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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting Held on 22.12.2020 under the Chairmanship of Shri Amit Yadav, Director General of Foreign Trade

Meeting No.19/AM21 held on 22.12.2020

The following members were present in the meeting:

1. Shri R.P. Goyal — Addl. DGFT
2. Shri Vijay Kumar — Addl. DGFT
3. Shri S.B.S. Reddy — Addl. DGFT
4. Shri Hardeep Singh — Addl. DGFT
5. Shri Anil Aggarwal — Addl. DGFT
6. Shri Rajbir Sharma — Jt. DGFT

Following cases were discussed. The decision taken on the individual cases are as under:-

S. No	Name of the firm	Case No.
1.	M/s. Uflex Limited, Delhi	1
2.	M/s. Rockdude Impex Private Limited, Maharashtra	2
3.	M/s. Mittal Polypacks Pvt. Ltd., Kolkata	3
4.	M/s. Cummins India Ltd., Pune	4
5.	M/s. Cummins Technologies India Pvt. Ltd., Pune	5
6.	M/s. Arvind Pipes & Fittings Industries Pvt. Ltd., Mumbai	6
7.	M/s. Shital Fibres Limited, Jalandhar	7
8.	M/s. U K Monu Timbers, Karnataka	8
9.	M/s. Usha Martin Limited, Kolkata	9
10.	M/s. Sterling Bio Tech Limited, Vadodara	10&11
11.	M/s. JHS Svendgaard Laboratories Limited, HP	12
12.	M/s. Krishnapatnam Port Company Limited, Andhra Pradesh	13
13.	M/s. Jindal Poly Films Ltd. ,New Delhi	14
14.	M/s. Sitaram Jindal Foundation, Bangalore	15
15.	M/s. Cast Craft India Pvt. Ltd., Bangalore	16
16.	M/s. Bhandari Foils and Tubes Ltd., Dewas (MP)	17
17.	M/s. William Goodacre& Sons India Pvt. Ltd., Kerala	18
18.	M/s. Narayan Industries, Ahmadabad	19
19.	M/s. Maharashtra Solvent Extraction (P) Limited, Mumbai	20
20.	M/s. Forgings & Chemicals Industries, Jalandhar	21
21.	M/s. Haldex India Private Limited, Nashik	22

22.	M/s. J. K. Sports Foundation, Mumbai	23

PH Case No. 01 M/s.Uflex Limited, Delhi
F. No. 01/60/162/185/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: To allow MEIS benefit against 31 Shipping bills pertain to the period 01.03.2017 to 03.07.2019.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020. Shri Rajeev Malhotra, Senior General Manager appeared on behalf of the firm and made the following submissions:

The applicant stated that they could not file the claim for MEIS benefit of approximately Rs.24,68,076.39 against 31 shipping bills as inadvertently the declaration of intent was filed as NO at the time of filing the said 31 shipping bills. Further, when they have approached the Customs Department, It has provided them the amended certificate and amendments allowed in accordance with provisions of Section 149 of Customs Act, 1962 stating that this amendment cannot be made in the EDI system therefore this certificate allowing the amendment manually on the documentary evidence which was in existence at the time of export for the DGFT purposes only. Now, when they are trying to file these shipping bills for reward under MEIS they are getting i.e. letter of intent is showing as "N" and they are not able to add these shipping bills in a new ECOM/ to file the reward under MEIS.

__**Decision:**__ The Committee heard the case on the basis of justification submitted by the applicant and discussed the matter at length. The Committee observed that conversion from 'N' to 'Y' is not feasible in the current automated system and transmission of such shipping bills from ICEGATE to DGFT system is not possible. Moreover there is a lapse on the part of the firm. Accordingly, the Committee decided to reject the request of the firm.

(Action: Applicant)

PH Case No. 02 M/s. Rockdude Impex Private Limited, Maharashtra
F. No. 01/60/162/572/AM20/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: EOP Extension against Advance Authorization No.0310788049 dated 15.08.2014.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020. Shri S. Seetharaman, (Advocate) Authorised Representative appeared on behalf of the firm and made the following submissions:

This is review of PRC Meeting No.03/AM21 dated 09.06.2020 (Case No.16), wherein the Committee had rejected the case. The applicant stated that due to inadvertent error of omission and negligence on the part of an ex-employee, this license was omitted to be included with all the licenses which had to be clubbed together in 2016. Had this license been included, the deficit EO would have been mere 67.46 MT. All other licenses have been redeemed without delay. They are a regular exporter and have never defaulted at any point of time. They set up an EOU and thereafter, they handled all its exports through this unit and the DTA unit was used to sell the goods domestically. They have a positive NFE earning throughout the past 5 years. They had suffered setback due to the fire in the manufacturing premises, which destroyed 16 MT of inputs and some materials which were indirectly used the production. The damaged inputs could not be used for exports of finished goods. Further, economic crises in Greece led to the cancellation of agreed orders at the last moment. Greece was their most prominent exporting destination (around 50-77% of total exports). It was not plausible to find and establish exports in an alternative market in such a short time. Now they have sufficient export orders to complete the remaining export obligations within the extended EOP.

