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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting Held on 16.07.2020 & 21.07.2020 under the Chairmanship of Shri Amit Yadav, Director General of Foreign Trade

Meeting No.05/AM21 held on 16.07.2020 & 21.07.2020

The following members were present in the meeting:

1. Shri R. P. Goyal Addl. DGFT
2. Shri Vijay Kumar Addl. DGFT
3. Shri Satyan Sharda 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. Shital Fibres Limited, Jalandhar	1
2.	M/s. S.R. Marine Foods Pvt. Ltd., Chennai	2
3.	M/s. Geo Foundation and Structures ltd., Kerala	3
4.	M/s. NACL Industries Limited, Hyderabad	4
5.	M/s. Pooja Forge Ltd., New Delhi	5
6.	M/s. Orient Abrasives Ltd., Gujarat	6
7.	M/s. Repro India Limited, Mumbai	7
8.	M/s. Gujarat Ambuja Export Ltd., Ahmedabad	8&9
9.	M/s. Sterling Bio Tech Limited, Vadodara	10
10.	M/s. Thyssenkrupp Industries India Pvt. Ltd., Pimpri	11&12
11.	M/s. Pinnacle Clothing Co., Noida	13
12.	M/s. Model Tanners, Kanpur	14
13.	M/s. Nature Tech India Pvt. Ltd., Chennai	15
14.	M/s. Nilkamal Limited, Mumbai	16
15.	M/s. Shiva utensils Industries Pvt. Ltd., New Delhi	17
16.	M/s. Heavy Metal & Tubes Limited, Gujarat	18
17.	M/s. Briyosis Soft Caps Pvt. Ltd., Baroda	19
18.	M/s. Banco Products (India) Limited, Gujarat	20
19.	M/s. Maruty Suzuki India Limited	21

PH Case No. 01 M/s. Shital Fibres Limited, Jalandhar
F. No. 01/60/162/772/AM18/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Extension in E.O. period against 8 Advances Authorization No.(i) 3010043132 dated 29.07.2005 (ii) 3010045201 dated 16.12.2005 (iii) 3010046474 dated 20.03.2006 (iv) 3010049089 dated 14.09.2006 (v) 3010056476 dated 20.05.2008 (vi) 3010073672 dated 18.03.2011 (vii) 3010073869 dated 25.03.2011 and (viii) 3010091497 dated 29.01.2013 without payment of composition fee.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.07.2020. Shri Abhishek Vij, Director and Shri Harpreet Singh, Manager, appeared on behalf of the firm and made the following submissions:

The applicant stated that they had requested to Norms Committee to modify the description of export products against 8 clubbed cases and it was placed in Meeting no. 23/AM19 dated 14.02.2019 (Case No.31), wherein , as per them, the Committee felt that there is nothing wrong in representation of the firm in principle and asked the firm to submit some documents. Meanwhile they approached to PRC for relaxation of EO extension in clubbed cases and the case was discussed in detail (Case No.03) of PRC Meeting No.12/AM20 dated 16.07.2019 was considered and suggested them to approach concerned Norms Committee. When they approached the concerned Norms Committee, informed them that their Case No.129(G) was discussed in Norms Committee Meeting No.06/AM20 dated 20.06.2019 and was rejected. Minutes of the same were uploaded in September 2019, even after the minutes of PRC minutes uploaded in 31.07.2019. In view of the change in trend and global demand change in description of export product were required within the norms i.e. J-32.

Decision: The Committee heard the case based on the submission made by the applicant and discussed the matter at length. It also observed that this case has been discussed in the PRC many times in the past on 3.4.2018, 9.10.2018, 11.6.2019, 16.7.2019 and 9.6.2020. Requested EO extension was also allowed PRC earlier upto 31.12.2019. Even then the firm has not been able to get their cases closed. During PH, firm has claimed that they have already fulfilled 96% of the EO fixed.

The Committee decided to defer the case and ask the firm to deposit necessary documentation including copies of all related shipping bills/invoices etc with detailed request to RA, Ludhiana. RA, Ludhiana after detailed examination of the documents thereafter would furnish the report, including following details, to the PRC Division for taking final decision:-

i) EO fixed- Item, quantity and value
ii) Status of EO fulfillment; Imports and exports actually made and imports actually used in the export product (corroborated by CA certificate)
iii) Accountability of imports in Exports.

Request would again be placed in PRC on receipt of report from RA Ludhiana.

(Action: Applicant/RA, Ludhiana)

PH Case No. 02 M/s. S.R. Marine Foods Pvt. Ltd., Chennai
F. No. 01/60/162/648/AM19/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: To Regularize the MEIS for chilled prawns under HS code 03061790 and 03063600 respectively.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.07.2020. Shri Hari Radhakrishnan, Advocate and Shri Derrick Sam, Advocate appeared on behalf of the firm and made the following submissions:

The applicant stated that they have been exporting chilled prawns from the year 2015 and has been claiming the reward under the MEIS scheme for all exports made by them. They had declared the goods as "chilled prawns" in the export invoice and in the shipping bill at the time of export and the Proper Officer of Customs has accepted the self-assessment made by the applicant and has also allowed export of the goods after physical examination of the goods. These facts are not in dispute.

