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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting
Held on 17.01.2023 under the Chairmanship of
Shri Santosh Kumar Sarangi, Director General of Foreign Trade

Meeting No.30/AM23 held on 17.01.2023

The following members were present in the meeting:

1. Shri S.B.S. Reddy — Addl. DGFT
2. Shri Hardeep Singh — Addl. DGFT
3. Shri Akash Taneja — Addl. DGFT
4. Shri Anil Aggarwal — Addl. DGFT
5. Dr. S.K. Bansal — 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. ADF Foods Limited, Mumbai	1
2.	M/s. Alkem Laboratories Limited, Mumbai	2
3.	M/s. Thyssenkrupp Industries India Pvt. Limited, MH	3
4.	M/s. Godawari Udyog, Sangli(MH)	4
5.	M/s. CCL Products (India) Limited, Guntur (AP)	5
6.	M/s. Asian Tea Company Pvt. Ltd., Kolkata	6
7.	M/s. Kemwell Biopharma Pvt. Ltd., Bangalore	7
8.	M/s. Recipharm Pharmaservices Pvt. Ltd., Bangalore	8-9
9.	M/s. Parsons Nutritionals Pvt. Ltd., Kanakapura	10
10.	M/s. CTA Apparels Pvt. Ltd., New Delhi	11
11.	M/s. Rama Exports, Mumbai	12
12.	M/s. Rani International, Mumbai	13-14
13.	M/s. Das Offshore Limited, Mumbai	15
14.	M/s. Carbon Resources Pvt. Ltd., Kolkata	16
15.	M/s. Mundra Solar Pvt. Ltd., Ahmedabad	17

PH Case No. 01 **M/s. ADF Foods Limited, Mumbai**
F.no. HQRPRCAPPLY00003751AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Condonation of delay in submission of online TMA application for the period July 2020 to September 2020.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, but no one appeared on behalf of the firm. Accordingly, the Committee decided to defer the case.

(Action: Applicant)

PH Case No. 02 M/s. Alkem Laboratories Limited, Mumbai
F.no. HQRPRCAPPLY00003814AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Revalidation of 23 MEIS Scrip numbers

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Sandeep Bagwe, Deputy General Manager – Commercial, Shri Shashikant Mali, and Mrs. Sujata Jagadale, Authorised Representatives appeared on behalf of the firm and made the following submissions:

This is the review case of PRC Meeting No.12/AM22 dated 28.09.2021 (Case No.06) wherein the Committee has decided to reject the case. The applicant stated that during the year 2018 & 2019, they have obtained total 103 MEIS scrips out of which 80 scrips were fully utilized and the balance 23 scrips remained fully / partially unutilized which were expired during the period February to May 2021. In the year 2020, their employee who handles all these work got serious health issues and was not able to work. Further, he had expired and there was no one to assist him. Therefore, all their day to day import/export activities were seriously hampered. Also due to covid-19 pandemic their work got hampered. Hence, they are requesting for revalidation of 23 MEIS licenses

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the applicant and discussed the case at length and found no merit in the request of the firm. Accordingly, it decided to maintain rejection of the earlier decision of PRC in its Meeting No.12/AM22 dated 28.09.2021 (Case No.06).

(Action: Applicant)

PH Case No. 03 M/s. Thyssenkrupp Industries India Pvt. Limited, MH
F.no. HQRPRCAPPLY00003857AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: To allow MEIS benefit against 4 shipping bill No.(i) 8696463 dated 30.03.2015, (ii) 8586284 dated 25.03.2015, (iii) 1461749 dated 28.06.2015 and (iv) 1934420 dated 21.07.2015.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Raju Bhalerao, Senior Manager – Import Export and Shri Manoj Sharma Authorised Representative appeared on behalf of the firm and made the following submissions:

The applicant stated that the export benefit was not allotted to 4 shipping bills in the application made in 2018 vide ECOME no. 31/21/090/87434/AM18 (8586284, 8696463) & 03/88/012/12900/0543/8964 (1191604, 1461749 & 1934420) due to non-declaration of intent in the shipping bill. On representation, as per PN no. 40/2015-2010 dated 09.10.2015 (export made between 01.04.2015 & 31.05.2015 are eligible for MEIS benefit even when the exporter has inadvertently marked N in the reward item box shipping bills are considered for benefit & re-activated by the concerned authorities. Applicant stated that their case is fully covered by Public Notices issued in this regard. On line system does not consider time barred shipping bills, hence request is made as per TN 36 dated 09.10.2019 to remove 100 % late cut. To consider the shipping bills of 2015 for export benefits without late cut since timely claim was made in 2018 however rejected due to non declaration of intent in the shipping bills. On representation, it has been agreed to release the benefit & hence shipping bills are re-activated by the concerned authorities.

