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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting
Held on 07.12.2021 under the Chairmanship of Shri Amit Yadav, Director General of Foreign Trade

Meeting No.18/AM22 held on 07.12.2021

The following members were present in the meeting:

1. Shri Vijay Kumar — Addl. DGFT
2. Shri S.B.S. Reddy — Addl. DGFT
3. Shri Hardeep Singh — Addl. DGFT
4. Shri Anil Aggarwal — Addl. DGFT
5. Shri AkashTaneja — Addl. DGFT
6. Shri Amiya Chandra — 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. Metal Forms Pvt. Ltd., Chennai	1
2.	M/s. Recipharm Pharmaservices Pvt. Ltd., Bangalore	2 & 3
3.	M/s. Chhatariya Dehydrates Onion Exports, Mahuva	4
4.	M/s. Mustafa Foods, Mahuva	5
5.	M/s. Steel Authority of India Ltd., Kolkata	6
6.	M/s. Parsons Nutritionals Pvt. Ltd., Kanakapur	7
7.	M/s. Indian Oil Corporation Ltd., Panipat	8
8.	M/s. Arch Pharmalabs Ltd., Mumbai	9
9.	M/s. Texport Creation, Bangalore	10
10.	M/s. Kwality Overseas Pvt. Ltd., Ludhiana	11 to 15
11.	M/s. Reform Tools Pvt. Ltd.,Kolkata	16
12.	M/s. Shubhalakshmi Polysters Ltd., Gujarat	17
13.	M/s. Pon Pure Chemical India Pvt. Ltd., Chennai	18
14.	M/s. Kanodia Technoplast Ltd, New Delhi	19
15.	M/s. Prescription Pharma Support Pvt. Ltd., Mumbai	20
16.	M/s. Mukta Arts Ltd., Mumbai	21

PH Case No. 01 M/s. Metal Forms Pvt. Ltd., Chennai
F. No.HQRPRCAPPLY00113828AM22
Meeting No.18/AM22 held on 07.12.2021

Subject: Extension of EOP against 2 EPCG Authorization No.(i) 0430010169 dated 11.08.2011 and (ii) 0430010366 dated 04.10.2011.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. ShriArjun Parthasarathy, Director appeared on behalf of the firm and made the following submissions:

The applicant stated that from 2011 to 2016, their export business was not happened as they have expected due to the poor export market. Low EO fulfilment for the subject EPCG authorization was due to priority to older EPCG authorizations. Moreover export product in these authorizations is wind mill parts and there have been immense technology changes in the wind mill manufacturing all over the world. These exports were required to be made to a specific company in Spain. By the time the machines under EPCG were installed and exports began, there were changes in the technology and they could not get enough export orders. However, they made some modifications in their plant and with lot of efforts could complete EO in 2 EPCG authorizations out of 4. As on date EO against only 2 EPCG authorizations is pending.
Further, they have now got firm export orders in hand and they are requesting for EOP extension against EPCG authorization no. (i) 0430010169 dated 11.08.2011 and (ii) 0430010366 dated 04.10.2011 for one year.

Decision: The Committee heard and discussed the case on the basis of justification submitted by the applicant and noted that due to change in technology and order cancellation, firm has faced difficulties in fulfilling EO. It observed that there is merit in the case and accordingly, it decided to accede to the request and allowed EOP extension of 2 EPCG Authorization No.(i) 0430010169 dated 11.08.2011 and (ii) 0430010366 dated 04.10.2011 for a 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-Chennai)

PH Case No. 02 M/s. Recipharm Pharmaservices Pvt. Ltd., Bangalore
F. No.HQRPRCAPPLY00140213AM22
Meeting No.18/AM22 held on 07.12.2021

Subject: To waive requirement of e-BRC against Shipping Bill No. 2729798 dated 19.05.2020 and allow claiming MEIS benefit manually by submitting Payment advice issued by Bank.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Aruldoss Samathanam, DGM-SCM appeared on behalf of the firm and made the following submissions:

The applicant stated that they have exported pharmaceutical tablets with HS code 30049099 to USA vide shipping bill no. 2729798 dated 19.05.2020. The stuffing was done at their factory premises on 18.05.2020 and subsequently shipping bill was filed against the actual invoice value of USD 299091.08. After receiving the LEO, it has been noticed that a different/wrong invoice value was transmitted into Icegate due to system error and they have immediately requested the Custom authorities to rectify the same. Due to urgency of the cargo, the applicant had not held the shipment and approached the custom authorities to rectify the error. As per shipping bill, wrong value of USD 70804.20 was transmitted to Icegate and EDPMS of bank sever and the shipping bill amendment was issued manually by the customs. Therefore, the Banker was unable to update e-BRC in the bank server and that's why Banker has issued the payment advice against the said shipping bill. Hence, the applicant is requesting to waive of the e-BRC for the said shipping bill and allow claiming MEIS benefit manually by submitting Payment advice issued by Bank.