2. They are submitting the present application to the PRC with a prayer to extend the benefit of MEIS scheme for chilled prawn exports retrospectively. If the Policy is interpreted in the manner as suggested by the DRI, Jamnagar, then it would mean that the benefit of MEIS scheme is only available to shrimps and prawns which are exported in frozen form and classifiable under CTH0306 1719. However, for the reasons best known to the Government of India, the benefit of MEIS scheme has not been specifically extended to chilled shrimps and prawns, which are classifiable under CTH 0306 3600. It is further submitted that the MEIS benefit has been extended to the cold-water shrimps and prawns, which are exported in chilled form and which are classifiable under CTH 0306 3500. Therefore, the MEIS benefit has been extended to shrimps and prawns exported in frozen form and to the coldwater shrimps and prawns, which are exported in chilled form. There is absolutely no rationale for excluding the category of shrimps and prawns which are exported in chilled form from the purview of the MEIS scheme. The Policy seeks to create an artificial sub-classification by excluding one category of shrimps and prawns, namely warm-water shrimp and prawns exported in chilled form. It is submitted that this sub-classification is arbitrary, discriminatory and violative of Article 14 of the Constitution of India.

3. Applicant has submitted that Appendix 3B to the Handbook of Procedure only confers the MEIS benefit to the following categories of shrimps and prawns.

S.No.	Tariff heading	Description

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90	0306 1790	Other shrimps and prawns
93	0306 3500	Cold-water shrimps and prawns (pandalus sp., crangoncrangon)-live, fresh or chilled.

From the above it is apparent that the benefit of MEIS scheme as notified in Chapter 3 of the Foreign Trade Policy is not available to shrimps and prawns which are exported in chilled form. Only cold-water shrimps and prawns, exported in chilled form are given the benefit of the scheme.

4. It has been further submitted that cold water prawns as the name suggests, originates and can be found in cold and icy waters. Appendix 3B of the Foreign Trade Policy lists out two categories of cold-water prawns viz., pandalusspp and crangoncrangon. These varieties of shrimps and prawns are neither found in India waters nor are they farmed in India. The variety crangoncrangon is mainly found in North Sea, Irish sea, Baltic sea, Mediterranean Sea and black Sea. Therefore, the Policy seeks to extend the benefit to cold water shrimps and prawns, which are not found in India and on the other hand seeks to exclude warm-water prawns, which are predominantly found in regions such as India. The discrimination is writ large and benefit is being conferred not any rational basis.

5. Applicant has further submitted that two main substantive conditions for availment of the export benefit have been satisfied viz. (i) The prawns/shrimps have been exported and (ii) The Applicant has earned foreign exchange. Therefore, since the substantive conditions have been satisfied, it is respectfully submitted that the MEIS benefit should not be denied on the ground of equity.

Hence, requested to grant MEIS benefit to export of chilled prawns and shrimps by way of purposive interpretation of the Foreign Trade Policy and thus render justice.

Decision: The Committee heard the submission made by the applicant keeping in view the Court Order dated 05.12.2019 of WP No.19627 of 2019 and WMP Nos.19144 and 19148 of 2019 passed by Hon'ble High Court of Judicature at Madras, wherein petition was disposed of with a direction that DGFT would place the matter before PRC for an appropriate decision.

Accordingly firm was heard and matter was discussed at length. The Committee observed that as per MEIS schedule, Appendix 38, Table 2 the benefits under MEIS were available on HS code 03061790 with product description "Other Shrimps and Prawns". The sub-heading is for 'Frozen' category. It implies that MEIS is available for Frozen prawns and shrimps only. Moreover, there is no MEIS benefit on the HS code of Fresh and Chilled Prawn, which was 03062790 for exports made till 31.12.2016 and 03063600 for exports made with effect from 01.01.2017. Thus from the MEIS schedule it is clear that MEIS is not admissible to exports of chilled prawns and shrimps. It was also noted that DRI is already investigating this matter regarding misclassification of export item at the time of export. Accordingly, the Committee did not accede to the request of the firm.

