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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting Held on 26.11.2020 under the Chairmanship of Shri Amit Yadav, Director General of Foreign Trade

Meeting No.16/AM21 held on 26.11.2020

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. ShriRajbir Sharma — Jt. DGFT
6. Dr. Praveen Kumar — Dy. 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. Syngenta India Limited, Pune	1
2.	M/s. Risto International Pvt. Ltd., Delhi	2
3.	M/s. Asiatic Industries, Ahmedabad	3
4.	M/s. Kemwell BiopharmaPvt. Ltd., Bangalore	4&5
5.	M/s. Gracious Overseas Pvt. Ltd., New Delhi	6
6.	M/s. Lava International Ltd., Noida	7
7.	M/s. Antonius TradexPvt. Ltd., HR	8
8.	M/s. Rubamin Private Limited, Vadodara	9 to 12
9.	M/s. Cosmic Informatics Pvt. Ltd., Delhi	13
10.	M/s. Reliance Industries Limited, Mumbai	14
11.	M/s. Skoda Auto Volkswagen India Pvt. Ltd., Pune	15
12.	M/s. Dynamic Flow Products Pvt. Ltd., Palghar	16
13.	M/s. Primus Overseas Pvt. Ltd., Gurugram	17
14.	M/s. Bright Fame International, Visnagar , Gujarat	18
15.	M/s. M.P. Impex, Mumbai	19
16.	M/s. Gas Processing Equipment Pvt. Ltd., Pune	20
17.	M/s. K K Enterprise, Sanand, Changodar (Gujarat)	21
18.	M/s. Santosh Jewellers, Saket, New Delhi	22
19.	M/s. Larsen and Turbo Limited, Punatsangchhu, Bhutan	23
20.	Mr. Imran Khan, Delhi	24

Case No. 01 **M/s. Syngenta India Limited, Pune**
F. No. 01/60/162/622/AM20/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

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

The applicant stated that their export products and export markets were eligible under promotional schemes like FMS and MLFPS of FTP 2009-14 for the exports till 31.03.2015. Accordingly, they had submitted MLFPS/FMS applications to RA and had received MLFPS/FMS scrips against majority of the applications. However, in some the applications, the deficiency of eBRC in INR was raised by RA, Pune and rejected. They had submitted necessary clarifications and relevant documents to RA, Pune confirming that the payment has been received through Vostro account. Also clarified that in accordance with Para 2.40 and 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, the eBRC issued by the banks were in INR in view of the fact that the shipping bills were having reference of INR, but were not accepted by RA, Pune. They had approached DGFT HQ and met concerned officials for getting guidelines, wherein 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. Accordingly, as per the request, RA, Pune has issued rejection letters for further procedure of re-activation. RA, Pune had also sent such rejection letters to DGFT NIC so that re-activation can be made. DGFT NIC re-activated the said shipping bills based on such rejection letters from RA. Their bank had cancelled the eBRC of subject shipping bills and re-issued the eBRC in USD. Their bank has also issued the certificate confirming the payment received through Vostro account. Now, at the time of re-submission of subject shipping bills under respective schemes viz FMS/MLFPS in EDI System, though there is manual mechanism for applying late cut at the time of online submission. They are having 278 re-activated shipping bills which are having the above issue of late cut. Therefore they required relaxation for submission of re-activated shipping bills in context of implementation of late cut. They also wish that relaxation granted in the case of MEIS scheme vide Trade Notice No.36/2015-20 dated 09.10.2019 be extended for FMS/MLFPS schemes.

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 applicant and hence decided to call the firm for **Personal Hearing**.

(Action: Applicant/PRC)

Case No. 02 **M/s. Risto International Pvt. Ltd., Delhi**
F. No. 01/60/162/155/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: To condone the time limit for filing MEIS application against 133 time barred shipping bills pertaining to the year 2017-18 without late cut.

The applicant stated that they have entered into a contract for export of readymade garments with one of their foreign customers. They started exporting the readymade garments starting May 2017. Thereafter GST has been introduced w.e.f. 01.07.2017. Before GST most of the fabrics were exempt from Excise /VAT and in the GST regime, fabrics were covered under GST. The whole industry was very much uncertain about pricing after GST and it affected the business and supply of goods for few months. They exported very few shipments after June 2017. As per new rates in market due to GST, their cost of inputs/purchase increases to that extent. Therefore they start discussion and negotiation with their foreign customers to increase prices as they were working on very thin margin but the buyers declined to increase the prices as the contract was for long term. Therefore, they could not supply the balance shipments to their foreign buyer as the input prices increases and they cannot export at loss.

This create dispute with their buyer as they do not ship the balance shipment and buyer did not make payment to them even for already export shipments. They requested the buyer to make payments of their outstanding bills against already exported shipments and made continuous endeavor to realize the export proceeds for long period of time. At last their buyer agreed to make payment and started sending remittances in May 2020. Thereafter the eBRC were issued by the bank in May 2020. Thus eBRC was issued around 35-36 months after the export period. Till the time of issuance of eBRC from the date of exports and maximum time period for filing claim of MEIS with late cut nearly expired for most of the shipping bills. At the last minute they could not file the application as their staff was not available in month of May and June 2020 due to nationwide lockdown.