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 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)

PH Case No. 03 M/s. Recipharm Pharmaservices Pvt. Ltd., Bangalore
F. No.HQRPRCAPPLY00140225AM22
Meeting No.18/AM22 held on 07.12.2021

Subject: To waive of e-BRC against Shipping Bill No.7716412 dated 19.10.2019 and Allow to claim MEIS benefit manually by submitting Payment advice issued by Bank.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Aruldoss Samathanam, DGM-SCM appeared on behalf of the firm and made the following submissions:

The applicant stated that they have exported pharmaceutical tablets with HS code 30049099 to USA vide shipping bill no.7716412 dated 19.10.2019. The custom authorities have updated the wrong FOB value of EURO 6513.21 instead of EURO 82386.52 in Icegate. After receiving the LEO, it has been noticed that a different/wrong invoice value was transmitted into Icegate due to system error and they have immediately requested the Custom authorities to rectify the same. The wrong value was transmitted to Icegate and EDPMS of bank sever and the shipping bill amendment was issued manually by the customs. Therefore, the Banker was unable to update e-BRC in the bank server and that's why Banker has issued the payment advice against the said shipping bill. Hence, the applicant is requesting to waive of the e-BRC for the said shipping bill and allow claimingMEIS benefit manually by submitting Payment advice issued by Bank.

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 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)

PH Case No. 04 M/s. Chhatariya Dehydrates Onion Exports, Mahuva

F. No.HQRPRCAPPLY00129646AM22
Meeting No.18/AM22 held on 07.12.2021

Subject: Condonation of delay in submission of physical copy of TMA application for the period 01.01.2020 to 31.03.2020 (File No.08/21/102/51119/AM21 dated 11.12..2020).

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Jitendra Panjri, Authorized Representative appeared on behalf of the firm and made the following submissions:

The applicant stated that due to Covid-19 pandemic, the physical documents were not signed by their partner on time and their partner was not able to come to office also due to home quarantine. Therefore, the submission of physical copy of the application got delayed. Hence, they are requesting to condone the delay and allow TMA benefit for the period 01.01.2020 to 31.03.2020.

Decision: The Committee heard and went through the submission made by the firm and discussed the matter at length. The Committee decided to accept the request for condonation of delay in submission of physical copy of TMA application for the period 01.01.2020 to 31.03.2020(file no.08/21/102/51119/AM21 dated 11.12.2020). The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Ahmedabad)

PH Case No. 05 M/s. Mustafa Foods, Mahuva
F. No.HQRPRCAPPLY00129574AM22
Meeting No.18/AM22 held on 07.12.2021

Subject: Condonation of delay in submission of physical copy of TMA application for the period 01.01.2020 to 31.03.2020 (File No.08/21/102/51121/AM21 dated 11.12.2020).

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Jitendra Panjri, Authorized Representatives appeared on behalf of the firm and made the following submissions:

The applicant stated that due to Covid-19 pandemic, the physical documents were not signed by their partner on time and their partner was not able to come to office due to home quarantine. Therefore, the submission of physical copy of the application got delayed. Hence, they are requesting to condone the delay and allow TMA benefit for the period 01.01.2020 to 31.03.2020.

Decision: The Committee heard the case on the basis of justification submitted by the applicant and observed that due to various restrictions imposed on account of ongoing lockdown during the period of Covid-19 Pandemic, firm has faced the problem which was beyond their control. Accordingly, the Committee decided to accede to the request for condonation of delay in submission of physical copy of TMA application for the period 01.01.2020 to 31.03.2020 (file no.08/21/102/51121/AM21 dated 11.12.2020). The firm shall approach RA concerned within 60 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Ahmedabad)

PH Case No. 06 M/s. Steel Authority of India Ltd., Kolkata
F. No.HQRPRCAPPLY00137140AM22
Meeting No.18/AM22 held on 07.12.2021

Subject: Revalidation of 2 MEIS Scrip No.(i) 219070004 dated 08.04.2019 and(ii) 219072636 dated 28.05.2019.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Sushanta Kumar Bala, GM-Finance appeared on behalf of the firm and made the following submissions:

The applicant stated that they have been exporting steel products through Haldia port to various neighboring countries earning valuable foreign currency reserves in return. They have received said MEIS scrips for a total value of Rs.32460495/- & 24178280/- for the exports that were effected in the year 2019 and the same amount has to be utilized against the import of raw material by 2021 as per the validity. But from March 2020 onwards, Covid-19 pandemic has been affecting their operations. Not only import of goods against which set off was planned was affected, the health and well-being of working manpower at location was severely affected too owing to Covid-19. Under these devastating and difficult times, they could not utilize the balance amount of Rs.502860.77/- against MEIS scrip no. 0219070004 dated 08.04.2019 and balance of Rs.378915/- against MEIS scrip no. 219072636 dated 28.05.2019. Hence, they are requesting for revalidation of both the MEIS scrips for the period of six months.

<u>Decision</u>: The Committee heard and examined the case on the basis of submission made by the firm and discussed the matter at length. The Committee noted that MEIS scripts are freely transferable scrips and the applicant has not submitted any cogent reason/ justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to reject the request of the firm.

(Action: Applicant)

PH Case No. 07 M/s. Parsons Nutritionals Pvt. Ltd., Kanakapur
F. No.HQRPRCAPPLY00143669AM22
Meeting No.18/AM22 held on 07.12.2021

Subject: To consider export made without mentioning advance authorization number in shipping bills towards fulfilment of export obligation against Advance Authorization No.0510410367 dated 25.04.2019.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri N.K. Sharma, Authorised Representative appeared on behalf of the firm and made the following submissions:

The applicant stated that they have obtained the advance authorization no. 0510410367 dated 25.04.2019 for CIF value of Rs.85311599.33/- for import of duty free raw and packing material to be used in manufacturing of export product "Biscuits with or without Dry fruits". They were exporting against advance authorization for the first time and they didn't know about this condition that license number and raw material consumption data have to be mentioned in shipping bill and as long as they know about the condition of advance authorizations till then they had exported 69.79 MT export product of value Rs.32145150.57/-. Exports made for balance quantity of 320.958 MT having value Rs.119712475.49 was done by fulfilling the condition of advance authorization scheme. They have used entire imported item to manufacture the export product and exported the same. Hence, they are requesting to consider the export made without mentioning advance authorization number in shipping bills towards fulfilment of EO against Advance Authorization no. 0510410367 dated 25.04.2019.