Decision: The Committee heard and went through the submission made by the firm and discussed the matter at length. The Committee observed that there is merit in the case. Accordingly, it decided to allow MEIS benefit against 4 shipping bills No.(i) 869463 dated 30.03.2015, (ii) 8586284 dated 25.03.2015, (iii) 1461749 dated 28.06.2015 and (iv) 1934420 dated 21.07.2015 with applicable late cut. 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 updation in the System)

PH Case No. 04 M/s. Godawari Udyog, Sangli(MH)
F.no. HQRPRCAPPLY00003874AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Condonation of delay in submission of online TMA application for the period July 2019 to September 2019 & October 2019 to December 2019.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Prashnat, Shri Tarannum and Shri Suchir, Authorised Representatives appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.01/AM23 held on 07.04.2022 (Case No.39&40). The applicant stated that they are unable to fill up TMA online application Qtr. July 2019 to Sept. 2019 & Qtr. Oct. 2019 to Dec. 2019. Because of the pandemic situation they could not get proceeds on time, hence delay in receipt of proceeds ended into issuance of e-BRC very late. By the time period was over and system did not accept their application. System started showing message submit date exceed. Hence request for condonation delay because situating was out of control. This is system error. This is to be condoned so that they can get their TMA Claim.

Decision: The Committee heard and examined the case on the basis of justification furnished by the applicant and discussed the case at length and found no merit in the request of the firm. Accordingly, it decided to maintain rejection of the earlier decision of PRC in its Meeting No.01/AM23 held on 07.04.2022 (Case No.39&40).

(Action: Applicant)

PH Case No. 05 M/s. CCL Products (India) Limited, Guntur (AP)
F.no. HQRPRCAPPLY00003884AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Condonation delay and give time period concession for at latest one month for filing TMA application for Quarters ending 31.03.2019, 30.06.2019, 30.09.2019 & 31.12.2019 which could not be filed due to circumstances beyond their control.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Sunil Gupta and Shri Ankit Gupta, Authorised Representatives appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.20/AM22 held on 10.02.2022 (Case No.19). The applicant stated that they are manufacturer- exporter and their export fall under TMA scheme for specified agriculture products. They are EOU/SEZ unit and their export product is INSTANT COFFEE / SOLUBLE COFFEE falling under ITC HS Tariff code 21011120. With regard to above, they request that for the following Quarters of the year they were required to file their TMA application in Year 2020. (1) 01.03.2019 to 31.03.2019, (2) 01.04.2019 to 30.06.2019, (3) 01.07.2019 to 30.09.2019, (4) 01.10.2019 to 31.12.2019. They have stated that in year 2020 high level of pandemic Covid 19 disease from March to December. Due to this their office remained mostly closed and because of this they could not have any access to the documents required for filing the applications for above quarters of the year and hence the TMA applications could not be filed by them in terms of PN no. 12/2015-2020 dated 25.06.2019. they requested that delay caused in filing TMA applications for above quarters is solely due to circumstances not under their control and therefore they having no other alternative approach good self with a request to help them and condone the delay caused in filing application by them which is caused solely due to unavoidable circumstances beyond their control. They have requested for give them time for at least one month to enable them file their TMA applications for above quarters. The firm said, your good-self has already helps the exporter by giving time period extension for filing application under other schemes such as MEIS, SEIS, ROSCTL & ROSL, therefore, kindly also give them time period extension in filing TMA application as requested herein above and oblige.

They have requested to give at least one month which will same them from big loss and they will be able to meet the financial hardship being faced by them and do their business smoothly and oblige.

Decision: The Committee heard and reviewed the case on the basis of statement made by the firm and discussed the case at length and found no merit in the request of the firm. Accordingly, it decided to maintain rejection of the earlier decision of PRC in its Meeting No.20/AM22 held on 10.02.2022 (Case No.19).