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

(Action: Applicant)

Case No. 03 M/s. Asiatic Industries, Ahmedabad
F. No. 01/60/162/70/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: To accept the export item description as mentioned in Shipping Bills towards fulfillment of EO against Advance Authorization No.0810124724 dated 12.09.2013.

The applicant stated that the advance authorization was granted under Para 4.7 for export item ACID BLACK 210 (DYE CONTENT 70%). They have fulfilled 100% EO, realized the export proceeds in Foreign Exchange and have applied for EODC. The issuance of EODC by RA was denied for the reason that DYE CONTENT 70% was not shown in description in shipping bills. It was through oversight left out mentioning DYE CONTENT 70% in the shipping bills, although the product description ACID BLACK 210 was shown. They have given clarification for the same referring to Para 8 of General Notes for Chemicals & Allied Products, given in FTP input-output norms. Further in support thereto, they have submitted analytical reports carried out prior to export of the product. They have also produced Chartered Chemical Engineer

Certificates to prove that the Dye Content in the export product was more than 70%, but the authorities have not considered their request for issuance of EODC. Simultaneously, they have been put under DEL LIST for the very same license, stated to be pending EO. They continue to export their products till date, but they are deprived of availing any other incentives like MEIS for their regular exports in view of their name under DEL list. Hence, requested to except for the minor lapse in mentioning Dye Content 70% in the shipping bills, as all other conditions with regard to the issuance of authorization has been fulfilled by them.

Decision: The Committee examined the case in detail and in view of justification provided by the firm it decided to accede to the request to accept the export item description as mentioned in Shipping Bills towards fulfillment of EO against Advance Authorization No.0810124724 dated 12.09.2013 based on corroborative evidence submitted by the firm. The other terms and conditions for fulfillment of export obligation 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. 04 M/s. Kemwell Biopharma Pvt. Ltd., Bangalore
F. No. 01/60/162/138/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: To count the export of Shipping bill No.1739355 dated 19.10.2016 under Advance Authorization No.0710110353 dated 01.09.2016 instead of Advance Authorization No.0710109957dated 15.06.2016for regularization and discharge of EO.

The applicant stated that they have imported Raw Material Bedaquiline Fumarate API vide Bill of Entry No.6756113 dated 17.09.2016. They have manufactured and exported tablets to Janssen Pharmaceutica NV, Belgium vide Export Invoice No.16140278 dated 15.10.2016 and Shipping Bill No.1739355 dated 19.10.2016. However, while filing export shipping bill, by oversight in shipping bill mentioned debonding Advance Authorisation No.0710109957 dated 15.06.2016 instead of Advance Authorisation No.0710110353 dated 01.09.2016. Hence, requested to allow counting of export of Shipping Bill No.1739355 dated 19.10.2016 under Advance Authorization No.0710110353 dated 01.09.2016 instead of Advance Authorization No.0710109957dated 15.06.2016for regularization and discharge of EO.

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.

(Action: Applicant)

Case No. 05 M/s. Kemwell Biopharma Pvt. Ltd., Bangalore
F. No. 01/60/162/136/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

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Subject: To count the export of Shipping Bill No.9418750 dated 12.08.2016 under Advance Authorisation No.0710109957 dated 15.06.2016 for regularization and discharge of EO.

The applicant stated that they have imported Raw Material Bedaquiline Fumarate API vide Bill of Entry No.160/2016 dated 18.07.2016 Import Item Sl.No.01 as per advance license). They have manufactured and exported tablets vide Shipping Bill No.9418750 dated 12.08.2016. In case of Shipping Bill No.9418750 dated 12.08.2016, they have converted their unit from EOU to DTA with effect from 01.08.2016. They have moved the first consignment under Debonding Advance License and while filing Shipping Bill, advance license not reflected in ICEGATE Server. They had moved the shipment to Bangalore Air Port and while filing, advance license not reflected in ICEGATE Server. Due to urgency they have moved the consignment under draw back scheme and they have incorporated advance license number in remarks column of shipping bill no.9418750 dated 12.08.2016 and Export Invoices No.190, 191, 192, 193, 194, 195, 196 and 197. They have approached Customs for amendment of shipping bill, but not happened and advised them to approach PRC for regularize shipping bill. They have used import raw material of 68.92 Kgs for manufacture of SIRTURO Tablets 100 MG. They also confirm and undertake that they have not considered the said shipping bill for any other advance license. Hence, requested to allow counting the export of Shipping Bill No.9418750 dated 12.08.2016 under Advance Authorisation No.0710109957 dated 15.06.2016 for regularization and discharge of EO.

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.

