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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting
Held on 15.03.2021 & 16.03.2021 under the Chairmanship of Shri Amit Yadav, Director General of Foreign Trade

Meeting No.25/AM21 held on 15.03.2021 &16.03.2021

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

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. Indian Ceramic House, Agra	1
2.	M/s. Inox Wind Ltd., Noida	2
3.	M/s. Dishman Pharmaceuticals and Chemicals Limited, Ahmedabad	3
4.	M/s. Kamala International Exim Private Limited, Hyderabad	4
5.	M/s. Ankit Biscuits Pvt. Ltd., Kattedan, Hyderabad	5
6.	M/s. Pahal Foods Pvt. Ltd., Hyderabad	6
7.	M/s. Singhania Foods International, Hyderabad	7
8.	M/s. Shital Fibres Limited, Jalandhar	8
9.	M/s. Zenith Birla (India) Limited, Mumbai	9
10.	M/s. Syngenta India Limited, Pune	10
11.	M/s. Nutech Print ServicesIndia, New Delhi	11
12.	M/s. Dynamatic Technologies Ltd., Bangalore	12
13.	M/s. Anantam Jewels Pvt. Ltd., Mumbai	13
14.	M/s. GovardhanPolyplastPvt. Ltd. Gujarat	14
15.	M/s. Kohinoor Reclamations, Jalandhar, Punjab	15
16.	M/s. Pinnacle Clothing Co., Noida (UP)	16 to 18
17.	M/s. SMC Corporation India Pvt. Ltd., Noida, UP	19
18.	M/s. Tata Chemicals Ltd., Mumbai	20
19.	M/s. SNS Energy Pvt. Ltd., Vadodara	21
20.	M/s. Appu Hotels Limited, Chennai	22
21.	M/s. Ruchi Soya Industries Ltd., Mumbai	23
22.	M/s. Bharat Heavy Electricals Ltd., New Delhi	24
23.	M/s. Vedanta Limited, New Delhi	25

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PH Case No. 01 M/s. Indian Ceramic House, Agra
F. No. 01/60/162/209/AM21/PRC
PRC Meeting No.25/AM21 dated 16.03.2021

Subject: Revalidation against Advance Authorization No.0610038818 dated 15.02.2018 for direct import.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.03.2021, Shri Sunil Agarwal, Partner and Shri Samridh Agarwal, Partner appeared on behalf of the firm and made the following submissions:

The applicant stated that they manufacture a product group that uses gold as a principal raw material. Even though they have an advance license, MMTC (the only nominated agency) that supplies them gold gives gold to them as replenishment and not in advance. This license has been invalidated on MMTC in which they are allowed to import a total of 8000 gms. They have exported goods containing 5591.64g and imported 3000 gms of gold. Further their remaining quantity of gold is 2591.64g for import. They have further informed that MMTC has refused to give the gold against the invalidation letter to the exports to take benefit of import against advance license and have returned it the invalidation letter issued against subject license which has been submitted to RA, Kanpur. Due to the change in FTP Para 4.34, where exporters buying gold from nominated agencies cannot avail ITC of 3% IGST, they were unable to use this license further. They are seeking an extension because the change in the FTP has hampered their ability to buying gold from MMTC against invalidation letter. Gold being a high value commodity attracts a 3% GST which is very high to consume as a business. They have requested to grant 2nd 6 months extension for only direct import as per Para 4.41(c)(ii) of HBP.

Decision: The Committee heard the submission made by the firm and discussed the matter at length and observed there is merit in their case and accordingly it decided to accede the request and allowed revalidation of Advance Authorization No.0610038818 dated 15.02.2018 for a period of 6 months from the date of endorsement for direct import. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Kanpur)

PH Case No. 02 M/s. Inox Wind Ltd., Noida
F. No. 01/60/162/41/AM21/PRC
PRC Meeting No.25/AM21 dated 16.03.2021

Subject: **Request for consideration of acceptance of 100% EO in place of 50% alternate export products against 4 EPCG Authorization No. (i) 2230001282 dated 28.01.2010, (ii) 2230001597 dated 20.01.2011, (iii) 2230001808 dated 29.07.2011 and (iv) 2230002007 dated 18.06.2012 on account of major changes in the technology and condonation of not mentioning the EPCG license number and date in some of the shipping bills.**

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.03.2021, Shri Sanjay Singh, General Manager Exim &

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Logistics and Shri Rajeev Gupta, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is defer case of PRC Meeting No.11/AM21 dated 22.09.2020 (Case No.05), wherein the Committee deferred the case to seek a detailed report from RA, Ludhiana. The applicant stated that they intended to manufacture Wind Turbine Generators and its components. Due to technological advancements, technology in this area was changing rapidly with requirement of bigger and more efficient wind turbines. Most of the wind energy markets outside of India were focused on using the following advanced design and technology. (1) Use of 1.50MW to 2.00 MW WTGs in India as compared to 2.00 MW WTGs. In India as compared to 2.00MW, 2.50MW and 3.00 MW WTGs. (2) Their company was the first to introduce rotor diameter of 93m, 2.00 MW WTG, to India market but world market (Europe, USA and China) Shifted to 100m and higher. When they shifted to Rotor diameter to 100m, market shifted to 113m and when they invested in 113m, the market started using120+m. The high cost involved with adopting bigger WTG and longer rotor diameters to keep pace with world market prevented them to supply to export market. (3) Supply models in the World Markets; The investors and buyers of WTGs are not experts in the field of wind energy.
Most of the export markets were looking for arrangements where the supplier would not only supply the WTGs, but would also provide the following services in foreign land such as; (i) Identification of suitable sites(high wind sites) to locate WTGs. (ii) Developing wind farms (sites containing number of WTGs connected together through transmission lines and electric power to grids) i.e. development infrastructure to support installation, erection, build approach road etc. (iii) Operate and maintain WTGs over long duration from 5 years to 15-20 years (after sale services and supply of components and consumables). It was estimated that to implement such models and succeed in the foreign market, it would require developing large teams and infrastructure which would entail marking large investment in each of these markets. This would also require most investment in smaller markets than what they invested in India for higher market volumes. As markets in countries other than China (the largest market) and USA (the second largest market) are small, it would mean making similar or higher investment in infrastructure in each country, which was not viable. Arranging finances outside of China and USA almost all buyers were looking for financing arrangement by them at low rates of interest. While the established players from developed countries namely Vests GE Siemens and Enercon, because of their sheer size could provide such arrangements through Exim Banker large provide banks, they could not provide such financing arrangements and thereby lost out on such opportunities. Accordingly they were not in a position to export wind turbine generators and requested to allow to fulfill their export obligation by making exports of 100% alternate products.

