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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting
Held on 13.10.2023under the Chairmanship of
ShriSantosh Kumar Sarangi, Director General of Foreign Trade

Meeting No. 17/AM24 (PH) held on 13.10.2023

The following members were present in the meeting:

1. Shri S.B.S. Reddy Addl. DGFT
2. Shri Hardeep Singh Addl. DGFT
3. Shri Anil Aggarwal Addl. DGFT
4. Dr. S.K. Bansal Addl. DGFT
5. Shri S.C. Agarwal 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. Arch Pharmalabs Limited, Mumbai	1
2.	M/s. Nissan Motor India Pvt. Ltd., Tamilnadu	2
3.	M/s. Modern Impex, Kolkata	3
4.	M/s. Tiruchirapalli Engineering and Technology Cluster	4
5.	M/s. APRN Enterprises Pvt. Ltd., Mumbai	5
6.	M/s. APRN Enterprises Pvt. Ltd., Mumbai	6
7.	M/s. Textrade International Limited, Mumbai	7
8.	M/s. Allround (India) Vegetable Processing Machines Pvt. Ltd., HR	8
9.	M/s. Zentiva Private Limited, Mumbai	9
10.	M/s. Glenmark Pharmaceuticals Limited, Mumbai	10
11.	M/s. Glenmark Pharmaceuticals Limited, Mumbai	11
12.	M/s. Tenco Systems & Switch Gears Pvt. Ltd., Indore	12
13.	M/s. JainIrrigation systems Limited, MH	13
14.	M/s. Baddi Print Packs Pvt. Ltd., Nalagarh	14

Case No. 01 M/s. Arch Pharmalabs Ltd., Mumbai

F.No.HQRPRCAPPLY00000126AM24

Meeting No.17/AM24 held on 13.10.2023

Subject: Request for allowing FPS-FMS-MLFPS which could not be applied due to extenuating circumstances.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. The company officials appeared on through Video Conferencing and made the following submissions:-

Applicant's statement: This is a review case of PRC Meeting No.11/AM24 held on 20.07.2023 (Case No.30) wherein Committee rejected the case. The applicant stated that their company had undergone severe period of distress brought upon due to external circumstances brought upon them due to Chinese Dumping. They have recently undergone restricting and this provisioned incentive would aid their revival. In the earlier submission the applicant has stated that they are a pharmaceutical intermediates and API manufacturing company and their products are key raw materials in production of various life saving APIs. The applications for the FPS-FMS incentive could not be submitted online in time as the export documents required to make application were not readily available due to circumstances beyond their control. Following the 2008 Beijing Olympics, China had relaxed pollution norms thus, manufacturers in Pharma Intermediates and other Chemical Sector increased production and had set up new facilities, which was to be dumped across the world with state support. The unfair price competition was so severe that from A1 credit rating in 2011, they were pushed into default rating by 2013. They defaulted on their loans due to financial crises brought about by unfair price completion unleashed by Chinese companies. The financial crisis had turned their account NPA, therefore, services provided by banks and other service providers turned un-reliable and irregular. Banks failed to issue BRCs even after timely export realisation and did not hand over BRCs to them even after issuance using those documents as tools to pressurize us pay their dues. The application for FMS-FPS is to a certain extent distinct from other schemes of that time an application comprises of 50 S/Bs and for each S/B an assortments of documents would be required; they in almost all the cases were lacking some or the other documents to complete the set required under each S/Bs. They needed S/Bs, BRC, B/L etc apart from invoices they had to rely on other to handover the documents in order to enable them to submit application. Even though winding up orders were issued, and their company was registered with BIFR, an ARC stepped in to restructure their loans and infused Funds. The Govt. of India is bringing in various schemes to encourage domestic manufacturing of APIs and intermediates. Their sector is now considered that of strategic importance by the Government and has recently been covered under the PLI Scheme for API and intermediate manufacturers. This only shows the need and importance of encouraging and supporting domestic manufacturing of APIs and intermediates. Hence they are requesting to allow relaxation policy/procedures to accept FPS-FMS application that are time barred. The matter was taken up. The comments received from the Policy Section were seen. The entire submission made by the applicant was gone through.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. However, the firm did not appear in the Personal Hearing. Accordingly, the Committee decided to defer the case.