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

(Action: Applicant)

PH Case No. 08 M/s. Indian Oil Corporation Ltd., Panipat
F. No.HQRPRCAPPLY00004020AM22
Meeting No.18/AM22 held on 07.12.2021

Subject: Grant of Duty Drawback benefit in respect of deemed export supplies made against invalidation letter in place of Advance Release Order (ARO).

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Ms. Anu Jain, GM-Finance appeared on behalf of the firm and made the following submissions:

The applicant stated that they had made the supply of goods to the customers located in Domestic Tariff Areas (DTA) against invalidation letter issued against advance authorization for annual requirement. Therefore, for claiming the deemed duty drawback for supply of the above said goods made against invalidation letter, the applicant has filed claims for duty drawback. Taking into account all the provisions of Para 7.02 A(a), 7.03 & 7.04 of FTP, the applicant was eligible for AIR DBK refund as it had supplied goods against advance license of DTA units (except for the fact that supplies have been made against invalidation letter instead of an ARO). Applicant submits that it has not availed any benefit of the advance authorization against said invalidation letters and further undertakes not to claim any benefit of duty free import of inputs under the advance authorization against said invalidation letters in future. Hence, they are seeking relaxation in policy / Procedure for grant of duty drawback benefit in respect of deemed export supplies made against invalidation letter instead of an ARO.

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

(Action: Applicant)

PH Case No. 09 M/s. Arch Pharmalabs Ltd., Mumbai
F. No.HQRPRCAPPLY00178150AM22
Meeting No.18/AM22 held on 07.12.2021

Subject: Extension of EOP against 40 Advance Authorizations and 4 DFIA scrips.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Rajendra Kaimal, Executive Director of the firm appeared on behalf of the firm and made the following submissions:

The applicant stated that in the period 2005-2012, they had obtained about 500 advance licenses and DFIA's both under the SION and No-Norms category and they have fulfilled EO in approximately 90% of the licenses but could not complete EO in balance 10% i.e. 40 Advance Authorizations & 4 DFIA scrips which were mainly issued in later part of the above period due to severe financial crises brought out by incessant dumping by China.
Due to various financial problems, the firm got pushed from A1 rating to Corporate Debt Restructuring (CDR) in 2013. When CDR also failed, their creditors filed a petition before Bombay High court for winding up of the company. Then the company filed for debt restructuring before BIFR under SICA in 2016.Under BIFR proceedings, firm went into negotiations with an ARC in 2017. In 2018, after concluding an agreement with JM Financial ARC, Bombay HC allowed withdrawal of winding up petition, upon firm submitting a rehabilitation package.

During the PH, firm explained that they still are long way off from recovery and this EP extension is critical to their company's survival as though top line has grown but the bottom line is still under pressure. Though there is no BIFR order with respect to their current restructuring, they never got opportunity to submit their plan for approval, as the act was repealed on 01.12.2016 within 5 months of admittance as sick unit. Hence, they are requesting to extend the benefit of para 4.1.9 A of FTP 2009-14(provisions for BIFR units) and allow EOP extension until March 2024.

The details of 40 Advance Authorisations are (1) 0310546649 dated 19.11.2009, (2) 0310552999 dated 30.12.2009, (3). 0310557073 dated 27.01.2010, (4) 0310560985 dated 18.02.2010, (5) 0310560079 dated 02.12.2010, (6) 0310574397 dated 11.05.2010, (7). 0310584959 dated 26.07.2010, (8). 0310584214 dated 07.07.2010. (9) 0310593562 dated 23.09.2010, (10) 0310610278 dated 10.01.2011, (11). 0310610456 dated 11.01.2011, (12). 0310643597 dated 21.07.2011, (13). 0310643586 dated 21.07.2011, (14). 0310643899 dated 22.07.2011, (15). 0310643907 dated 22.07.2011, (16). 0310644885 dated 28.07.2011, (17). 0310644891 dated 28.07.2011, (18). 0310646440 dated 04.08.2011, (19). 0310659154 dated 12.10.2011, (20). 0310661842 dated 24.10.2011, (21). 0310683822 dated 29.02.2012, (22) 0310681831 dated 14.02.2012, (23). 0310681873 dated 14.02.2012, (24). 0310684494 dated 02.03.2012,(25).

0310705390 dated 16.08.2012, (26). 0310622221 dated 21.03.2011, (27). 0310663962 dated 08.11.2011, (28). 0310661877 dated 24.10.2011, (29). 0310555700 dated 18.01.2010, (30) 0310496207 dated 02.12.2008, (31). 0310537793 dated 15.09.2009, (32). 0310641762 dated 12.07.2011, (33). 0310231993 dated 02.12.2008, (34). 0310577228 dated 03.06.2010, (35). 0310622916 dated 23.03.2011, (36). 0310625598 dated 07.04.2011, (37). 0310641045 dated 07.07.2011, (38). 0310642597 dated 15.07.2011, (39). 0310585378 dated 29.07.2010, (40). 0310621872 dated 17.03.2011.
The details of 4 DFIA's are (1). 0310571119 dated 26.04.2010 (2). 0310610652 dated 12.01.2011 (3). 0310549361 dated 07.12.2009 and (4). 0310562989 dated 03.04.2010.

