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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting Held on 09.12.2020 under the Chairmanship of Shri Amit Yadav, Director General of Foreign Trade

Meeting No.17/AM21 held on 09.12.2020

The following members were present in the meeting:

1. Shri R.P. Goyal — Addl. DGFT
2. Shri Vijay Kumar — Addl. DGFT
3. Shri S.B.S. Reddy — Addl. DGFT
4. Shri Hardeep Singh — Addl. DGFT
5. Shri Anil Aggarwal — Addl. DGFT
6. Shri Rajbir Sharma — Jt. DGFT

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

S. No	Name of the firm	Case No.
1.	M/s. Shakti Balaji International, Kolkata	1
2.	M/s. Arch Pharmalabs Limited., Mumbai	2
3.	M/s. Jindal Aluminium Limited, Bengaluru	3
4.	M/s. Colorplast Systems Pvt. Ltd., Noida	4
5.	M/s. Larsen & Toubro Limited, Mumbai	5
6.	M/s. Lohia Corp Limited, Kanpur	6
7.	M/s. Alois Technologies LLP, Gujarat	7
8.	M/s. Nature Tech India Pvt. Ltd., Chennai	8
9.	M/s. Globion India Pvt. Ltd.,Secunderabad	9
10.	M/s. XL Energy Limited, Secunderabad	10
11.	M/s. Jay Dattatray Trading Company, Gujarat	11
12.	M/s. Dayanand Medical College & Hospital Managing Society, Ludhiana	12
13.	M/s. Matxin Labs Pvt. Ltd., Bangalore	13
14.	M/s. G. S. Export, Haryana	14
15.	M/s. Galaxy Medicare Limited, Bhubaneswar	15

PH Case No. 01 M/s. Shakti Balaji International, Kolkata
F. No. 01/60/162/903/AM20/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: Revalidation of Advance Authorization No.0210207950 dated 07.11.2017.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.12.2020. Shri N. Rajesh, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.02/AM21 dated 20.05.2020 (Case No.16), wherein the Committee rejected the case. The applicant stated that they have completed EO in value-wise and quantity-wise against the subject authorization. The authorization was obtained for export of 180 M. Tons of PP granules Polypropylene and same was issued by RA, Kolkata. They are unable to import due to non-availability of Raw Materials in Foreign Market. Authorisation validity of import already expired on 06.11.2018. After expiry of validity they have been granted 1st revalidation by RA, Kolkata. During the extended period, they were unable to imports due to non-availability of Raw Materials in Foreign Market. After the expiry of 1st extended period they have contacted several times to foreign supplier tor availability of Raw Materials. In response, foreign suppliers have given the reason of non-availability of Raw Materials till March 2020. After that they have some fund shortage at that time, so they have not applied for 2nd revalidation to RA. Now, they are in a position to complete the import. At present, their supplier informed them that they are ready for supply of Raw Materials from the period August 2020 to 15 December 2020,if they confirm the same. Their supporting manufacturer has been continuously pressuring them to give the imported Raw Materials. If they will not give the imported Raw Materials or revalidate license to supporting manufacturer they will not give them the product for further exports. Hence, requested for revalidation up to December 2020.

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the firm and found no merit in the request and hence decided to maintain rejection of the earlier decision of PRC in its Meeting No.02/AM21 dated 20.05.2020(Case No.16).

(Action: Applicant)