(Action: Applicant)

Case No. 02 M/s. Nissan Motor India Pvt. Ltd., Tamilnadu.

F.No. HQRPRCAPPLY00000212AM24

Meeting No.17/AM24 held on 13.10.2023

Subject: To allow MEIS benefit against Shipping Bills for the period of April 2015 to November, 2016.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. Mr. Surendrakumar, Mr. T.R. Srinivasan and Mr. K. Nandivarmanare Authorized Representatives appeared on behalf of the firm and made the following submissions:-

Applicant's statement: This is a review case of PRC Meeting No.05/AM24 held on 13.06.2023 (Case No.36) wherein Committee reject the case. The applicant stated that they are forced to mention "N" under the MEIS Scheme code in 3055 S/Bills due to ICEGATE System technical limitations. The subject S/Bills consisted of commercial export of automobile parts and also export of returnable pallets and steel racks. ICEGATE System did not permit to mention "Y" for Commercial Exports and "N" for Returnable pallets/racks in the same S/Bill. Hence to avoid wrong claim for returnable pallets they were forced to mentioned "N" for both commercial exports and returnable exports. However, they had clearly mentioned their declaration to claim MEIS incentives in all the subject S/Bills. They had made several representations before the customs and DGFT for getting the subject S/Bills transmitted from ICEGATE system to DGFT system. The same was also approved and transmitted by DG Systems from ICEGATE to DGFT system. Considering the technical limitations in the ICEGATE system which are beyond their control they were unable to receive the MEIS scrips. Hence they are requesting to allow condonation for non mention of "Y" and sanction the entire MEIS claim at the eligible % without any later cut for the above mentioned period. As presented during the meeting, they had submitted the PRC application earlier also, but there were multiple key supporting documents which could not be submitted along in the online portal due to technical issues. Further, there had been consistent internal communication of documents and interactions between the DGFT, Drawback Directorate (CBIC) and the DG (Systems) in relation to the subject file. They requested to kindly consider those documents and interactions into the account for the PRC petition. They have attached an Office Memorandum dated 28.09.2021, from DGFT addressed to DG Systems, wherein there are references to the internal communication(s). they stated that as per the above communication, DGFT had communicated to DG systems that out of the total 3070 shipping bills, only 1848 have been transmitted and the remaining 1222 shipping bills have not been transmitted from ICEGATE 2 DGFT server and had requested DG systems to inform the list of shipping bills which have been considered by DoR and then allowed to be transmitted even when there is "N" marked in the shipping bills, and to transmit the remaining Shipping Bills which were not yet transmitted to DGFT server.

The mail dated 10.02.2022 sent by ICES to DGFT was also seen vide which the list of SBs which were transmitted to DGFT for IEC No.0305008111 where reward flag is "N". The attachment is in the form of a table reflecting invoice No, invoice date, SB number, SB date, port of export, MEIS value and DG system file No. in each entry. (the DG system file No was not found mentioned for serial No. 119,607, 627, 628, 958, 959, 960, 1293, 1383, 1832, 1833, 2443, 2444,2445,, 2589.2590, 2591, 2598, 3016, 3017,3018, 3052,3053, 3054 and 3055.) The total number of entries is 3055.

Decision: The Committee heard and went through the submission made by the applicant and discussed the matter at length and it decided to defer the case and confirm from ICES that a conscious decision has been taken by DoR to treat the 3055 shipping bills transmitted by ICES to DGFT as (Y) Shipping bills. Furthermore, out of the 3055 Shipping bills, the DG systems file number has not been indicated against certain S/bills at serial numbers as mentioned above and therefore, it may be informed by ICES whether these S/bills are also to be considered for grant of MEIS.

(Action: PRC/Applicant).

Case No. 03 M/s. Modern Impex, Kolkata.