(Action: Applicant)

Case No. 06 M/s. Gracious Overseas Pvt. Ltd., New Delhi
F. No. 01/60/162/156/AM21/PRC
PRC Meeting No.15/AM21 dated 26.11.2020

Subject: To condone the time limit for filing MEIS application against 359time barred shipping bills pertaining to the year 2016-17 without late cut.

The applicant stated that they had exported the readymade garments vide 359 shipping bills in the year 2016-17. After some time, DRI started an inquiry against various exporters including their company in connection with export of readymade garments and availment of drawback. The DRI also put an alert on their IEC and freeze their bank accounts pending inquiry in the matter. They have co-operated with the department and submitted all the relevant documents and details as asked by them from time to time. They have requested in July,, 2017 to DRI to de-freeze their account as they were unable to run operations of their company due to non-operation of bank account. Due to this, their customrers could not send export proceeds against export of above said shipping bills. In start of year 2020 they received information that their account has been de-freezed and are operational. Thereafter they pursued with their foreign customs for sending export payments against outstanding and they start remitting payment against outstanding export bills from May 2020 onwards. Thereafter, the eBRC has been issued by the Bank from May 2020 onwards, but till that time, maximum time period for filing claim of MEIS with late cut expired as the BRC were issued after 3 years of export date. Hence, requested to condone the time limit for filing MEIS application against said time barred shipping bills.

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

(Action: Applicant)

Case No. 07 M/s. Lava International Ltd., Noida
F. No. 01/60/162/140/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: To allow MEIS benefit against 3 Shipping Bills No.(i) 1089615 dated 01.02.2020, (ii) 1146257 dated 04.02.2020 and (iii) 1250186 dated 07.02.2020.

The applicant stated that in a routine course they exported 3 consignments of their products vide ITC code No.85171290 (from 01.02.2020 to 07.02.2020) which were duly permitted by the Customs Department. PN No.61/2015-20 dated 11.02.2020 issued informing that the ITC code No.85171290 has been changed to 85171211 and the same has been incorporated in the MEIS schedule. As they have exported the product prior to the change, their shipping bills do not interface with DGFT portal and exports benefits/applications are not acceptable online. They approached Customs Authority for amendment of HS Code (from 85171290 to 85171211) in the above shipping bills, wherein the Customs Authority has amended the shipping bills manually and not in EDI system. Since, system does not facilitate transmission of such correction /amendment electronically and Customs Authority has allowed the amendment in the shipping bills. Hence, requested to grant some special permission to make such shipping bills be available on DGFT and ICE GATE along with 2% additional ad-hoc incentive on HS code 85171211 in terms of Notification No.43/2015-20 dated 29.01.2020.

Decision: The Committee went through the statements made by the firm and decided to refer the issue to PC-3 Division for its examination and thereafter the matter will be brought back to PRC for any relaxation.

(Action: PC-3 Division/Applicant)

Case No. 08 M/s. Antonius Tradex Pvt. Ltd., HR
F. No. 01/60/162/154/AM21/PRC
PRC Meeting No.15/AM21 dated 26.11.2020

Subject: To condone the time limit for filing MEIS application against 21 time barred shipping bills pertaining to the year 2017-18 without late cut.

The applicant stated that they had exported the readymade garments vide 21 shipping bills in the year 2017-18. They have received payment against 3 shipping bills in August 2017 and eBRC has been issued by Bank in September 2017. As the payment for the balance shipments were in process by customer, they did not apply MEIS for these shipments as the claim amount was very less in these 3 shipments and not commercially viable. They would like to take claim of all 21 shipping bills in one single application. After some time, DRI started an inquiry against various exporters including their company in connection with export of readymade garments and availment of drawback. The DRI also put an alert on their IEC and freeze their bank accounts pending inquiry in the matter. They have co-operated with the department and submitted all the relevant documents and details as asked by them from time to time. They have requested in July,, 2017 to DRI to de-freeze their account as they were unable to run operations of their company due to non-operation of bank account. Due to this, their customs could not send export proceeds against export of above said shipping bills. In start of year 2020 they received information that their account has been de-freezed and are operational. Thereafter they pursued with their foreign customs for sending export payments against outstanding and they start remitting payment against outstanding export bills from April 2020 onwards. Thereafter, the eBRC has been issued by the Bank from April 2020 onwards, but till that time, maximum time period for file claim of MEIS with late cut expired as the BRC were issued after 3 years of export date. DRI has also concluded their investigation vide their mail dated 24.07.2020 and issued NOC/Investigation reports. Hence, requested to condone the time limit for filing MEIS application against said time barred shipping bills.

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

(Action: Applicant)

Case No. 09 M/s. Rubamin Private Limited, Vadodara
F. No. 01/60/162/146/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: Relaxation to comply P.No.9/2015-20 dated 14.05.2018 for deemed export of Advance Authorisation No.3410044650 dated 29.10.2018.