PH Case No. 02 **M/s. Arch Pharmalabs Limited., Mumbai**
F. No. 01/60/162/675/AM19/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: Issuance of Status Holder Incentive Scrip (SHIS) pertaining to Financial Years 2009-10, 2010-11,2011-12 & 2012-13.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.12.2020. Shri Rajendra Kaimal, Executive Director and Shri Prasannan Namboodiri, (Advocate) Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.28/AM19 dated 15.01.2019 (Case No.20), wherein the Committee had rejected the case. The applicant stated that from the year 2008 onwards, due to Chinese dumping of Pharma products in the Indian market; their sales were severely impacted leading to financial constraints. They had at that time 9 manufacturing units spread across India and a dedicated state of the art R&D Centre at Taloja, near Mumbai, which had recognition from Department of Science and Technology, DSIR, New Delhi. They faced an unpleasant situation of mass exodus of staff, as their salaries were delayed by months. As a consequence, whatever efforts were made to revive the operations were severely impacted. Due to various issues thereafter, their company continued to see a slide in their business and ended up losing prominent global pharmaceutical customers from US and Europe such as Pfizer, Abbott, Merck, Bristol Myers-Squibb etc and also many of the leading India Pharmaceuticals companies, as they were unable to service their purchase orders. As a collateral damage, all this resulted in their inability to complete their EO. Thus they found themselves listed in the DEL of DGFT and hence they are unable to take advantage of any export incentive schemes available to the exporters. Subsequently in April 2013 they were pushed into the Corporate Debt Restructuring (CDR) process by their secured lenders, which in turn, resulted in near total stoppage of operations across all sites for nearly 36 months. Later their company was declared as a sick industrial company vide BIFR order dated 26.07.2016. However, on 01.12.2016, the SICA Act 1985 was repealed leading to that order being made infructuous. They tried to seek abeyance orders on multiple occasions in 2013, 2014 etc., to take off the DEL list, but not granted. They were battling these numerous challenges; they observed that the date of filing of SHIS had expired.

Decision: The Committee heard the case on the basis of justification furnished by the applicant and discussed the matter at length and found no merit in the request. In this case, firm did not even apply and no cogent reasons or genuine hardship was brought on records in this regard. Accordingly, committee decided to maintain rejection of the earlier decision of PRC in its Meeting No.28/AM19 dated 15.01.2019(Case No.20).

(Action: Applicant/RA Mumbai)

PH Case No. 03 **M/s. Jindal Aluminium Limited, Bengaluru**
F. No. 01/60/162/696/AM20/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: Relaxation from Pre-Import Condition against Advance Authorization No.0710111222 dated 02.03.2017.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.12.2020. Shri Pardeep K. Kalra, D.G.M. – Imports appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.30/AM20 dated 11.02.2020 (Case No.07), wherein the Committee rejected the case. The applicant stated that the reason for not fulfilling pre-import condition for 99211.34 Kgs (about 6%) of import was because customers required material urgently so they produced material by using inputs available locally and later done import for replenishment purpose as otherwise customer could have cancelled the orders so export was done first and import was done later. Their company is more than 50 years old and so far not even a single export order has been received where they get more than 30-40 day time for the shipment so it's next to impossible to fulfill the pre-import condition in their case due to this practical problem. But still they managed to fulfill pre-import condition against 94% of the import done by them availing exemption from IGST as they are regularly importing ingot so some materials is always in the pipeline but when they were to export material against 6% of import done by availing IGST exemption that time there was no import shipment in the pipeline so they were left with no option but to use local material to fulfill their contractual obligations under export orders to avoid not only cancellation of those particular export orders but also loss of future business as well as heavy penalties from their valued export customers for possible delay.

Decision: The Committee heard and examined the case on the basis of justification furnished by the applicant. The Committee found no merit in the request and hence decided to maintain rejection of the earlier decision of PRC in its Meeting No.30/AM20 dated 11.02.2020 (Case No.07).

(Action: Applicant/RA Bangalore)

PH Case No. 04 M/s. Colorplast Systems Pvt. Ltd., Noida
F. No. 01/60/162/145/AM21/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: Extension of EOP for a period of 2 years against 5 Advance Authorization Nos.(i) 0510391658 dated 20.10.2014, (ii) 0510393096 dated 05.02.2015, (iii) 0510395159 dated 03.08.2015, (iv) 0510396252 dated 05.11.2015 and (v) 0510397732 dated 26.02.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.12.2020. Shri Rajesh Batra, Chairman appeared on behalf of the firm and made the following submissions:

The applicant stated that on the above mentioned 5 authorisations, they are facing challenges due to non-fulfillment of increased inventories of calendar plastic sheets of thicknesses 790/800/335. The current build up of inventory lying 466 tonnes – net weight) is due to Telecom Business (substrate issue, size issue), Payment Cards Business (Technology changes and rapid adoption), and Alternative payment Business, Transit Payments, Gift & Prepaid Cards – Loyalty. Given the factors, they are left with 466 tonnes of inventory to be sold under the said 5 authorisations. The rapid changes in technology with minor need for regulation and change in consumer cycles of cards have left them with this problem on their exports front. There is a general slowdown in the economies of the west with demand reducing for products where their current import material (plastic 335/790/800) based smart cards are utilized. The advent of COVID-19 Pandemic has further created obstacles to build their export portfolio to greatly reduce the current burden at their hand for volume based sales. The countries of Afghanistan, Tunisia, Ethiopia, UAE along with Kenya/Tanzania and many others provide them with ample opportunities to sell the existing technology products of 335/790/800 microns plastics as technology moves slowly in these countries. They have been successful to pursue contracts with some of these nations where they foresee a demand for these plastics and can further enhance their presence of sales. With the COVID-19 Pandemic, they don't foresee international travel for at least 3-6 months, therefore they have lost this timeline already. Hence, requested 2 years of extension.

