Date of Uploading 09 / 07 /2021

Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting
Held on 28.06.2021 under the Chairmanship of Shri Amit Yadav,
Director General of Foreign Trade

Meeting No.04/AM22 held on 28.06.2021

The following members were present in the meeting:

1. Shri Vijay Kumar Addl. DGFT
2. Shri Hardeep Singh Addl. DGFT
3. Shri Anil Aggarwal 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. XL Energy Limited, Secunderabad	1
2.	M/s. Bliss GVS Pharma Ltd., Mumbai	2 to 4
3.	M/s. Moonarch Enterpries, Chennai	5
4.	M/s. Natural Herbs & Formulations, Uttarakhand	6
5.	M/s. Kwality Overseas Pvt. Ltd., Ludhiana	7 to 11
6.	M/s. Honda Motorcycle & Scooter India Pvt. Ltd., Gurgaon	12
7.	M/s. Orient Abrasives Ltd., Gujarat	13
8.	M/s. Teena Labs Limited, Hyderabad	14 & 15
9.	M/s. Scorodite Stainless (India) Pvt. Ltd., Makhupura (RJ)	16
10.	M/s. Honeywell Automation India Ltd., Pune	17
11.	M/s. Jagannath Extrusion India Ltd., Gujarat	18 to 21
12.	M/s. Ruchi Soya Industries Ltd, Mumbai	22
13.	M/s. Creemos International Ltd., Kanpur	23
14.	M/s. Fitex Industries Limited, Ludhiana	24
15.	M/s. Corvine Chemicals & Pharmaceutical Limited, Karnataka	25
16.	M/s. Vimala Note Book, Madurai	26
17.	M/s. Sai Synergy LLP, Gurgaon	27
18.	M/s. Jonson Rubber Industries Limited, New Delhi	28
19.	M/s. KanodiaTechnoplast Limited, New Delhi	29
20.	M/s. Gold Plus Glass Industry Limited, New Delhi	30

PH Case No. 01 M/s. XL Energy Limited, Secunderabad
F. No. 01/60/162/38/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Chapter-3 benefit – HTPEPS, as per PC No.28 dated 15.03.2011 against their application pending for more than 7 years in RA, Hyderabad.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. However, firm vide mail dated 24.06.2021 intimated that due to suspected Covid-19, to their export manager, they are unable to attend the PH. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 02 M/s. Bliss GVS Pharma Ltd., Mumbai
F. No. 01/60/162/263/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: To allow MEIS benefit in respect of 19 Shipping bills, against which the export payment has been received after the last date for filing claim of MEIS Benefit.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri Vipul Thakkar, CFO, appeared on behalf of the firm and made the following submissions:

This is deferred case of PRC Meeting No.21/AM21 dated 12.01.2021 (Case No.09), wherein the Committee decided to call the firm for personal hearing. The applicant stated that they have made exports of Pharmaceutical formulations vide 19 shipping bills No.(1) 4638022 dated 09.03.2017, (2) 4675418 dated 10.03.2017, (3) 4927448 dated 23.03.2017, (4) 5104797 dated 30.03.2017, (5) 4856497 dated 20.03.2017, (6) 5076131 dated 29.03.2017, (7) 5142570 dated 31.03.2017, (8) 5142543 dated 31.03.2017, (9) 5134928 dated 31.03.2017 (10) 5176568 dated 03.04.2017, (11) 5246139 dated 06.04.2017, (12) 5457932 dated 17.04.2017, (13) 5228103 dated 05.04.2017, (14) 5215381 dated 04.04.2017, (15) 5230807 dated 05.04.2017, (16) 5246136 dated 06.04.2017, (17) 5523044 dated 19.04.2017, (18) 5954941 dated 09.05.2017, (19) 7359390 dated14.07.2017 (from 09.03.2017 to 14.07.2017) to African countries. 100% payments against all these shipments have been realized. Due to devaluation of local currency in the African countries which is very common and repeatedly occurs in the entire African countries and because of various reasons like slump commodities export trade, impact of changes in the US interest rates, jitters in international trade with Europe, slide in crude oil prices and poor fiscal management, payments against their shipments were received late by them. Since all these payments were received after the last date of filling claim for MEIS benefit, they were unable to submit their claim of MEIS benefit against all these shipping bills within the time period as mentioned under FTP/HBP 2015-20. Hence, requested to allow claim of MEIS benefit against 19 shipping bills against which the export payment have been received after the last date for filling claim of MEIS benefit.