F.No.HQRPRCAPPLY00004055AM23

Meeting No.17/AM24 held on 13.10.2023

Subject: Closure of Advance Authorization No.0211000820 dated 16.06.2021.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. Mr. KetanDoshi and Mr. Rupayan Chatterjee are Authorized Representatives appeared on behalf of the firm and made the following submissions:-

Applicant's statement: This is a review case of PRC Meeting No.6/AM24 held on 19.06.2023 (Case No.46) wherein Committee rejected the case. The applicant stated that the reason why their CHA made this mistake is that the gold was provided by their buyer Free of Cost whereas usually import is made by exporter by paying for the imported material. Therefore, apparently, CHA did not realize that they have obtained Free of Cost material under Advance License. Now the applicant stated that their case may please be accepted as one of genuine hardship and they may be allowed the requisite relaxation. Any relaxation so granted to them will not create any precedent for other exporters claiming consideration Free Shipping Bills for export unless they have a fully detailed certificate specifically issued by Customs for specified Shipping Bills certifying full inspection and accounting of inputs as well as 100% valuation are furthermore full co-relation between custom attested tax invoices, shipping bills and bills of entry. Hence they are requesting to allow/accept S/Bills towards the fulfillment of EO against subject license for closure purposes.

Their representation was also seen in which they stated, inter alia, that "In the past we had obtained 3 advance authorizations against which the export obligations have been fulfilled and authorization are redeemed too. While effecting the shipment, we filed the shipping bills by choosing the correct scheme. In support our contention that the exports made by us, albeit inadvertently under Free Shipping Bills deserved to be counted for discharge of export obligation, we state that the exports made under the above 3 shipping bills are exactly the same as the exports made in the 32 shipping bills of other 3 advance authorizations No. 0211001156 dated 02.0921; 0310836867 Dated 25/06/2020 and 0310834004 dated 08/01/2020.

You would kindly notice from the above statements of previous advance authorizations, that we had filed the relevant shipping bills by choosing the correct scheme and then got all the three authorizations properly redeemed by RA, in terms of FTP. Considering that the results of examination and valuation of exports under the 32 shipping bills correctly filed under scheme code of Advance Authorization, are exactly the same as for the 3 shipping bills, inadvertently, left out, there is a full reason and grounds for honourable PRC to deal this case of difficulty faced by us is beyond our control. You may please observe that there are only 2 fundamental parameters of clearance under scheme code of Advance Authorization. First, the accounting of imports and secondly, the valuation in order to check over invoicing / under invoicing. From a conjoint reading of the tables as above and also inspection certificate issued by the customs for the 3 shipping bills, it is totally apparent that the basic parameters of the Advance Authorization scheme, i.e., accounting of inputs and valuation have been duly complied with as required by Customs and DGFT. We would like to point that except for the time limitations, the 3 shipping bills above filed under the scheme code '00', fulfill all the requirements of conversion to scheme code '03' for Advance Authorization. Our position is that if these 3 shipping bills if these 3 shipping bills are fulfilling all the conditions for conversion to Advance Authorization, but cannot be converted only due to procedural issues, we should not be denied the indulgence of the Honourable Committee for relaxation. In this regard, to substantiate our clarity, we would like to draw your kind attention to the Customs Circular No. 36/2010-Customs dated 23.09.2010 - on "Conversion of free shipping bills to export promotion scheme shipping bils and conversion of shipping bills from one scheme to another" and submit as under on the applicable conditions, before the honourable PRC to consider our case in favour.

All our tax invoices show the details of the Gold Baw Material imported under Advance Authorization which was used in the export product); relevant Bills of Entry number & Date. Notably, these tax invoices are duly attested by custom. These customs attested documents provide direct evidence of linkage between exports made by us (as shipping bills contain tax invoice number) and the relevant import made by us (as the tax invoices and shipping bills, both contain the relevant bill of entry number). Again, the tax invoices read conjointly with the certificate issued by customs provides irrefutable evidence of the use of imported inputs in the export product. From the above, it is apparent that the export documents submitted by us i.e., 1. Shipping Bills containing full description of exports, FOB value, Tax Invoice details, BOE details; 2. Tax Invoices containing full description of goods, value of goods, counter referring the B.0.E. numbers; 3. Inspection Certificate dated 27-04-2023 containing full description & valuation of goods exported under the 3 shipping bills along with clear certification of facts; and 4. BRC'S Containing reference to 3 shipping bills, jointly satisfy this condition. - The certificate issued by the customs also clearly shows that a proper verification of purity of the gold content in the export product was done by ASSAY, and there is no doubt regarding accounting of imported gold in the export gold jewelery.