(Action: Applicant)

PH Case No. 06 M/s. Asian Tea Company Pvt. Ltd., Kolkata F.no. HQRPRCAPPLY00A371101AM22
Meeting No.30/AM23 held on 17.01.2023

Subject: To allow MEIS benefit against 16 export shipment during 2018-19 in Chinese currency and exports proceeds are realized in USD terms.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Manoj Goel, CFO and Shri Ram Prakash Tambi, CEO appeared on behalf of the firm and made the following submissions:

The applicant stated that the issue is exports of Bulk tea in 16 cases to China in CNY currency and where payment are realised in USD 100 % their say is the foreign currency has realised in 100% and as per para 3.04 of FTP they are entitled for MEIS in a mail from DGFT official it has written that export currency and realisation currency should Match for MEIS. The system is manmade and it can be changed for better support to exporter. Hence, they are requesting to allow MEIS benefit against 16 export shipments.

Decision: The Committee heard and examined the case on the basis of justification furnished by the applicant and discussed the matter at length and it decided to refer the issue to PC-3 Division for its examination and resolution.

(Action: Applicant/PC-3 division)

PH Case No. 07 M/s. Kemwell Biopharma Pvt. Ltd., Bangalore F.no. HQRPRCAPPLY00003972AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Revalidation of SFIS Scrip no. 0710114281 dated 14.12.2018.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri B.N. Murali, Authorised Representative appeared on behalf of the firm and made the following submissions:

The applicant stated that they have obtained the SFIS authorization license no. 0710114281 dated 14.12.2018 from the Addl. DGFT office, Bangalore. This authorization validity up to 14.12.2020 & the same was extended till 08.09.2021 by the reginal DGFT, Bangalore. Due to second wave of covid 19 situations across the globe and restriction on usage of manpower and also plant shutdown due to increasing covid cases in thier organisation due to pandemic situations during the month of April, May and June 2021. Considering the safety of their company, their state government and also their management taken strong decisions to close down the units for sometimes to break the covid chain. Hence most of their projects were rescheduled, as a result their imports were also rescheduled accordingly. they planning to expansion their firm unit and Estimated import are 7.43 crores. Hence, they hereby request to give them a final opportunity for extension of SFIS license in order to utilise the available SFIS script value with another 6 months time. Detail value SFIS license value in INR 81,66,723 Utilized amount in INR 69,12,160 SFIS license balance amount as on 31.05.2022 12, 54, 563 in view of the above.

Decision: The Committee observed and noted that applicant is not audible properly during the VC. Accordingly, the Committee decided to defer the case.

(Action: Applicant)

PH Case No. 08 M/s. Recipharm Pharmaservices Pvt. Ltd., Bangalore F.no. HQRPRCAPPLY00003973AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: To waive requirement of e-BRC against shipping bill no. 7716412 dated 19.10.2020 and allow claiming MEIS benefit manually by submitting payment advice issued by Bank.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Aruldoss Samathanam, DGM-SCM appeared on behalf of the firm and made the following submissions:

The applicant stated that they have received the check list from their CHA. They have verified and approved to file shipping bill. Shipping bill check list FOB value is agreeing with FOB value of Export invoice. After receiving that LEO, it had been noticed that a different / wrong invoice value was transmitted into ICEGATE due to unknown / system error. Wrong value showing FOB value in EURO of 6513.21 instead of 82,386.52 Euro for export invoice number 1904000229 dated 16.10.2019, immediately open the notice of the same, they had requested the customs authorities to check it for rectification. As exporter they have submitted all correct documents for export customs clearance and there is no fault on their side. Due to the urgency of the cargo, they did not instruct to stop / hold the shipment but decided to approach authorities for rectifying the same without blocking life science goods export. In continuation with the same a special request had been made with concerned customs authorities in the Ari cargo complex vide their CHA letter dated 16.11.2019 and they had gone through the case in details

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and found that their claim for amendment as a genuine grievance and certified that actual invoice value as 82,386.52 Euro by issuing shipping bill amendment letter manually by the Asst Commissioner, Air Cargo Complex, Bangalore. As per shipping bill wrong FOB value for export invoice Number 1904000229 dated 16.10.2019 in EURO of 6513.21 instead of 82,386.52 Euro Transmitted. Shipping bill amendment issued with corrected FOB value EURO 82,386.52 manually by the Customs Authorities. Hance banker are unable to update eBRC in Bank server. In this shipping bill eligible MEIS is Rs. 320,790.60. they have requested to waive off the eBRC for the sid shipping bill and allow they to claim MEIS benefit manually by submitting payment advice issued by the banker for the shipping bill number 7716412 dated 19.10.2019.