(Action: Applicant)

PH Case No. 03 M/s. Geo Foundation and Structures Ltd., Kerala
F. No. 01/60/162/907/AM20/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: To allow refund of TED against File No.04/41/83/0061/AM17.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.07.2020. Shri Ravindran V., Advocate appeared on behalf of the firm on VC and made the following submissions:

The applicant stated that the certificate issued by the Department of Atomic Energy that the goods ordered by Bhavini were required for setting up 500 Mwe (1x500 Mwe) Prototype Fast Breeder Reactor (PFBR), Kalpakkam, Tamilnadu is binding on the RA and against this certification the RA cannot say that the supplies cannot be considered as goods supplied for setting up of Nuclear Power Project. Therefore, there can be no two opinions that the goods were supplied for PFBR at Kalpakkam. Tsunami and disaster protection for a nuclear power plant is a very serious matter of extremely high public interest, public safety and national security against nuclear and natural disasters. Denial of TED for such project causes genuine hardship and adverse impact not only on applicant but the public at large. The very basis and dominant material for tsunami Protection Bund & Retaining wall can only be cement and steel. Therefore, the normal denial of TED for such article cannot apply to the project under consideration which is peculiar, and, as stated, is a very serious matter of extremely high public interest, safety and security not only of the project but the entire region of the country. Therefore, there can be no case to apply paragraph 7.08 (i) & (ii) and it is in public interest to relax the rigors of the said paragraph in this case. Moreover, the notified agency funding, and ICB that are peculiar to 7.02(e) are no fair grounds of discrimination to this case. This is, applicant respectfully submits, a fit case for policy relaxation. All the three grounds viz .(1) public interest (2) ground of genuine hardship and (3) adverse impact on trade to any person exist in this case to invoke the powers under paragraph 2.58 of the FTP. RA's other grounds of evidence of manufacture is not relevant to this case as the Construction of Tsunami Bund and Retaining Wall for 500 MWe PFBR Project can only happen at site. There is no sub-contractor in this case. Therefore, reference to paragraph 7.07 and erstwhile circulars of superseded policy periods are irrelevant.

Decision: The Committee noted that the matter has come to the PRC in pursuance of the Hon'ble High Court of Judicature at Madras Order dated 20.01.2020 in WP No.32916 of 2019 and WMP 33349 of 2019, wherein a direction was given to the PRC to re-examine the issue. The Committee heard the submissions made by the Ld. Advocate and observed that the applicant is approaching the PRC as the claim of the applicant is not covered under the provisions of the FTP for the reasons, inter-alia, the following:

i) The claim for refund has been made against the supplies for construction of Tsunami protection bund & retaining wall, which is not part and parcel of the nuclear power project. Supplies to Nuclear Power Projects are allowed refunds under Para 7.02(h).

ii) The applicant has failed to establish that the supplies in question have been made to the project awarded to it under NCB or ICB which is a pre-condition for grant of claims under Para 7.02(h).

iii) The claim for refund has been made for reimbursement of duties paid on the supply of steel and cement used for the construction of bund and retaining wall. As per Para 7.08 of FTP 2015-20, refund on supplies of steel are made only if such supplies are made under sub-para (a), (b) and (e) of Para 7.02 and refund on supplies of cement are made if such supplies are made under Para 7.02(e). Therefore, even where the supplies of cement and steel are made under Para 7.02(h), the applicant is not entitled for any deemed exports benefit such as TED or Deemed export drawback.

iv) Policy Circular No.32 dated 20.09.1998 also clarified that service portion of civil construction work even in a Turn-key projects would not be eligible for deemed export benefits.

After hearing the Ld. Counsel and going through the written submissions, the Committee discussed the matter at length. The Committee observed that given the facts and circumstances of the case, the matter for grant of refund on the supplies which are not otherwise eligible for refund is neither covered under public interest nor there is a case of genuine hardship and nor there is any adverse impact on trade. It is a simple case of not qualifying for refund which does not call for policy relaxation. Therefore, finding no merit in the request, the Committee decided to reject the request for policy relaxation to allow refund of TED against File No.04/41/83/0061/AM17 to the applicant.

(Action: Applicant)

PH Case No. 04 M/s. NACL Industries Limited, Hyderabad
F. No. 01/60/162/936/AM19/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Extension of EO Period against Advance Authorization No.0910060472 dated 17.06.2014.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.07.2020. Shri Harish Bilwan, Exectutive Vice President (Technical Services) appeared on behalf of the firm and made the following submissions:

This is a review case against the decision of PRC Meeting no.10/AM20 dated 02.07.2019(case no.6).The applicant stated that they had obtained the subject authorization for manufacture of Acephate technical 97%. This product is manufacture for specific overseas Customers. On 30.06.2012, unfortunately, due to unexpected technical snag reactor got blasted in Block-V of their Manufacturing unit at Srikkulam, where this particular product is manufactured, sudden fire broke out and completely total manufacturing block got damaged. As per the directions of District Authorities as well in the interest of their employees to protect them from hazardous fumes, they had to shut down the unit completely. The fire accident left them with a financial setback of nearly Rs. 60 cores. Since the total machinery and equipment were damaged, further production could not be done. With a strong belief and confidence of catering the customer's order, they had obtained the advance license to import and export of 100 M.T. of Acephate technical and imported raw material to manufacture the product to be exported. After continuation of production process for a considerable time unfortunately, due to impact of fire accident, the machinery again got into problem and production was stopped for nearly 4 years. Finally now they could start production of Acephate technical in the end of 2018.