Decision: The Committee heard the case on the basis of justification furnished by the firm along with report received from RA, Ludhiana and observed that their request has been discussed in detail by the EPCG Committee and has been rejected giving detailed reasons. Committee also observed that all along firm has been in production and has been selling their final product in domestic market. After discussing the matter at length, the Committee found no merit in the request. Hence, it decided to reject the request of the firm.

(Action: Applicant)

PH Case No. 03 M/s. Dishman Pharmaceuticals and Chemicals Limited, Ahmedabad
F. No. 01/60/162/30/AM21/PRC
PRC Meeting No.25/AM21 dated 16.03.2021

Subject: To allow MEIS benefit against 38 time barred Shipping bills.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.03.2021. Shri Vaibhav Jajoo, Chartered Accountant and Shri Parth Shah, Chartered Accountant appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.13/AM21 dated 06.10.2020 (Case No.04), wherein the Committee had rejected the case. The applicant stated that due to following technical errors generated at the time of applying for MEIS, they could not claim MEIS benefits amounting to approximately Rs.26 lacs for the FY 2015-16.

(i) After adding the shipping bills to the shipping bill repository, while populating the shipping bills so added at the time of application for MEIS, the system shows an error message, 'ITC(HS) Code/Country of export is not eligible for MEIS' in spite of the fact that the product and the country to which goods are exported are eligible for MEIS benefits based on various public notices issued by DGFT.

(ii) After adding the shipping bills to the shipping bill repository, while populating shipping bills at the time of applying for MEIS, the system shows an error message, 'No record found'.

The shipping bill details are available under the repository, then ideally it should also be available at the time of applying for MEIS. However, for unknown reasons due to the system discrepancy, they are facing the aforementioned errors for some of the shipping bills. They had attempted second time to file the MEIS application against the 38 shipping bills which got accepted without errors. However, as the attempt was made after the due date even after considering the late cut, no MEIS benefit was granted.

Decision: The Committee heard the submission made by the firm and discussed the matter at length and it decided to refer the issue to EDI/NIC-Division for its examination and thereafter the matter will be brought back to PRC.

(Action: Applicant/EDI/NIC-Division)

PH Case No. 04 M/s. Kamala International Exim Private Limited, Hyderabad
F. No. 01/60/162/631/AM19/PRC
PRC Meeting No.25/AM21 dated 16.03.2021

Subject: Revalidation, EODC and Transferability of DFIA No.0910060663 dated 15.07.2014.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.03.2021, Shri Ramesh Kumar Agarwal, Director, Shri Parth Upadhyay, Authorised Representative and Shri G. SubbaRao, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.09/AM20 dated 25.06.2019 (Case No.10), wherein the Committee had rejected the case. The applicant stated that the original DFIA was submitted for revalidation, EODC & Transferability to the RA, Hyderabad which was rejected since the inputs actually used in the product exported have not been specifically indicated in the Shipping Bills through which exports were made after 01.08.2013. The above mentioned DFIA was issued after issuance of Notification No.31 dated 01.08.2013 only with inputs in generic item description as per the SION. In compliance to the Notification they had requested the Customs Authorities to incorporate the same in the shipping bills. But the Custom Authorities have denied to enter the specific input details in the Shipping Bills stating that there is no software available for the Custom Officers to mention the name of the specific inputs. They like to mention that this fact has been confirmed by DG System of CBEC way back in 2017.Hence, requested for Revalidation, EODC and Transferability of above mentioned DFIA.

<u>Decision:</u> The Committee heard and reviewed the case based on the submission made by the applicant and discussed the matter at length and decided to defer the case to seek a detailed report from RA, Hyderabad in chronological order of the events till date before taking the final decision.

(Action: Applicant/RA-Hyderabad)

PH Case No. 05 M/s. Ankit Biscuits Pvt. Ltd., Kattedan, Hyderabad
F. No. 01/60/162/625/AM19/PRC
PRC Meeting No.25/AM21 dated 16.03.2021

Subject: Revalidation, EODC and Transferability of DFIA No.0910058150 dated 05.11.2013.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.03.2021, Shri Ramesh Kumar Agarwal, Director, Shri Parth Upadhyay, Authorised Representative and Shri G. SubbaRao, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.09/AM20 dated 25.06.2019 (Case No.09), wherein the Committee rejected the case. The firm stated that the original DFIA was submitted for revalidation, EODC & Transferability to the RA, Hyderabad. The above mentioned DFIA was issued after issuance of Notification No.31 dated 01.08.2013 only with inputs in Generic item Description as per the SION. In compliance to the Notification they produced declaration containing the specific inputs utilised in the export product and requested the Customs Authorities to incorporate the same in the shipping bills. But the Custom Authorities have denied to enter the specific input details in the Shipping Bills stating that there is no software available for the Custom officers to mention the name of the specific inputs. They like to mention that this fact has been confirmed by DG System of CBEC way back in 2017. Hence, requested for Revalidation, EODC and Transferability of above mentioned DFIA.