Decision: The Committee heard and went through the submission made by the firm and discussed the matter at length and it decided to accede to the request of the firm and allowed MEIS benefit against Shipping Bill No.7716412 dated 19.10.2020 by waiving the requirement of e-BRC. Necessary updation in IT Systems may be done based on manual endorsement by Customs and FIRC issued by Bank. 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 updation in the System)

PH Case No. 09 M/s. Recipharm Pharmaservices Pvt. Ltd., Bangalore F.no. HQRPRCAPPLY00003974AM23
Meeting No.30/AM23 held on 17.01.2023

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

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Aruldoss Samathanam, DGM-SCM appeared on behalf of the firm and made the following submissions:

The applicant stated that they have done their export against SB no. 2729798 dt. 19.05.2020, the stuffing had done at their factory premises on 18.05.2020 subsequently filed shipping bill against the actual invoice value of USD 299091.08. They have received the check list form their CHA. They have verified and approved to file shipping bill shipping bill check list FOB value is agreeing with FOB value of Export invoice. After receiving that LEO, it had been noticed that a different / wrong invoice value was transmitted into ICEGATE due to unknown / system error. Immediately open the notice of the same, they had requested the customs authorities to check it for rectification. As exporter they have submitted all correct documents for export customs clearance and there is no fault on their side. Due to the urgency of the cargo, they did not instruct to stop / hold the shipment but decided to approach authorities for rectifying the same without blocking life science goods export. In continuation with the same a special request had been made with concerned customs authorities in the Ari cargo complex vide their CHA letter dated 18.06.2020 and they had gone through the case in details and found that their claim for amendment as a genuine grievance and certified that actual invoice value as USD 2,99,091.08 by issuing shipping bill amendment letter manually by the Asst Commissioner, Air Cargo Complex, Bangalore. As per shipping bill wrong value USD 70804.20 Transmitted to ICEGATE and EDPMS bank server and shipping bill amendment issued manually by the Customs Authorities. Hence Banker are unable to update eBRC in back sever and issue eBRC. Due to amendment of shipping bill in value manually, their bankers were not able to issue the eBRC for the shipping bill 2729798 dated 19.05.2020. In this shipping bill eligible MEIS is Rs. 6,72,955.00. they have requested to waive off the eBRC for the sid shipping bill and allow they to claim MEIS benefit manually by submitting payment advice issued by the banker for the shipping bill number 2729798 dt. 19.05.2020.

Decision: The Committee heard and went through the submission made by the firm and discussed the matter at length and it decided to accede to the request of the firm and allowed MEIS benefit against Shipping Bill No.2729798 dated 19.05.2020 by waiving the requirement of e-BRC. Necessary updation in IT Systems may be done based on manual endorsement by customs and FIRC issued by Bank. 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 updation in the System)

PH Case No. 10 M/s. Parsons Nutritionals Pvt. Ltd.,
Kanakapura F.no. HQRPRCAPPLY00003969AM23
Meeting No.30/AM23 held on 17.01.2023

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

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri N.K. Sharma and Shri Pradyumna Singh Chauhan, Authorised Representatives appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.18/AM22 held on 07.12.2021 (Case No.07). The applicant stated that they have obtained the advance authorization no. 0510410367 dated 25.04.2019 for CIF value of Rs.85311599.33/- for import of duty free raw and packing material to be used in manufacturing of export product "Biscuits with or without Dry fruits". They were exporting against advance authorization for the first time and they didn't know about this condition that license number and raw material consumption data have to be mentioned in shipping bill and as long as they know about the condition of advance authorizations till then they had exported 69.79 MT export product of value Rs.32145150.57/-. Exports made for balance quantity of 320.958 MT having value Rs.119712475.49 was done by fulfilling the condition of advance authorization scheme. They have used entire imported item to manufacture the export product and exported the same. Hence, they are requesting to consider the export made without mentioning advance authorization number in shipping bills towards fulfilment of EO against Advance Authorization no. 0510410367 dated 25.04.2019.