Decision: The Committee heard and reviewed the case on the basis of justification furnished by the firm and observed that there is merit in the case and accordingly decided to accede to the request and allowed EOP extension of Advance Authorisation No.0310788049 dated14.08.2014 for a further period of 6 months from the date of endorsement. This extension in EO period is further subject to fulfillment of balance EO in this authorization (as an individual authorization) without giving benefit of clubbing with any other authorisation. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

PH Case No. 03 M/s. Mittal Polypacks Pvt. Ltd., Kolkata
F. No. 01/60/162/904/AM20/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Regularisation of Advance Authorization No.0210172885 dated 24.01.2012 and enhancement of import quantity corresponding to export.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020. Shri Rohit Patwari, Authorised Representative appeared on behalf of the firm and made the following submissions:

The applicant stated that the subject authorization was obtained for export of FIBC, PP Woven Sacks & PP Woven Fabrics. The application format vide which the application was made had no provision for showing Physical Export and Deemed Exports separately. They had applied vide specified format for authorization for export of all 3 items, without mention of physical export and deemed export segregation, but RA had issued them the AA under 96/2009-Cus dated 11.09.2009 irrespective and complete disregard to the segregation of Deemed and physical exports or raised any queries on what type of exports- physical and deemed will be made. In 2005, DGFT issued Notification 221/2015 dated 01.04.2015 & 18/2015 dated 01.04.2015 and since thereafter DGFT changed the application format specially asking for physical or deemed export, and AAs were issued according to physical export and deemed export based on application form and with a proof of purchase order of physical export or deemed export. Thus, it is quite rational that in the case of impugned AA allocating 96/2009-Cus dated 11.09.2009 was as per RA's complete prerogative and the AA should be allowed to be discharged with documents submitted along with their application. In addition, in this case all 3 items have same chief Raw Materials have enjoyed the exemption of Basic Custom Duty, CV Duty, Cess, Antidumping Duty, Safeguard Duty in all cases without any discrimination. Hence, requested to consider the total of export turnover should be considered taking into account export of all 3 items i.e. PP Woven Sacks, Flexible Intermediate Bulk Container and PP Woven Fabric for fulfillment of EO.

Decision: The Committee examined the case in detail and in view of justifications furnished by the firm and also the fact that customs notification number, most of the times appears by default in the authorization. Hence, the Committee decided to accede to the request of the firm to accept the supplies made by them under Deemed Export towards fulfillment of EO against Advance Authorization No.0210172885 dated 24.01.2012 which was issued under Notification No.96/2009-Cus., for EODC purpose. At the same time, it also decided to allow enhancement of import quantity corresponding to the exports, subject to fulfillment of related conditions.The firm shall approach RA within 30 days from the date of uploading of the minutes.

(Action: Applicant/ RA, Kolkata)

PH Case No. 04 M/s. Cummins India Ltd., Pune
F. No. 01/60/162/206/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Condonation of time limit to file MEIS application in respect of export made during the period 2015-16 & 2016-17 & 2017-18 eending due to the technical issues faced by the Company.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020. Shri Sunil Kumar, Shri Amrendra Chaudhri and Shri Narendra Dharmavat, Authorised Representatives appeared on behalf of the firm and made the following submissions:

The applicant stated that they export manufactured goods on regular basis and in accordance with the provisions of Chapter 3 of FTP, they claim and receive MEIS scrips of 2%/3% on the FOB value of goods exported by them. However, in some of the shipping bills pertaining to the exports during the period FY 2015-16, 2016-17 & 2017-18 they could not file MEIS applications due to the technical issues faced while filing the MEIS application (missing SBs which were linked on DGFT servers but pending utilization for MEIS). Initially, MEIS applications of approximately Rs.10 crores were stuck (including other group company), out of these, now MEIS applications of Rs.69,16,251/- against 107 shipping bills are pending in their case. Rest of the applications are cleared. Now, as almost 4-5 years have passed in the follow up, the shipping bills are time barred for filing the MEIS application. Hence requested to condone the delay in filing the MEIS applications for the said shipping bills.

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

(Action: EDI/NIC- Division /Applicant)

PH Case No. 05 M/s. Cummins Technologies India Pvt. Ltd., Pune
F. No. 01/60/162/207/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Condonation of time limit to file MEIS application in respect of export made during the period 2015-16 & 2016-17 pending due to the technical issues faced by the Company.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020. Shri Sunil Kumar, Shri Amrendra Chaudhri and Shri Narendra Dharmavat, Authorised Representatives appeared on behalf of the firm and made the following submissions:

The applicant stated that they export manufactured goods on regular basis and in accordance with the provisions of Chapter 3 of FTP, they claim and receive MEIS scrips of 2%/3% on the FOB value of goods exported by them. However, in some of the shipping bills pertaining to the exports during the period FY 2015-16, 2016-17 & 2017-18 they could not file MEIS applications due to the technical issues faced while filing the MEIS application (missing SBs which were linked on DGFT servers but pending utilization for MEIS). Initially, MEIS applications of approximately Rs.10 crores were stuck (including other group company), out of these, now MEIS applications of Rs.1,60,80,182/- against 169 shipping bills are pending in their case, rests the applications are cleared. Now, as almost 4-5 years have passed in the follow up, the shipping bills are time barred for filing the MEIS application. Hence requested to condone the delay in filing the MEIS applications for the said shipping bills.