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the firm and observed that there is no merit in firm's contention. Hence, it decided to maintain the rejection of the earlier decision of PRC Meeting No.6/AM24 held on 19.06.2023 (Case No.46).

(Action: Applicant)

Case No. 04 M/s.Tiruchirapalli Engineering and Technology Cluster, Trichy Dt.

F.No. HQRPRCAPPLY00000488AM24

Meeting No.17/AM24 held on 13.10.2023

Subject: EPCG Authorization not incorporated in the Shipping Bill.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. Mr. V. Shankar and Mr. Krishnamoorthy are Authorized Representatives appeared on behalf of the firm and made the following submissions:-

The firm appeared through Video Conferencing and made the following submissions:-

Applicant's statement: This is a review case of 2nd Meeting of AM 24 of the EPCG Committee held on 30.05.2023 (Case No.13), wherein Committee reject the case. The applicant stated that they has obtained EPCG license for import of CG. Subsequent to import and installation of the CGs, the machineries were utilized by the member units for manufacture of the finished products i.e. Boiler and Boiler components and fabrication of structural. The firm has also submitted that they are a company registered under Section 8 of the Companies Act, a non-profit organization, meant, formed and intended for achieving charitable purposes and per se incorporated, not with a profit motive, but to support MSME industries in Tircuchirapalli. The company was formed with the financial assistance in the form of Central Grant of Rs.58.28 cr under the scheme of Industrial Infrastructure and Up-gradation Scheme)IIUS) sanctioned by

DPIIT, MoC. The firm while permitting the member industries to manufacture the export goods using their infrastructure, they insisted that they should export the goods by declaring these EPCG licenses in the export documents such as shipping bills, export invoices, etc. so that they could correlate such export against their export obligations and to seek EODC. Unfortunately, the member industries, who are new to this concept, failed to indicate the EPCG license, although non of them availed any other export incentives for such exports.Hence they are requesting to allow relaxation the condition of mentioning EPCG license number in Shipping Bills for issuance of EODC. Documents to evidence that the material was brought for machining by the members with the use of the machinery imported under EPCG for which they made payment to the company has been provided.

Decision: The Committee heard and examined the case on the basis of statement made by the applicant and discussed the matter at length. The Committee decided to allow EOP extension against EPCG Authorisation No.0430011532 dated 07.08.2012 for a period of 24 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)

Case No. 05 M/s. APRN Enterprises Pvt. Ltd., Mumbai

F.No.HQRPRCAPPLY00000482AM24

Meeting No.17/AM24 held on 13.10.2023

Subject: Request to consider export made beyond EOP against Advance Authorization No. 0310823348 dated 28.08.2018 for the purpose of regularization only.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. No one appeared on behalf of the firm

Applicant's statement: This is a review case of PRC Meeting No.09/AM24 held on 07.07.2023 (Case No.39), wherein Committee decided to maintain rejection of the earlier decision of PRC in its meeting No.05/AM24 dated 13.06.2023 (Case No.14). Now in the review application they have stated that due to covid-19 pandemic and frequent lockdowns in India there was minimal export activity. Movement of goods and material were badly affected They could not travel abroad for export marketing. The pharma companies world over had cut down their production of regular pharmaceutical products and were fully focused on the pandemic related medicines. Their supplies of packaging material i.e. Aluminium foil for pharma packaging was adversely impacted. However, once the situation normalized, they completed the balance export obligation. Practically entire one & half year had been wiped out. They are small scale unit and it will be unfair to penalise them for exports already affected. Hence they are requesting to allow extension of EOP against subject license for further one month from 31.12.2022 to 30.01.2023 for the purpose of regularization.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. However, the firm did not appear in the Personal Hearing. Accordingly, the Committee decided to defer the case.