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the firm and discussed the case at length and found no merit in the request of the firm. Accordingly, it decided to maintain rejection of the earlier decision of PRC in its Meeting No.18/AM22 held on 07.12.2021 (Case No.07).

(Action: Applicant)

PH Case No. 11 **M/s. CTA Apparels Pvt. Ltd., New Delhi** F.no. HQRPRCAPPLY00003990AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Revalidation of TPS License no. 0510414862 dated 10.08.2020.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Vinay Kumar Gupta, Director and Shri Sunil Patel, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.18/AM23 held on 15.11.2022 (Case No.22). The applicant stated that due to Covid-19 pandemic their business operation were badly affected during the period of last two years and manufacturing facilities were closed or working at the capacity of 50% only the this period. The Target Plus Scheme (TPS) licence was issued to the company in the month of Aug-2020 and from this month till Nov.2021 their business was impacted by the Covid-19 Pandemic and they could not completely utilized the value of this license. This licence was issued to the company under the FTP 2004-2009 as per the Trade Notice No.06/2018 of DGFT for implementation of the Hob'ble Supreme Court judgement dated 27.10.2015 in civil application No.554 of 2006 with regard to Target Plus Scheme (TPS) scripts for the exports made in the year 2005-06 over 2004-05. They are also referred Public Notice No.113 (RE-2007)/2004-2009 dated 15.02.2008 for extension of validity/revalidation of Target Plus Licence issued under the FTP 2004-2009. Hence they are requesting for revalidation of Target Plus License No.0510414862 dated 10.08.2020 for further period of 12 months.

Decision: The Committee heard and examined the case on the basis of justification furnished by the firm and discussed the case at length and found no merit in the request of the firm. Accordingly, it decided to maintain rejection of the earlier decision of PRC in its Meeting No.18/AM23 held on 15.11.2022 (Case No.22).

(Action: Applicant)

PH Case No. 12 **M/s. Rama Exports, Mumbai**
F.no. HQRPRCAPPLY00003993AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Revalidation of 7 DFIA No.(1)0310834962 dated 21.02.2020, (2) 0310830463 dated 22.07.2019, (3) 0310829991 dated 28.06.2019, (4) 0310829979 dated 28.06.2019, (5) 0310831829 dated 26.09.2019, (6) 0310828052 dated 01.04.2019 and (7) 0310828054 dated 01.04.2019.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Laman R. Moorjani, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.18/AM23 held on 15.11.2022 (Case No.11). The applicant stated that by the emergence of the deadly corona virus in China in the month of December, 2019, which further spread to the whole world has completely disrupted the entire international market operations and also trading between countries due to sudden lockdown imposed in many countries. Their all the 7 DFIA's have been expired which were all valid for utilization exactly at the time of outbreak of coronavirus causing widespread damage to business operations world over. Since they were unable to procure goods from their original suppliers, who were also similarly affected, the DFIA's could not be utilized resulting in expiry of the DFIA's. Hence they are requesting six month revalidation of 7 DFIA's from the date of endorsement.

<u>**Decision**</u>: The Committee heard and went through the submission made by the firm and discussed the matter at length and it decided to defer the case for further examination.

(Action: Applicant)

PH Case No. 13 **M/s. Rani International, Mumbai**
F.no. HQRPRCAPPLY00003996AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Revalidation of DFIA no. 0310834927 dated 18.02.2020.

<u>**Decision:**</u> The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, but no one appeared on behalf of the firm. Accordingly, the Committee decided to defer the case.

(Action: Applicant)

PH Case No. 14 **M/s. Rani International, Mumbai**
F.no. HQRPRCAPPLY00003994AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Revalidation of 12 DFIA no. (i) 0310835562 dated 20.03.2020, (ii) 0310835516 dated 19.03.2020, (iii) 0310835515 dated 19.03.2020, (iv) 0310834960 dated 21.02.2020, (v) 0310834979 dated 21.02.2020, (vi) 0310834980 dated 21.02.2020, (vii) 0310831825 dated 26.09.2019, (viii) 0310830479 dated 23.07.2019, (ix) 0310830088 dated 04.07.2019, (x) 0310829957 dated 27.06.2019, (xi) 0310828053 dated 01.04.2019, (xii) 0310828013 dated 29.03.2019

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, but no one appeared on behalf of the firm. Accordingly, the Committee decided to defer the case.