Decision: The Committee reviewed the case on the justification submitted by the applicant and discussed the matter at length. The Committee noted that the applicant has not submitted any cogent reason/ justification in support of their claim. As per the firm, fire had occurred in 2012 and plant remained closed till 2014. Against this AA, imports were made in 2014 itself, and no exports have been made till now. In view of these facts, the Committee decided to maintain the earlier decision of PRC Meeting No.10/AM20 dated 02.07.2019 (Case No.6).The applicant is directed to get the case regularized in terms of Para 4.49 of HBP, 2015-2020 within 30 days from the date of uploading of the minutes of meeting.

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

PH Case No. 05 M/s. Pooja Forge Ltd., New Delhi
F. No. 01/60/162/846/AM20/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Revalidation of Advance Authorization No.0510405212 dated 03.01.2018.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.07.2020, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 06 M/s. Orient Abrasives Ltd., Gujarat
F. No. 01/60/162/847/AM20/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

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 16.07.2020. Shri Nitesh Sethi, Manager – Commercial appeared on behalf of the firm and made the following submissions:

The applicant stated that they had obtained the license for export of Brown Fused aluminum oxide – Qty 7958 MTs., against import of calcined Bauxite-Qty 17380 MTs. & graphite electrodes-Qty 100 MTs. The license was partially utilized for import of only 2nd import item graphite Electrodes-Qty 59.646 MTs. As per import utilization of 59.646%, Prorata export obligation to be fulfilled is 4746.63 MTs. Export Obligation fulfilled within 18 Months original EOP+6Months 1st extension EOP is 637 MTs only. Equivalent to 13.42% of Prorata export Obligation. They could not fulfill the export obligation within the EOP due to (a) labour unrest at their factory at Porbandar, resulting in complete production shutdown for more than 2 months from 27.06.2018 to 31.08.2018. (b) Accident at their factory on 25.09.2018 in which a blast damaged the tilting furnace extensively, and production capacity was considerably reduced for 6 months till March 2019. (c) Cancellation of all confirmed export orders due to above incidents. (d) All their export customers switched to buying from alternate suppliers and had already booked their requirements of next 4-6 months and so they faced huge difficulties to get new export orders. Now, they have export orders of appx. 2700 MT in their hand and expect to get more export orders soon, with which they will be able to fulfill the EO.

<u>**Decision**</u>: The Committee heard the case based on the submission made by the applicant and observed that there is no merit in firm's contention. Accordingly, it decided to reject the request of the firm. The applicant is directed to get the case regularized in terms of Para 4.49 of HBP, 2015-2020 within 30 days from the date of uploading of the minutes of meeting.

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

PH Case No. 07 M/s. Repro India Limited, Mumbai
F. No. 01/60/162/589/AM20/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: To condone the time limit for filing MEIS application against time barred shipping bills for the year 2015-16 and 2016-17 where payments have been delayed by their foreign companies.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.07.2020. Shri Dinesh Sureka, Senior Vice President – Finance and Accounts appeared on behalf of the firm and made the following submissions:

Ulyan

The applicant stated that from 8th April 2017 Mahape Plant workers union declare strike and due to strike management kept plant under lock which is still continue. (b) Since during year 2015 MEIS application required to submit hard copy of S/Bills and e-BRC with on line application, they have made all efforts to remove shipping documents such as S/Bills, Invoices etc but they were not allowed to enter in factory premises. (c) They mentioned above BRC is mandatory part of document for filing MEISs application. In this regard they wish to inform that their Bankers Standard Charted Bank issued BRC / e BRC after receipt of realization of export proceeds from March 2018 onwards hence they could not apply MEIS in stipulated time frame. They also tried very hard to obtained BRC / e BRC from Bank but could not get success. After issue of PN no. 67/2015-20 dated 22.03.2018 where DGFT allowed on line S/Bills and eBRC for MEIS application they have filed MEIS as per provision of FTP 2015-20 for export from SEZ unit, Surat Unit. They have made export from SEZ unit. They have submitted that a bunch of shipping bills were misplaced in transit from Surat to Mumbai. They have made all hard efforts to locate / search for two years but could not get success. They thereafter filed FIR for issue duplicate S/Bills from SEZ Unit. They have received duplicate S/Bills from SEZ Unit, Surat on submission of copy of FIR. However, they have received BRC for the above lost S/bills from their bankers Standard Charted Bank after realization of export proceeds but could not file MEIS application in stipulated time due to loss of S/Bills.

Decision: The Committee heard the case based on the submission made by the applicant and discussed the matter at length. The Committee observed that due to delay in payment by their foreign buyers, mainly situated in African countries, and consequent late issue of BRCs by their bankers, the applicant has faced the problem beyond their control. Accordingly, the Committee decided to condone the time limit for filing MEIS application against time barred shipping bills for the year 2015-16 and 2016-17. The firm shall approach RA concerned within 90 days from the uploading of minutes of the meeting.