Decision: The Committee heard and reviewed the case based on the submission made by the applicant and discussed the matter at length and decided to defer the case to seek a detailed report from RA, Hyderabad in chronological order of the events till date before taking the final decision.

(Action: Applicant/RA-Hyderabad)

PH Case No. 06 M/s. Pahal Foods Pvt. Ltd., Hyderabad
F. No. 01/60/162/635/AM19/PRC
PRC Meeting No.25/AM21 dated 16.03.2021

Subject: Revalidation, EODC and Transferability of 5 DFIA No.(i) 0910058202 dated 13.11.2013, (ii) 0910060195 dated 23.05.2014, (iii) 0910061032 dated 25.09.2014, (iv) 0910061033 dated 25.09.2014 and (v) 0910061671 dated 05.03.2015.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.03.2021, Shri Ramesh Kumar Agarwal, Director, Shri Parth Upadhyay, Authorised Representative and Shri G. SubbaRao, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.09/AM20 dated 25.06.2019 (Case No.08), wherein the Committee had rejected the case. The firm stated that the original DFIA were submitted for revalidation, EODC & Transferability to the RA, Hyderabad, which were rejected since the inputs actually used in the product exported have not been specifically indicated in the Shipping Bills through which exports were made after 01.08.2013. All these DFIAs were issued after issuance of Notification No.31 dated 01.08.2013 only with inputs in Generic item Description as per the SION. In compliance to the Notification they had requested the Customs Authorities to incorporate the same in the shipping bills. But the Custom Authorities have denied to enter the specific input details in the Shipping Bills stating that there is no software available for the Custom Officers to mention the name of the specific inputs. They like to mention that this fact has been confirmed by DG System of CBEC way back in 2017. Hence, requested for Revalidation, EODC and Transferability of above mentioned DFIA.

Decision: The Committee heard and reviewed the case based on the submission made by the applicant and discussed the matter at length and decided to defer the case to seek a detailed report from RA, Hyderabad in chronological order of the events till date before taking the final decision.

(Action: Applicant/RA-Hyderabad)

PH Case No. 07 M/s. Singhania Foods International, Hyderabad
F. No. 01/60/162/626/AM19/PRC
PRC Meeting No.25/AM21 dated 16.03.2021

Subject: Revalidation, EODC and Transferability of 2 DFIA No.0910057626 dated 19.09.2013 and 0910061510 dated 08.01.2015.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.03.2021, Shri Ramesh Kumar Agarwal, Director, Shri Parth Upadhyay, Authorised Representative and Shri G. SubbaRao, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.09/AM20 dated 25.06.2019 (Case No.11), wherein the Committee rejected the case. The firm stated that the original DFIA were submitted for revalidation, EODC & Transferability to the RA, Hyderabad, which were rejected since the inputs actually used in the product exported have not been specifically indicated in the Shipping Bills through which exports were made after 01.08.2013. These DFIA were issued after issuance of Notification No.31 dated 01.08.2013 only with inputs in Generic item Description as per the SION. In compliance to the Notification they had requested the Customs Authorities to incorporate the same in the shipping bills. But the Custom authorities have denied to enter the specific input details in the Shipping Bills duly stating that there is no software available for the Custom Officers to mention the name of the specific inputs. They like to mention that this fact has been confirmed by DG System of CBEC way back in 2017. Hence, requested for Revalidation, EODC and Transferability of above mentioned DFIA. Hence, requested for Revalidation, EODC and Transferability of above mentioned DFIA.

Decision: The Committee heard and reviewed the case based on the submission made by the applicant and discussed the matter at length and decided to defer the case to seek a detailed report from RA, Hyderabad in chronological order of the events till date before taking the final decision.

(Action: Applicant/RA-Hyderabad)

PH Case No. 08 M/s. Shital Fibres Limited, Jalandhar
F. No. 01/60/162/772/AM19/PRC
PRC Meeting No.25/AM21 dated 16.03.2021

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

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.03.2021, Shri AbhishekVij, Director and Harpreet Singh, Manager appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.19/AM21 dated 22.12.2020 (Case No.07), wherein the Committee had rejected the case. The firm stated that the delay in export was due to a devastating huge Fire Accident that took place in their factory premises resulting is complete loss of stocks / building & machineries valuing multi crores. Fire destroyed their complete stock of duty saved raw materials along with

most of their original documents. They made utmost efforts to retrieve the Company in next couple of years and started fulfilling their export obligation. The most unfortunate second accident took place wherein entire factory building collapsed resulting in complete loss of stock & plant & machinery. 23 people died in the said incident which was rescued by NDRF. It was another big blow to the company due sewerage seepage flow and again took number of years to re-build the infrastructure.
It was again stated that Global Market demand has changed which is very common in textile sector. Much of their time lapsed for hearing at Norm's Committee in which earlier their request for change in composition of blend was considered principally but in the later order the request was withheld. Due to pandemic of COVID-19 their export business got affected and their orders got cancelled. Earlier they are getting orders of Printed Synthetic Blanket made of 100% Polyster and not for blended i.e.85% Acrylic & 15% Polyster Yarn as endorsed on authorisations. But now they are getting orders of the same blend as endorsed on authorization and they need 1 year time to complete the remaining export obligation.
It was emphasized by the firm that their request now is only for additional time to make exports and they are not requesting for any change in the import or export items, as was being done in the past by them.