The applicant stated that they have taken the advance authorization for deemed export supplies to EOU and completed 100% EO. They seek relaxation in complying with PN No.9/2015-20 dated 14.05.2018 where it states that copy of tax invoice along with Form-A signed by EOU to be submitted as proof of export. However in their case, they have tax invoices/statement of invoices duly certified by EOU as well as it is GST jurisdiction certifying goods have been received by EOU as proof of export. Form-A is not prepared by EOU unit as they have not claimed GST exemptions. They have charged full GST on invoices, therefore, Form-A is not mandatory for EOU. They have already completed full export obligation and have proof of exports as well.

Decision: The Committee went through the statements made by the firm and decided to refer the issue to PC-6 Division for its examination and thereafter the matter will be brought back to PRC.

(Action: PC-6 Division/Applicant)

Case No. 10 **M/s. Rubamin Private Limited, Vadodara**
F. No. 01/60/162/149/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: Relaxation to comply P.No.9/2015-20 dated 14.05.2018 for deemed export towards redemption of Advance AuthorisationNo.3410045127 dated 09.05.2019.

The applicant stated that they have taken the advance authorization for deemed export supplies to EOU and completed 100% EO. They seek relaxation in complying PN No.9/2015-20 dated 14.05.2018 where it states that copy of tax invoice along with Form-A signed by EOU to be submitted as proof of export. However in their case, they have tax invoices/statement of invoices duly certified by EOU as well as it is GST jurisdiction certifying goods have been received by EOU as proof of export. Form-A is not prepared by EOU unit as they have not claimed GST exemptions. They have charged full GST on invoices, therefore, Form-A is not mandatory for EOU. They have already completed full export obligation and have proof of exports as well.

Decision: The Committee went through the statements made by the firm and decided to refer the issue to PC-6 Division for its examination and thereafter the matter will be brought back to PRC.

(Action: PC-6 Division/Applicant)

Case No. 11 **M/s. Rubamin Private Limited, Vadodara**
F. No. 01/60/162/148/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: Relaxation to comply P.No.9/2015-20 dated 14.05.2018 for deemed export towards redemption of Advance Authorisation No.3410045087 dated 29.04.2019.

The applicant stated that they have taken the advance authorization for deemed export supplies to EOU and completed 100% EO. They seek relaxation in complying PN No.9/2015-20 dated 14.05.2018 where it states that copy of tax invoice along with Form-A signed by EOU to be submitted as proof of export. However in their case, they have tax invoices/statement of invoices duly certified by EOU as well as it is GST jurisdiction certifying goods have been received by EOU as proof of export. Form-A is not prepared by EOU unit as they have not claimed GST exemptions. They have charged full GST on invoices, therefore, Form-A is not mandatory for EOU. They have already completed full export obligation and have proof of exports as well.

Decision: The Committee went through the statements made by the firm and decided to refer the issue to PC-6 Division for its examination and thereafter the matter will be brought back to PRC.

(Action: PC-6 Division/Applicant)

Case No. 12 M/s. Rubamin Private Limited, Vadodara
F. No. 01/60/162/147/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: Relaxation to comply P.No.9/2015-20 dated 14.05.2018 for deemed export towards redemption of Advance Authorisation No.3410044248 dated 14.06.2018.

The applicant stated that they have taken the advance authorization for deemed export supplies to EOU and completed 100% EO. They seek relaxation in complying PN No.9/2015-20 dated 14.05.2018 where it states that copy of tax invoice along with Form-A signed by EOU to be submitted as proof of export. However in their case, they have tax invoices/statement of invoices duly certified by EOU as well as it is GST jurisdiction certifying goods have been received by EOU as proof of export. Form-A is not prepared by EOU unit as they have not claimed GST exemptions. They have charged full GST on invoices, therefore, Form-A is not mandatory for EOU. They have already completed full export obligation and have proof of exports as well.

Decision: The Committee went through the statements made by the firm and decided to refer the issue to PC-6 Division for its examination and thereafter the matter will be brought back to PRC.

(Action: PC-6 Division/Applicant)

Case No. 13 M/s. Cosmic Informatics Pvt. Ltd., Delhi
F. No. 01/60/162/153/AM21/PRC
PRC Meeting No.15/AM21 dated 26.11.2020

Subject: To condone the time limit for filing MEIS application against 08time barred shipping bills pertaining to the year 2016-17 without late cut.

The applicant stated that they had exported the readymade garments vide 8 shipping bills in the year 2016-17. After some time, DRI started an inquiry against various exporters including their company in connection with export of readymade garments and availment of drawback. The DRI also put an alert on their IEC and freeze their bank accounts pending inquiry in the matter. They have co-operated with the department and submitted all the relevant documents and details as asked by them from time to time. They have requested in July,, 2017 to DRI to de-freeze their account as they were unable to run operations of their company due to non-operation of bank account. Due to this, their customs could not send export proceeds against export of above said shipping bills. In start of year 2020 they received information that their account has been de-freezed and are operational. Thereafter they pursued with their foreign customs for sending export payment s against outstanding and they start remitting payment against outstanding export bills from May 2020 onwards. Thereafter, the eBRC has been issued by the Bank from May 2020 onwards, but till that time, maximum time period for file claim of MEIS with late cut expired as the BRC were issued after 3 years of export date. Hence, requested to condone the time limit for filing MEIS application against said time barred shipping bills.