(Action: Applicant/RA, Mumbai)

PH Case No. 08 M/s. Gujarat Ambuja Export Ltd., Ahmedabad
F. No. 01/60/162/78/AM20/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Revalidation of DFIA authorization no. 0810139401 dated 28.12.2016 months by extending a relaxation of para 4.29 (vii) of FTP 2015-20 by allowing the exports made through GOA and Mundra port consequent to amendment made under PN 13/2018 dated 20.06.2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.07.2020. Shri Rajan Mathew, General Manager appeared on behalf of the firm and made the following submissions:

Uyar

This is a review case against the decision of PRC Meeting no.14/AM20 dated 06.08.2019(case no.10). The applicant stated that they have availed the subject DFIA authorization under standardised SION E-76, for export of liquid Glucose and to import Maize as an input against their exports made through Nhava Sheva Port alone under DFIA file no. 08/91/076/00070/AM17, though the export were made at different EDI ports in terms of 4.37 (a) of HBP, however the RLA is not prepared consider their plea that the Customs enabling Notification no. 19/2015-Customs under clause 5 where it was stipulated that the exports undertaken through the seaports, airports or through the inland container deports or through the land customs stations as mentioned in the Table 2 are eligible for DFIA Authorization. Since the para 4.29 (vi) of FTP 2015-2020 stipulated that "Separate DFIA shall be issued for each SION and each port" the RLA is stick to the provision and stated the exports made any port alone to be considered for an entitlement of DFIA. Thus they have been forced and constrained to avail DFIA Authorization no. 0810139401 dated 28.12.2016 for exports made Nhava Sheva alone. Later on 20.06.2018 the DGFT vide Notification no.13/2018 is also amended the provision under Para 4.29 (vi) and allowed exports from different EDI Port to be allowed to counted towards single DFIA . Therefore they seek relaxation of Para 4.29 (vi) of FTP 2015-20 for consideration of their exports made from 18.07.2016 to 03.04.2017 from at different EDI Port under subject DFIA file no. 08/91/076/00070/AM17 are to be counted as an eligible exports for DFIA authorization along with revalidation of DFIA no. 0810139401 dated 28.12.2016 for Six months, Since they were not able to use the Authorization for substantial exclusion of entitlements.

Decision: The Committee heard and reviewed the case based on the submission made by the applicant and discussed the matter at length and observed that the applicant has not submitted any cogent reason/ justification in support of their claim. Accordingly, the Committee decided to maintain the earlier decision of PRC Meeting No.14/AM20 dated 06.08.2019 (Case No.10).

(Action: Applicant)

PH Case No. 09 M/s. Gujarat Ambuja Export Ltd., Ahmedabad
F. No. 01/60/162/76/AM20/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Revalidation of DFIA authorization no. 0810139994 dated 03.04.2017 months by extending a relaxation of para 4.29 (vii) of FTP 2015-20 by allowing the exports made through GOA and Mundra port consequent to amendment made under PN 13/2018 dated 20.06.2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.07.2020, Shri Rajan Mathew, General Manager appeared on behalf of the firm and made the following submissions:

This is a review case against the decision of PRC Meeting no.14/AM20 dated 06.08.2019(case no.11). The applicant stated that they have availed the subject DFIA authorization under standardised SION E-76, for export of liquid Glucose and to import Maize as an input against their exports made through Nhava Sheva Port alone under DFIA file no. 08/91/076/00046/AM17, though the export were made at different EDI ports in terms of 4.37 (a) of HBP, however the RLA is not prepared consider their plea that the Customs enabling Notification no. 19/2015-Customs under clause 5 where it was stipulated that the exports undertaken through the seaports, airports or through the inland container deports or through the land customs stations as mentioned in the Table 2 are eligible for DFIA Authorization. Since the para 4.29 (vi) of FTP 2015-2020 stipulated that "Separate DFIA shall be issued for each SION and each port" the RLA is stick to the provision and stated the exports made any port alone to be considered for an entitlement of DFIA. Thus they have been forced and constrained to avail DFIA Authorization no. 0810139994 dated 03.04.2017 for exports made Nhava Sheva alone. Later on 20.06.2018 the DGFT vide Notification no.13/2018 is also amended the provision under Para 4.29 (vi) and allowed exports from different EDI Port to be allowed to counted towards single DFIA . Therefore they seek relaxation of Para 4.29 (vi) of FTP 2015-20 for consideration of their exports made from 18.07.2016 to 03.04.2017 from at different EDI Port under subject DFIA file no. 08/91/076/00046/AM17 are to be counted as an eligible exports for DFIA authorization along with revalidation of DFIA no. 0810139994 dated 03.04.2017 for Six months, Since they were not able to use the Authorization for substantial exclusion of entitlements.

Decision: The Committee heard and reviewed the case based on the submission made by the applicant and discussed the matter at length and observed that the applicant has not submitted any cogent reason/ justification in support of their claim. Accordingly, the Committee decided to maintain the earlier decision of PRC Meeting No.14/AM20 dated 06.08.2019 (Case No.11).