Decision: The Committee heard the submission made by the firm and discussed the matter at length. It observed that at present, firm's request is only for grant of more time to fulfill the export obligation and not for any changes in import or export items allowed on the AAs. Accordingly, it decided to accede the request and allowed EOP extension of 8 Advance Authorizations No.(i) 3010043132 dated 29.07.2005, (ii) 3010045201 dated 16.12.2005, (iii) 3010046474 dated 20.03.2006, (iv) 3010049089 dated 14.09.2006, (v) 3010056476 dated 20.05.2008, (vi) 3010073672 dated 18.03.2011, (vii) 3010073869 dated 25.03.2011 and (viii) 3010091497 dated 29.01.2013 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-Ludhiana)

PH Case No. 09 M/s. Zenith Birla (India) Limited, Mumbai
F. No. 01/60/162/547/AM20/PRC
PRC Meeting No.25/AM21 dated 16.03.2021

Subject: To allow SHIS benefit against the export made during year 2009-10.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.03.2021, Shri Atul Jain, General Manager appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.15/AM21 dated 03.11.2020 & 11.11.2020 (Case No.12), wherein the Committee had rejected the case. The applicant stated that they had applied for SHIS against exports made during AM09-10 and the application was submitted during AM12-13 and the scripNo.0310756882 dated 6.11.13 for Rs.1,65,10,432/- was issued to them. During AM10-11, they had applied for three Zero duty EPCG licenses, obtained and also redeemed after completion of exports. During March 2015, RA, Mumbai issued a letter asking them to return the SHIS. Reason cited by RA was that they had violated the application criteria. They had submitted the detailed reply giving clarification and they also submitted manual application for SHIS for the exports made during 2010-11. They requested to consider this application, if the benefit under scrip issued for 2009-10 was to be surrendered. Later on they received letter from RA, Mumbai informing that their application for SHIS was rejected. After that they have been allowed and attended for personal hearing before the RA, Mumbai and intimated to them to submit fresh application against export made during FY 2010-11 for Rs.2,54,20,384/-. They requested on 23.10.2018 to RA, Mumbai for issuance of fresh scrip for differential payment of Rs.89,09,952/-, wherein it was rejected. They again submitted reminder on 04.10.2019, but they have receive deficiency letter intimating that their application was time barred.

Decision: The Committee having heard and reviewed the case on the basis of justification furnished by the firm and observed that there is no merit in firm's contention and decided to maintain rejection of the request of the firm as in earlier PRC meeting No.15/AM21 dated 03.11.2020 & 11.11.2020 (Case No.12).

(Action: Applicant)

PH Case No. 10 M/s. Syngenta India Limited, Pune
F. No. 01/60/162/622/AM20/PRC
PRC Meeting No.25/AM21 dated 16.03.2021

Subject: To allow FMS / MLFPS benefit against 278 time barred shipping bills which pertain to the period 2010-11 to 2014-15.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 16.03.2021, Shri Avinash Foujdar, Consultants and Shri Vikas Dalvi, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.16/AM21 dated 26.11.2020 (Case No.01), wherein the Committee decided to call the firm for personal hearing. The applicant stated that their export products and export markets were eligible under promotional schemes like FMS and MLFPS of the FTP 2009-14 for the exports till 31.03.2015. Accordingly, they had submitted FMS/MLFPS applications to RA, Pune and received MLFPS/FMS scrips. However, in some of the applications the deficiency of eBRC in INR was raised by RA, Pune. They had clarified to RA confirming that the payment has been received through Vostro Account. Also clarified that in accordance with the Para 2.40 of FTP 2009-14 and Para 2.52 of FTP 2015-20, they had exported the goods and invoiced the same in INR. The consideration for the same was received in foreign currency and the concerned banks had issued the FIRCs to that effect. However, RA, Pune had rejected for amendment in eBRC (foreign currency). Further they approached DGFT(HQ), for which they have been informed to re-activate all the relevant shipping bills to cancel all the eBRC from Bank and re-issue the eBRCs with correct payment currency. They had requested to RA to cancel all applications, wherein they have been issued rejection letters for further procedure of re-activation. Accordingly, DGFT NIC re-activated the said shipping bills. Their bank had cancelled the eBRC of subject shipping bills and re-issued the eBRC in USD. Their bank had also issued the certificate confirming the payment received through Vostro Account. Hence, requested to allow FMS/MLFPS benefits against 278 shipping bills (submitted in RA vide 24 files) with applicable late cut on the basis of first date of submission of said applications and not the 100% late cut.

Decision: The Committee heard the submission made by the firm and discussed the matter at length and noted that there is merit in the case and accordingly decided to allow filing of applications for FMS/ MLFPS to the firm against 278 Shipping Bills pertaining to the period 2010-11 to 2014-15. Eligibility for benefits would be as per the provisions of FTP/HBP. Late cut, if any, on the entitlement will be decided taking the date of submission of original application as the date of application. The firm shall approach RA within 90 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Pune/ EDI/NIC for necessary updation in the System)

Case No. 11 M/s. Nutech Print Services India, New Delhi
F. No. 01/60/162/460/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Revalidation of DFIA No.0510411959 dated 26.09.2019.