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

(Action: EDI/NIC- Division /Applicant)

PH Case No. 06 M/s. Arvind Pipes & Fittings Industries Pvt. Ltd., Mumbai
F. No. 01/60/162/557/AM20/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Extension in EOP of Advance Authorization No.0310814454 dated 05.07.2017.

<u>**Decision:**</u> The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 07 M/s. Shital Fibres Limited, Jalandhar
F. No. 01/60/162/772/AM19/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: **Extension in E.O. period against 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 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 22.12.2020. Shri Abhishek Vij, Director and Shri Harpreet Singh, Manager appeared on behalf of the firm and made the following submissions:

This is a deferred case of PRC Meeting No.11/AM21 dated 22.09.2020 (Case No.14), wherein the Committee decided to defer the case and place the case with personal hearing. The applicant stated that (i) Global Market demand has been changed which is very common in textile sector. (ii) Their complete stock of duty saved imported Acrylic Fibre, Polyster filament yarn and Cationic dye has been destroyed in fire. (iii) They have already fulfilled export obligation to the extent of 1722395.55 Kg leaving shortfall of 216917.42 Kg (only 11%), thus there is no malafide intention. (iv) They intend to fulfill EO even after payment of duty on unutilized material which has also been burnt being law binding citizen of India and to remain clear in government records. (v) They have also paid the amount of Rs.10,93,271/- as extension fee for fulfilling pending export obligation. (vi) Also they have made exports of Dyed Printed blankets (Super soft) made of 100% polyster Filament yarn on provisional basis under the above mentioned Advance Authorisations to the tune of 53551 Kgs. (vii) Lastly, there is no loss to the government exchequer even on export of 100% polyster filament instead of 85% Acrylic and 15% Polyster Yarn because it is just a change of blend under same norms i.e.J-32. There they have already paid duty to the extent of Rs.61 lakh on unaccounted acrylic fibre, Polyster yarn including duty with interest thereon 3939 Kg Cationic dyes. Hence, requested for consideration and favourable action.

Decision: The Committee heard the submission made by the firm along with report received from RA, Ludhiana. It observed that AAs involved in this case are very old and as per RA's report, exports made in 2018-2020 (after allowing EO extension till 31.12.2019 by PRC) also cannot be counted towards discharge of export obligation because firm has made these exports through either free shipping bills or through DBK shipping bills. It also noted that the applicant has not submitted any cogent reason/ justification in support of any genuine hardship faced by them for its current request for EO extension. Accordingly, the Committee decided to reject the request. The applicant is directed to get the case regularized in terms of Para 4.49 of HBP, 2015-2020 within 30 days from the date of uploading of the minutes of meeting.

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

PH Case No. 08 M/s. U K Monu Timbers, Karnataka
F. No. 01/60/162/203/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: To accept the export made under different scheme (Duty drawback and DFIA) towards fulfillment of EO against Advance Authorization No.0710110420 dated 16.09.2016 or Extension in EOP for a period of one year.

Decision: The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020, but no one appeared on behalf of the firm. The Committee decided to defer the case.

(Action: Applicant)

PH Case No. 09 M/s. Usha Martin Limited, Kolkata
F. No. 01/60/162/551/AM20/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: To allow MEIS benefit against 62 time barred shipping bills, delay due to late uploading of e-BRC by the Banks.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020, Shri P.K. Fatepuria, Authorised Representative appeared on behalf of the firm and made the following submissions:

This is deferred case of PRC Meeting No.23/AM20 dated 03.12.2019 (Case No.08), wherein the Committee decided to call the firm for personal hearing along with copies of shipping bills and e-BRCs. The applicant stated that in the above shipping bills, the e-BRCs have been uploaded by the Banks after a considerable delay of more than 3 years although the realization has been done in time. Some of their e-BRCs have not been uploaded even now though the realization has been made in time and the time period is expiring. The delay in uploading of the eBRC by the Banks has resulted in a situation wherein they could not file the MEIS applications. This is causing undue hardship to them and their rightful claim is being denied. Hence, requested to allow them to file the MEIS claims without any late cut.