(Action: Applicant)

PH Case No. 10 M/s. Sterling Bio Tech Limited, Vadodara
F. No. 01/60/162/839/AM20/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Extension in EOP for a period of 13 months from the date of expiring of Advance Authorization No.3410025128 dated 18.09.2009 and to count the export of 5 Shipping Bill Nos.(i) 5831358 dated 07.06.2013, (ii) 6207510 dated 29.06.2013, (iii) 7792617 dated 03.10.2013, (iv) 7792618 dated 03.10.2013 and (v) 7933613 dated 11.10.2013 against the above advance authorization instead of EPCG Authorization No.0330019942 dated 02.05.2008.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.07.2020, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

Case No. 11 M/s. Thyssenkrupp Industries India Pvt. Ltd., Pimpri
F. No. 01/60/162/753/AM20/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: To count the export of free shipping bills against Advance Authorization No.3110026503 dated 15.09.2006 towards fulfillment of EO.

The applicant stated that they are seeking review of decision of PRC taken in its Meeting No.34/AM20 held on 17.03.2020 and 29.04.2020 (Case No.08). They have fulfilled the export obligation in full, under free shipping bill. However, using supporting documents it can be established beyond doubt by that the export obligation has indeed been fulfilled. It is also noted in order-in-Appeal dated 11.11.2019 passed by the additional DGFT, Mumbai, specifically mentioning that by the correlation of the supporting documents, sufficient nexus can be established with respect to the exports made towards completion of the contract against which advance authorization was obtained. The advance authorization holder in the instant case has substantially fulfilled the EO. Further, the export proceeds have also been realized. Thus, the technicalities should not come in the way of grant of benefit.

Decision: The Committee reviewed the case on the justification submitted by the applicant and discussed the matter at length. The Committee noted that the applicant has not submitted any cogent reason/ justification in support of their claim. Accordingly, the Committee decided to maintain the earlier decision of PRC Meeting No.34/AM20 dated 17.03.2020 and 29.04.2020 (Case No.8).

(Action: Applicant)

Case No. 12 M/s. Thyssenkrupp Industries India Pvt. Ltd., Pimpri
F. No. 01/60/162/752/AM20/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: To count the export of free shipping bills against Advance Authorization no. 3110020305 dated 19.04.2005 towards fulfillment of EO.

The applicant stated that they are seeking review of decision of PRC taken in its Meeting No.34/AM20 held on 17.03.2020 and 29.04.2020 (Case No.09). They have fulfilled the export obligation in full, under free shipping bill. However, using supporting documents it can be established beyond doubt by that the export obligation has indeed been fulfilled. It is also noted in order-in-Appeal dated 11.11.2019 passed by the additional DGFT, Mumbai, specifically mentioning that by the correlation of the supporting documents, sufficient nexus can be established with respect to the exports made towards completion of the contract against which advance authorization was obtained. The advance authorization holder in the instant case has substantially fulfilled the EO. Further, the export proceeds have also been realized. Thus, the technicalities should not come in the way of grant of benefit.

Decision: The Committee reviewed the case on the justification submitted by the applicant and discussed the matter at length. The Committee noted that the applicant has not submitted any cogent reason/ justification in support of their claim. Accordingly, the Committee decided to maintain the earlier decision of PRC Meeting No.34/AM20 dated 17.03.2020 and 29.04,2020 (Case No.9).

(Action: Applicant)

Case No. 13 M/s. Pinnacle Clothing Co., Noida
F. No. 01/60/162/18/AM21/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Extension in EOP against Advance Authorisation No.0510402018 dated 21.03.2017.

The applicant stated that they have obtained subject advance authorisation with initial EO Period of 18 months and obtained first EOP extension from RA i.e. up to 24months. RA has not allowed second extension in EOP since they have not fulfilled 50% EO within 24 months. However they have completed 84.11% EO within 36 months i.e.on 21.03.2020.They had order in hand which were supposed to be dispatched within EOP, but they could not dispatch as their Customer had hold the orders and told to dispatch the goods in month of March 2019 to March 2020. Due to Covid -19, balance order cancelled by buyer. If buyers not take delivery within 45 Months they have to pay the duty interest in customs.

Decision: The Committee having discussed the case in detail found no merit in it and hence decided to reject the request of the firm to grant extension in EOP. The applicant is directed to get the case regularized in terms of Para 4.49 of HBP, 2015-2020 within 30 days from the date of uploading of the minutes of meeting.

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

Case No. 14 M/s. Model Tanners, Kanpur
F. No. 01/60/162/15/AM21/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: To condone the delay of 45 days to complete the export from the validity of export dated i.e. 13.02.2019 against DFIA file No. 06/21/076/00003/AM18.