Decision: The Committee heard the case on the basis of justification submitted by the applicant and noted that exports are of pharmaceuticals and that too to African countries like Kenya, Nigeria, Uganda etc, which are difficult markets. It observed that there is a merit in the case and accordingly it decided to accede to the request and allowed MEIS benefit against the above 19 Shipping bills 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-Mumbai/EDI/NIC for necessary updation in the System)

PH Case No. 03 M/s. Bliss GVS Pharma Ltd., Mumbai
F. No. 01/60/162/341/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: To allow MEIS benefit respect of 8Shipping bills, against which e-BRC has been received late from their Banker.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021, Shri Vipul Thakkar, CFO, appeared on behalf of the firm and made the following submissions:

This is defer case of PRC Meeting No.21/AM21 dated 12.01.2021 (Case No.10), wherein the Committee decided to call the firm for personal hearing. The applicant stated that they have exports of Pharmaceutical formulations vide 08 shipping bills No.(i) 2217984 dated 04.08.2015, (ii) 3088120 dated 19.09.2015, (iii) 4392374 dated 30.11.2015, (iv) 2150550 dated 10.11.2016, (v) 2214109 dated 15.11.2016, (vi) 2483067 dated 28.11.2016, (vii) 5374700 dated 12.04.2017 and (viii) 6472985 dated 01.06.2017 (from 04.08.2015 to 01.06.2017) to African countries. 100% payment against all these shipments have been realized within the overall time period of 3 years allowed for claim of MEIS benefit as mentioned under FTP/HBP 2015-20. However, e-BRCs against all these were issued by their banker after the last date for claim of MEIS benefit /final time barred date of 3 years. Since, the e-BRCs were received late from their banker they were unable to file claim of MEIS benefit against all these shipping bills. Hence, requested to allow claim of MEIS benefit against the said 8 shipping bills against which e-BRC has been received late from their banker.

Decision: The Committee heard the case on the basis of justification submitted by the applicant and noted that there is merit in the case and accordingly it decided to accede to the request and allowed MEIS benefit against the above 08 Shipping bills 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-Mumbai/EDI/NIC for necessary updation in the System)

PH Case No. 04 M/s. Bliss GVS Pharma Ltd., Mumbai
F. No. 01/60/162/342/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: To allow MEIS benefit respect of 118 Shipping bills, which the export payment has been received after the last date for filing claim of MEIS Benefit.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021, Shri Vipul Thakkar, CFO, appeared on behalf of the firm and made the following submissions:

This is defer case of PRC Meeting No.21/AM21 dated 12.01.2021 (Case No.11), wherein the Committee decided to call the firm for personal hearing. The applicant stated that they have exports of Pharmaceutical formulations vide 118 shipping bills (for the period 12.04.2016 to 30.03.2017) to African countries. 100% payments against all these shipments have been realized. Due to devaluation of local currency in the African continent which is very common and repeatedly occurs in the entire African countries because of various reasons like slump in commodities export trade, impact of changes in the US interest rates, jitters in International trade with Europe, slide in crude oil prices and poor fiscal management, payments against their shipments were received late. Since all these payments were received after last date of filling claim for MEIS benefit, they were unable to submit their claim of MEIS benefit against all these shipping bills within the time period as mentioned under FTP/HBP 2015-20. Hence, requested to allow claim of MEIS benefit against the said 118 shipping bills against which the export payment have been received after the last date for filling claim of MEIS benefit.

Decision: The Committee heard the case on the basis of justification submitted by the applicant and noted that exports are of pharmaceuticals and that too to African countries like Kenya, Nigeria, Uganda etc, which are difficult markets. It observed that there is a merit in the case and accordingly it decided to accede to the request and allowed MEIS benefit against the above 118 Shipping bills 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-Mumbai/EDI/NIC for necessary updation in the System)

PH Case No. 05 M/s. Moonarch Enterpries, Chennai
F. No. 01/60/162/743/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: To allow free shipping bill No.9740002 dated 06.07.2012 for fulfillment of EO against EPCG Authorization No.0730009778 dated 18.01.2011.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri Nagesh, Authorized Representative, appeared on behalf of the firm and made the following submissions:

The applicant stated that they had submitted their EPCG closure documents to RA, Bangalore for EODC. RA, Bangalore issued D/L due to free shipping bill used for export obligation. But unfortunately, they have exported under free Shipping bill. Now, they came to understand that the case was also considered by the EPCG Committee and was rejected on 10.06.2020 stating that there is no merit in the request to accept the free shipping bills. The EPCG Committee failed to appreciate that the export obligation and the annual average has been completed within the time and without taking any extension. Further, there is no revenue loss for the Government. The export under free shipping bill is only a procedural lapse. By not accepting their request, export incentives are being denied to a genuine exporter just because of a minor procedural lapse. Hence, requested to condone the procedural lapse and accept free shipping bills for fulfillment of export obligation.

Decision: The Committee heard and examined the statement made by the firm and observed that their request has already been discussed in detail by the EPCG Committee in their Meeting dated 10.06.2020 and has been rejected giving detailed reasons. After discussing the matter at length, the Committee found no merit in it. Hence, decided to reject the request of the firm.