List of 62 shipping bills.
(1) 1927333 dated 21-07-2015, (2) 1154423 dated 12-06-2015, (3) 1062780 dated08-06-2015, (4) 1136397 dated 11-06-2015, (5) 2925973 dated 10-09-2015, (6) 9841863 dated 28-05-2015, (7) 2055127 dated 27-07-2015, (8) 1133271 dated11-06-2015, (9) 1744386 dated 13-07-2015, (10) 2363952 dated 12-08-2015, (11) 2394389 dated 13-08-2015, (12) 2469637 dated 18-08-2015, (13) 2469625 dated 18-08-2015, (14) 1993338 dated 24-07-2015, (15) 2421013 dated 14-08-2015, (16) 2398173 dated 13-08-2015, (17) 2396053 dated13-08-2015, (18) 2982816 dated 14-09-2015, (19) 1136441 dated 11-06-2015, (20) 2345324 dated11-08-2015, (21) 2345319 dated 11-08-2015, (22) 2345322 dated11-08-2015, (23) 1244732 dated17-06-2015, (24) 1356909 dated23-06-2015, (25) 1435053 dated26-06-2015, (26) 1414268 dated 25-06-2015, (27) 1289285 dated19-06-2015, (28) 1244724 dated17-06-2015, (29) 9661084 dated19-05-2015, (30) 9748218 dated23-05-2015, (31) 9773826 dated25-05-2015, (32) 2421849 dated14-08-2015, (33) 1199542

dated15-06-2015, (34) 9868909 dated29-05-2015, (35) 4163187 dated 18-11-2015, (36) 4163157 dated18-11-2015, (37) 3371872 dated05-10-2015, (38) 3190744 dated24-09-2015, (39) 6084378 dated25-02-2016, (40) 9177462 dated23-04-2015, (41) 8818675 dated04-04-2015, (42) 9220210 dated25-04-2015, (43) 3186014 dated24-09-2015, (44) 8957426 dated12-04-2015, (45) 9083737 dated18-04-2015, (46) 2278471 dated07-08-2015, (47) 8620792 dated26-03-2015, (48) 8662669 dated28-03-2015, (49) 8727859 dated31-03-2015, (50) 1109359 dated10-06-2015, (51) 9177294 dated23-04-2015, (52) 8818678 dated04-04-2015, (53) 3031220 dated16-09-2015, (54) 9567236 dated14-05-2015, (55) 4510986 dated04-12-2015, (56) 9998066 dated04-06-2015, (57) 9776896 dated25-05-2015, (58) 9748183 dated23-05-2015, (59) 9874207 dated29-05-2015, (60) 9874890 dated29-05-2015, (61) 3119346 dated21-09-2015, (62) 4237216 dated23-11-2015.

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 accordingly decided to allow MEIS benefit against the above 62 shipping bills without any late cut. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

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

PH Case No. 10 M/s. Sterling Bio Tech Limited, Vadodara
F. No. 01/60/162/839/AM20/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: To consider deemed export supply made against ARO for EO discharge against Advance Authorization No.3410026245 dated 02.02.2010.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020, Shri Sachin Jain, Authorised Representative appeared on behalf of the firm and made the following submissions:

The applicant stated that they have exported all the 12 consignments within the time limit period allowed to them. The details are (i) two consignments pertains to physical/direct exports, (ii) under 5 consignments, supply has been made to 100% EOU against CT3 (deemed exports) and (iii) under rest 5 consignments, supply was made against ARO (deemed exports). Accordingly, when they submitted their export documents to RA for redemption, they have received deficiency letter dated 22.08.2019 from RA, against which they had submitted their reply on 09.10.2019. Again received deficiency letter dated 15.10.2019 from RA intimating that supplies against ARO cannot be considered for EO discharge. When they contacted RA they were told that they should have obtained invalidation for these supplies as ARO is eligible for refund of deemed exports benefits like duty drawback and TED. They had utilized duty free raw material imported under the said advance authorisation for manufacturing of final product "2,3- DI Chloride Benzoic Acid" which was supplied against ARO. This final product was a raw material for the recipient. As per Para 4.1.11 of FTP 2009-14, both ARO and invalidation letter are issued with an intention to source inputs from indigenous sources in lieu of direct import. Such provision is made to promote manufacturing in India. It is a fact that ARO was issued in their

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favour. The purpose of both invalidation letter/ARO is to facilitate duty neutralization or inputs procured from the domestic market, in lieu of duty free imports allowed under the authorization only. Supplies under both invalidation letter and ARO are made against AA hence supplies are eligible for EO discharge. They have not taken/claimed any deemed export benefits like refund of duty drawback and TED against these supplies. The said advance license is mentioned in all supply documents/invoices. ARE 3A is endorsed/acknowledged by excise officer. As per the guideline given under ANF 4F for deemed export for redemption of AA, copy of invoice and copy of CT-3/ARE-3 duly signed by the jurisdictional excise authorities certifying the item of supply are the required documents which have been submitted. The exports have been made within time period allowed under AA. Non issuance of invalidation letter and supply made against ARO is procedural lapse on their part which may be relaxed.

Decision: The Committee having heard the case on the basis of justification furnished by the firm along with the comments received from Policy-4 Division and observed that there is no merit in firm's contention and accordingly decided to reject the request of the firm.