The applicant stated that they had submitted one DFIA Application vide file no. 06/21/076/00003/AM18 dated 13.02.2018 for export of finished Leather to be completed within 12 months. But due to shutdown of tanneries on the eve of KUMBH MELA, they had completed the required export after 45 days of the due date of 12 months. Hence, requested to condone the delay of 45 days to complete the export from the validity of export date.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length and decided to accede to the request of the firm by condoning the delay of 45 days to complete the export against DFIA file No.06/21/076/00003/AM18.The firm shall approach RA concerned within 30 days from the date of uploading of the minutes of meeting

(Action: Applicant/RA-Kanpur)

Case No. 15 M/s. Nature Tech India Pvt. Ltd., Chennai
F. No. 01/60/162/20/AM21/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

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

The applicant stated that they had requested RA, Chennai to club the exports and imports against the above mentioned 2 Advance authorization in terms of para 4.38 of HBP FTP 2015-2020 only for the purpose of redemption of these 2 Advance authorizations. RA, Chennai has rejected on the grounds that, as the same has not been issued within 18 months from the date of license No.0410161456 dated 29.12.2015, your request for clubbing is rejected as per Para 4.38 (VI) of HBP 2015-2020 and requested to remove deficiencies informed vide that office letter dated 16.09.2019. They further intimated that both these authorizations are issued under the same Customs Notification No.018/2015 dated 01.04.2015. They have obtained Advance Authorisation No.0410161459 dated 29.12.2015 under NO Norms category and it was ratified in the Committee Meeting No.13/87-ALC1/2016 dated 28.12.2016 Case No.06/1087/-ALC1/2016 allow 7% wastage of inputs. Their other Advance Authorization No.0410163549 dated 22.09.2017 was obtained on Repeat Basis on the basis of NC Decision. The imported inputs are common and properly accounted as per the NORMS Committee decision. They have submitted the documents for issuance of EODC for both authorizations on 27.06.2019 and 30.09.2019.

Decision: The Committee went through the submission made by the firm and noted that policy provisions are very clear in this regard. After detailed discussions, it found no merit in their case. Hence, decided to reject the request of the firm. The applicant is directed to get the case regularized in terms of Para 4.49 of HBP, 2015-2020 within 30 days from the date of uploading of the minutes of meeting.

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

Case No. 16 M/s. Nilkamal Limited, Mumbai
F. No. 01/60/162/899/AM14/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Revalidation of Advance Authorization No.0310634819 dated 07.06.2011.

This is a review case against the decision of PRC Meeting no.06/AM19 dated 03.07.2018(case no.03). The applicant stated that the subject authorization remain unutilized due to unavailability of eBRCS and then delay in issuing EODC and also technical issue with RIL SEZ unit. The export has been completed during 21.09.2011 to 29.05.2012; but due to non availability of E-BRCs they could not submit application for EODC. EODC also issued delayed. Even after issue of EODC three months was available but due to error in RIL SEZ systems they could not utilize the authorization. System issue or technical error should not banned them to utilize the authorization. Bank is also playing major role in complete cycle where they loss more than half validity period, even they loose time in RA for issuing EODC and after that three months in RIL SEZ system error. Hence, requested to restore the validity period which they had lose in complete cycle and to allow six months revalidation to minimize loss in Covid -19 and to run the business.

Decision: The Committee reviewed the case on the justification submitted by the applicant and discussed the matter at length. The Committee noted that the request has already been rejected by PRC in 2014 and 2018. Applicant has not submitted any cogent reason/ justification in support of their reconsideration of claim. Accordingly, the Committee decided to maintain the earlier decision of PRC Meeting No.06/AM19 dated 03.07.2018 (Case No.3).

(Action: Applicant)

Case No. 17 M/s. Shiva Utensils Industries Pvt. Ltd., New Delhi
F. No. 01/60/162/19/AM21/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Revalidation of DFIA Authorization No.0510409364 dated 16.01.2019.

The applicant stated that they could not utilise the DFIA fully due to economic recession and fluctuation of USD Rates and prices of Raw Materials and due to COVID -19 situation around the world. Therefore, it is requested to revalidate the subject DFIA.

Decision: The Committee discussed the case on the basis of justification furnished by the firm and observed that there is no merit in firm's contention and decided to reject the request of the firm.

(Action: Applicant)

Case No. 18 M/s. Heavy Metal & Tubes Limited, Gujarat
F. No. 01/60/162/24/AM21/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Relaxation in difference of description of Export Product in SBs due to their difference as given in the FPS/MEIS rate list and Product Gr. No. 61 (Engineering) at Sr. 594 & 831 of SION for the Purpose of export under the Advance Authorizations.

The applicant stated that they have made export of subject item under various Advance Authorisations / MEIS/ FPS, indicating the exports made under MEIS as well, along with description under Adv Auth/FPS/MEIS, ITC HS Code, SION / SI No/FPS/MEIS etc for export of goods i.e. tubes / Pipes as per description "cold drawn stainless Steel Seamless tubes/Pipes and cold Drawn carbon steel Seamless tubes / Pipes. This is further to inform that the said export product attracts the incentive of chapter 3 under FPS / MEIS. It will be observed that although the export items are same their description is given differently in SION / FPS / MEIS. Because of said variation in description of export product, the benefit of FPS / MEIS has not been allowed to them. Due to the condition of EO of the said advance authorization, they had no choice but to export the same as per the description given in the SION. Their exports are complete and are without any anomaly except the mismatch in the description as given in SION and FPS/MEIS rate list.