Decision: The Committee heard the submission made by the firm and discussed the matter at length and observed that there is merit in the case. It noted that firm has indeed gone through financial problems as mentioned in their submission and during the hearing. It went into CDR in 2013 and then landed before Bombay high court for winding up. Firm was also under BIFR under SICA before getting into an arrangement with an ARC for debt restructuring. Now winding up petitions have been withdrawn by the Bombay High Court upon submission of a rehabilitation package. Accordingly it decided to accede to the request and allowed EOP extension against above mentioned 40 Advance Authorizations and 4 DFIAs for a further period of 12 months from the date of endorsement. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

PH Case No. 10 M/s. Texport Creation, Bangalore
F. No.HQRPRCAPPLY00113018AM21
Meeting No.18/AM22 held on 07.12.2021

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

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021, but no one appeared on behalf of the applicant. However, they have intimated vide mail dated 25.11.2021 that amendment of advance license is put on hold by RA and requested to withdraw their case from PRC. Accordingly, the Committee accepted the request for withdrawal of this case from PRC.

(Action: Applicant)

PH Case No. 11 M/s. Kwality Overseas Pvt. Ltd., Ludhiana
F. No.01/60/162/269(a)/AM20/PRC
Meeting No.18/AM22 held on 07.12.2021

Subject: Extension in EOP and Acceptance of 37 shipping bills towards fulfilment of EO against Annual Advance Authorization No.3010084520 dated 19.03.2012 for regularization purpose.

[signature]

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Rakesh Kumar Goyal, Director appeared on behalf of the firm and made the following submissions:

This is the review case of PRC Meeting no.21/AM20 dated 14.11.2019 (Case No.17), wherein the Committee had rejected the case. The applicant stated that they have submitted their export documents to the customs for export of goods against advance authorization for annual requirements. Relevant details were declared on the invoice but at the time of export online data transmission the EDI system was showing error and not accepting the advance authorization number. They were under pressure that the buyer might not cancel the order due to delay in shipment. So they have completed the export under normal shipping bills as they could not hold the shipment. The shipping bills are Chapter 3 shipping bills which contain declaration of intent to claim benefits of Chapter 3 of FTP and mentioned scheme reward as Yes. Also they have mentioned product description, advance authorization no., SION, raw material consumed etc. in the invoice as well as in the shipping bill. They have not claimed any other benefit on the shipping bill as all the details were declared before hand in the relevant export documents to the customs and there is no chance of any dual benefit being availed. They have faced many hardships during this period due to various factors that were beyond their control. Hence, they are requesting to accept all the 37 shipping bills towards fulfilment of EO against annual Advance Authorizations no. 3010084520 dated 19.03.2012 and for regularization.

During the course of personal hearing, firm have also intimated that the shipping bills are Chapter-3 shipping bills which contain declaration of intent to claim benefits of chapter-3 for FTP and all shipping bills under the column "Scheme Reward" YES is mentioned and the description of export product of all the shipping bills. Authorisation number and date and SION are also mentioned in the shipping bills.

The shipping bill nos. are (i) 2565966 dated 01.02.2018, (ii) 2566059 dated 01.02.2018, (iii) 2565963 dated 01.02.2018, (iv) 6641897 dated 02.08.2018, (v) 6641994 dated 02.08.2018, (vi) 6642000 dated 02.08.2018, (vii) 6642163 dated 02.08.2018, (viii) 6642433 dated 02.08.2018, (ix) 6680590 dated 04.08.2018, (x) 6680735 dated 04.08.2018, (xi) 6680783 dated 04.08.2018, (xii)6680833 dated 04.08.2018, (xiii) 6680895 dated 04.08.2018, (xiv) 6681924 dated 04.08.2018, (xv) 6705863 dated 06.08.2018, (xvi) 6706956 dated 06.08.2018, (xvii) 6706928 dated 06.08.2018, (xviii) 6706926 dated 06.08.2018, (xix) 6706951 dated 06.08.2018, (xx) 6706955 dated 06.08.2018, (xxi) 6718262 dated 06.08.2018, (xxii) 6718512 dated 06.08.2018, (xxiii) 6718600 dated 06.08.2018, (xxiv) 6718788 dated 06.08.2018, (xxv) 6718876 dated 06.08.2018, (xxvi) 6718958 dated06.08.2018, (xxvii) 6719028 dated 06.08.2018, (xxviii) 6719178 dated 06.08.2018, (xxix) 6759601 dated 08.08.2018, (xxx) 6759718 dated 08.08.2018, (xxxi) 6759815 dated 08.08.2018, (xxxii) 6759880 dated 08.08.2018, (xxxiii) 6759987 dated 08.08.2018, (xxxiv) 6760031 dated 08.08.2018, (xxxv) 6760099 dated 08.08.2018, (xxxvi) 6760222 dated 08.08.2018 and (xxxvii) 6760315 dated 08.08.2018.

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the firm and observed that exports have been made much beyond the stipulated EO period and same have also not been made as per the Advance authorization scheme. Accordingly, it found no merit in the request and hence it decided to maintain rejection of the earlier decision of PRC in its Meeting No.21/AM20 dated 14.11.2019 (Case No.17).