(Action: Applicant)

PH Case No. 11 M/s. Sterling Bio Tech Limited, Vadodara
F. No. 01/60/162/838/AM20/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Extension in EOP for a period of 13 months from the date of expiring of Advance Authorization No.3410025128 dated 18.09.2009 and to count the export of five shipping bills No.5831358 dated 07.06.2013, 6207510 dated 29.06.2013, 7792617 dated 03.10.2013, 7792618 dated 03.10.2013 and 7933613 dated 11.10.2013 against Advance Authorization No.3410025128 dated 18.09.2009.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020, Shri Sachin Jain, Authorised Representative appeared on behalf of the firm and made the following submissions:

The applicant stated that both the license (advance and EPCG authorisations) were obtained for export of "2 Chloride 4 Methly1 Sulfony1 Benzonic Acid". EO was going on simultaneously in both the license. However, due to inadvertence and inexperienced staff that joined their company during the period, EPCG license No.0330019942 dated 02.05.2008 continued to be typed on the above five shipping bills. Advance Authorisation number has not been mentioned in the shipping bills. EO has been fulfilled in quantity and value in all EPCG as well as advance authorization obtained till date thereby maintaining the adherence to the policy/procedure. No revalidation has been taken for extending the EOP from RA. They are ready to pay composition fee, as applicable. Hence, requested to consider the said 5 shipping bills filed against EPCG Authorisation No.0330019942 dated 02.05.2008 for discharge of EO against Advance Authorisation No.3410025128 dated 18.09.2009 and relaxation/extension of 13 months EOP from the date of expiry of authorization.

Decision: The Committee heard the case on the basis of justification submitted by the applicant and discussed the matter at length. It observed that as per previous FTPs, EOP allowed was of 36 months and some shipments were beyond 36 months. The Committee decided to accede to the request and allowed EOP extension of Advance AuthorisationNo.3410025128 dated 18.09.2009 for 48 months from the date of issue of advance authorisation only for regularization purpose subject to the payment of composition fees @0.5% per month on the unfulfilled FOB value, if exports are fulfilled more than 50% within initial /extended EOP or @ 1% per month where exports have been made less than 50% within initial/extended EOP. The other terms and conditions for fulfillment of EO shall remain same as per policy/HBP provisions. The Committee did not accede the request of the firm to count the export of above mentioned 5 shipping bills against Advance AuthorisationNo.3410025128 dated 18.09.2009. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Vadodara)

PH Case No. 12 M/s. JHS Svendgaard Laboratories Limited, HP
F. No. 01/60/162/122/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Condonation of not mentioning EPCG license numbers on the Shipping bills towards fulfillment of EO against 9 EPCG Authorization No.2230000617 dated 20.03.2007, 2230000622 dated 27.03.2007, 2230000748 dated 05.10.2007, 2230000751 dated 09.10.2007, 2230000761 dated 24.10.2007, 2230000771 dated 06.11.2007, 2230000807 dated 18.12.2007, 2230001230 dated 11.11.2009 &2230001266 dated 13.01.2010.

The applicant had sought personal hearing in terms of Para 2.59 of FTP, 2015-2020, which was afforded on 22.12.2020, Shri Ashish Goel, CFO appeared on behalf of the firm and made the following submissions:

The applicant stated that they have obtained multiple EPCG authorisations during the period 2006-2012. They had fulfilled the EO equivalent to 8 times of the duty saved value within a time span of 8 years extendable by additional 2 years. They had approached the RA for redemption of the EPCG authorisations. However, they were informed that some of the exports cannot be considered for fulfillment of EO, since the shipping documents did not have EPCG auhorisation number on the shipping bills or any form of export benefits were availed by them. Further stated that missing mentioning of the EPCG authorisations has happened from the CHA's end and due to thin staff and the company was undergoing severe legal litigation and financial duress they could not take cognizance of this issue on time. It was highlighted only at the time of filing for redemption of their license for the first time and immediate corrective action was taken by the company in subsequent export shipments. Every shipment has been duly inspected and verified by the concerned Excise Department and accordingly ARE-1 has also been issued at the time of export, which clearly finds the mention of shipping bill number and the serial number of boxes so inspected. They have fulfilled all the obligations under the EPCG authorisations and earned the valuable foreign exchange for the country. Hence, requested to condone the error of not mentioning the EPCG numbers on the shipping bills and to consider the shipping bills for the fulfillment of EO on the basis of ARE-1 as alternate way of authentication.

Decision: The Committee examined the statement made by the firm and observed that their request has been discussed in detail by the EPCG Committee and has been rejected. After discussing the matter at length, the Committee found no merit in it and hence, decided to reject the request of the firm.

(Action: Applicant)

Case No. 13 M/s. Krishnapatnam Port Company Limited, Andhra Pradesh
F. No. 01/60/162/717/AM19/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Revalidation of SFIS Scrip No.0410162315 dated 26.09.2016.