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

(Action: Applicant)

Case No. 14 M/s. Reliance Industries Limited, Mumbai
F. No. 01/60/162/195/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: Grant of duty credit under MEIS wherein Shipment Bill No.1825250 dated 05.02.2019 have "N" in scheme reward Column.

The applicant stated that they have exported Paraxyene (ITC HS 2902 43 00) under Shipping Bill No.1825250 dated 05.02.2019 from Sikka Port and product is covered under eligible category for MEIS benefit as per Appendix 3B. At the time of filling they had inadvertently selected the reward scheme as 'N' instead of 'Y' due to which these shipping bills are not available for MEIS application in DGFT System. When they approach to Customs for amendment of the shipping bills they have issued them a letter stating that no EDI modification in shipping bill can be carried out. Hence, requested to allow them to claim MEIS benefit either manually or suggest some way out so that they can make MEIS application in DGFT MEIS module.

Decision: The Committee having discussed the case at length observed that conversion from N to Y as well as reflection of such manual amendments in the automated system is not possible. Accordingly, it found no merit in it and hence decided to reject the request of the firm.

(Action: Applicant)

Case No. 15 M/s. Skoda Auto Volkswagen India Pvt. Ltd., Pune
F. No. 01/60/162/168/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: Permission to import 3 left hand drive vehicles and run on public roads in India for R&D development purpose.

The applicant stated that they are incorporated under the Companies Act, 1956 and having its registered office Pune and holding Import-Export Code No.0307019390. They are engaged in manufacturing of vehicles of various brands including Volkswagen and Skoda. Both brands belong to the VW Group. Since, the company is developing current range of models to meet new regulation Bharat stage VI emission norms effective from 1 April, 2020 mandated by GOI. Cars will be imported from their parent company SKODA AUTO a.s. MladaBoleslav, Czech Republic and it is required to perform development testing of the cars and run on India road according to provision of CMV Rules Section 41(a) with use of trade certificates issued by registering authority for the purpose of testing. However, as per Notification No.07/2015-20 dated 08.05.2018 vehicles imported under Chapter 87 for R&D /testing are not allowed to ply on public roads. Hence, requested approval to the import required cars and run them on public road which is allowed under the aforesaid CMVR provision. The descriptions of the vehicles are as under:-

Description	VIN Number	Engine Number	Status after testing
Virtus	9BWDH5BZ4LP110621	DTBA21 016	Re-exported
Virtus	9BWDH5BZ9LP132968	DTBA21 022	Re-exported
Virtus	9BWDH5BZ1LP111175	DTBA21 007	Re-exported

Decision: The Committee went through the justification provided by the firm and decided to agree to the request of the firm to import 3 left hand drive vehicles for R&D purposes and its plying on Indian roads subject to the firm obtaining permission of Ministry of Road Transport & Highways to ply the cars on Indian roads which they are importing for testing and R&D purposes.

(Action: Applicant)

Case No. 16 M/s. Dynamic Flow Products Pvt. Ltd., Palghar
F. No. 01/60/162/160/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: Extension of EOP against Advance Authorization No.0310819096 dated 12.02.2018.

The applicant stated that the 2nd extension of EOP granted by RA, Mumbai dated 06.03.2020. But as they know after 12 days from amendment on 18.03.2020 GOI announced lockdown, so their all extended 6 months wasted due to this COVID Pandemic and lockdown. Their factory in Vasai East, Maharashtra which is Red Zone Area and Govt. of Maharashtra allowed only 30% staff in Pvt. Firm, so still today they could not run their production as regular basis. Hence, requested for further extension of 6 months to complete their EO against the subject authorization which is nearby 100 MTS.

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 Authorization No.0310819096 dated 12.02.2018 for a further period of 6 months from the date of endorsement subject to payment of composition fee @ 1% per month on unfulfilled FOB value. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

Case No. 17 M/s. Primus Overseas Pvt. Ltd., Gurugram
F. No. 01/60/162/157/AM21/PRC
PRC Meeting No.15/AM21 dated 26.11.2020

Subject: To condone the time limit for filing MEIS application against 62time barred shipping bills pertaining to the year 2017-18 without late cut.