(Action: Applicant)

PH Case No. 15 **M/s. Das Offshore Limited, Mumbai**
F.no. HQRPRCAPPLY00004012AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Condonation of delay in applying the application for SEIS claim for the period 2017-18.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Ravi Kiran, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review case of PRC Meeting No.19/AM23 held on 22.11.2022 (Case No.46). The applicant stated that their SEIS claim was rejected by RA Mumbai vide letter dated 18.05.2018, therefore they had filed a review application against the rejection letter. Their case was referred to DGFT Delhi and after many clarifications and personal hearing through Video Conferencing on 17.11.2021 with DGFT, Delhi, they have received Order in Review dated 18.01.2022. Due to the pending decision at DGFT level for the claim of 2016-17, they had not applied for balance amount of the same contract which was balance during the year 2017-18. They have decided to apply SEIS application for the period 2017-18 and accordingly, they have applied for SEIS claim of USD 1.5 million online on dated 31.12.2021. Therefore, Order in Review dated 18.01.2022 was received.
Further firm stated that they have submitted the claim of USD 0.5 Million for 2016-17 against the part claim of the total works of USD 2.0 Million on 21.12.2017. However same was rejected by RA, Mumbai vide letter dated 18.05.2018. They could not apply for balance claim of USD 1.5 Million as first part claim against the same works was rejected and later reconsidered. Applying for balance claim while first part SEIS claim of USD 0.5 Million was under suspension /rejection would have amounted to rejection of the claim itself and would not have been in good spirit. The company is reputed MSME firm based at Mumbai with 25 years on experience which is working in high technology areas of upstream hydrocarbon sector of Oil and Gas and contributing to import substitution and always trusts in ethical practices. Hence they are requesting to condone the delay in applying the application for SEIS claim for the period 2017-18.

Decision: The committee heard and went through the statements made by the firm and observed that there is merit in the case. Accordingly, it decided to condone the delay in applying and allow SEIS benefit for the period 2017-18 without any late cut. The firm shall approach RA, Concerned within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/ RA, Mumbai)

PH Case No. 16 M/s. Carbon Resources Pvt. Ltd., Kolkata
F.no. HQPRCAPPLY00004014AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: Condon the non-availability of Bill of Export against tax invoices made for supply to SEZ unit in respect of 5 Advance Authorization No. (i) 0210210066 dated 28.08.2020, (ii) 0210210065 dated 28.08.2020, (iii) 0210209844 dated 16.04.2020, (iv) 0210209845 dated 20.04.2020 & (v) 0210209733 dated 31.01.2020 for redemption purpose.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, but firm vide mail dated 16.01.2023 intimated that they are unable to attend the PH through VC and request for new date. Accordingly, the Committee decided to defer the case.

(Action: Applicant)

PH Case No. 17 M/s. Mundra Solar Pvt. Ltd., Ahmedabad
F.no. HQRPRCAPPLY00000574AM23
Meeting No.30/AM23 held on 17.01.2023

Subject: (1) Permission for export of scraped capital goods imported under EPCG Scheme - Capital Goods uninstalled in modernization process.
(2) Permission completing export obligation of EPCG Authorization No.0831004392 dated 15.03.2022 by export of solar modules from upgraded plant & Machineries.

The applicant had sought personal hearing in terms of Para 2.59 of FTP-2015-2020, which was afforded on 17.01.2023, Shri Anil Gupta, CEO and Shri Dharmesh Parekh, Finance Controller appeared on behalf of the firm and made the following submissions:

This is review case of EPCG Committee's 9th Meeting of AM23 dated 12.12.2022 (Case No.90). The applicant stated that they had imported Capital Goods for Cell line and Module line during the year 2015 to 2017. At that time, the company was an SEZ unit and the CGs were imported duty free. Due to business requirement, they have opted to exit from SEZ and the CGs installed in the factory premises were cleared on as is where is basis under EPCG authorisation no.0831004392 dated 15.03.2022 the EO of