(Action: Applicant)

Case No. 06 M/s. APRN Enterprises Pvt. Ltd., Mumbai

F.No.HQRPRCAPPLY00000497AM24

Meeting No.17/AM24 held on 13.10.2023

Subject: Request to consider export made beyond EOP against Advance Authorization No. 0310824063 dated 28.08.2018 for the purpose of regularization only.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. No one appeared on behalf of the firm.

Applicant's statement: This is a review case of PRC Meeting No.09/AM24 held on 07.07.2023 (Case No.40), wherein Committee decided to maintain rejection of the earlier decision of PRC in its meeting No.05/AM24 dated 13.06.2023 (Case No.15). Now in the review application they have stated that due to covid-19 pandemic and frequent lockdowns in India there was minimal export activity. Movement of goods and material were badly affected They could not travel abroad for export marketing. The pharma companies world over had cut down their production of regular pharmaceutical products and were fully focused on the pandemic related medicines. Their supplies of packaging material i.e. Aluminium foil for pharma packaging was adversely impacted. However, once the situation normalized, they completed the balance export obligation. Practically entire one & half year had been wiped out. They are small scale unit and it will be unfair to penalise them for exports already affected. Hence they are requesting to allow extension of EOP against subject license for further one month from 31.12.2022 to 30.01.2023 for the purpose of regularization.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. However, the firm did not appear in the Personal Hearing. Accordingly, the Committee decided to defer the case.

(Action: Applicant)

Case No. 07 M/s. Textrade International Limited, Mumbai

F.No.HQRPRCAPPLY00003551AM23

Meeting No.17/AM24 held on 13.10.2023

Subject: Relaxation in policy for claiming MEIS on time bared shipping bills due to non generation of BRC by the banks in spite of timely realization.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. Mr. AnishDoshi and Mr. Vivian D'Souza are Authorized Representatives appeared on behalf of the firm and made the following submissions:-

The firm appeared through Video Conferencing and made the following submissions:-

Applicant Statement: This is a review case of PRC Meeting No.23/AM23 held on 20.12.2022 (Case No.33), wherein Committee decided to call the firm for personal hearing. The applicant stated that they are an export manufacturer having unit in SEZ and they do not have a single payment outstanding with of Customers. They have provided the banks with all exports documents along with statement showing realization data and FIRC data, but the same has not be accounted by the bank till date for their own internal reasons. They have a report to RBI on 14.11.2021, in the matter. All the S/Bills and Statement showing realization of bills with copies of FIRC have been submitted to the bank in time and again, but the same are shown pending as on date with status as shown. Now with the MEIS scheme being replace by RoDTEP, Ministry of Commerce & Industry Notification No.26/2015-2020 dated 16.9.2021 the last date for submitting application has been notified to be 31.12.2021, in supersession of any such provision in the HBP. Bank fails to close the said S/Bill so they are not able to apply for the MEIS script. Hence they are requesting to allow MEIS claims against time barred S/Bills.

They stated that their company was placed under DEL vide order dated 08.06.2015 inspite of fulfilling EO and submitting application for redemption which remained pending. They were removed from DEL from 2019. They were given Abeyance and out of 4700 SBs, 650 SBs remained to be utilized as their exports were from SEZ which was non-EDI and each Shipping Bill had to be filed manually and the time provided was inadequate. They want relaxation for the 650 SBs.
In certain cases, the BRCs were generated beyond three years of LEO despite timely realization. Such SBs are 120.

In certain cases, BRCs have not been generated at all although export proceeds were realized in 30 days in 99% of their export. Such SBs are 2014. The reasons were explained and they requested for time until 31.03.2024 to submit the MEIS applications.

Decision: The Committee heard and went through the statement made by the applicant and discussed the matter at length. The Committee observed that due to delay in uploading of some of the BRC by the banker in DGFT Portal, the firm has faced the problem which was beyond their control. Accordingly it decided to allow MEIS benefit only for those shipping bills whose realization has happened within 3 years from the date of let export and e-BRC have been uploaded by the bank after the expiry of three years from the date of let export. It also decided that no cut would be imposed on the entitlement. No other relaxation was provided for these SBs. The committee also decided that for the 650 SBs which pertain to the period in which they were under DEL, the period for filing application would be relaxed for 60 days from the date of uploading of the minutes. The list of SBs would be provided by the firm to the RA. No other relaxation was provided for these SBs. However no relaxation was given for other shipping bills against which BRC is yet to be issued. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA- concerned/ PC-3 Division for necessary action/updation in the System)

Case No. 08 M/s. Allround(India) Vegetable Processing Machines Pvt. Ltd., HR

F.No.HQRPRCAPPLY00004700AM23

Meeting No. 17/AM24 held on 13.10.2023

Subject: Extension of EOP against Advance Authorization No.3310030588 dated 06.09.2019.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. No one appeared on behalf of the firm .