He also mentioned that out of 25 AAs taken by them; this issue is there in only these 5 AAs and rest of the AAs have already been redeemed. Moreover excess inventory is lying with them.

Decision: The Committee heard the submission made by the firm and discussed the matter at length and observed that due to change in technology the firm has faced the problem, which was beyond their control. Accordingly, the committee decided to accede the request and allowed extension in EOP against 5 Advance Authorization Nos.(i) 0510391658 dated 20.10.2014, (ii) 0510393096 dated 05.02.2015, (iii) 0510395159 dated 03.08.2015, (iv) 0510396252 dated 05.11.2015 and (v) 0510397732 dated 26.02.2016 for a further period of 6 months from the date of endorsement. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/CLA, New Delhi)

PH Case No. 05 **M/s. Larsen & Toubro Limited, Mumbai**
F. No. 01/60/162/151/AM20/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: Condonation of payment of application fee equivalent to 1% of duty saved amount and Para 4.25 a (ii) is not applicable in their case against Advance Authorization No.0310791521 dated 28.11.2014.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.12.2020. Shri Suhas Menon, Assistant Manager appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.32/AM20 dated 25.02.2020 (Case No.16), wherein the Committee had rejected the case. The applicant stated that they have completed EO of both quantity and value-wise and submitted for redemption. However, payment certificate (Appendix 7D) issued by project authority had been lost /misplaced. In lieu of original, they have submitted notarized payment certificate which adequately evidences supply of goods, receipt at site and payment received for the same. However, RA, Mumbai is insisting on paying an amount equivalent to 1% of duty saved in terms of Para 4.52(a)(ii) of HBP 2015-20. The said para is applicable for loss of shipping bill against physical exports which does not apply in the instant case, being deemed exports. Moreover, presently submission of original shipping bill is no longer the norm as the same is submitted and available in electronic form on DGFT site. Therefore this provision regarding loss of original shipping bill is outdated and no longer relevant. Since, from the documents submitted including eBRC it is well established that EO is fulfilled and RA suitably indemnified through affidavit and indemnity bond, AA holder need not be penalized for loss of payment certificate, which is only procedural in nature. As such enforcing the above para is akin to penalizing the exporter for having complied with all conditions of AA, and no fault of theirs.
He requested in the meeting not to insist on payment of 1% fee in case of loss of PAC.

Decision: The Committee reviewed the case on the basis of justification made by the firm and discussed the matter at length. It observed that firm has mentioned that eBRC in this case has already been submitted along with other documents to the RA. Moreover no fee is prescribed for loss of PAC in the FTP/HBP. Accordingly, Committee decided to accede to the request of the firm for condonation of payment of application fee equivalent to 1% of duty saved amount against loss of PAC in case of Advance Authorisation No.0310791521 dated 28.11.2014.The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

PH Case No. 06 M/s. Lohia Corp Limited, Kanpur
F. No. 01/60/162/839/AM19/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: Condonation of delay to file the application to claim FPS / FMS benefit against 8 File Nos.(i) 06/21/087/80152/AM18, (ii) 06/21/087/80153/AM18, (iii) 06/21/087/80116/AM18, (iv) 06/21/087/80112/AM18, (v) 06/21/087/80117/AM18, (vi) 06/21/087/80177/AM18, (vii) 06/21/087/50004/AM19 and (viii) 06/21/087/50002/AM19.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.12.2020. Shri Vishal Pande, Auhorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC in its Meeting No.32/AM19 dated 26.02.2019 (Case No.19), wherein the Committee had rejected the case. The applicant stated that they could not be file within prescribed time as the bunch of shipping bills got misplaced during shifting of their department from one location to other. Upon retrieval of shipping bills, the applications were duly filed online with applicable late filing fees as per Para 9.02 of HBP. However, RA, Kanpur has refused to issue licenses for the said applications citing these to be time barred. Since their system accepted the said applications with applicable late cuts and the entitlement values for the said applications are accordingly derived. It is not justified to treat the said applications as time barred. It is not reasonable to deny fiscal/financial benefits to an exporter for an inadvertent lapse as the value of such benefits is incorporated in the export pricing which needs to be kept very competitive. The denied amount of INR 87.93 lacs is a huge amount for them and they shall readily accept to even bear a late cut of more than 10% as is prescribed under Para 9.02 of HBP.