(Action: Applicant)

PH Case No. 12 M/s. Kwality Overseas Pvt. Ltd., Ludhiana
F. No.01/60/162/269(B)/AM20/PRC
Meeting No.18/AM22 held on 07.12.2021

Subject: Extension in EOP and Acceptance of 13 shipping bills towards fulfilment of EO against Annual Advance Authorization No.3010061589 dated 11.06.2009 for regularization purpose.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Rakesh Kumar Goyal, Director appeared on behalf of the firm and made the following submissions:

This is the review case of PRC Meeting no.21/AM20 dated 14.11.2019 (Case No.19), wherein the Committee rejected the case. The applicant stated that they have submitted their export documents to the customs for export of goods against advance authorization for annual requirements. Relevant details were declared on the invoice but at the time of export online data transmission the EDI system was showing error and not accepting the advance authorization number. They were under pressure that the buyer might not cancel the order due to delay in shipment. So they have completed the export under normal shipping bills as they could not hold the shipment. The shipping bills are Chapter 3 shipping bills which contain declaration of intent to claim benefits of Chapter 3 of FTP and mentioned scheme reward as Yes. Also they have mentioned product description, advance authorization no., SION, raw material consumed etc. in the invoice as well as in the shipping bill. They have not claimed any other benefit on the shipping bill as all the details were declared before hand in the relevant export documents to the customs and there is no chance of any dual benefit being availed. They have faced many hardships during this period due to various factors that were beyond their control. Hence, they are requesting to accept all the 13 shipping bills towards fulfilment of EO against annual Advance Authorizations no. 3010061589 dated 11.06.2009 for regularization.

During the course of personal hearing, firm have also intimated that the shipping bills are Chapter-3 shipping bills which contain declaration of intent to claim benefits of chapter-3 for FTP and all shipping bills under the column "Scheme Reward" YES is mentioned and the description of export product of all the shipping bills. Authorisation number and date and SION are also mentioned in the shipping bills.

The shipping bill nos. are (i) 2568071 dated 01.02.2018, (ii) 2567702 dated 01.02.2018, (iii) 2567704 dated 01.02.2018, (iv) 2567696 dated 01.02.2018, (v) 2389970 dated 24.01.2018, (vi) 2509179 dated 30.01.2018, (vii) 8501569 dated 26.10.2018, (viii) 8501686 dated 26.10.2018, (ix) 8501774 dated 26.10.2018, (x) 8501779 dated 26.10.2018, (xi) 8501874 dated 26.10.2018, (xii) 8501859 dated 26.10.2018 and (xiii) 8501979 dated 26.10.2018.

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the firm and observed that exports have been made much beyond the stipulated EO period and same have also not been made as per the Advance authorization scheme. Accordingly, it found no merit in the request and hence it decided to maintain rejection of the earlier decision of PRC in its Meeting No.21/AM20 dated 14.11.2019 (Case No.19).

(Action: Applicant)

PH Case No. 13 M/s. Kwality Overseas Pvt. Ltd., Ludhiana
F. No.01/60/162/269(C)/AM20/PRC
Meeting No.18/AM22 held on 07.12.2021

Subject: Extension in EOP and Acceptance of 03 shipping bills towards fulfilment of EO against Annual Advance AuthorizationNo.3010061526 dated 08.06.2009 for regularization purpose.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Rakesh Kumar Goyal, Director appeared on behalf of the firm and made the following submissions:

This is the review case of PRC Meeting no.21/AM20 dated 14.11.2019 (Case No.20), wherein the Committee rejected the case. The applicant stated that they have submitted their export documents to the customs for export of goods against advance authorization for annual requirements. Relevant details were declared on the invoice but at the time of export online data transmission the EDI system was showing error and not accepting the advance authorization number. They were under pressure that the buyer might not cancel the order due to delay in shipment. So they have completed the export under normal shipping bills as they could not hold the shipment. The shipping bills are Chapter 3 shipping bills which contain declaration of intent to claim benefits of Chapter 3 of FTP and mentioned scheme reward as Yes. Also thy have mentioned product description, advance authorization no., SION, raw material consumed etc. in the invoice as well as in the shipping bill. They have not claimed any other benefi on the shipping bill as all the details were declared before head in the relevant export documents to the customs and there is no chance of any dual benefit being availed. They have faced many hardships during this period due to various factors that were beyond their control. Hence, they are requesting to accept all the 03 shipping bills towards fulfilment of EO against annual Advance Authorizations no. 3010061526 dated 08.06.2009.

During the course of personal hearing, firm have also intimated that the shipping bills are Chapter-3 shipping bills which contain declaration of intent to claim benefits of chapter-3 for FTP and all shipping bills under the column "Scheme Reward" YES is mentioned and the description of export product of all the shipping bills. Authorisation number and date and SION are also mentioned in the shipping bills.

The shipping bill nos. are (i) 2389981 dated 24.01.2018, (ii) 2568019 dated 01.02.2018 and (iii) 2389974 dated 24.01.2018.

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the firm and observed that exports have been made much beyond the stipulated EO period and same have also not been made as per the Advance authorization scheme. Accordingly, it found no merit in the request and hence it decided to maintain rejection of the earlier decision of PRC in its Meeting No.21/AM20 dated 14.11.2019 (Case No. 20).