This is referred case of PRC Meeting No.33/AM19 dated 12.03.2019 (Case No.03), wherein the Committee decided to refer the matter to PC 3 division to examine and explore possibilities of a general policy change. The applicant stated that after the roll out of GST from 01.07.2017, Central Excise duty was replaced by IGST. Before roll out of GST, duty credit scrips were permitted to be debited not only with basic customs duty (BCD) but also Central Excise Duty. However, after 01.07.2017, the duty credit scrips are permitted to be debited only with BCD payable on imported goods. Thereby the quantum of duty debit in the SFIS scrips has come down drastically. It is against the provisions of FTP as existed in the financial year 2013-14. Hence, requested for revalidation.

Decision: The Committee reviewed the case on the basis of justification furnished by the firm along with comments received from Policy-3 Division, the Committee observed that there is no merit in firm's contention and hence decided to maintain rejection of the earlier decision of PRC in its Meeting No.29/AM19 dated 30.01.2019 (Case No.45) and 33/AM19 dated 12.03.2019 (Case No.03).

(Action: Applicant)

Case No. 14 M/s. Jindal Poly Films Ltd. ,New Delhi
F. No. 01/60/162/681/AM19/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Revalidation of SFIS ScripNo.0510401060 dated 03.01.2017.

This is referred case of PRC Meeting No.33/AM19 dated 12.03.2019 (Case No.18), wherein the Committee decided to refer the matter to PC 3 division to examine and explore possibilities of a general policy change. The applicant stated that they could not utilize the entire credit available on the scrip and said SFIS scrip could be used for the following:

(i) Payment of Custom duty on capital goods, (ii) For payment of composition fee under FTP and (iii) For payment of application fee under FTP. They could utilize an amount of Rs.3.08 crores out of Rs.4.16 crores. The short utilization has resulted on account of following reasons. (i) The most of capital goods and spare parts were imported under EPCG scheme as their company has good export performance and can fulfill the EO by utilization of EPCG authorizations. Therefore SFIS scrip could not be utilized for import of capital goods/spares. (ii) They have utilized an amount of Rs.1392800.00 towards application fee payable under the policy and (iii) they have also paid an amount of Rs.17287565.00 towards composition fee in respect of advance authorization and EPCG authorization. Hence, requested for revalidation.

Decision: The Committee reviewed the case on the basis of justification furnished by the firm along with comments received from Policy-3 Division. The Committee observed that there is no merit in firm's contention and hence decided to maintain rejection of the earlier decision of PRC in its Meeting No.28/AM19 dated 15.01.2019 (Case No.23) and 33/AM19 dated 12.03.2019(Case No.18).

(Action: Applicant)

Case No. 15 M/s. Sitaram Jindal Foundation, Bangalore
F. No. 01/60/162/855/AM19/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Revalidation of SFIS License No.0710110726 dated 01.12.2016.

This is referred case of PRC Meeting No.33/AM19 dated 12.03.2019 (Case No.19), wherein the Committee decided to refer the matter to PC 3 division to examine and explore possibilities of a general policy change. The applicant stated that they being a naturopathy hospital are not doing much import in this license because SFIS is not transferable unlike SEIS so because of these two reasons they could not utilize this license fully and there is an utilized balance of about Rs.8.60 lac. They are regularly importing equipments/consumable for their Hospital under SFIS scrips. Hence, requested for revalidation.

Decision: The Committee reviewed the case on the basis of justification furnished by the firm along with comments received from Policy-3 Division. The Committee observed that there is no merit in firm's contention and hence decided to maintain rejection of the earlier decision of PRC in its Meeting No.33/AM19 dated 12.03.2019 (Case No.19).

(Action: Applicant)

Case No. 16 M/s. Cast Craft India Pvt. Ltd., Bangalore
F. No. 01/60/162/228/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: To allow MEIS benefit against 7 shipping bills which pertain to the year 2015-16.

The applicant stated that they have exported vide 7 Shipping Bill No.8968336 dated 13.04.2015, 9240739 dated 27.04.2015, 9764124 dated 25.05.2015, 9837499 dated 28.05.2015, 1065140 dated 08.06.2015, 1482762 dated 29.06.2015 and 1616183 dated 06.07.2015 with the intent to claim the benefit under Chapter 3 of FTP 2015-20 to claim MEIS benefits. However, under the scheme reward it was inadvertently declared as NO instead of YES. They have requested to amended HSN Code in Shipping bills to Bangalore ICD Customs and amended the HSN Code received letter from Customs vide letter No.C.No.VIII/48/06/2016 Tech ICD dated 14.07.2016. However, the application could not be processed. They tried to submit application ANF 3A online system but not allowed, as the same is shown error.

Decision: The Committee having discussed the case at length observed that manual amendments in the automated system are not possible. Moreover, the responsibility of correct entry in System lies with the Firm. After making wrong entries, there is no mechanism for change in automated environment. Accordingly, it found no merit in it and hence decided to reject the request of the firm.