The applicant stated that they have entered into a contract for export of readymade garments with one of their foreign customers. They start exporting the readymade garments starting May 2017. They have exported around 46 shipments till 30.06.2017. Thereafter GST has been introduced w.e.f. 01.07.2017. Before GST most of the fabrics were exempt from Excise /VAT and in the GST regime, fabrics were covered under GST. The whole industry was very much uncertain about pricing after GST and it affected the business and supply of goods for few months. They exported 16 shipments in the month of July & August 2017. As per new rates in market due to GST, their cost of inputs/purchase increases to that extent. Therefore they start discussion and negotiation with their foreign customers to increase prices as they were working on very thin margin but he declined to increase the prices as the contract was for long term. Therefore, they could not supply the balance shipments to their foreign buyer as the input prices increases and they cannot export at loss. This create dispute with their buyer as they do not ship the balance shipment and buyer did not make payment to them even for already export shipments. They requested the buyer to make payments of their outstanding bills against already exported shipments and made continuous endeavor to realize the export proceeds for long period of time. At last their buyer agreed to make payment and started sending remittances in May 2020. Thereafter the eBRC were issued by the bank in May 2020. Thus eBRC was issued around 35-36 months after the export period. Till the time of issuance of eBRC from the date of exports and maximum time period for filing claim of MEIS with late cut nearly expired for most of the shipping bills. At the last minute they could not file the application as their staff was not available in month of May and June 2020 due to nationwide lockdown. Hence, requested to condone the time limit for filing MEIS application against said time barred shipping bills.

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

(Action: Applicant)

Case No. 18 M/s. Bright Fame International, Visnagar , Gujarat
F. No. 01/60/162/188/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: To allow MEIS benefit against Shipping Bill No.8085674 dated 18.08.2017 in which the reward scheme column is shown "No".

The applicant stated that they are engaged in export of Agro products like Cumin, Fennel, Sesame, Chillies etc. for the last several years. They made export Cumin Seeds under MEIS scheme vide Shipping Bill No.8085674 dated 18.08.2017 as per Chapter 3.04 of __FTP 2015-20__. The required declaration is made in first page of shipping bill but it was left out making the Tick Mark for "YES" in Reward Column at Page No.2 of shipping bill and the system recorded the default indicating "NO". This was an inadvertent mistake occasioned due to oversight by their CHA. They have declared in their export invoice, packing list and also in shipping bill (first page) their intention to claim the reward under MEIS scheme stating "We intend to claim rewards under EMIS". It is an inadvertent mistake occasioned due to oversight, which should be considered as a human error in not putting tick for "Y" in reward column of shipping bill thereby the system automatically recorded the default setting "N". The export price has been computed anticipating the benefits of MEIS.

Decision: The Committee having discussed the case at length observed that conversion from N to Y as well as reflection of such manual amendments in the automated system is not possible. Accordingly, it found no merit in it and hence decided to reject the request of the firm.

(Action: Applicant)

Case No. 19 M/s. M.P. Impex, Mumbai
F. No. 01/60/162/184/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: Revalidation of 25 DFIAs for import of refined sugar.

The applicant stated that they had requested earlier for revalidation of 26 DFIAs. However, PRC has considered only one DFIA in its Meeting No.07/AM21 dated 06.08.2020 (Case No.12). Further the applicant stated that the licenses were issued against export of biscuits, and against it import item allowed is Refined Cane Sugar (17019990), but the ITC HS mentioned in the license was of Raw Cane Sugar (17011490). The RA had refused their request for amending the ITC HS Code to a correct one, meanwhile it had issued correct ITC HS to other exporters. Now they have come across multiple DFIAs issued by the RA, Ludhiana with correct ITCHS code for refined cane sugar. Due to this refusal of concerned licensing authority the DFIAs could not be used for import of Cane Sugar as without proper ITC HS code the Customs would not have allowed imports. They could utilize the DFIA for import of all other inputs before the expiry of the DFIAs but not for Cane Sugar as the right ITCHS code was not allowed by the Licensing Authority.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly it decided to accede to the request and allowed revalidation of following 25 DFIAs No.(i) 3010103870 dated 21.10.2016, (ii) 3010103871 dated 21.10.2016, (iii) 3010103919 dated 04.01.2017, (iv) 3010103923 dated 06.01.2017, (v) 3010104124 dated 26.09.2017, (vi) 3010104125 dated 26.09.2017, (vii) 3010104126 dated 26.09.2017, (viii) 3010104127 dated 27.09.2017, (ix) 3010104140 dated 18.10.2017, (x) 3010104142 dated 18.10.2017, (xi) 3010104148 dated 31.10.2017, (xii) 3010104149 dated 31.10.2017, (xiii) 3010104164 dated 22.11.2017, (xiv) 3010104184 dated 12.12.2017, (xv) 3010104168 dated 01.12.2017, (xvi) 3010104172 dated 05.12.2017, (xvii) 3010104173 dated 05.12.2017, (xviii) 3010104183 dated 14.12.2017, (xix) 3010104185 dated 14.12.2017, (xx) 3010104102 dated 25.08.2017, (xxi) 3010104292 dated 12.04.2018, (xxii) 3010104294 dated 12.04.2018, (xxiii) 3010104297 dated 16.04.2018, (xxiv) 3010104358 dated 11.06.2018 and (xxv) 3010104360 dated 14.06.2018 for a period of 3 months from the date of endorsement and decided that RA may take necessary action for rectification of ITCHS Code in the subject DFIAs also while allowing revalidation. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: RA, Ludhiana /Applicant)

Case No. 20 M/s. Gas Processing Equipment Pvt. Ltd., Pune
F. No. 01/60/162/621/AM20/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: To allow MEIS benefit for the export to Uzbekistan through Bandar Abbas Iran without e-BRC on the basis of FIRC against 3 time barred Shipping Bill Nos.(i) 3531096 dated 13.10.2015, (ii) 5096929 dated 05.01.2016 and 5817840 dated 15.02.2016.