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.32/AM19 dated 26.02.2019(Case No.19).

(Action: Applicant)

PH Case No. 07 M/s. Alois Technologies LLP, Gujarat
F. No. 01/60/162/139/AM21/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: To allow Chapter-3 benefit under SEIS for the FY 2017-18, and 2018-19 by relaxing the Para 3.08 (f) of FTP 2015-20.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.12.2020. Shri Jignesh Kharshikar,Manager – Accounts & Finance Dept. appeared on behalf of the firm and made the following submissions:

The applicant stated that their export earnings for the financial year 2017-18 was Rs.3,28,94,370/- against which the SEIS entitlement as per FTP 2015-20 was determined at Rs.13,96,565/- which after application of 2% late cut (Rs.27,931/-) entitled for Rs.13,68,634/-. The export entitlement is very significant for MSME on which rejection of application results in substantial financial loss against the earnings to the Indian Foreign Exchequer. Apart from the significant financial impact due to loss of export entitlement for financial year 2017-18, the identical picture will also arise for financial year 2018-19 in view of late generation of IEC license on 02.04.2019. The figure of export earnings for financial year 2018-19 was Rs.3,10,93,993/- and corresponding export entitlement of Rs.15,54,438/- without late cut. In the wake of COVID-19 Pandemic, the business globally was adversely and seriously impacted and they are being not an exception to it. In fact survival of their company due to this pandemic has been jeopardized as their business earning is solely dependent on foreign customers who were under lockdown for last three months while fixed expenses in the nature of salaries and rentals are unavoidable. This has consequently resulted in loss of more than 60% of their business which seems difficult to recoup in the short span of one year and therefore actual hindrance to the business of the company. Hence requested to consider to allow chapter 3 benefit under SEIS for the services rendered during the said financial years and is ready to bear late cut at an appropriate percentage as the Committee may deems fit in the circumstance of the case.

Decision: The Committee heard the submission made by the applicant and discussed the matter at length. The Committee observed there is no merit in the request and hence decided to reject the request of the firm.

(Action: Applicant)

PH Case No. 08 M/s. Nature Tech India Pvt. Ltd., Chennai
F. No. 01/60/162/20/AM21/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: Clubbing of 2 Advance Authorization No.0410161459 dated 29.12.2015 & 0410163549 dated 22.09.2017 for regularization purpose only.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.12.2020, Ms. B. Meenakshi, Head – Finance and Shri K. Radhakrishnan, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.05/AM21 dated 16.07.2020 (Case No.15), wherein the Committee had rejected the case. The applicant stated that they are one

MSME units manufacturing bio-degradable polyster bags of various sizes as per the requirement of customer. They have been importing duty free materials under the advance authorization scheme and completing the EO within the permitted EOP. They have achieved value addition of 79.48% after clubbing of these advance authorisations. These are eco friendly bags and hence they have export order from Asian countries and being maintain an average export of Rs.5.00 crores per annum. Their exports are not large in each shipment as order which they have been receiving only in terms of couple of Metric tons and hence their shipment is also smaller quantity. They have been scouting around for large order and successfully got the export order sometime in November, 2015 from one of nee overseas client and this quantity was substantial and hence they have obtained Advance Authorization No.0410161459 dated 29.12.2015 for substantial quantity and stared production for exports. After the receipt of couple of shipment their overseas buyer who committed for larger quantity started reducing the export order for each shipment. While they are exporting during the interaction with the overseas buyers, they understood that they are comparing the price from other countries. Apparently they started having second thought and started negotiating the price based on the offers which he is getting from China/Taiwan which is amounting to lesser than break even price. Their calculation for consumption of raw materials were @ 12% and this was allowed @ 5% and hence their imports become higher. They could not complete the proportionate exports for this actual imports and accordingly obtained another Advance Authorisation No.0410163549 dated 22.09.2017 on repeat basis (i.e. with wastage allowed as per the Norms Committee decision) and made very lesser imports to offset the excess imports in earlier advance authorization. They appreciate the para 4.38(vi), that the second authorization should be issued within 18 months from the date of issuance of first authorization. Here the difference is around 21 months. Hence, they requested to relax this condition and clubbing may be allowed as a special case.

