applicant stated that while there were fewer export orders due to global recession, few buyers also cancelled their orders placed with them, as quite often they were asking for reduction of their sale price, than the agreed upon price and on the rate they accepted the order. They tendered few cancellations. To add to their misfortune, the Hon'ble NGT order closure of their factory on March 01, 2019. After following remedial procedure, the NGT was kind enough to allow restoration of production vide order dated 17.05.2019. Their sales team continued their efforts to get exports /deemed supply orders and they could make supplies and completed the EO by 06.01.2020. Their documentation executive left job suddenly during early 2018, for which they could get a replacement in 2019 only, after which they assessed their all pendency. Now, they have been able to procure orders and have completed the EO. Hence, requested regularize the export already made beyond EOP (within 50 Months & 10 days i.e. on 06.01.2020) towards fulfillment of EO against the subject authorization.

Decision: The Committee heard and reviewed the case on the basis of justification submitted by the applicant and discussed the matter at length. The Committee decided to allow EOP extension up to 27.10.2019 of Advance Authorization No.0510396034 dated 28.10.2015 only for regularization of export made within 48 months from the date of issue of the authorisation subject to payment of composition fees @0.5% per month on the unfulfilled FOB value, if exports are fulfilled more than 50% within initial /extended EOP or @ 1% per month where exports have been made less than 50% within initial/extended EOP. The unfulfilled EO (Shortfall) shall be regularized by the firm as per Para 4.49 of HBP 2015-20. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/ CLA-New Delhi)

PH Case No. 19 M/s. JHS Svendgaard Laboratories Limited.,Nahan, HP

F. No. HQRPRCAPPLY00087201AM21
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Condonation of not mentioning EPCG license numbers on the Shipping bills towards fulfillment of EO against 9 EPCG Authorization No.(i) 2230000617 dated 20.03.2007, (ii) 2230000622 dated 27.03.2007, (iii) 2230000748 dated 05.10.2007, (iv) 2230000751 dated 09.10.2007, (v) 2230000761 dated 24.10.2007, (vi) 2230000771 dated 06.11.2007, (vii) 2230000807 dated 18.12.2007, (viii) 2230001230 dated 11.11.2009 and (ix) 2230001266 dated 13.01.2010.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021, but firm vide mail dated 24.06.2021 requested to adjourn due to unavailability of the concerned person to attend for PH on 26.07.2021. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 20 M/s. Khanna Overseas, Punjab
F. No.HQRPRCAPPLY00041541AM22
Meeting No.07/AM22 held on 23.07.2021 and 26.07.2021

Subject: Relaxation in Para 4.95 K sub-para A&B of HBP last date for filing application for Duty Credit Scheme under RoSCTL (Time Extension is required for filling application under RoSCTL for 22 Shipping bills falling under period 07.03.2019 to 31.12.2019 and 01.01.2020 to 31.03.2020 and 1 shipping bill falling under period 01.04.2020 to 31.12.2020).

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 23.07.2021 & 26.07.2021. Shri Kawaljit Singh, Export Manager, appeared on behalf of the firm and made the following submissions:

The applicant stated that this shipping bills transmitted by Customs to DGFT were not attaching to DGFT application due to non-receipt of quantity details in relevant column due to some software issue Scheme Code: 60 mentioned in all shipping bills and Reward intend in 'YES' was mentioned in all shipping bills. They have requested for correction and re-transmission of shipping bills to Customs but this took long time due to non-availability of staff in various departments due to Covid-19. In this time period all shipping bills got expired as per para 4.95K Sub-para A and B of HBP. Hence, requested to allow them to apply RoSCTL under mentioned shipping bills. Shipping bill No.(i) 6052617 dated 05.08.2019, (ii) 6575278 dated 29.08.2019, (iii) 6243601 dated 14.08.2019, (iv) 6383275 dated 21.08.2019, (v) 6992955 dated 17.09.2019, (vi) 6889030 dated 12.09.2019, (vii) 7241494 dated 27.09.2019, (viii) 7732695 dated 21.10.2019, (ix) 7857348 dated 25.10.2019, (x) 8107958 dated 07.11.2019, (xi) 8300223 dated 16.11.2019, (xii) 8644156 dated 30.11.2019, (xiii) 8795078 dated 07.12.2019, (xiv) 9382944 dated 02.01.2020, (xv) 9759031 dated 20.01.2020, (xvi) 1116621 dated 03.02.2020, (xvii) 1313684 dated 11.02.2020, (xviii) 1470391 dated 18.02.2020, (xix) 1755545 dated 28.02.2020, (xx) 1880986 dated 04.03.2020, (xxi) 2000866 dated 09.03.2020, (xxii) 2278141 dated 20.03.2020 and (xxiii) 2536453 dated 02.05.2020.

It was informed by the firm that all these shipping bills have been now transmitted online.

Decision: The Committee heard and went through the justification furnished by the firm and the matter was discussed at length. The Committee observed that the 23 Shipping Bills had Scheme Code 60 still the firm has faced technical issues which was beyond their control and presently these shipping bills have been transmitted online and are available on DGFT server. Accordingly it decided to accede to the request of the firm for grant of RoSCTL benefit against the above mentioned 23 shipping bills by relaxing the Para 4.95 K of HBP, without any late cut. The firm shall approach RA within 90 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Ludhiana/EDI)

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