The applicant stated that they had supplied this H2S Removal System in 04 parts, one was Merchanting trade, and other three were at JNPT Mumbai, which were handled by Customer's freight forwarder and shipped to Uzbekistan via Bandar Abbas Iran (as Uzbekistan is landlocked country). For these three shipments they have filed shipping bill under MEIS scheme. They have received all the money from Industry Construction Equipment FZE in Deutsche Bank (Aundh Branch). After receipt of whole money, they have submitted all the documents to Deutsche Bank for export regularization and issuance of e-BRC. However, after few months, bank has rejected the said transaction on the grounds of sanction country. The goods had landed in Bandar Abbas Iran and from there these went to Uzbekistan by road. Bank said that they cannot handle this shipment as shipment had landed in Iran (sanctioned country). Similarly they have also tried to regularize this transaction through other banks i.e. HDFC, IDBI Bank, Indusind Bank, UCO Bank, Central Bank of India, Oriental Bank of Commerce, State Bank of India, etc., but they have also rejected the transaction on the same ground. They had also taken up this matter with the RBI wherein the advised them their inabilities to intervene. They had also taken up with DGFT and were informed that this was a policy decision and they should wait for further guidance from DGFT. They had visited RA, Pune and were informed of the new policy to avail MEIS benefits for exports to OFAC countries (Iran/Sudan/Libya) without EBRC. However, while filing the application no shipping bills were showing in the portal. These shipping bills are showing under the normal application route since the final destination was Uzbekistan and not Iran. All the above 3 shipping bills are time barred now. They had visited open office in RA, Pune for further guidance on 09.10.2019 and were informed to take up the matter with DGFT Delhi.

Decision: The Committee examined the case on the basis of justification submitted by the applicant along with comments received from PC-3 division and discussed the matter at length. The Committee decided to refer back the issue to PC-3-Division for examining the matter afresh and put up the same on file to DG for a decision.

(Action: PC-3 Division/Applicant)

Case No. 21 M/s. K K Enterprise, Sanand, Changodar (Gujarat)
F. No. 01/60/162/197/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: To allow MEIS benefit against 30 Shipping bills in which "No" is shown in Reward Column instead of "Y".

The applicant stated that they have made export products premium jeerakhari & supari chill round having ITC (HS) code 19059020 & 08029000 to various countries by various shipping bills their said exported products are fully eligible for MEIS benefits as per FTP 2015-20. On the basis of their submitted all relevant documents, Custom authority at ICD Khodiyar had passed their all S/Bill as finally assessed and released the same for post export benefits and Chapter -3 benefit (MEIS Benefit) was also shown / printed at 1st page in all the said S/Bills. After releasing they are going to take the MEIS benefits through DGFT Online Application module. But surprisingly, they come to know that the said S/bills are not shown / available in online DGFT website for MEIS benefits. After detail inquiry made with ICD Khodiyar Custom Port and in spite of their prior intimation for Chapter -3 benefits, they come to know / understand that due to some technical reason in EDI computer system at ICD Khodiyar Custom Port, it shows "No" in the Reward item instead of "Yes". Hence, requested to necessary order / instruction for the same. Correction / Amendment the same in EDI Custom Computer system as "Yes" for getting reward scheme i.e. MEIS benefit or please issue a separate letter against which they can get the MEIS benefit as early as possible and oblige.

Decision: The Committee having discussed the case at length observed that conversion from N to Y as well as reflection of such manual amendments in the automated system is not possible. Accordingly, it found no merit in it and hence decided to reject the request of the firm.

(Action: Applicant)

Case No. 22 M/s. Santosh Jewellers, Saket, New Delhi
F. No. 01/60/162/169/AM21/PRC
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: Extension of 30 days from date of endorsement to take gold from Nominated agencies or extends the period of 6 months given in PN 67/2015-2020 dated 31.03.2020 to 12 months.

The applicant stated that they participated in 47th Mideast Watch & Jewellery Show 2019 in Sharjah from 01.10.2019 to 05.10.2019 after taking permission from GJEPC under Para 4.46 of FTP read Para 4.80 of HBP. During the exhibition they sold studded gold Jewellery and were entitled for claiming gold under replenishment scheme from nominated agencies under Para 4.80 (c) (I) (b) of HBP. They hand carry jewellery parcels for exhibition under Para 4.80 (c) (I) (a) of HBP. In cases of hand carry parcels let Export order is issued manually by customs and as such is not reflected in ICEGATE and EPDMS – the RBI site for export / Import data. In hand carry cases they have to approach customs for issue of letter in favour of RBI giving all export import details. On receiving the letter the same is forwarded to RBI for uploading details in EPDMS so that the bank can issue EBRC. Without EBRC the Nominated agencies / GJEPC do not entertain claim for replenishment of gold. Gold has to be taken from nominated agencies within 120 days of close of exhibition.