(Action: Applicant)

Case No. 17 M/s. Bhandari Foils and Tubes Ltd., Dewas (MP)
F. No. 01/60/162/790/AM20/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: To allow FPS / MEIS benefit against 85 time barred Shipping bills.

This is deferred case of PRC Meeting No.33/AM20 dated 03.03.2020 (Case No.07), wherein the Committee decided to ask the firm to submit a statement of the shipping bills and to seek a detailed report from RA, Mumbai in the matter. The applicant stated that due to merger of banks i.e. State Bank of Indore and Dena Bank, (the branch shifted their account to other branch and there is mismatch in branch which name appeared in shipping bills and payment received in different branch), which is beyond their control. There is delay in getting e-BRCs (even some e-BRCs received after three years and after continuous follow up with their bank). Moreover, there is delay in EODC of advance authorization even though they have completed their export obligation in time and RA has put their IEC in DEL. Due to DEL period (FY 2015 to 12.12.2019), they could not file FPS/MEIS application and validity of 85 shipping bills i.e. 36 months form LEO date had expired and they could not file FPS/MEIS benefit for which they are eligible as per MEIS scheme and considered the export benefit in their costing calculation while taking export orders. Shipping bills are showing on DGFT site, but when they attach it to the E-com, benefit amount is showing '00') as 36 months time period already lapsed. They further submitted that because of imposing anti dumping duty in USA and lot of competition in international market, they had taken the export orders by considering FPS/MEIS benefits in their costing calculation and offering rates accordingly in the international quality with commitment of shipment schedule. Hence, requested to allow them to file the FPS/MEIS.

Decision: The Committee went through the submission made by the firm along with the report received from RA, Mumbai and discussed the matter at length. The Committee noted that the applicant has not submitted any cogent reason/ justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to reject the request.

(Action: Applicant)

Case No. 18 M/s. William Goodacre & Sons India Pvt. Ltd., Kerala
F. No. 01/60/162/225/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: 2nd EOP Extension against Advance Authorization No.1010059864 dated 02.01.2018 for regularization purpose.

The applicant stated that they have completed the EO of 24.29% based on actual import quantity. They have completed the full EO within the 2nd extension period. However, their request for 2nd extension of EO was not approved the RA, Cochin. They required extension to account the shipments made beyond the EO validity period i.e.02.01.2020. Reference Policy Circular No.35/2015-20 dated 23.04.2020. Due to buyers financial problem their export orders got extended. Hence, requested for another 6 months to redeem license and account shipments made after 1st extension.

__Decision:__ The Committee examined the case in detail and in view of justification provided by the firm it decided to accede to the request and allowed EOP extension of Advance AuthorisationNo.1010059864 dated 02.01.2018 up to 01.07.2020 only for regularization purpose subject to payment of composition fees @ 1% per month on unfulfilled FOB value from the first extended EOP. The other terms and conditions for fulfillment of EO shall remain same as per policy/HBP provisions. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Cochin)

Case No. 19 M/s. Narayan Industries, Ahmadabad
F. No. 01/60/162/224/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Clubbing of two Advance Authorization No.0810135842 dated 13.08.2015 and 0810140139 dated 24.04.2017.

The applicant stated that at the time of application, buyer has confirmed the order for 80mt and they had supplied the 40mt material to the buyer. In the meantime, their product price was decreased and buyer has cancelled the balance 40mt order. They had requested to the buyer for the delivery of balance quantity. They had agreed to purchase the balance quantity with decreased price. They had agreed to supply the material with decreased price and get the order for 30mt. But 10mt material was not supply. We had already imported the material as per license quantity. In this condition they wish to club the subject advance authorisations. They did not know the condition of Para 4.38(vi) of HBP 2015-20 that the second authorization needs to be issued within 18 months period from first authorization date. They are under small scale industries of Chemical manufacturer and export the material under advance authorization. Hence, requested to grant clubbing of above 2 advance authorisations for closure of the license and EODC.

Decision: The Committee discussed the case on the basis of justification submitted by the applicant and discussed the matter at length. The Committee decided to relax the condition of 18 months from the date of issue of first Advance Authorisation for clubbing of two Advance Authorization No.0810135842 dated 13.08.2015 and 0810140139 dated 24.04.2017 for regularization purpose only. The other terms and conditions for clubbing shall remain same as per policy/HBP provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Ahmedabad)

Case No. 20 M/s. Maharashtra Solvent Extraction (P) Limited, Mumbai
F. No. 01/60/162/222/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Condonation of delay in submission of two TMA Application for Export Period 01.04.2019 to 30.06.2019 & 01.07.2019 to 30.09.2019.