(Action: Applicant)

PH Case No. 06 M/s. Natural Herbs & Formulations, Uttarakhand
F. No. 01/60/162/120/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Condonation of Procedural lapse of not following Para 4.06 of HBP and Para 4.11 (b) of FTP 2015-2020 for regularization of import and export already made against 11 Advance Authorizations.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Ms. Shama Saifi, Assistant Manager – Export, appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.14/AM21 dated 27.10.2020 (Case No.13), wherein the Committee had rejected the case. The applicant stated that they had been issued 11 Advance Authorisations in total. They did not know the Intricacies of Advance Authorisations Scheme and applied and received the Advance Authorisations, as was guided. They had applied for the above Advance Authorisation under para 4.07 of the HBP 2015-2020 (Where Norms are Not Fixed – on self declaration basis) and at the time of application they did not hide any information from the Licensing Authority, Dehradun.It is expected from the Licensing Authority, Dehradun that they should have 'OBJECTION 'on their Advance Authorisation applications and should have 'Declined' to issue them Advance Authorisations on the ground that for Import of Vitamins' Advance Authorisation cannot be obtained under para 4.07 of HBP 2015-2020 (Norms are Not Fixed- on self-Declaration Basis) and should have 'Instructed /Advised' them to apply for Advance Authorisations under Para 4.06 of HBP 2015-2020 before Norms Committee, DGFT for approval of Norms, before obtaining Advance Authorisation.In their opinion, the Licensing Authority, Dehradun in ignorance of the provisions / by mistake, issued the above Advance Authorisation to them. Here, they wish to inform / emphasis that they agree that they had committed a 'procedural lapse', as per Rules, they should have applied for approval of Norms First and should have obtained Advance Authorisations later on, as prescribed under para 4.11 (b) of FTP2015-2020 and para 4.06 of HBP 2015-2020. But, they had taken Advance Authorisation First and subsequently, their application was referred to the Norms Committee for approval of Norms. The above mistake happened due to ignorance / less understanding of the subject by them. It is a 'Procedural Lapse' only, as input-output Norms (Adhoc Norms) in any case were to be Ratified / Approved by Norms Committee under Para 4.06 of HBP 2015-2020 or Under Para 4.07 of HBP 2015-2020 and they are under an obligation in both the Provisions to follow Ádhoc Norms Approved' under para 4.06 / para 4.07 of HBP2015-2020. Apart from above facts, they wish to inform / highlight that they have already made 100% import of inputs against all the Advance Authorisations and saved the Import Duty and have already made exports against all Advance Authorisations (except one Advance Authorisation), by Utilizing the Imported Inputs.

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the firm and observed that there is no merit in firm's contention and hence decided to maintain rejection of the earlier decision of PRC in its Meeting No.14/AM21 dated 27.10.2020 (case no.13). The Committee further decided to refer the case to ECA-Division (HQ) to seek a report from RA concerned and take further necessary action accordingly.

(Action: Applicant/ ECA-Division (HQ)

PH Case No. 07 M/s. Kwality Overseas Pvt. Ltd., Ludhiana
F. No. 01/60/162/269/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Acceptance of 37 Shipping bills towards fulfillment of EO against Annual Advance Authorization No.3010084520 dated 19.03.2012.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 08 M/s. Kwality Overseas Pvt. Ltd., Ludhiana
F. No. 01/60/162/269(B)/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Acceptance of 13 Shipping bills towards fulfillment of EO against Annual Advance Authorization No.3010061589 dated 11.06.2009.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 09 M/s. Kwality Overseas Pvt. Ltd., Ludhiana
F. No. 01/60/162/269(C)/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Acceptance of 03 Shipping bills towards fulfillment of EO against annual Advance Authorization No.3010061526 dated 08.06.2009.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 10 M/s. Kwality Overseas Pvt. Ltd., Ludhiana
F. No. 01/60/162/269(A)/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Acceptance of 02 Shipping bills towards fulfillment of EO against Annual Advance Authorization No.3010061307 dated 21.05.2009.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 11 M/s. Kwality Overseas Pvt. Ltd., Ludhiana
F. No. 01/60/162/269(D)/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Acceptance of 38 Shipping bills towards fulfillment of EO against annual Advance Authorization No.3010070308 dated 20.10.2010.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 12 M/s. Honda Motorcycle & Scooter India Pvt. Ltd., Gurgaon
F. No. 01/60/162/772/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: To relax the Policy Condition in No.10 of chapter 87 to the ITC (HS) in Schedule 1- To Import Honda NSF /MSX bikes from Honda Racing Corporation, Japan for the thirty racing events to be held from January 2020 to March 2025 and sixty training events.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri Naveen Kumar, Division Head – Finance & Accounts and Shri S.C. Jain, Authorized Representative, appeared on behalf of the firm and made the following submissions:

This is defer case of PRC Meeting No.33/AM20 dated 03.03.2020 (Case No.02), wherein the case was deferred as no one from the firm had appeared for PH. The applicant stated that earlier they intend to import approximately 70 numbers Honda NSF 100 bikes for racing and training purposes of riders. However, there has been a slight modification with respect to their request. They now, intend to import approximately 60 numbers of Honda NSF 100 bike for racing and training purposes and 60 numbers of Honda MSX 125 Groom bike. The FOB cost of each bike is approximately JPY 5,00,000 or INR 3,30,000/- per vehicle for Honda NSF 100 model to be imported from Honda Racing Corporation, Japan. Similarly, the FOB cost of each bike is approximately 1,00,000 THB or INR 2,50,000/- for Honda MSX 125 Groom to be imported from AP Honda, Thailand. Hence, requested to relax the policy condition no.10 of chapter 87 to the ITC (HS) in Schedule 1 (about a bond to be executed with Customs and re-export of such cars/motorcycles imported for race events) and to allow import of aforementioned bikes.