Applicant Statement: This is defer case of personal hearing at PRC Meeting No.14/AM24 held on 13.09.2023 (Case No.05), and no one appeared on behalf of the firm. The Committee decided to defer the case.

The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that they have not process application for modification due to error type of norms show as SION, but DGFT has been resolving the problem when EO extension time period expired. Hence they are requesting to allow six months extension in EOP as per para 4.42 (b) or (c) of HBP 2015-2020.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. However, the firm did not appeared in the Personal Hearing. Accordingly, the Committee decided to defer the case.

(Action: Applicant)

Case No. 09 M/s. Zentiva Private Limited, Mumbai

F.No.HQRPRCAPPLY00000348AM24

Meeting No. 17/AM24 held on 13.10.2023

Subject: Closure of Advance Authorization No. 3411000898 dated 26.07.2021.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. Mr. Akhil Kumar Nagar, Mr. HarshadNavadya, NileshBhaskar, Mr. Amish Panchal and Satosh Nair are Authorized Representatives appeared on behalf of the firm **through VC**? and made the following submissions:-

Applicant's statement: This is a defer case of PRC Meeting No.14/AM24 held on 13.09.2023 (Case No.08), where no one appeared on behalf of the firm. The Committee decided to defer the case. The applicant stated that they have imported item of imports Sr.No.3 i.e. Hydrochlorothiazide for 250 Kgs. and they have utilized item of imports for 248.90 Kgs. and balance quantity 1.10 Kgs. Of item of import is consumed as process loss as per CA Certificate. RA is not authorized to accept process loss and issued rejection letter against closure of above said Advance License. They have already made payment of Custom Duty with interest on 1.10 kgs of Hydrochlorothiazide. Hence they are requesting to allow closure of subject license.

Decision: The Committee heard and examined the submission made by the firm and noted that the firm is said to have used excess imports for the purposes of manufacturing. Accordingly, the Committee decided to waive the requirement of destruction certificate with the condition that the applicant would submit an affidavit/declaration in order to indemnify to the Government for any loss/misuse due to diversion of unregistered import materials to the domestic market that may be detected in future to Regional Authority. This will be allowed subject to payment of Rs. 25,000/- (Twenty Five thousand only) as composition fee.The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Vadodra)

Case No. 10 M/s. Glenmark Pharmaceuticals Limited, Mumbai

F.No.HQRPRCAPPLY00002794AM23

Meeting No.17/AM24 held on 13.10.2023

Subject: Waiver of re-export or destruction of balance Raw material (1.155kgs) Consumed in QC testing and Production loss and Waiver of PC-18 Condition against Advance Authorization no. 0310804894 dated 23.05.2016 for regularization and redemption purpose.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. Mr. Shibu Joseph, Mr. Kishan Singh Kaira, Mr. Ganesh Goswami and Cyril Almeidiaare Authorized Representatives appeared on behalf of the firm through VC and made the following submissions:-

Applicant's statement: This is a defer case of PRC Meeting No.14/AM24 held on 13.09.2023 (Case No.17), wherein no one appeared on behalf of the firm. The Committee decided to defer the case. The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that they had obtained Advance Licence from RLA Mumbai under P.C.9 condition for import of "Desoximetasone Micronized USP-IP "and imported 6.00 Kgs. and out of this 1.155 Kgs. has been destroyed in QC testing & Production loss in excess import. RLA Mumbai rejected their request and issued D/L. As per PN No.11 dated 14.06.2019 they have been submitted the Affidavit, Self-Declaration certified by CA affirming that the entire imported raw material has been consumed in production process only and they do not have the balance material for production. Hence they are requesting to allow waiver of raw material consumed in QC Testing and Production Loss and regularized and redeem the Advance License No.0310804894 dated 23.05.2016. The letter date 18.04.2023 issued by the CDSCO was also seen in which it was stated that it appears that there may be loss of drug during production and QC testing purpose.

