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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting Held on 24.05.2022 under the Chairmanship of Shri Santosh Kumar Sarangi, Director General of Foreign Trade

Meeting No.05/AM23 held on 24.05.2022

The following members were present in the meeting:

1. Shri Vijay Kumar — Addl. DGFT
2. Shri S.B.S. Reddy — Addl. DGFT
3. Shri Hardeep Singh — Addl. DGFT
4. Shri Anil Aggarwal — Addl. DGFT
5. Shri Amiya Chandra — Addl. DGFT
6. Shri AkashTaneja — Addl. DGFT

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

S. No	Name of the firm	Case No.
1.	M/s. Garden Valley Export Corporation, Virudhunagar	1
2.	M/s. KG Petrochem Ltd., Jaipur	2
3.	M/s. Canvas Clothing, Ludhiana	3
4.	M/s. The West Coast Weaving Establishment, Kannur	4
5.	M/s. Jetkool Exports India, Mumbai	5
6.	M/s. Shrihari Diagems (AG), New Delhi	6
7.	M/s. Sri Balaji Jewellers & Exporters, Hyderabad	7
8.	M/s. Kores (India) Ltd., Mumbai	8
9.	M/s. Ajanta Pharma Ltd., Mumbai	9
10.	M/s. Deepak Novochem Technologies Ltd., Pune	10
11.	M/s. Emmvee Photovoltaic Power Pvt. Ltd., Bangalore	11
12.	M/s. Synthokem Labs Pvt. Ltd., Mandal	12
13.	M/s. New India Cuprotec, Silvassa	13 & 14
14.	M/s. Navratan Specialty Chemicals LLP, Ahmedabad	15
15.	M/s. FDC Ltd., Aurangabad	16
16.	M/s. Uniray Medical LLP, Mumbai	17
17.	M/s. Nilkamal Ltd., Mumbai	18
18.	M/s. Rahul Agro Industries, Ajmer	19
19.	M/s. D.V. Rubber Industries Pvt. Ltd., Delhi	20
20.	M/s. Karamtara Engineering Pvt. Ltd., Mumbai	21
21.	M/s. Sri Sai Ram Industry, Telangana	22
22.	M/s. MCPI Pvt. Ltd., Kolkata	23 to 25
23.	M/s. Oswal Cables Pvt. Ltd., Jaipur	26

24.	M/s. Harman Finochem Ltd., Mumbai	27 to 30
25.	M/s. Bombay Masala Company Pvt. Ltd., Mumbai	31
26.	M/s. Tanvirkumar & Co., Mumbai	32
27.	M/s. Natural Herbs & Formulations, Uttarakhand	33
28.	M/s. Shaurya Industries Pvt. Ltd., Gujarat	34
29.	M/s. Lok Beta Pharmaceuticals P. Ltd., Mumbai	35
30.	M/s. Kamala International Exim Private Limited, Hyderabad	36
31.	M/s. Ankit Biscuits Pvt. Ltd., Hyderabad	37
32.	M/s. Pahal Foods Pvt. Ltd., Hyderabad	38
33.	M/s. Singhania Foods International, Hyderabad	39
34.	M/s. Mukta Arts Ltd., Mumbai	40

Case No. 01 M/s. Garden Valley Export Corporation, Virudhunagar
F. No.HQRPRCAPPLY00158542AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: To grant the permission for export of Pepper from Vietnam to Malaysia as Merchant Trader in India against Bill of Lading No.SGNCB20002469 dated 05.03.2020 by relaxing condition of DGFT Notification No.21 dated 25.07.2018.

The applicant stated that they concluded a transaction whereby they bought 10 MT of white pepper and 7 MT of black pepper from M/s Truong Loc Co., LTd., Vietnam and finalised the transaction to export the same to M/s Baba Products (M), Malaysia and the goods have been loaded in the ship in Vietnam vide bill of lading No.SGNCB20002469 dated 05.03.2020 of M/s Regional container lines. The goods have loaded on 05.03.2020 in Vessel Vinaline Diamond. They have sold white pepper @ $3.950 per Kg and black pepper @ $2.250 per Kg against their purchase price of white pepper @ $3.365 per Kg and black pepper @ $2.015 per Kg. When they approached their bankers, viz. State Bank of India (SME Branch), Virudhunagar, they referred to the RBI's Circular dated 23.01.2020 according to which import of black pepper is prohibited if the import price of black pepper is below Rs.500/- and therefore, they have to approach the RBI in this regard. They approached to RBI in Chennai on 09.03.2020 and they told them that they have no objection in releasing the payment to their sellers provided they get an NOC from DGFT. They explained them that there is no actual import of the material into India and it is being shipped under their invoice from a second country to third country, giving them an arbitrage advantage. However, they insist that they shouldexplain the issue to DGFT and get NOC.