The applicant stated that the subject DFIA was issued for the import of Printing Paper, Paper Board and other consumables. Due to unfortunate situation of COVID-19 Pandemic they could not utilize the full quantity of imports and utilized only 158.700 MT of Printing Paper out of 258.255 MT and balance quantity of paper and other item remained unutilized and the DFIA validity had expired in September 2020. Although DGFT through a Notification No.57/2015-20 dated 31.03.2020 allowed extension of validity for the authorisations for six months, which is expiring between 01.02.2020 and 31.07.2020 but their expiry was in the month of September, 2020. Hence, requested for revalidation for 6 months from the date of endorsement.

Decision: The Committee examined 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, it decided to accede the request and allowed revalidation of DFIA No.0510411959 dated 26.06.2019 for a period of 6 months from the date of endorsement. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/CLA-New Delhi)

Case No. 12 M/s. Dynamatic Technologies Ltd., Bangalore
F. No. 01/60/162/461/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Condonation of procedural lapse of not obtaining SCOMET permission against 3 Advance Authorization No.(i) 0710112362 dated 07.11.2017, (ii) 0710112968 dated 13.03.2018and (iii) 0710114150 dated 19.11.2018 prior to exports.

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The applicant stated that Dynamatic Oldland Aerospace, a division of Dynamatic Technologies Ltd., (DTL), Bangalore is one of the leading Manufacture and exporter of Aerospace Components and structural assemblies in the country and supplying to OEMS like Boeing, Airbus, Bell Textron etc. The above 3 advance authorizations are pertaining to Boeing Project namely Boeing P8A Aircraft. They have fulfilled all the conditions laid down in the policy and earning huge foreign exchange since the recent past. They have a clean track record as one of the genuine exporters having not indulged in any malafide activities. They have completed export obligation in all respects. They have received PO No.1349776 dated 20.06.2017 from Boeing Seattle, USA for supply of 49 shipsets of cabinet Mechanical Assembly and power cabinet shell. They were not aware that the exports covered by the above authorization come under the purview of SCOMET permission. The same was not applied at the time of obtaining the authorizations. They have completed the export obligation and it is merely a genuine procedural lapse on their part of past exports. Hence, requested to condone and issue EODC.

Decision: The Committee went through the submission made by the applicant and discussed in detail. The Committee observed that this is a case of violation of Policy Provisions. Hence, it decided to refer the case to ECA-Division (HQ) for taking further necessary action.

(Action: Applicant/ECA-Division)

Case No. 13 M/s. Anantam Jewels Pvt. Ltd., Mumbai
F. No. 01/60/162/457/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: One time relaxation to avail replenishment of gold exported vide S/Bills No.1726981 dated 22.12.2017 by waiving condition covered under Para 4.82 of HBP 2015-20.

The applicant stated that they are a manufacturer – Exporters of Diamond studded Gold Jewellery, exporting to the various countries for the last 4 years. They have started their export sale in small scale in the year 2016 and gradually it was increased. In the initial period, they were getting exports orders in small quantities and therefore they were not in a position to procure gold from nominated banks / agencies. They used to procure Gold from Local Traders on payment of applicable taxes and export under Replenishment scheme in terms of Para 4.34 of FTP and Para 4.82 HBP 2015-2020. One of their shipment was made vide S/Bills No.1726981 dated 22.12.2017 under replenishment scheme and payment of same has been realized on 14.03.2018, 17.04.2018, 15.05.2018 & 18.06.2018 respectively. In accordance to Para 4.82(c) they had obtained Notional Rate Certificate dated 21.12.2017 and exported Gold Jewellery vide S/B No.1726981 dated 22.12.2017 under replenishment scheme. The export proceeds have been realized in Yes Bank Ltd. on 14.03.2018, 17.03.2018, 17.04.2018, 15.05.2018 & 18.06.2018 respectively. However due to non-issuance of e-BRC within time they have approached Yes bank Ltd. for the issuance of same. After 2 years of payment realization with continuous follow up, bank uploaded e-BRC on 22.01.2020.Upon receipt of e-BRC they submitted an application for replenishment of Gold exported vide S/Bills No.1726981 dated 22.12.2017. As per Nominated Agency (Diamond India Ltd.) their application is time barred. This is purely due to unduly delay in uploading e-BRC by the authorized Dealer Yes Bank Ltd. Subsequently Nominated Agency has advised them vide letter No.NRC DIL / DM/ NRC / 260 dated 21.12.2017, that as per FTP Provisions, Pricing should be done within 180 days of export. The time limit has since been exceeded in this case.

Decision: The Committee went through the submission made by the firm and noted that the applicant has not submitted any cogent reason/ justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to reject the request of the firm.

(Action: Applicant)

Case No. 14 M/s. Govardhan Polyplast Pvt. Ltd., Gujarat
F. No. 01/60/162/286/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: To accept copy of FIRC instead of BRC towards EODC against Advance Authorization No.5210041923 dated 10.06.2016.

The applicant stated that they are exporters of PP woven Bags & PP woven Fabric. They had turnover of approximately 50 Cr and are holding Status Holder Certificate. They had exported their goods to CUBA and received payment having FIRC copies. But they are unable to get the BRC from Bank. Banks are not giving them any proper reason for non-issuance of BRC. Hence, requested to accept copy of FIRC instead of BRC towards EODC against the above advance authorization, otherwise they will get heavy losses as there is also thin due to high completion in the market.