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 their request meriting relaxation of policy. Accordingly, the Committee decided to reject the request of the firm.

(Action: Applicant)

PH Case No. 13 M/s. Orient Abrasives Ltd., Gujarat
F. No. 01/60/162/847/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Extension of EOP against Advance Authorization No.0310816018 dated 28.09.2017.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri Nitesh Sethi, Manager Commercial, appeared on behalf of the firm and made the following submissions:

This is defer case of PRC Meeting No.22/AM21 dated 19.01.2021 & 02.02.2021 (Case No.02), wherein the Committee decided to defer the case as no one from the firm appeared for PH. The applicant stated that they could not fulfill the EO due to (a) Labour unrest at Porbandar factory from 27.06.2018 to 31.08.2018 and (b) Fire Accident at Porbandar factory on 25.09.2018 which resulted in stoppage of production and further reduction in production capacity, leading to cancellation of confirmed export orders and their regular export customers switching to alternate suppliers in the market. There was disruption and reduction in production capacity for 6 months. The export product, Brown Fused Aluminium Oxide is manufactured only at Porbandar factory, utilizing the Tilting furnace section, where the above incident happened. Due to this their export sales in year 2018-19 decreased (a) for products manufactured at Porbandar factory by 14.49% and (b) for products manufactured in Tilting furnace section at porbandar factory namely Fused Alumina products and Refractory Binder by 37.06% and 95.29% respectively. The overall increase of Rs.23.75 crores (38.40%) in export sales in year 2018-19, was due to increase in export from other manufacturing locations and trading exports. Now, since their factory is operating normally and they have re-build their rapport with buyers seeking continuous export orders, they can fulfill the balance export obligation of above advance authorization. Thus there is a request for extension in EOP.

Decision: The Committee reviewed and heard the case on the basis of justification submitted by the applicant and discussed the matter at length. The Committee observed that due to labour unrest and fire accident, firm has faced the problem which was beyond their control and accordingly decided to allow EOP extension of

Advance Authorizations No.0310816018 dated 28.09.2017 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-Mumbai)

PH Case No. 14 M/s. Teena Labs Limited, Hyderabad
F. No. 01/60/162/509/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: EOP extension against Advance Authorization No.0910065436 dated 02.09.2017.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 15 M/s. Teena Labs Limited, Hyderabad
F. No. 01/60/162/510/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: EOP extension against Advance Authorization No.0910065275 dated 17.07.2017.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 16 M/s. Scorodite Stainless (India) Pvt. Ltd., Makhupura (RJ)
F. No. 01/60/162/337/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Extension in EOP without composition fee against 08 Advance Authorization No.(i) 0310751690 dated 30.09.2013, (ii) 0310742969 dated 20.06.2013, (iii) 0310744577 dated 08.08.2013, (iv) 031074118 dated 03.07.2013, (v) 0310723863 dated 13.02.2013, (vi) 0310789656 dated 25.09.2014, (vii) 0310715215 dated 20.11.2012 &(viii) 0310765128 dated 08.01.2014, as the company was under Account NPA NCLT Order No.MA 3488/2019 in CP (IB) 3290 (MB)/2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri S.P. Sanghvi, Director, appeared on behalf of the firm and made the following submissions:

This is defer case of PRC Meeting No.22/AM21 dated 19.01.2021 & 02.02.2021 (Case No.10), wherein the Committee decided to defer the case as no one from the firm appeared for the PH. The applicant stated that in year 2012-13, they have been invited to participate in enquiries /tenders of new project in the name of Cairn India, Barmer, Rajasthan. Client (Cairn) had visited their factory to check unit manufacturing, inspection & testing as per their requirement & finally they (Cairn) approved their factory to supply to goods for various projects. They expand & installed the plant & machineries according the basic all extra auto manufacturing & testing facilities as per KOC Kuwait, SABIC KSA, ISRO, BARC and many other government of India department. They have invested the huge money for approval of vendor & have taken loan from bank, for as above mentioned client they required all facilities in house that's why they have taken loan and invested the money for expansion for the above mentioned client. After client send tender enquiries and they participate for first 2 years contract. After awarded on base of call-out orders, manufacturing, inspection and testing done by third party and after successful test result, they supply the goods. After awarding the 1st contract for 2 years continues supply for huge requirements approximately 4000-5000 Tons for different sizes for different project site as agreed. But as they are SSI unit they have planned in advance to procure raw material in advance license against project authority certificate as consider deemed export as special sizes, grade and length requirements because import raw material delivery time is too long. If they did not planned in advance, their client will charge late delivery as per contract applicable conditions. In the same year 2012-13 they got orders from second overseas client (Petrogas Piping, UAE) against payment terms L/C at site. For 2/3 lots, they got payment from client, but in the last 2 consignment their bank sent original documents directly to client (Petrogas) instead of client bank, without paying money client released the goods from the shipping line and they did not receive payment from the client. Meanwhile, the material price decreased and decreased and finally sold to the local market to low price as scrap because of special size, grade and length and huge financial loss.