It was also informed that they had taken a total of 7 AAs and only 2 AAs are pending as of now and rests have been redeemed.

Decision: The Committee reviewed 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.0410161459 dated 29.12.2015 and 0410163549 dated 22.09.2017 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-Chennai)

PH Case No. 09 M/s. Globion India Pvt. Ltd.,Secunderabad
F. No. 01/60/162/786/AM20/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: Regularization of exports made outside EOP up to December, 2019 against 6 EPCG Authorisations Nos.(i) 0930004293 dated 12.08.2008,(ii) 0930004596 dated 15.12.2008, (iii) 0930004646 dated 06.01.2009, (iv) 0930004910 dated 28.05.2009, (v) 0930005301 dated 13.11.2009 and (vi)

0930005302 dated 13.11.2009 and Extension of EOP up to June, 2022 against 1 EPCG Authorization No.0930005196 dated 05.10.2009 without any composition fee on block-wise and EO extension period.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.12.2020. Shri Ashutosh Mishra, (Advocate) and Ms. Tuhina Sinha, (Advocate), Authorised Representatives appeared on behalf of the firm and made the following submissions:

The applicant stated that export products under these EPCG authorizations are Poultry vaccines, which unlike other normal products are highly technical having public health issues and other sensitive concerns. There were delays in vaccine registration in foreign countries, which takes anywhere between 24-36 months post receipt of commercial license. Incidences of Bird Flu in India for the last one year has caused delay in application reviews. Exit of joint venture partner – Lohmann Animal Health (LAH), Germany post its acquisition in end of 2015, resulted in withdrawal of exports of vaccines viz. IBH120 strain, ND+IB Live, IBD Cu 1M, Coryza Killed and ND C131.
Moreover, the exports of Globion vaccines were under the purview of Lohmann Animal Health till the termination of joint venture agreement. Post exit of JV, Globion had to scout for alternative sources of vaccines strains. The vaccines manufactured from these strain being New Drugs have to be registered. Two such products viz. Avian Infectious Bronchitis vaccine, H120 strain acquired from M/s Woogene B&G, Korea in 2017 and Infectious Coryza vaccine, Inactivated from University of Queensland in 2016 are under registration. Considerable time lag between import of machines, commissioning and commercial production, and longer incubation period for registration time lines for vaccines in India contributed to delays in exports. Further firm has submitted that the composition fee is in the nature of penalty and therefore, is not required to be paid in cases of bonafide default. Hence requested for extension of EOP upto June 2022 without any composition fee, counting of shipping bills where EPCG authorization numbers are not mentioned and regularization of exports made after expiry of EOP is allowed.

Decision: The Committee examined the case in detail and noted that the circumstances stated by the firm were beyond their control and in view of specific nature of export product i.e poultry vaccines which have public health safety issues and stringent regulatory standards in importing countries; there is a genuine hardship in the case. Hence the Committee decided to accede to the request of the firm and allowed EOP extension up to December 2019 of 6 EPCG Nos.(i) 0930004293 dated 12.08.2008, (ii) 0930004596 dated 15.12.2008, (iii) 0930004646 dated 06.01.2009, (iv) 0930004910 dated 28.05.2009, (v) 0930005301 dated 13.11.2009 and (vi) 0930005302 dated 13.11.2009 for regularization purpose only. It also decided to allow EOP extension up to October 2021 against 1 EPCG Authorization No.0930005196 dated 05.10.2009. The Regularization / Extension of above 7 EPCG Authorisations are allowed without imposing any composition fee. The shipping bills should not be a free shipping bill. 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 date of uploading of the minutes of meeting.