Decision: The Committee went through the statement made by the applicant and observed that there is genuine hardship in this case and therefore decided to accept FIRC instead of BRC against Advance Authorization No.5210041923 dated 10.06.2016 towards issue of EODC. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/ RA-Surat)

Case No. 15 M/s. Kohinoor Reclamations, Jalandhar, Punjab
F. No. 01/60/162/479/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Revalidation of Import License No.3050000508 dated 16.10.2018.

The applicant stated that earlier they did not have NOC from MOEF for the year 2019-20 so they could not import the material approximately 3219 MT left in the license. Now, they have been issued NOC from MOEF vide file No.23-251/2012-HSMD DT 22.09.2020 for 2200MT for import of Used Rubber Tyres scrap/ Tubes Scrap. Their license was revalidated upto 15.10.2020 on 11.10.2020 by RA, Ludhiana. However, as the shipment is not possible due to current COVID-19 and within 5 days. Hence, requested to revalidate the license for a further period of 6 months upto 15.04.2021 to import the balance material as per Ministry of Environment, Forest and Climate Change (MOEF).

Decision: The Committee discussed the case at length and found no merit or hardship in the arguments made by the firm and hence decided to reject the request of the firm. Firm can always apply for a fresh license.

(Action: Applicant)

Case No. 16 M/s. Pinnacle Clothing Co., Noida (UP)
F. No. 01/60/162/444/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Regularization of Export made beyond EOP within 35 Months i.e. on 29.11.2020 against Advance Authorization No.0510405162 dated 29.12.2017.

The applicant stated that the subject authorization was obtained with the initial EOP of 18 months and obtained first EOP Extension from RA i.e. upto 24 months (29.12.2019). They have imported 100% and also completed 100% EO within 35 months. They have fulfilled 89.81% only within 24 months. No any shipment has been made within 30 months due to COVID-19 & lockdown. Balance EO (10.19%) had made within 35 months. They have completed 100% EOP within 35 months i.e. on 29.11.2020.

Decision: The Committee examined the case in detail and in view of justification provided by the firm it decided to accede the request and allowed EOP extension up to 29.11.2020 against Advance Authorizations No.0510405162 dated 29.12.2017 only for regularization purpose subject to payment of composition fees @0.5% per month on the unfulfilled FOB value, if exports are fulfilled more than 50% or @ 1% per month where exports have been made less than 50% within initial/extended EOP. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/CLA-New Delhi)

Case No. 17 M/s. Pinnacle Clothing Co., Noida (UP)
F. No. 01/60/162/446/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Regularization of Export made beyond EOP (within 35 months i.e. on 26.11.2020) against Advance Authorization No.0510405084 dated 26.12.2017.

The applicant stated that the subject authorization was obtained with the initial EOP of 18 months and obtained first EOP Extension from RA i.e. upto 24 months (26.12.2019). They have imported 100% and also completed 100% EO within 35 months. They have fulfilled 90.51% only within 24 months. No any shipment has been made within 30 months due to COVID-19 & lockdown. Balance EO (9.49%) had made within 35 months. They have completed 100% EOP within 35 months i.e. on 26.11.2020.

Decision: The Committee examined the case in detail and in view of justification provided by the firm it decided to accede the request and allowed EOP extension up to 26.11.2020 against Advance Authorizations No.0510405084 dated 26.12.2017 only for regularization purpose subject to payment of composition fees @0.5% per month on the unfulfilled FOB value, if exports are fulfilled more than 50% or @ 1% per month where exports have been made less than 50% within initial/extended EOP. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/CLA-New Delhi)

Case No. 18 M/s. Pinnacle Clothing Co., Noida (UP)
F. No. 01/60/162/445/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Regularization of Export made beyond EOP (within 35 months and 11 days i.e. on 24.11.2020) against Advance Authorization No.0510404937 dated 14.12.2017.

The applicant stated that the subject authorization was obtained with the initial EOP of 18 months and obtained first EOP Extension from RA i.e. upto 24 months (26.12.2019). They have imported 100% and also completed 100% EO within 35 months and 11 days. They have fulfilled 80.23% only within 24 months. No any shipment has been made within 30 months due to COVID-19 & lockdown. Balance EO (19.77%) had made within 35 months and 11 days. They have completed 100% EOP within 35 months and 11 days i.e. on 24.11.2020.

Decision: The Committee examined the case in detail and in view of justification provided by the firm it decided to accede the request and allowed EOP extension up to 24.11.2020 against Advance Authorizations No.0510404937 dated 14.12.2017 only for regularization purpose subject to payment of composition fees @0.5% per month on the unfulfilled FOB value, if exports are fulfilled more than 50% or @ 1% per month where exports have been made less than 50% within initial/extended EOP. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/CLA-New Delhi)

Case No. 19 M/s. SMC Corporation India Pvt. Ltd., Noida, UP
F. No. 01/60/162/423/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Extension of EOP against Advance Authorisation No.0510406269 dated 27.04.2018.

The applicant stated that their subject AA expired on 27.04.2020 after 1st extension. So as per PN 67 dated 31.03.2020, they got automatic 06 months extension with expiry period 26.10.2020. Since, this 06 months was a grant given by the government due to COVID-19, they wish to apply for 2nd extension till 26.04.2021 with applicable composition fee of FTP. However, due to online system issues they are not able to file application online as DGFT customer portal is still showing EOP date as 27.04.2020 and not taking effect of PN-67 dated 31.03.2020. Additionally online system is showing EO fulfilled as 0% only whereas they have already fulfilled approx. 85% obligation. Further stated that there has been a huge slowdown due to COVID-19 and they are also one of the victims of this pandemic. Somehow they managed to convince their buyer and got orders for pending EO which may be exported after EOP extension only. Hence, requested to grant 2nd extension for another 6 months till 26.04.2021.