Decision: The Committee went through the justification submitted by the applicant and discussed the matter at length. The Committee decided to refer the case to PC-3 Division for it examination and decision.

(Action: Applicant/PC-3 Division)

Case No. 19 M/s. Briyosis Soft Caps Pvt. Ltd., Baroda
F. No. 01/60/162/930/AM20/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Regularization of Shipping Bill No.7239206 dated 23.01.2012 of Advance Authorization No.3410032456 dated 08.12.2011 for EODC where full payment has not been received.

The applicant stated that they have achieved overall value addition of 238%. However, in respect of Shipping Bill No.7239206 dated 23.01.2012 against FOB value of Rs.

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5,954,124.00 they (third party Export) could realise Rs. 157,350.0 due to bankruptcy of their foreign buyer. In overall terms they have achieved the EO in value terms. Hence, requested to regularize the above shipping bill and to issue of EODC.

Decision: The Committee having examined the statement made by the applicant in its application and decided to defer the case to seek a detailed report from RA, Baroda before taking the final decision.

(Action: Applicant/RA, Baroda)

Case No. 20 M/s. Banco Products (India) Limited, Gujarat
F. No. 01/60/162/22/AM21/PRC
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: To allow MEIS benefit against 289 Shipping bills pertaining to 2019 filed with "N" instead of "Y".

The applicant stated that the amendment in the shipping bills which were erroneously filed with intent to claim benefit of MEIS as "N' instead of Ý'. They have been manufacturing and exporting radiators since July 2012 from SEZ port (INBRS6), Waghodia, Vadodara, Gujarat. These exports were always made under the claim of MEIS benefit. Prior to 08.04.2019, the above SEZ port was a non-EDI port and accordingly, exports were made by filing manual shipping bills under the calim of MEIS benefit. Their goods office has always extended MEIS bnefit without any dispute. On 08.04.2019, the above SEZ port was converted to EDI port. Accordingly, shipping bills for exports were filed electronically on the system which is maintained by NSDL Database Management Limited. During the period form 10.04.2019 to 27.07.2019, shipping bills filed for exports made by them, captured "MEIS" under the column for Exim Scheme Name and 36 under the column for Exim Scheme Code. However in the invoice – wise section shipping bills captured "N" instead of "Y" for reward scheme even though in the template file by them, they selected Ý' for all the invoice. On their scrutiny, they found that shipping bill has captured Y" under reward scheme for the first invoice only and "N' for the balance invoice in that shipping bill. As a result of this, they were unable to claim the MEIS benefit. The above system glitch was brought to office knowledge vide their letter dated 13.09.2019 whereby they have requested to allow amendment in the shipping bills in order to claim MEIS benefit. Similar request was also made to NSDL Database management Limited and Export Promotion Council for EOUs and SEZs vide their letter dated 16.10.2019 and 02.10.2019. in response, Senior Manager, NSDL vide email dated 18.10.2019 communication to them that they have no issue in amending the file online DGFT does not accept such online amendment and accordingly, advised them to approach office.

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.

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(Action: Applicant)

Case No. 21 **M/s. Maruty Suzuki India Limited,**
F. No. 01/89/180/29/AM-09/PC-2(A)/Part-III/e-1870
PRC Meeting No.05/AM21 dated 16.07.2020

Subject: Request for Policy relaxation for import of brand new motor vehicles in CKD/SKD condition at ICD Garhi Harsaru.

The applicant stated that they are seeking relaxation of **Para 2 (II) (d) of Chapter 87** of ITC (HS), 2017, Schedule – I (Import Policy) for import of 27 vehicles under Advance Authorisation No. 0510414180 dated 15.05.2020 and 5 Vehicles on payment of Custom duty on merit rate at ICD Garhi Harsaru. The import is for the production of 100% export purpose only. There is no domestic consumption for this import. These vehicles will be assembled in their plant & will be exported in a period of one year; however the total quantity may increase as per customers' requirement. Due to operational convenience and proximity to the plant, they intent to bring cargo at ICD Garhi Harsharu for which relaxation in policy conditions has been sought.

Decision: The Committee decided to grant relaxation of **Para 2 (II) (d) of Chapter 87** of ITC (HS), 2017, Schedule – I (Import Policy) and grant permission to M/s Maruti Suzuki India Limited for import of 27 vehicles under Advance Authorisation No. 0510414180 dated 15.05.2020 at ICD, Garhi Harasuru.

The Committee also decided that for the other 5 vehicles being imported on payment of Custom duty on merit rate, M/s Maruti Suzuki India Limited may approach PRC in a separate application with all the relevant information and documents for consideration.

(Action: Applicant)

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