Rs.760.81 Cr. Recently, they have decided to go for upgradation of its present plant and machinery (CGs) and accordingly applied for a new EPCG authorisation for installing upgraded technology wherein Wp capacity of Solar Modules increases from 335 Wp to 550 Wp (~65% higher capacity). Such higher Wp capacity Solar modules have hughe demand in the international market. For upgradation an EPCG authorisation No.0831005688 dated 04.08.2022 was issued with EO of Rs.750.90 Cr. This EPCG license is being utilized for import of upgraded CGs. As a result some of the existing installed CGs in the Cell line and Module line are being replaced by the upgraded CGs. They are requesting for permission to export the used CGs to the German buyer for which they like to highlight the following:-

(a) The company is committed to fulfilling the EO of both EPCG authorisations referred above. With upgraded technology they will have sufficient export orders to fulfil these commitments. The EO for the EPCG license No.0831004392 dated 15.03.2022 will be continued to be fulfilled by the export of Solar Modules with higher efficiencies.

(b) Presently factory premises of the manufacturing unit is spread over 30 acres with a two- storey building. The manufacturing capacity is 1.5 GW p.a. and since the existing machinery occupying the entire factory premises, the same is required to be uninstalled in order to upgrade the existing manufacturing facility.

(c) The technological development in Solar Manufacturing space is extremely fast paced and the risk of obsolescence of existing technology is very high. After a gap of 2-3 years, the uninstalled CGs may not find any buyer who may want to purchase.

(d) While the uninstalled CGs have been utilized from May, 2017 till July, 2022, the same have been debited in EPCG only in March, 2022, due to the requirement of exit from SEZ.

(e) The original value at the time when the CG were imported was nearly Rs.1200 Crs and after technological obsolescence the buyer has given an offer of nearly Rs.100 Crs for the purchase of uninstalled CGs of Cell and Module line. This offer is valid up to November 2022. In case they are not able to export this obsolete machineries within this shorter time, will not able to recover any amount subsequently.

(f) When the CGs were imported during 2015 to 2017, the sources of supply of these CGs were from several manufacturers from different countries. These CGs were from several manufacturers from different countries. These CGs have been utilized in the production process from May 2017 till July, 2022. The upgraded CGs are installed to replace the existing CGs of the Cell and Module lines. To re-export the same to the Manufacturer is not possible due to various reasons including changes in technologies, closure of manufacturer facilities etc. To be able to find a buyer who can value the uninstalled CGs from utility angle rather than from scrap value angle was extremely difficult. However, they have found one such buyer willing to take the CGs at some utility value.

(g) CGs imported during 2015-2017 are continued to be utilized except some of the Cell line and Module line.

(h) With is upgradation project, additional investment of Rs.1000 Cr is expected to be invested in Solar industry.

(i) The present upgradation will be increase in the present manufacturing capacity and this will in turn result into higher demand of skilled employees as well skilled and semiskilled labours in the remote place of Gujarat. This will directly increase the demand of upscaling program for labourer for new technology as well.

(j) Machineries imported during 2015-17 were based on Multi Solar technology. As on date the hardship is that products made basis multi Solar technology are having very poor market acceptance and even it is very difficult to source raw material of this technology.

Against EPCG Authorisation No.0831004392 dated 15.03.2022, they have debited duty saved amount of Rs.169,06,95,219.00. They assure to submit equivalent amount of bond value for a tenure of 6 years equal to EO time period and BG equal to 10% duty saved value for a tenure of 3 years as a security to DGFT. The same may be reduced proportionately on quarterly basis against fulfilment of EO. Hence, they are requesting to grant them permission to export uninstalled CGs generated during the modernisation of the plant. They also undertake to fulfil the EO by the export of Solar Modules from the same factory premise to meet the overall EO of Rs.1511.71 Crs (i.e. Rs.760.81 Cr + 750.90 Cr) within stipulated period.

Decision: The Committee heard and examined the case on the basis of justification submitted by the applicant and discussed the matter at length and it decided to accede to the request of the firm to grant permission for export of scrapped capital goods which are under EPCG Authorisation No.0831004392 dated 15.03.2022 and completing Export Obligation of said Authorisation by export of solar modules from upgraded plant & Machineries under EPCG Authorisation No.0831005688 dated 04.08.22 subject to submission of BG equivalent to 20% of duty saved value of EPCG Authorisation No.0831004392 dated 15.03.2022. Firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Ahmedabad)

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