Decision: The Committee went through the submission made by the firm and discussed the matter at length. The Committee observed that due to COVID-19 Pandemic, the firm has faced the problem which was beyond their control and accordingly decided to accede the request and allowed EOP extension of Advance AuthorisationNo.0510406269 dated 27.04.2018 for a period of 6 months from the date of endorsement subject to the payment of composition fees @0.5% per month on the unfulfilled FOB value, if exports are fulfilled more than 50% or @ 1% per month where exports have been made less than 50% within initial/extended EOP. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/ CLA-New Delhi)

Case No. 20 M/s. Tata Chemicals Ltd., Mumbai
F. No. 01/60/162/469/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Revalidation of SHIS Scrip No.0810144139 dated 20.12.2018.

The applicant stated that they have been issued the above SHIS scrip, however, due to wrong Customs Notification number mentioned in the scrip, they could not utilize the same within the validity period of the scrip. They finally got amendment of notification number in the SHIS scrip from the RA, Ahmedabad only in the month of January/February 2020. And after getting the amendment of the scrip, they could not utilize the scrip within the validity time due to novel coronavirus pandemic which hit worldwide. They have placed their order well before the validity time, but the supplier seeking change the delivery period due to Pandemic (COVID-19) hit Germany too very badly. Hence, requested to revalidate the scrip for further six months from the date of endorsement up to 20.06.2021 due to coronavirus pandemic.

Decision: The Committee discussed the case at length and found no merit or hardship in the arguments made by the firm and hence decided to reject the request of the firm.

(Action: Applicant)

Case No. 21 M/s. SNS Energy Pvt. Ltd., Vadodara
F. No. 01/60/162/694/AM20/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Extension of Export Obligation Period against Advance Authorization No. 3410043681 dated 06.12.2017 without composition fee.

This is review case of PRC Meeting No.13/AM21 dated 06.10.2020 (Case No.07), wherein the Committee had approved the case. The applicant stated that the delay in shipment was due to the unpreparedness of their foreign buyer site in accepting their materials as the site where the containerized Gen Set is supposed to be placed was not ready. By the time it was ready, it was under lockdown with effect from 22ndMarch 2020 due to COVID-19 and the same could not be exported. Then as soon as the lockdown was lifted immediately, they made arrangements to ship the material but then also due to heavy rush at the Indian Seaports, they could not get vessel space and ultimately they could dispatch the same in the month of September 2020.Before DGFT decides on composition applicability, keeping the lockdown factor in consideration, it is their earnest request to consider the delay in export from January 2020 upto 22nd March 2020 only and not up to the date of actual shipment, which was complete lock down for few months & then there was partial relief. As the lock down was ordered by government they had to follow. Also, their import value of the consignment as mentioned in the subject AA is only USD 96836.56 and as per the guidelines in FTP (2015-2020), the FOB value of exports should be 15% more than the FOB value of imports on which the import duty was not paid, request to consider the FOB value as USD 1,11,361.40 for any composition calculation. They have already exported goods worth more than Rs.15 crores in last one a half year. Hence, requested to waive off the composition fee in totality and help them to tide over this very tough and unprecedented situation created due to COVID-19.

Decision: The Committee reviewed the case on the basis of justification submitted by applicant and discussed the matter along with Public Notice No.67/2015-2020 Dated 31.03.2020 and observed that there is merit in the case. Hence the Committee decided to waive the condition for payment of composition fee of 1% per month on the unfulfilled FOB value for the period from 01.02.2020 to 31.07.2020 (6 months- due to Covid) for EOP extension up to 30.09.2020 of above advance authorization, which was imposed by the PRC in its Meeting No.13/Am21 dated 06.10.2020. For rest of the extension period, firm would pay composition fee @1% Per Month on unfulfilled FOB value. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/ RA-Vadodara)

Case No. 22 M/s. Appu Hotels Limited, Chennai
F. No. 01/60/162/916/AM20/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Extension in EOP against 73 EPCG Authorizations.

The applicant stated that they were issued with 78 EPCG authorisations. Subsequently, they have imported only under 73 EPCG Authorisations. So they have not imported capital goods in 5 EPC license. at the time of filing application for EPCG authorization for import of Capital Goods for Le Meridien, Coimbatore they had mistakenly declared that foreign exchange earnings of Le Royal Meridien, Chennai in the preceding 3 licensing years since the IEC of the import – M/s Appu Hotels

Limited, was mentioned in the license for Le Meridien, Coimbatore also. This resulted in fixation of additional Annual Average Export Obligation (AEO) for Le Meridien, Coimbatore. They had approached EPCG Committee to delink the Annual Average Exports performance of Le Royal Meridien, Chennai. However, it was rejected on the ground that IEC details were taken into account of fix the AEO and it could not be bifurcated. They have fulfilled 87.42% EO up to Financial Year 2019-20 and only a balance obligation of 12.58% to be fulfilled. Hence, requested the Le Meridien, Coimbatore being a distinct entity situated in Coimbatore and having a different Service Tax Registration Number, Name and Hotel License should be treated as a separate hotel and EO be fixed 8 times of the duty foregone only and additional time of 2 years to fulfill the remaining EO for Le Meridien, Coimbatore in light of the slump caused by the Coronavirus Pandemic in the hotel industry.

Decision: The Committee examined the records submitted and statement made by the firm. It observed that applicant's request had been discussed in detail by the EPCG Committee and has been rejected giving detailed reasons. After discussing the matter at length, the Committee found no merit in its application. Hence, it decided to reject the request of the firm.