(Action: Applicant)

PH Case No. 14 M/s. Kwality Overseas Pvt. Ltd., Ludhiana
F. No.01/60/162/269(A)/AM20/PRC
Meeting No.18/AM22 held on 07.12.2021

Subject: Extension in EOP and Acceptance of 02 shipping bills towards fulfilment of EO against Annual Advance Authorization No.3010061307 dated 21.05.2009 for regularization purpose.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Rakesh Kumar Goyal, Director appeared on behalf of the firm and made the following submissions:

This is the review case of PRC Meeting no.21/AM20 dated 14.11.2019 (Case No.18), wherein the Committee rejected the case. The applicant stated that they have submitted their export documents to the customs for export of goods against advance authorization for annual requirements. Relevant details were declared on the invoice but at the time of export online data transmission the EDI system was showing error and not accepting the advance authorization number. They were under pressure that the buyer might not cancel the order due to delay in shipment. So they have completed the export under normal shipping bills as they could not hold the shipment. The shipping bills are Chapter 3 shipping bills which contain declaration of intent to claim benefits of Chapter 3 of FTP and mentioned scheme reward as Yes. Also thy have mentioned product description, advance authorization no., SION, raw material consumed etc. in the invoice as well as in the shipping bill. They have not claimed any other benefit on the shipping bill as all the details were declared before head in the relevant export documents to the customs and there is no chance of any dual benefit being availed. They have faced many hardships during this period due to various factors that were beyond their control. Hence, they are requesting to accept all the 03 shipping bills towards fulfilment of EO against annual Advance Authorizations no. 3010061307 dated 21.05.2009.

During the course of personal hearing, firm have also intimated that the shipping bills are Chapter-3 shipping bills which contain declaration of intent to claim benefits of chapter-3 for FTP and all shipping bills under the column "Scheme Reward" YES is mentioned and the description of export product of all the shipping bills. Authorisation number and date and SION are also mentioned in the shipping bills.

The shipping bill nos. are (i) 2258879 dated 17.01.2018 and (ii) 2677611 dated 06.02.2018.

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the firm and observed that exports have been made much beyond the stipulated EO period and same have also not been made as per the Advance authorization scheme. Accordingly, it found no merit in the request and hence it decided to maintain rejection of the earlier decision of PRC in its Meeting No.21/AM20 dated 14.11.2019 (Case No.18).

(Action: Applicant)

PH Case No. 15 M/s. Kwality Overseas Pvt. Ltd., Ludhiana
F. No.01/60/162/269(D)/AM20/PRC
Meeting No.18/AM22 held on 07.12.2021

Subject: Extension in EOP and Acceptance of 38 shipping bills towards fulfilment of EO against Annual Advance Authorization No.3010070308 dated 20.10.2010 for regularization purpose.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Rakesh Kumar Goyal, Director appeared on behalf of the firm and made the following submissions:

This is the review case of PRC Meeting no.21/AM20 dated 14.11.2019 (Case No.21), wherein the Committee rejected the case. The applicant stated that they have submitted their export documents to the customs for export of goods against advance authorization for annual requirements. Relevant details were declared on the invoice but at the time of export online data transmission the EDI system was showing error and not accepting the advance authorization number. They were under pressure that the buyer might not cancel the order due to delay in shipment. So they have completed the export under normal shipping bills as they could not hold the shipment. The shipping bills are Chapter 3 shipping bills which contain declaration of intent to claim benefits of Chapter 3 of FTP and mentioned scheme reward as Yes. Also they have mentioned product description, advance authorization no., SION, raw material consumed etc. in the invoice as well as in the shipping bill. They have not claimed any other benefit on the shipping bill as all the details were declared before head in the relevant export documents to the customs and there is no chance of any dual benefit being availed. They have faced many hardships during this period due to various factors that were beyond their control. Hence, they are requesting to accept all the 38 shipping bills towards fulfilment of EO against annual Advance Authorizations no. 3010070308 dated 20.10.2010.

During the course of personal hearing, firm have also intimated that the shipping bills are Chapter-3 shipping bills which contain declaration of intent to claim benefits of chapter-3 for FTP and all shipping bills under the column "Scheme Reward" YES is mentioned and the description of export product of all the shipping bills. Authorisation number and date and SION are also mentioned in the shipping bills.

The shipping bill nos. are (i) 6307803 dated 18.07.2018, (ii) 6323210 dated 19.07.2018, (iii) 6309263 dated 18.07.2018, (iv) 6309934 dated 18.07.2018, (v) 6313490 dated 18.07.2018, (vi) 6313970 dated 18.07.2018, (vii) 6365602 dated 20.07.2018, (viii) 6365592 dated 20.07.2018, (ix) 6365413 dated 20.07.2018, (x)

6367422 dated 20.07.2018, (xi) 6367413 dated 20.07.2018, (xii) 6367700 dated 20.07.2018, (xiii) 6367677 dated 20.07.2018, (xiv) 6367970 dated 20.07.2018, (xv) 6368211 dated 20.07.2018, (xvi) 6368669 dated 20.07.2018, (xvii) 6369254 dated 20.07.2018, (xviii) 6369246 dated 20.07.2018, (xix) 6369639 dated 20.07.2018, (xx) 6369750 dated 20.07.2018, (xxi) 6370050 dated 20.07.2018, (xxii) 6370333 dated 20.07.2018, (xxiii) 6370443 dated 20.07.2018, (xxiv) 6370613 dated 20.07.2018, (xxv) 6370665 dated 20.07.2018, (xxvi) 6370792 dated 20.07.2018, (xxvii) 6370801 dated 20.07.2018, (xxviii) 6373937 dated 20.07.2018, (xxix) 6373943 dated 20.07.2018, (xxx) 6373956 dated 20.07.2018, (xxxi) 6373962 dated 20.07.2018, (xxxii) 6373968 dated 20.07.2018, (xxxiii) 6373980 dated 20.07.2018, (xxxiv) 6373991 dated 20.07.2018, (xxxv) 6374003 dated 20.07.2018, (xxxvi) 6374014 dated 20.07.2018, (xxxvii) 6374030 dated 20.07.2018 and (xxxviii) 6374036 dated 20.07.2018.