Thus, they failed to deposit the money to their cash credit facilities within 90 days and the bank announced CC a/c as a NPA. After they were unable to run their plant continued because of NPA in 2017 and bank filed the case to NCLT in 2018. NCLT finally in July 2019 passed necessary orders. Because of all these issues they could not fulfill their export obligations. Now they have just recovered from NPA and have export orders in hand and hence request for one year time to fulfill export obligation.

Decision: The Committee heard and examined the case in detail and in view of justification provided by the firm it decided to accede the request and allowed EOP extension of 8 Advance Authorization No.(i) 0310751690 dated 30.09.2013, (ii) 0310742969 dated 20.06.2013, (iii) 0310744577 dated 08.08.2013, (iv) 031074118 dated 03.07.2013, (v) 0310723863 dated 13.02.2013, (vi) 0310789656 dated 25.09.2014, (vii) 0310715215 dated 20.11.2012 and (viii) 0310765128 dated 08.01.2014 for a further period of 12 months from the date of endorsement without composition fee. The other terms and conditions towards fulfillment of EO shall remain same as per policy/HBP provisions. 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. 17 M/s. Honeywell Automation India Ltd., Pune
F. No. 01/60/162/338/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Relaxation in condition mentioned in Para 6.21(c) of Hand book of procedure i.e. export of goods from job worker's premises shall not be allowed through third party and condition mentioned in Para 6.21 (a)(i) of Handbook of procedure goods sent to job worker shall be brought back to unit within 90 days.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Ms. Priti Garud and Shri Kiran Sawale, Authorised Representatives, appeared on behalf of the firm and made the following submissions:

The applicant stated that they are operating under EOU scheme as EHTP unit since 2005. They have been awarded a contract by M/s L&T Hydrocarbon Engineering Limited to supply package control building /e-house which will be ultimately exported to Algeria. The process automation systems provided by their EHTP unit are used to control manufacturing processes that are continuous or batch-oriented, such as oil refining, petrochemicals, central station power generation, fertilizers, etc. Since the process for each plant is different, the same are required to be customized as per th customer requirements. They are manufacturing process control systems and would be subcontracting the manufacturing of prefabricated mechanical structure i.e. packaged control buildings in which the process control system will be installed and integrated. L&T being the leader in manufacturing of such PCBs, turned out to be their best fit option and most cost effective. Further, the L&T site also gives locational advantage. The site of the L&T is near to Hazira Port in the state of Gujarat which will make it convenient to export the PCB to Algeria from Hazira Port. The transportation of PCB though roads is a big challenge due to its size. Hence they decided to sub-contract the prefabricated structure to L&T, Hazira, Gujarat, which is registered under Section 65 of Customs Act, 1972 as Customs bonded warehouse. The transaction flow of this work order will be (i) HAIL EHTP unit will supply the ICSS to job worker at Hazira. (ii) Job worker will manufacture prefabricated structure. (iii) The ICSS will be installed in an integrated with the prefabricated structure. After integration testing will be done by HAIL EHTP team at job worker's site at Hazira. (iv) The finished PCB will be once again dismantled after testing so that it can be supplied for export. The following activities will be carried out at job worker simultaneously with construction of prefabricated structure. (i) Installation of all the equipments in the PCB. (ii) Cable laying between various components and glanding /termination work. (iii) Powering on the equipments. (iv) Testing the equipments. (v) Integration test which includes all the systems within the PCB like HVAC, FECP, FAP, third party items with ICSS. (vi) Factory acceptance test with all the components installed and commissioning (vii) One whole test is completed, the prefabricated building shall be dismantled and despatched in the shippable size to the Algeria site. This particular activity itself shall require 25 to 30 days for dismantling /packing and shipping to port. Hence, requested for one time permission and relaxation of procedural required for this project and allow execution of such work order for exporting the finished goods from job workers

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premises through third party exports and permitting 180 days as against 90 days for completing the job work.

Decision: The Committee heard the case based on the submission made by the applicant and discussed the matter at length and decided to defer the case and ask the firm to submit complete work flow chart in the matter for taking the final decision.