(Action: Applicant)

Case No. 23 M/s. Ruchi Soya Industries Ltd., Mumbai
F. No. 01/60/162/476/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: To allow MEIS benefit against 91 Shipping Bills pertaining to years 2016-2017 & 2017-2018 which are time barred due to delay in uploading of the BRC's by Bank.

The applicant stated that they are processing Crude Edible Oils at Port based Refineries and distributing Refined Oils in domestic markets. They are also manufacturing and exporting value added Soya products and crushing oil seeds like Soyabean & Mustard at its inland plants. Recently, Ruchi Soya Industries Ltd., has been taken over by Patanjali Group under the able leadership of Pujya Swami Ramdev Ji and respected Acharya Shri Balkrishn Ji. There are 91 shipping bills pertaining to year 2016-17 and 2017-18 which were realized in time. However due to some reasons Banks – Punjab National Bank, ICICI Bank and Axis Bank could not upload the E-BRC in time. Delay is ranging 3 years to 4 years. Due to this they could not file their application for issuance of MEIS in time as shipping bills got expired by the time Banks uploaded eBRC. All exports under these shipping bills were made considering the incentives to be received and non-receipt of incentives have put their company in huge losses.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee observed that due to delay in uploading of BRC by the banker in DGFT Portal, the firm has faced the problem which was beyond their control and decided to grant Chapter-3 benefits for those shipping bills pertaining to 2016-17 and 2017-18 without any late cut for which payments have been realized on time but the e BRC have been uploaded by the bank after the expiry of three years from the date of let export. The firm shall approach RA within 90 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Pune/ EDI/NIC for necessary updation in the System)

Case No. 24 M/s. Bharat Heavy Electricals Ltd., New Delhi
F. No. 01/60/162/485/AM21/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Acceptance of payment received in INR in Advance Authorization No.0610013597 dated 01.07.2008 towards EODC.

The applicant stated that they have obtained the subject authorization for importing raw material for execution of 3X14 MW Salma Afghanistan Project. As per authorization, 3 numbers of Transformers (Copper Wound) above 10,000 KVA up to and including 25,000 KVA, 3 phase, Oil Cooled (17.25 MVA) were required to be exported. The 3 Transformers of 17.25 MVA were dispatched vide Shipping Bill No.5495238 dated 13.04.2019, 5495239 dated 13.04.2019 and 5495240 dated 13.04.2009. Thereafter they have applied for redemption to RA, Kanpur in 2012. Payment have been received for 2 Transformers with Shipping Bill No.5495239 dated 13.04.2019 and 5495240 dated 13.04.2019. This payment was realized in INR and the original BRC copy issued by SBI for these two transformers was also submitted to RA, Kanpur in 2012 with request for redemption. The other Transformer exported against Shipping Bill No.5495238 dated 13.04.2019 could not reach the destination site in Afghanistan since same has fallen down during road transportation in Afghanistan. The transformer got damaged and due to political turmoil and terrorist attacks in Afghanistan in that period there was delay in return of damaged transformer into India. Finally, after 5 years the same was re-imported and brought back to India in 2014 for repair. After repairing successfully, it was re-exported vide shipping bill No.3130486 dated 02.03.2015. Since, this project was financed by Ministry of External Affairs, India the payment was realized in INR against the given license. However, RA, Kanpur had not accepted and advised to approach PRC. Hence, requested for acceptance of the payment received in INR against this project and redeem their license as they have already exported all the 3 transformers with a value addition of 21.26% in actual imports and exports.

Decision: The committee went through the statement made by the firm in its application and noted that the facts of the case have not been clearly specified by the firm and hence decided to call the firm for **Personal Hearing**.

(Action: Applicant/PRC)

Case No. 25 M/s. Vedanta Limited, New Delhi
F. No. 01/60/162/738/AM20/PRC
PRC Meeting No.25/AM21 dated 15.03.2021

Subject: Grant of Duty Drawback against Domestic Procurement against 08 DFIA's No.(i) 0510406936 dated 21.06.2018, (ii) 0510406831 dated 12.06.2018, (iii) 0510406832 dated 12.06.2018, (iv) 0510406935 dated 21.06.2018, (v)

0510407292 dated 24.07.2018, (vi) 0510408363 dated 06.11.2018, (vii) 0510408364 dated 06.11.2018 and (viii) 0510408365 dated 06.11.2018.

The applicant stated that they had proposed to go for domestic procurements of import items allowed under the authorisations viz. Calcined Alumina (Import Sl.No.1) and CP Coke (Import Item Sl.No.2). However, they were prevented from availing the facility of domestic procurement as Para 7.06 of FTP allowed only brand rate of duty drawback against domestic deemed export supplies. This provision of Para 7.06 of FTP has been recently amended vide Notification No.28/2015-20 dated 31.10.2019 came into effect from 05.12.2017 and allows AIR of duty drawback. Accordingly, all domestic procurements against the subject DFIA should be treated as procured against ARO and the deemed export benefits in terms of Para 7.03 of FTP should be allowed. They have fulfilled 100% EO and denying the import entitlement will cause them financially loss and undue hardship. Hence, requested that all domestic procurements made against the above DFIAs should be treated as procurement against ARO and the benefit of Deemed export benefits under Para 7.03 of FTP viz. All Industry Rate of Duty Drawback should be allowed.

<u>Decision</u>: The Committee discussed the case at length and found no merit or hardship in the arguments made by the firm and hence decided to reject the request of the firm.

(Action: Applicant)

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