<u>Decision</u>: The Committee heard and went through the statement made by the applicant and discussed the matter at length. It was noted that the firm is said to have used excess imports for the purposes of manufacturing and QC testing. Accordingly, the Committee decided to waive the requirement of destruction certificate with the condition that the applicant would submit an affidavit/declaration in order to indemnify to the Government for any loss/misuse due to diversion of unregistered import materials to the domestic market that may be detected in future to Regional Authority. This will be allowed subject to payment of Rs. 1,00,000/-(One lakh only) as composition fee. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

Case No. 11 M/s. Glenmark Pharmaceuticals Limited, Mumbai

F.No.HQRPRCAPPLY00002795AM24

Meeting No.17/AM24 held on 13.10.2023

Subject: Waiver of re-export or destruction of balance Raw material (540.64kgs) Consumed in QC testing and Production loss and Waiver of PC-18 Condition against Advance Authorization no. 0310816950 dated 09.11.2017 for regularization and redemption purpose

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. Mr. Shibu Joseph, Mr. Kishan Singh Kaira, Mr. Ganesh Goswami and Cyril Almeidiaare Authorized Representatives appeared on behalf of the firm **through VC**? and made the following submissions:-

Applicant's statement: This is a defer case of PRC Meeting No.14/AM24 held on 13.09.2023 (Case No.18), wherein no one appeared on behalf of the firm. The Committee decided to defer the case. The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that they had obtained Advance Licence from RLA Mumbai under P.C.9 condition for import of "Lithium Carbonate USP "and imported 166000.00 Kgs. and out of this 100 Kgs. has been destroyed in QC testing & Production loss in excess import. RLA Mumbai rejected their request and issued D/L. As per PN No.11 dated 14.06.2019 they have been submitted the Affidavit, Self-Declaration certified by CA affirming that the entire imported raw material has been consumed in production process only and they do not have the balance material for production Hence they are requesting to allow waiver of raw material consumed in QC Testing and Production Loss and regularized and redeem the Advance License No.0310816950 dated 09.11.2017. The letter date 18.04.2023 issued by the CDSCO was also seen in which it was stated that it appears that there may be loss of drug during production and QC testing purpose.

<u>Decision</u>: The Committee heard and went through the statement made by the applicant and discussed the matter at length. It was noted that the firm is said to have used excess imports for the purposes of manufacturing and QC testing. Accordingly, the Committee decided to waive the requirement of destruction certificate with the condition that the applicant would submit an affidavit/declaration in order to indemnify to the Government for any loss/misuse due to diversion of unregistered import materials to the domestic market that may be detected in future to Regional Authority. This will be allowed subject to payment of Rs. 25,000/- (Twenty Five thousand only) as composition fee. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

Case No. 12 M/s. Tenco Systems & Switch Gears Pvt. Ltd., Indore

F.No.HQRPRCAPPLY00000611AM24

Meeting No.17/AM24 held on 13.10.2023

Subject: Request for Re-fixation of Average EO in respect of EPCG Authorization nos.5630000261 dated 13.03.2013 and 5630000414 dated 31.10.2013 under 0% concessional duty.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. Mr. PankajAgal and Mr. GauravChourasya are

Authorized Representatives appeared on behalf of the firm and made the following submissions:-

Applicant's statement: This is a review case of 3rd Meeting of AM24 of the EPCG Committee held on 12.07.2023 (Case No.24), wherein Committee rejected the case. In this review application they have stated that their case rejected without any personal hearing, they need PH to clarify their situation, also they have completed EO and Average, towards both EPCG license Nos.5630000261 and 5630000414 submitted clubbing and EODC as per PRC 013721860AM14EPCG-II dated 19.12.13 have to club then close but most of supply is SEZ and realization received from Non FC, now DGFT Indore has asked to submit bank certificate where it would be mention that realization from FC account where their all buyer of SEZ paid them from their normal account and they have made so many follow up with them to provide the letter from the bank, which clear that its not their mistake that is only mistake done by buyer then why they have to suffer, just because of this they are facing issues even ICD customs demanded duty+interest which they are not able to pay and this is not their mistake then whey their obligation not count to fulfill and why they have to pay any penalty, they are running a factory, so many employees connected with them and it any loss to the company then every once has to suffer connected with them. Hence they are requesting to allow re-fixation of Average Export Obligation in respect of subject EPCG license under Zero concessional duty.