<u>Decision</u>: The Committee examined the case on the basis of submission made by the firm along with the comments received from PC-2 division 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 of the firm.

(Action: Applicant)

Case No. 02 **M/s. KG Petrochem Ltd., Jaipur**
F. No.HQRPRCAPPLY00296301AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: To allow ROSCTL benefit against 48 shipping bills wherein scheme code was taken as '19' instead of '60'.

The applicant stated that they have not received the ROSL benefit for the Exports made through the Shipping Bills after 01.07.2017. They have tried so many times to make a ROSL application against the said shipping bills but the same were not attached with the ROSL scheme. As a result they were unable to claim ROSL against the said shipping bills. On checking on-line at the site, it informs as "ROSL not claimed". On further analysing, it is understood that w.e.f. 1st July 2017 and the Customs portal was not updated to accept the scheme codes. The exports could not be delayed due to this reason so the Shipping Bills were filed with Reward Scheme with remark "We intend to claim Rewards under ROSL" with the scheme code '19' as against scheme code '60' as the scheme code '60' was not accepted in the customs portal. Hence they are requesting to allow ROSCTL benefit against 48 shipping bills.

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

(Action: Applicant)

Case No. 03 **M/s. Canvas Clothing, Ludhiana**
F. No.HQRPRCAPPLY00312200AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: To allow ROSCTL benefit against 5 Shipping Bill No.(i) 9437668 dated 04.01.2020, (ii) 9715305 dated 17.01.2020, (iii) 9929583 dated 27.01.2020, (iv) 1518933 dated 19.02.2020 and (v) 1518900 dated 19.02.2020 wherein scheme code was taken as '19' instead of '60'.

The applicant stated that in reference to the Customs letter CUS/ASS/MISC/134/2021-EA-O/o Pr.Commr-cus Mundra, they have requested to the Mundra Customs for change the scheme code '19' (drawback) instead of scheme code-60 drawback +ROSL in the EDI system of the above mentioned shipping bills. But the Customs has advised them to file the manual file in the DGFT for availing the ROSCTL against the said shipping bills. Hence they are requesting to allow manual ROSCTL benefit against the above mentioned5 Shipping Bills wherein scheme code was taken as '19' instead of '60'.

Decision: The Committee having examined the case on the basis of justification furnished by the firm and observed that there is no merit in firm's contention and it decided to reject the request of the firm.

(Action: Applicant)

Case No. 04 M/s. The West Coast Weaving Establishment, Kannur
F. No.HQRPRCAPPLY00321120AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: To allow ROSCTL benefit against 7 Shipping Bills No.(i) 6630287 dated 31.08.2019, (ii) 8119285 dated 08.11.2019, (iii) 8119284 dated 08.11.2019, (iv) 8413467 dated 21.11.2019, (v) 8413477 dated 21.11.2019, (vi) 1284703 dated 10.02.2020 and (vii) 1262405 dated 08.02.2020 wherein scheme code was taken as '19' instead of '60'.

The applicant stated thatthey have made endorsement in the above mentioned 7 shipping bills with intent to claim MEIS benefit also endorsed reward "Y" at item level in the shipping bills, whereas scheme code has been endorsed as "19" instead of new scheme code "60" which is applicable for drawback and ROSCTL. Hence they are requesting to condone this mistake and allow them to claim ROSCTL and also requesting to add these shipping bills in their online ROSCTL module.

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

(Action: Applicant)

Case No. 05 M/s. Jetkool Exports India, Mumbai
F. No.HQRPRCAPPLY00299537AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: To allow ROSL benefit against Shipping Bill No.8012555 dated 14.08.2017wherein scheme code was taken as '19' instead of '60'.