(Action: Applicant)

PH Case No. 18 M/s. Jagannath Extrusion India Ltd., Gujarat
F. No. 01/60/162/517/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Revalidation of Advance Authorization No.3410043892 dated 15.02.2018.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. However, firm vide mail dated 24.06.2021 intimated that due to illness, they are unable to attend the PH. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 19 M/s. Jagannath Extrusion India Ltd., Gujarat
F. No. 01/60/162/518/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Revalidation of Advance Authorization No.3410043583 dated 02.11.2017.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. However, firm vide mail dated 24.06.2021 intimated that due to illness, they are unable to attend the PH. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 20 M/s. Jagannath Extrusion India Ltd., Gujarat
F. No. 01/60/162/520/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Revalidation of Advance Authorization No.3410043216 dated 22.05.2017 and enhancement in both quantity and value of Export & Import item consequent to the excess exports made.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. However, firm vide mail dated 24.06.2021 intimated that due to illness, they are unable to attend the PH. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 21 M/s. Jagannath Extrusion India Ltd., Gujarat
F. No. 01/60/162/519/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Revalidation of Advance Authorization No.3410043702 dated 18.12.2017 and enhancement in both quantity and value of Export & Import item consequent to the excess exports made.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. However, firm vide mail dated 24.06.2021 intimated that due to illness, they are unable to attend the PH. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 22 M/s. Ruchi Soya Industries Ltd, Mumbai
F. No. 01/60/162/935/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: To allow 167 shipping bills (Year 2015-16) for manual filing or allow to submit the E-Com at RA without late cut under the MEIS Scheme.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri Yogendra Pardeshi, Authorised Representative, appeared on behalf of the firm and made the following submissions:

The applicant stated that there are two rows appearing in the place of product description on all the 167 shipping bills. In first row allows- Products details wherein reward flag option marked as 'NO' hence not reflection on DGFT server. In second row shows- Declaration "They intend to claim reward under MEIS Scheme". Since these Shipping bills pertain to April 2015- July 2015,they would like draw attention towards PN No. 47/2015-20 dated 08.12.2015, where in it has allowed Shipping bills till 30.09.2015 subject to condition that the firm has declared their intension in the affirmative on the shipping bills.Accordingly, in response they had approached to concern custom port and they have been informed that their shipping bills are already transmitted to ICEGATE and as per ICEGATE they have been informed that all shipping bills data is not integrated with the DGFT data base. They had tried to file MEIS claim, shipping bills were added in the repository and BRCs were also attached but it was showing '0'entitlements.

Decision: The Committee heard the case based on the submission made by the applicant and discussed the matter at length and decided to defer the case and ask the firm to submit more details i.e. documentary evidences in support of their claim that they were trying to apply the MEIS application for more than last 3 years.

(Action: Applicant)

PH Case No. 23 M/s. Creemos International Ltd., Kanpur

F. No. 01/60/162/236/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Extension in EOP against Advance Authorisation No.0610038528 dated 09.01.2017.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021, Shri Saleem Akhtar and Shamshul Haq, Authorised Representatives, appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.12/AM20 dated 16.07.2019 (Case No.15), wherein the Committee rejected the case. The applicant stated that the said advance authorization was obtained for a specific export orders. The import was completed and unfortunately after 1st export consignment, the overseas buyer somehow cancelled the orders and despite their best efforts, they could not persuade the said buyer to re-store the export order. Therefore they also could not apply extension in EOP for 1st six month because of no export order in hand. However on receipt of export orders they applied for extension in EOP with RA, Kanpur together for 1st six month & 2nd six month. But their request was turned down on the ground that they could not complete minimum 50% of the export obligation during 1st six month period. But now, since they have export order in hand and they shall complete the obligation within fortnight now onwards.

Decision: The Committee reviewed and heard the case on the basis of justification submitted by the applicant and discussed the matter at length. It observed that export product is leather Rugs for horses. After discussions, the Committee decided to accede to the request of the firm and allowed EOP extension of Advance Authorization No.0610038528 dated 09.01.2017 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-Kanpur)

PH Case No. 24 M/s. Fitex Industries Limited, Ludhiana
F. No. 01/60/162/85/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Condonation of procedural lapse of not mentioning the advance authorization number and date in shipping bills towards fulfillment of EO of Advance Authorization No.2010061221 dated 11.05.2009.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri Shital Parkash, Authorised Representative, appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.09/AM21 dated 28.08.2020 (Case No.04), wherein the Committee maintained the earlier rejection of the case. The applicant stated that in their case there is a clear correlation in the established linkage for the details of export product and quantity and value and ARE1 Number and SBs number on all relevant ARE1 form and SBs for the Advance Authorization No.3010061221 dated 11.05.2009 as per details below:-

Details mentioned on ARE1 nos. have been duly certified by excise Authority:-

a. On the ARE1 forms, the Advance Authorization Number and SB Number and date and export invoice number and date and description of the export product with quantity and Value mentioned are same as mentioned on SB's.
b. The SBs are not free SBs but Chapter 3 SB's which contains declaration of intent for claim of benefits of chapter 3 of FTP and on page 2 of all 7 SBs under the column scheme Rewards 03 and Yes are mentioned (which relates to chapter 3 benefits) and also the invoice number and date and details of Description of export product and quantity and FOB value on Page 3 of all SBs the ARE1 Number and date are also mentioned.
c. The Advance Authorization No.3010061221 dated 11.05.2009 has been issued under notified SION no. 2004 of Engineering Group.