(Action: Applicant/RA-Hyderabad)

PH Case No. 10 M/s. XL Energy Limited, Secunderabad
F. No. 01/60/162/38/AM21/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: To allow Chapter-3 benefit – HTPEPS, as per PC No.28 dated 15.03.2011 against their application No.09/21/079/00002/AM14.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 09.12.2020. Shri Dinesh Kumar, CEO & Managing Director appeared on behalf of the firm and made the following submissions:

The applicant stated that they had filed their application on 26.04.2013 (i.e. well within the eligible time limit ending 31.12.2013 with 10% late cut from 31.12.2011 to 31.12.2013 with one year already allowed as an inbuilt mechanism) for HTPEPS under Para 3.11 of FTP r/w 3.22.2 of HBP on 13.03.2013 to RA, Hyderabad as per Para 9.10 of HBP. RA, Hyderabad allotted F.No.09/21/079/00002/AM14 dated 28.04.2013. Thereafter they had pursued the matter for several occasions both oral and writing. For fully 7 years, they have not heard anything from RA. On enquiry, they were orally informed that their application was missing due to shifting of the office from old premises to a new office. After repeated enquiries, RA, Hyderabad vide mail 02.06.2020 intimated that their application is time barred, which is not correct as they have filed on time within validity as per the clarification issued vide PC No.28 dated 15.03.2011. By which the exports made by 100% EOU from 01.04.2008 to 31.12.2010 had become eligible of Chapter-3 benefits. No other benefits under Chapter-3 or under Income Tax were availed.

Decision: The Committee having heard the case on the basis of justification furnished by the firm and discussed the matter along with the detailed report received from RA, Hyderabad. It is observed that there is no merit in firm's contention and decided to reject the request of the firm.

(Action: Applicant)

Case No. 11 M/s. Jay Dattatray Trading Company, Gujarat
F. No. 01/60/162/172/AM21/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: To allow MEIS benefit against 6 Shipping Bills No.(i) 8267926 dated 27.08.2017, (ii) 8217082 dated 24.08.2017, (iii) 8217181 dated 24.08.2017, (iv) 8269339 dated 27.08.2017, (v) 2603899 dated 09.03.2019 &(vi) 3247400 dated 03.04.2019 in which the reward scheme column is shown "No".

The applicant stated that they had exported DILL SEEDS and CUMIN SEEDS vide above shipping bills under MEIS Scheme as per Chapter 3.04 of FTP 2015-20. The required declaration is made in first page of shipping bills, but it was left out making the tick mark for 'Y' (YES), in the reward column at page 2 of shipping bills and the system recorded the default setting indicating 'N'. This was an inadvertent mistake occasioned due to oversight by their CHA. They have declared in their Export Invoice, Packing List and also in shipping bills (first page) of their intention to claim the reward under MEIS scheme stating they intent to claim rewards under MEIS scheme. The online system to make MEIS application does not accept these shipping bills in which the reward column on page 2 has been shown 'NO', although the very same shipping bills also possess their declaration showing "We intend to claim rewards under MEIS Scheme" as per FTP 2015-20 on page no.1.

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

(Action: Applicant)

Case No. 12 M/s. Dayanand Medical College & Hospital Managing Society, Ludhiana
F. No. 01/60/162/191/AM21/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: To allow SEIS benefit for the year 2016-17 & 2017-18.

The applicant stated that they applied for benefit under SEIS in RA, Ludhiana for educational services provided to NRI students but the benefit was not allowed to them by RA on the ground that foreign exchange has not been earned by them. Firm informed in its representation that :
(i) Usually the students deposit their 1st installment of fee with Baba Farid University in Foreign Currency at the time of counseling and later on it is transferred in DMC&H account in INR. (ii) Baba Farid University of Health Sciences, Faridkot has been authorized by Government of Punjab to conduct centralized counseling for admission in various UG & PG courses as per the procedure laid down by MCI/DCI (Medical Council of India /Dental Council of India). Applicant further informed that at the time of admission of NRI students, Baba Farid University collect 1stinstalment of tuition fee from NRI students in USD on behalf of colleges to reserve their seats in the concerned colleges and after that the remaining semester's fee is deposited in the respective colleges. Sometimes students deposit their entire course fee in 1st installment. After the receipt of Tuition Fee in USD by Baba Farid University it is transferred to the respective colleges in INR. Though the 1stinstalment is received by the Baba Farid University but the educational services are provided by the respective colleges and not by Baba Farid University. (iii) The colleges are the entities which are actually providing educational services to NRI students and not universities (which only conduct counseling). Out entitlement was Rs.50,56,354.95 for the year 2016-17 and Rs.58,59,509.75 for the year 2017-18 which has not been allowed and if they do not get this, the very purpose of SEIS will be defeated which should not be. Hence, requested to issue suitable guideline so that colleges which are actually providing services to the NRI students can avail the benefit of the SIES scheme.