Decision: The Committee heard and examined the case on the basis of submission made by the applicant and discussed the matter at length and it decided to defer the case and ask the applicant to approach the Development Commissioner. In the meantime, DC office should keep recovery proceedings on hold.

(Action: Applicant/ Development Commissioner)

Case No. 13 M/s. Jain Irrigation systems Limited, MH

F.No.HQRPRCAPPLY00001076AM24

Meeting No.17/AM24 held on 13.10.2023

Subject: Clubbing of three AA no. 0310404400 dated 16.10.2006, 0310402990 dated 06.10.2006 and 0310424393 dated 26.03.2007.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. No one appeared on behalf of the firm.

Applicant's statement: This is a review case of PRC Meeting No.36/AM23 held on 28.03.2023 (Case No.14), wherein Committee decided to relax the condition 2(i) of Public Notice No.70 dated 30.01.2019 to consider the above mentioned three AAs for clubbing for regularization purpose only. In this application they have stated that they have import packaging material under 3 AAs and fulfilled EO in stipulated period under the same HS Code. They have used the same packing material which is import under 3 different AA and export the same as per the licenses. The PRC Committee earlier meeting No.36/AM23 allowed clubbing of 3 subject license only for redemption purpose but RA Mumbai issued D/L stating that only two licenses having common import which can be clubbed and they have replied on declaring that the import item is packing martial and same in all 3 AAs but they have issued 4th D/L on 17.08.2023 stating that clubbing of authorization import items have to be same. Hence they are requesting to allow clubbing of above mentioned subject licenses for redemption purposes.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. However, the firm did not appear in the Personal Hearing. Accordingly, the Committee decided to defer the case.

(Action: Applicant)

Case No. 14 M/s. Baddi Print Packs Pvt. Ltd., Nalagarh

F.No.HQRPRCAPPLY00003997AM23

Meeting No.17/AM24 held on 13.10.2023

Subject: Consideration of Group Company's export for the discharge of their Export Obligation.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 13.10.2023. Mr. D.I. Desardais ?and Shri Neeraj Varshney appeared on behalf of the firm .

The firm appeared through Video Conferencing and made the following submissions:-

Applicant's statement: This is review case of PRC Meeting No.02/AM24 held on 09.05.2023 (Case No. 16) wherein Committee decided that no relaxation is involved in this case, hence this case has been withdrawn from PRC. Applicant may approach PIC in the matter.

The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that they fulfill all the criteria as stipulated under the provisions of the para 9.28 of the FTP and therefore the exports made by their Group Companies ought to have been duly considered towards discharge of their export obligations against the EPCG Authorizations issued in their favour. The Jt. DGFT Chandigarh grossly erred in rejecting their request for considering the exports made by their two Group companies without taking into cognizance the correct interpretation of the FTP provisions as also enunciated by the Hon'ble High Court of Bombay and that of the Andhra Pradesh High Court and the facts of their case. Therefore, in fitness of things, they considered it appropriate to file this review application as apparently there had been an error in appreciating the facts of their case in its decision making in terms of not taking into cognizance provisions of para 5.4 (i) FTP as these existed as on

09.06.2006 till 17.07.2006 ready along with para 9.28 of the FTP. Hence they are requesting to allow group companies export for the discharge of the export obligation. Their representation date 07/05/2023 and 28/09/2023 was examined along with the other documents that were submitted.

Decision: The Committee heard and reviewed the case on the basis of statement made by the firm and observed that there is no merit in firm's contention. Hence, it decided to maintain the rejection of the earlier decision of PRC Meeting No.02/AM24 held on 09.05.2023 (Case No. 16).

(Action: Applicant)