The applicant stated that they prepared the following two TMA applications against ECOM No.(i)0305032372000996589 export period 01.04.2019 to 30.06.2019 and (ii) 030503237200 10021663 export period 01.07.2019 to 30.09.2019. While trying to submit received message 'submission date exceed 09.10.2020. Moreover, due to Lockdown & current situation of pandemic Corona virus staff are not coming to offices and doing work from home. But all of documents are lying in office & also Local train are not allowed to travel other than essential services n Mumbai. Hence, they could not finalise the application before the due date. Still we have problem of staff as they are not willing to come office in fear of spread of Covid-19. Hence, requested to condone the delay for filing of TMA application.

Decision: The Committee went through the statement made by the applicant 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 of the firm for condonation of delay in submission of two TMA Applications for export period 01.04.2019 to 30.06.2019 and 01.07.2019 to 30.09.2019 . The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

Case No. 21 M/s. Forgings & Chemicals Industries, Jalandhar
F. No. 01/60/162/221/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: To allow FPS benefit against S/Bill No.8664131 dated 28.03.2015 on the basis of manual BRC instead of e-BRC.

The application stated that they had made the shipment vide shipping bill No.8664131 dated 28.03.2015 to M/s Coval in Poland. The forwarder wrongly delivered the goods to the customer in June 2015 despite the fact that the original bill of lading was in their custody. The customer M/s Coval subsequently did not pay for the shipment despite their best follow up. The approached their authority dealer bank i.e. Axis Bank and got the amount written off in the month of December 2017 as per RBI policy. Later on they filed a civil case and a criminal case against the forwarder M/s Continental Carriers in New Delhi and their foreign counterparts M/s APL Logistics. After filing the case the foreign counterpart of the carrier agreed to pay US$ 60000.00 on behalf of M/s Coval. This payment was received by them on 31.07.2018 US$30000.00 and on 04.09.2018 US$60000.00. Since the payment was written off by Axis Bank, they cannot generate eBRC and hence they are unable to claim FPS on the realized amount of US$ 60000.00. Hence, requested to allow FPS claim.

Decision: The Committee after discussing the matter on the basis of justification submitted by the application, decided to defer the case and seek a report from concerned Axis Bank for taking final decision in the matter.

(Action: Applicant/ PRC-Division)

Case No. 22 M/s. Haldex India Private Limited, Nashik
F. No. 01/60/162/142/AM21/PRC
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Extension of EOP for 2 years against 2 EPCG Authorization No.3130000726 dated 31.05.2004 and 3130000784 dated 09.08.2004 for regularization purpose.

The applicant stated that they have fulfilled 100% export obligation in both the above EPCG Authorizations within the extended EO period and applied to RA, Pune for regularization vide their letter dated 01.10.2019. However, RA has rejected their requested vide letter dated 24.10.2019. They thereafter applied to the EPCG Committee to grant them extension for regularization. Again EPCG vide their meeting dated 10.06.2020 rejected their request. Both authorisations are issued prior to 01.09.2004, but RA is not in a position to accept their request under PN 36 dated 25.10.2017 read with PN 78 dated 11.03.2019. However, Para 5.11 allows 2 years extension in the EOP and same should be granted to them for regularization purpose as they have already fulfilled 100% EO. Hence, requested to allow them extension of 2 years in EOP in terms of Para 5.11 of HBP 2009-14.

Decision: The Committee went through the statements made by the firm and decided to refer back the issue to EPCG-Division for examination and taking the final decision in the matter.

(Action: Applicant/ EPCG-Division)

Case No. 23 M/s. J. K. Sports Foundation, Mumbai
F. No. 01/89/180/27/AM14/PC-2(A)/E-5961
PRC Meeting No.19/AM21 dated 22.12.2020

Subject: Policy/Procedure relaxation of; (i) Import condition from JNPT as against Mumbai Port; and (ii) Import condition of import of second hand vehicle order than 3 years as per Para 2.58(c) of FTP 2015-20.

The applicant stated that they have planned to import a second hand of road racing Dragster car /vehicles having ITC HS No.87033399. As per policy condition Motor Vehicles/ cars are allowed for import only from Mumbai Port. Similarly, the motor cars /vehicles ITC HS No.87033399 older than 3 years are not allowed for importation in terms of policy conditions No.87D(1)(II)(d)(iv) and 87D 1 II(a) as laid down under chapter 87 of ITC HS for import. The dragster car of desirable and identical nature fit for the purpose is not available locally. The said dragster car/ vehicle will be used for off road purposes only. The said dragster car cannot be used for any other purposes than the one being disclosed/ stated herewith that it is not possible to get ship from sourcing country from Mumbai Port. The said vehicle/ car is being procured from supplier namely Truemax. The chassis no. and engine no. of the said vehicle is A092184 and FED016 respectively. The details of the vehicles to be imported are given below.

Marks & Nos./No.& kind of Pkgs. - Car: Dragster
Quantity - 01
Description of Goods - Track Car, Car : Dragster, Chassis No.: A092184,
Engine No.: FED016, Engine Capacity: 550 HP
Make: Dragster, Year of manufacture: 2016
INCOTERM: CIF

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

(Action: Applicant/PC-2(A) division)

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