Decision: The Committee heard and examined the case in detail in view of justification provided by the firm. After hearing, it decided to accept the request of the firm to consider such exports under Advance Authorisation No.3010061221 dated 11.05.2009 subject to the condition that all such exports mentioned in the ARE-1 duly certified by Excise authorities, are fully correlated with concerned shipping bills, which are not free shipping bills. Further duty free imports made against the Advance authorization also need to be fully accounted for in the shipping bills. RA needs to confirm these and also correlate the exports and take further necessary action for regularization as per FTP provisions. The applicant would also submit an affidavit-cum-indemnity bond in order to indemnify the Government for any harm or loss occurring due to utilization of these shipping bills towards fulfillment of EO against this Advance Authorisation. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Ludhiana)

PH Case No. 25 M/s. Corvine Chemicals & Pharmaceutical Limited, Karnataka

F. No. 01/60/162/861/AM20/PRC

PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Relaxation from para 4.21 (iii) of HBP 2015-20 regarding export realization under SEZ from FCNR account against following 9 Advance Authorization No.(i) 0710110214 dated 05.08.2016, (ii) 0710110482 dated 04.10.2016, (iii) 0710111422 dated 19.04.2017, (iv) 0710107418 dated 12.01.2015, (v) 0710112798 dated 08.02.2018, (vi) 0710112389 dated 10.11.2017, (vii) 0710110557 dated 21.10.2016, (viii) 0710111900 dated 21.07.2017 and (ix) 0710110657 dated 17.11.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri Revanth Reddy, Authorised Representative, appeared on behalf of the firm and made the following submissions:

The applicant stated that they had supplied the products as mentioned in the advance authorization to EOU/SEZ. After completing the export, application was made to RA, Bengaluru, for export obligation discharge certificates (EODC). In all the above cases, the EBRCs submitted in the above mentioned license were not processed. The reason given by the RA was the amount received to them is not from the FCNR account, as is required under FTP. They have requested for relaxation of Para 4.21(iii) of HBP 2015-20.

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

(Action: Applicant)

PH Case No. 26 M/s. Vimala Note Book, Madurai
F. No. 01/60/162/73/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Extension of EOP against 2 EPCG Authorization No.3530004328 dated 24.12.2010 & 3530004371 dated 10.02.2011.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri Karthik, Authorised Representative, appeared on behalf of the firm and made the following submissions:

The applicant stated that they had obtained the above mentioned 2 EPCG Authorizations from RA, Madurai for import of capital goods against export of note book. They had completed 14% export obligation against 1st EPCG license and completed 56% EO against 2nd EPCG license. EOP were extended in both the EPCG licenses for 2 year means up to 23.12.2018 & 09.02.2019. Still they are exporting for other 9 EPCG licenses. However, for the above EPCG Licenses they regret to inform that due to the GST implemented in July 2017 and so many orders cancel due to GST implementation, exports could not be completed in time. Because export product price gone high and could not complete the international price especially the price in the China market. So buyer cancelled the Order. They could not fulfill the EO against their above two license only. They are having confirmed export order for their export of Note Book and they can fulfill EO within one year from endorse date. Hence, requested to grant them extension without composition fees for 1 year to complete the EO. Thus, it has become necessary to approach this Hon'ble committee to consider their case favourably and grant them EO extension for further period of one year from endorse date as they are still facing uncertain situation for getting over the covid 19 problem all over world. Their export product is ready for export and export product residual life 5 years.

Decision: The Committee heard the case on the basis of justification submitted by the applicant and discussed the matter at length. It also observed that export products here are Notebooks. After detailed discussions, the Committee decided to accede to the request and allowed EOP extension of 2 EPCG Authorization No.3530004328 dated 24.12.2010 and 3530004371 dated 10.02.2011 for a further period of 12 months from the date of endorsement subject to payment of composition fee equal to 2% of proportionate duty saved amount on unfulfilled export obligation. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/ RA-Madurai)

PH Case No. 27 M/s. Sai Synergy LLP, Gurgaon
F. No. 01/60/162/628/AM20/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Extension in E.O. period against Advance AuthorisationNo.0510401600 dated 10.02.2017.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri Anurag Singhal, Authorised Representative, appeared on behalf of the firm and made the following submissions:

The applicant stated that they were issued the subject authorization for import 809 Sq. Mtrs of Fabric covered under Chapter 62 of the Custom Tariff. The authorization was valid upto 10.02.2018. This material they have already exported a quantity of 150 pcs of Fire Retardant Coverall of 4.05 Sq. Mtrs per piece totaling up to 607.05 Sq. Mtrs Under ARE-1 No.008 dated 17.03.2017 to Abu dhabi, UAE through Galaxy Freight Pvt. Ltd. It is declared that the quantity of 607.05 Sq. Mtrs of fabric in the shape of fire retardant coverall is more than 75% of the imported fabric. Balance quantity of 201.50 Sq. Mtrs of fabric is available with them. Due to delivery schedule delay by party they were unable to export garment to party and after that party cancelled the order. But now, they have an order of garments from party made by this fabric to be delivered in 6 months.