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the firm and observed that exports have been made much beyond the stipulated EO period and same have also not been made as per the Advance authorization scheme. Accordingly, it found no merit in the request and hence it decided to maintain rejection of the earlier decision of PRC in its Meeting No.21/AM20 dated 14.11.2019 (Case No.21).

(Action: Applicant)

PH Case No. 16 M/s. Reform Tools Pvt. Ltd., Kolkata
F. No.01/60/162/481/AM20/PRC
Meeting No.18/AM22 held on 07.12.2021

Subject: Exemption from non-compliance of stipulated procedure or extension of export obligation period to meet up the shortfall of Export Quantity in context of wastage 32% as per them and 25% as per Norm's Committee against 2 Advance Authorization No.(i) 0210206416 dated 05.01.2016 and (ii) 0210206586 dated 30.03.2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri AlokTodi, Authorized Representative appeared on behalf of the firm and made the following submissions:

The applicant stated that their advance authorization no.0210206416 dated 05.01.2016 was valid up to 05.07.2017 & 0210206586 dated 30.03.2016 was valid up to 30.09.2017 (extended up to 30.03.2018). Their claim for wastage was 31.9% then they get the confirmation regarding 25% wastage from Norms Committee in advance authorization no. 0210206416 on 10.08.2018 i.e. after the expiry of authorization and regarding authorization no. 0210206586 on 26.04.2018 allowing 10% wastage i.e. after the expiry of authorization and after several correspondences the wastage was modified at 25% on 04.12.2019. In the meantime, they have not received any response in spite of the regular efforts; they construed the same to be 31.9% and accordingly exported 37.199 MT in advance authorization no. 0210206416 dated 05.01.2016 during valid period of exports. Against advance authorization no.0210206586 dated 30.03.2016, they have completed export of 38.635 MT and for both the authorizations they have exported material by taking into account 32% wastage. They could not further export the materials as they received the confirmation from Norms Committee after the expiry of both the licenses on 05.07.2017 and 30.03.2018. Therefore, they should not be responsible for exporting less quantity. Hence, they are requesting for exemption from non-compliance of stipulated procedure or extension of export obligation period to meet up the shortfall of Export Quantity in context of wastage 32% as per them and 25% as per Norm's Committee against both the advance authorizations.

Decision: The Committee heard and examined the case on the basis of justification submitted by the applicant and observed that there is merit in the case and accordingly it decided to accede to the request and allowed EOP extension of 2 Advance Authorization No.(i) 0210206416 dated 05.01.2016 and (ii) 0210206586 dated 30.03.2016 for a further period of 6 months from the date of endorsement subject to payment of composition fee @ 0.5% of the shortfall in EO. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Kolkata)

PH Case No. 17 M/s. Shubhalakshmi Polysters Ltd., Gujarat
F. No.01/60/162/746/AM20/PRC
Meeting No.18/AM22 held on 07.12.2021

Subject: Clubbing of 3 Advance Authorization No.(i) 5210042233 dated 17.04.2017, (ii) 5210043025 dated 05.04.2019 and (iii) 5210043097 dated 01.07.2019 to get the EODC.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Manoj Agarwal, Director appeared on behalf of the firm and made the following submissions:

This is the review case of PRC Meeting no.29/AM20 dated 28.01.2020 (Case No.16), 06/AM21 dated 28.07.2020 (Case No.10) wherein the Committee rejected the case. The applicant stated that only point of relaxation required is the gap between the first and second-third authorisations which is more than 18 months. They have fulfilled all the conditions for clubbing as per Public Notice 70/2015-20 dated 30.01.2019 except condition no.(vi) – Authorisation shall be clubbed which have been issued within 18 months from the date of issue of earliest authorization i.e. sought to be clubbed, whether such authorisations are valid or not. This is further subject to condition that upon clubbing only import made within 30 months from the date of issue of earliest autorisation shall be considered. Any imports made beyond 30 months of earliest authoarisation shall be regularized under para 4.49 of the HBP. After getting export order from Iran, Morocco, Egypt and deemed export. But 01.07.2017 GST implemented by govt. of India which resulted in certain degree of procedural bottleneck such as non-availability of online mechanism /refund module on common portal for GST refund filing, GST refunds for zero rated supplies, inverted duty structure, uncertainty about GST on deemed export. Further excess balance in electronics cash register cases could not be filed and process resulting in blockage of substantial working capital. Further, lack of clarity on matters such as pre-import and self sealing condition, out of their deemed export order of 2020MT, they have fulfilled 1248.29 MT and rest of order got cancelled. They have imported full quantity of MEG and utilized partial quantity (1258 MT) against license no.5210042233 dated 17.04.2017. Remaining quantity they have partially utilized quantity (1190 MT) against license no.5210043025 dated 05.04.2019 and rest of the quantity (1252 MT) against license no.5210043097 dated 01.07.2019. Hence, they are requesting for clubbing of all the three advance authorizations for regularization purpose.

During the course of personal hearing firm has intimated that they have already completed all the exports up to 19.08.2019 against above authorisations.