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DGFT by issuing PN no. 67/2015-20 dated 31.03.2020 has extended the time limit for taking delivery by six months.

In the current case their exhibition finished on 05.10.2019 and as such the last date for taking gold from Nominated agency in terms of Public notice 67/2015-2020 was 01.08.2020. They had written to Customs for issue of letter for RBI for uploading in EPDMS on 31.12.2019. However, due to lockdown and after subsequent re opening of Customs and working on rotational basis the Customs issued the letter for RBI only on 24.07.2010 vide letter 20 C no. VIII (8) 40 /EDIPMS / 86. The said letter was deposited by them in RBI on 28.07.2020 and it's was only in mid-august the RBI uploaded export details in EPDMS. As a result the EBRC was available to them only after the last date of taking gold from Nominated agency i.e. 01.08.2020 had elapsed. Hence, requested an extension of 30 days from the date of grant of extension to take gold from Nominated Agencies or in the alternative extend the period of 6 months given in in PN 67/2015-20 dated 31.03.2020 to 12 months.

<u>Decision:</u> The Committee went through the statement made by the applicant and discussed the matter at length and observed that there is merit in the case and accordingly decided to accede to the request and allowed extension of 30 days period from the date of uploading of the minutes to take gold from nominated agencies.

(Action: Applicant)

Case No. 23 M/s. Larsen and Turbo Limited, Punatsangchhu, Bhutan
F. No. 01/89/180/Misc-14/AM10/PC-2(A)/Part-1
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: The request of the firm is for relaxation in import policy condition for: (i) Import of used vehicles more than 03 years old;and (ii) The import of the equipment form Bhutan to India through Customs port at Mumbai is practically not possible. Therefore, the firm has sought permission for import of used vehicles from Bhutan to India through Jaigaon Port (Bhutan –West Bengal Border town) instead of Mumbai.

The applicant stated that the 1200 MW Punatsangchhu-I Hydro Electric Project is a prestigious friendship project of India and Bhutan and is being implemented for mutual benefits for people of both the countries. The completion time for the project was initially estimated as 66 months i.e. by the year 2014. However, project has suffered setbacks in terms of repeated slope failures due to poor geology at right bank, which have hampered the progress of the project in a drastic way. Further, based on current scope works, some of the equipment which they have mobilized for project works have now become surplus and they would like to import these equipment [Vehicles Category] back to India. Since the project works which was commenced in the year 2009 and is still continuing, majority of the equipment have already crossed 03 years in the project. Further, the import of the equipment from Bhutan to India through customs port at Mumbai is practically not possible. Therefore, the firm has sought permission for import of used vehicles from Bhutan to India through Jaigaon port (Bhutan-West Bengal border town) instead of Mumbai. Ministry of External Affairs (Northern Division) vide MEA I.D. No. E-IV/235/02/2019 dated 02.09.2020 recommended positive consideration of the firm's request to enable smooth operations and timely implementation of the project. Hence, requested permission for the import of equipment [Vehicles category] which were exported from India to Bhutan exclusively for the execution of the Construction of 1200 MW Punatsangchhu-I Hydro Electric Project [PHEP-I], MC#1 Package which is located in central part of Bhutan.

Decision: The Committee examined the matter on the basis of justification provided by the applicant and discussed the matter at length. The Committee decided to defer the case and ask the firm to submit complete detail of vehicles being imported mentioning the quantity & model/manufacturing year for taking the decision.

(Action: Applicant)

Case No. 24 Mr. Imran Khan, Delhi
F. No. 01/89/180/Misc-14/AM10/PC-2(A)/Part-1/E-1865
PRC Meeting No.16/AM21 dated 26.11.2020

Subject: (1) Relaxation from S.No. (2) (II) (c) (i) of import policy condition prescribed Under Chapter 87 viz. Acceptances of Type Approval Certificate issued by accredited agency outside the country of manufacture / Origin of goods in respect of Motorcycle of 125 CC imported for personal use; and (2) Allow shipment form country other than the country of manufacture / origin of goods.

The applicant stated that Mr. Imran Khan, Delhi has requested for relaxation from condition Sl.No(2)(II)(c) (i) of import policy prescribed under Chapter 87 and stated that he has imported Honda make Motorcycle of 125cc for personal use and requested relaxation viz. Approval and Acceptance of Type Approval Certificate issued by Accredited Agency outside the country of manufacture origin of goods" and allow shipment from country other than the country of Manufacture/origin of goods. The specifications of the motorcycle is as under:-

- Motorcycle :Quantity 1 No
- Engine Capacity : 125 cc
- Make : Honda
- CIF Price : US $ 4250/-(approx.).

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.

(Action: Applicant)

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