Decision: The Committee heard the case on the basis of justification submitted by the applicant and discussed the matter at length. It was observed that export product is protection garments which have limited market. The Committee decided to accede to the request of the firm and allowed EOP extension of Advance Authorization No.0510401600 dated 10.02.2017 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/CLA-New Delhi)

PH Case No. 28 M/s. Jonson Rubber Industries Limited, New Delhi
F. No. 01/60/162/454/AM19/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Extension in EOP for 12 months from the release of their import consignment hold by Customs Authority for getting test reports for the samples withdrawn vide Bill of Entry No.5973355 dated 13.07.2016 and finally cleared on 30.07.2018 against Advance Authorization No.0510397415 dated 25.01.2016.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. However, firm vide mail dated 24.06.2021 intimated that the concerned person is not well and unable to attend the PH. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 29 M/s. Kanodia Technoplast Limited, New Delhi
F. No. 01/60/162/803/AM21/PRC
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: Regularization of export made beyond EOP (24 months) and Extension in EOP for a period of 3 months from the date of endorsement against Advance AuthorisationNo.0510404902 dated 13.12.2017.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. However, firm vide mail dated 24.06.2021 intimated that the concerned person is not available on this date and they are unable to attend the PH. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 30 M/s. Gold Plus Glass Industry Limited, New Delhi
F. No. HQRPRCAPPLY00116802AM22
PRC Meeting No.04/AM22 dated 28.06.2021

Subject: (i) To allow Export under 5 License beyond 12 years (by 3 years) to fulfill obligation. The Company shall be depositing 50% of Duty saved / Composition fee. (ii) To allow Exports made between 8 to 12 years for Redemption of 8 Licenses. (iii) To allow condonation of procedural lapse for considering SEZ exports in 8 Licenses. (iv) To withdraw investigation initiated by DRI. (v) To remove the name of the company from Denied Entity list

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 28.06.2021. Shri SubhashTyagi, Chairman and Shri Tarun Jain, CFO, appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.14/AM21 dated 27.10.2020 (Case No.06), wherein the Committee rejected the case. The applicant stated that they have obtained 33 EPCG licenses for importing machines for commencing production of line 1 at Roorkee plant in 2009. The company is under the obligation to export equivalent to the amount of 8 times of the duty saved against the said import. The company has made exports outside country to Nepal and other neighboring countries and also to SEZ units in India to fulfill EO. However they had shortfall of export of about Rs.58.31 Crore against the EO of Rs.258.29 Crores as on date. Due to the ongoing economic slowdown and the outbreak of COVID-19 pandemic, they are struggling to cope with the situation in the wake of an unprecedented demand shock and to sustain in this ongoing economic scenario. Because of the lockdown, they had lost 90% of the export orders and suffered huge losses. However, they are making all round efforts to export continuously. They are facing stiff competition from imports and suffered huge losses in past.

The details of licenses are as below:
<u>List of Licenses for extension required for 3 years (beyond 12 years)</u>
(i) 530146540 dated 30.06.2008, (ii) 530146692 dated 16.07.2008
(iii) 530146782 dated 30.07.2008 (iv) 530146894 dated 13.08.2008
(v) 530146074 dated 02.05.2008
<u>List of licenses for redemption for exports made between 8 to 12 years</u>
(i) 530149401 dated 15.07.2009, (ii) 530147813 dated 24.11.2008,
(iii) 530146047 dated 30.04.2008, (iv) 530151405 dated 02.03.2010,
(v) 530146202 dated 23.05.2008, (vi) 530147044 dated 01.09.2008,
(vii) 530146074 dated 02.05.2008, (viii) 530156887 dated 08.11.2011
<u>List of licenses for condonation of procedural lapse for considering SEZ exports</u>
(i) 530147890 dated 04.12.2008, (ii) 530147846 dated 28.11.2008,
(iii) 530147234 dated 18.09.2008, (iv) 530146778 dated 30.07.2008,
(v) 530148327 dated 02.02.2009, (vi) 530144915 dated 05.11.2007,
(vii) 530147287 dated 23.09.2008, (viii) 530156887 dated 08.11.2011

<u>Decision:</u> The Committee reviewed the case on the basis of justification submitted by the firm and it decided to defer the case for further detailed examination in the matter. Thereafter the case may be brought back before PRC again with PH to firm.

(Action: Applicant /PRC-Division)

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