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 decided to consider all the export made till 19.08.2019 for clubbing of 3 advance authorisations No.(i) 5210042233 dated 17.04.2017, (ii) 5210043025 dated 05.04.2019 and (iii) 5210043097 dated 01.07.2019. Firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Surat)

PH Case No. 18 M/s. Pon Pure Chemical India Pvt. Ltd., Chennai
F. No.HQRPRCAPPLY0083206AM21
Meeting No.18/AM22 held on 07.12.2021

Subject: To issuance of restricted authorization with supply to actual user condition.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri C. Rajarathinam, President Marketing appeared on behalf of the firm and made the following submissions:

The applicant stated that they regularly import the product "EXXSOL D-40 (27101290)" for their regular customers and supply the same to the actual users only. They could not import their required quantity directly from the supplier or manufacturers by paying huge sea freight charges for their small quantities. Also the supplier or manufacturers were not willing to accept the small quantities unless otherwise they place a huge quantity for manufacture the product as per their unit manufacturing capacity. Hence, they are seeking for policy relaxation and allow restricted authorization for their product "EXXSOL D-40 (27101290)" with supply to actual users .

Decision: The Committee heard and went through the submission made by the firm and discussed the matter at length and decided to grant permission to import restricted item EXXSOL D-40 of 2000 MTs to the firm against a License with a condition to supply the same to actual user manufacturers.

(Action: Applicant/ILS-Division)

PH Case No. 19 M/s. KanodiaTechnoplast Ltd., New Delhi
F. No.01/60/162/803/AM20/PRC
Meeting No.18/AM22 held on 07.12.2021

Subject: Extension in EOP against Advance Authorization No.0510404902 dated 13.12.2017.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021. Shri Arun Puri, Authorized Representatives appeared on behalf of the firm and made the following submissions:

This is the review case of PRC Meeting no.04/AM21 dated 02.07.2020(Case No.03), wherein the Committee approved the case. The applicant stated thatthey were allowed extension in EOP for 3 months, however, unfortunately they could fulfill EO only 131.842 MT (50.806%) (126.385 MT (48.703%) within the validity period and 5.457 MT (2.103) outside the validity period) out of 259.500 MT. Their intent and efforts was to do the best and they paid the composition fee of Rs.18.80 lac (which is nearly equivalent to the total duty saved value). It all happened because of sudden closer of production of the export item in their unit. Moreover unfortunately, due to Covid-19 their foreign buyer also postponed their orders. But now, they have orders in hand and can meet the export obligation and therefore request to allow the EOP for another 6 months. They have also requested to waive additional composition fee as they have already deposited Rs.18.80 lac as fee in the past.

Decision: The Committee heard and reviewed the case on the basis of justification provided by the firm and discussed the matter at length. It decided to accede to the request and allowed EOP extension for one month from the date of endorsement of Advance Authorization No.0510404902 dated 13.12.2017. 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. 20 M/s. Prescription Pharma Support Pvt. Ltd., Mumbai
F. No.HQRPRCAPPLY00141827AM22
Meeting No.18/AM22 held on 07.12.2021

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

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021, Shri Pushkar Dehadray, Authorized Representatives appeared on behalf of the firm and made the following submissions:

The applicant stated that they intent to file an application for duty credit scrip under the SEIS for the F.Y. 2017-18. The last date for the said application after the applicable late cut was 31st March, 2021. However, all the e-com applications were suspended on this date due to financial year end processing. Therefore, they were unable to avail the SEIS benefit due to the technical glitches of the portal. Hence, they are requesting to accept the manual application and issue the duty credit scrip under SEIS benefit for the F.Y. 2017-18.

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

(Action: Applicant)

PH Case No. 21 M/s. Mukta Arts Ltd., Mumbai
F. No.HQRPRCAPPLY00136088AM22
Meeting No.18/AM22 held on 07.12.2021

Subject: Relaxation in maintaining the average EO imposed on the 3 EPCG Authorizations No.(i) 0330000345 dated 02.06.2000, (ii) 0330004540 dated 22.10.2003 and (iii) 0330006644 dated07.09.2004 by treating exports of film content by Tapes / CDs as service exports and not physical exports.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 07.12.2021, Shri Subhash Ghai-Chairman, Shri Parvez Farooqui, Director and Shri Rahul Sehgal, Consultant appeared on behalf of the firm and made the following submissions:

This is the review case of PRC Meeting no.25/AM22 dated 17.09.2021 (Case No. 31) wherein the facts of the case have not been clearly specified by the firm and hence the Committee decided to call the firm for PH. The applicant stated that they are service providers and the referred 3 EPCG licenses have been issued in the years 2002, 2003 and 2004, wherein in terms of Para 5.7.6 of the relevant policy service providers were exempted to maintain average export obligation irrespective of the fact that exports being made in physical or soft form. With effect from 01.04.2007 vide PN NO.01/2007 dated 19.04.2007, Para 5.7.6 was amended to exclude services from the list of exempted categories for maintaining average export obligation. As such service providers w.e.f. 01.04.2007 were required to maintain the average export obligation. Also they wish to submit that in their case of physical exports, the value of medium (Film, Tape etc.) is negligible whereas the main value is of the content (software). It is significant to note that on 18.05.2011, in case of License No.0330000345 dated 02.06.2000, the Regional Licensing Authority had deleted the Average Export Obligation imposed considering the fact that they are service providers. Relevant Amendment sheet no.3 confirming the same is attached herewith for your ready reference. However, subsequently they insisted that the same will be exempted only on exports in soft form and not on physical form. Hence, they are requesting that since their licenses were issued prior to 01.04.2007, as service providers they should be exempted from maintaining AEO irrespective of the exports being in physical or soft form.

Decision: The Committee heard and examined the case on the basis of justification submitted by the applicant. The Committee decided to defer the case for further examination of provisions of policy period 1997-2002 and 2002-2007. Thereafter, the case will be placed before PRC for decision.

(Action: PRC-Division)

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