Decision: The committee went through the statements made by the firm and noted that there is merit in the case and accordingly decided to allow the benefit of SEIS to the medical college for the year 2016-17 & 2017-18 subject to obtaining a declaration from Baba Farid University of Health Sciences, Faridkot that they have not/shall not claim any SEIS benefit for the above periods on the foreign exchange received on behalf of DMC&H from NRI students who got educational services in the DMC&H. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Ludhiana)

Case No. 13 M/s. Matxin Labs Pvt. Ltd., Bangalore
F. No. 01/60/162/189/AM21/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: To allow MEIS benefit against the shipping bills pertain to the year 2016-17, 2017-18 and 2018-19 in which reward column ticked as "No" instead of "Yes".

The applicant stated that they are the manufacturers of pharmaceutical items and they have been exporting to various destinations which are eligible for MEIS benefit. In the year 2016-17, 2017-18 and 2018-19 their export FOB turnover value qualifying for MEIS is Rs.1,06,95,391/-, Rs.6,07,20,829/- and Rs.6,14,30,335/-. Due to the ignorance of the scheme and incorrect advice by the CHA, the scheme reward was mentioned as 'NO' resulting in loss of export incentive to an extent of Rs.26,56,000/- at the rate of minimum 2%. They are pursuing with the Customs Authority for the manual amendment of the shipping bill and wish to understand whether the confirmation/manual amendment will qualify for application and is eligible for the scrip. Being in the MSME category, this additional incentive will provide substantial relief for recession and give a boost for improving the export market.

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

(Action: Applicant)

Case No. 14 M/s. G. S. Export, Haryana
F. No. 01/60/162/170/AM21/PRC
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: Permission to debit the shipment dated 04.08.2020 made before issuance of Advance Authorization No.3310030722 dated 11.08.2020 by relaxing the Para 2.17 and 2.18 of HBP 2015-20.

The applicant stated that they are an exporter of Home Textile products mainly rugs, bathmats, cushions from Panipat. Some of the raw materials are imported from other countries and they import these raw materials against the above advance authorization. They have a new import shipment which is held up in Customs. The Customs officers are objecting to use the same against import of raw material citing reasons on the basis of Para 2.18 stating that authorisations should be valid on date of import and with Para 2.17 stating the date of import to be reckoned with reference to date to shipment from Foreign Country. All their communications with their supplier were stopped after the ban of Wechat by Indian Government which was only means for communication between them and the supplier. They came to know only after the arrival of shipment that the goods are shipped. The license is available with the Custom Officer at the date of debiting, but refused to use on the basis of Para 2.17 & 2.18 of HBP. Hence, requested for relaxation on these para and allow shipment with availability of license on debiting date.

Decision: The Committee went through the statements made by the firm and discussed the matter at length and it decided to refer the issue to PC-4 Division for its examination and resolution.

(Action: PC-4 Division/Applicant)

Case No. 15 M/s. Galaxy Medicare Limited, Bhubaneswar
F. No. 01/89/180/209/AM-02/PC-2(A)/Vo.IV/P-9902
PRC Meeting No.17/AM21 dated 09.12.2020

Subject: Permission for import clearance of 2000 Kgs "Sri Lanka Natural Rubber Thick Crepe 1X" from Kolkata Sea Port.

The applicant stated that they are manufacturer and exporter of various kinds of Bandages in Bhubaneswar, Odisha. They used to import the said product through Chennai Seaport. However, this time they imported Natural Rubber Thick Crepe through Kolkata Sea Port. Now, Kolkata Customs is not clearing the material stating that the said item is allowed for import clearance only through Chennai Seaport and Nhava Sheva Seaport as per guidelines of DGFT. The material is lying at Kolkata Sea port from last week of February'2020 and attracting demurrages. They imported the material through Kolkata Seaport due to their ignorance. They also could not made necessary follow ups due to COVID shutdown and Lockdown. They declare and conform that they will not import the said item through Kolkata Seaport in future. Hence, requested to allow them to import clearance import the said item through Kolkata Seaport for this time only.

Decision: The Committee went through 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.

(Action: Applicant)

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