The applicant stated that they would like to apply ROSL Application against the Shipping Bill No.8012555 dated 14.08.017 as per Notification No.26 dated 16.09.2021. Hence they are requesting to allow ROSL benefit of the said Shipping bill as per Public Notice No.25 dated 13.10.2020 and Notification No.26 dated 16.09.2021.

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

(Action: Applicant)

Case No. 06 M/s. Shrihari Diagems (AG), New Delhi
F. No.HQRPRCAPPLY00297746AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Condone the delay of 9 days in re-import of unsold goods sent for exhibition under Para 4.46 of FTP read with Para 4.80 (c) (i) (a) of HBP.

The applicant stated that they had sent Jewellery for participation in Jewellery exhibition in U.S.A. from 29.08.2021 to 12.09.2021 after taking permission from the Gem & Jewellery Export Promotion Council, New Delhi. As per Para 4.80 (C) (i) (a) of Handbook of Procedures goods not sold in Exhibitions in U.S.A. have to be reimported within 90 days of close of the Exhibition. In the instant case the Exhibition ended on 12.09.2021 and as such the Goods had to come back by 11.12.2021. The organiser had handed over the goods to their agent on 03.12.2021 in Virginia for taking to New York for getting Custom clearance and despatch to New Delhi, India vide tracking no.1Z179E8R0196847477 dated 03.12.2021 and dispatch confirmation 296PCKEPOLF dated 03.12.2021. However, due to shortage of staff due to covid restrictions the Custom clearance in U.S.A. which normally takes 1 to 2 days took about 12 days as a result shipment could only leave on 16.12.2021. There is a delay of 9 days for re-import of the unsold goods from USA as the delay was not intentional and beyond the control of the organiser or the importer by invoking the force majeure clause. Hence they are requesting tocondone the delays in re-import of unsold goods sent for exhibition under Para 4.46 of FTP read with Para 4.80 (c) (i) (a) of HBP.

Decision: The Committee examined the case on the basis of justification submitted by the applicant and discussed the matter at length and decided to accede to the request for condonation of delay of 9 days in re-import of unsold goods sent for exhibition under para 4.46 of FTP read with Para 4.80(C)(i)(a) of HBP of gold jewellery beyond the prescribed limit of 90 days from the date of closing of exhibition in USA.

(Action: Applicant)

Case No. 07 M/s. Sri Balaji Jewellers& Exporters, Hyderabad
F. No.HQRPRCAPPLY00302829AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Relaxation of Para 4.83 of HBP and Customs Circular No.27 of 2016 to avail benefit under Gold Outright Purchase Scheme against 3 Shipping Bill No.(i) 2536933 dated 19.06.2021, (ii) 2735269 dated 28.06.2021 and (iii) 2768371 dated 29.06.2021.

This is review case of PRC Meeting No.16/AM22 held on 29.11.2021 (Case No.80), wherein the Committee had rejected the case. The applicant stated thattheyhave exported Gold Jewellery against the Shipping Bills by obtaining Duty Free Gold from M/s. Diamond India Ltd. &YesBank (Nominated Agencies), under Outright Purchase Scheme as per Para 4.83 (a) of HBP by depositing the Duty amounts which will be realized after submitting proof of exports and realization. They had realized and e-BRC copies along with export documents were submitted to the Nominated Agencies for release of Duty Deposits which they will release after submission of proof of shipment documents. Actually the export of the jewellery should be made after physical delivery of the gold, but in their case they have exported prior to the physical delivery of the gold as per the policy they have exported as detailed here under (1) They had exported 10 Kgs of Jewellery vide Invoice No.SBJE/011/2021-22, Shipping Bill No.2536933 Dt.19-06-2021 out of the gold purchased 4 Kgs delivery received same day, 6 Kgs delivery received after 2 days) (2) They had exported 8 Kgs of Jewellery vide Invoice No.SBJE/012/2021-22, Shipping Bill No.2535269 Dt.28-06-2021 out of the gold purchased 8Kgs delivery received on same day) (3) They had exported 10 Kgs of Jewellery vide Invoice No.SBJE/013/2021-22, Shipping Bill No.2768371 D129-06-2021 out of the gold purchased 6 Kgs delivery received with in time and 3 Kgs delivery received after 1 day) All the shipments were exported during the peak of Covid-19 2nd wave. Hence they are requesting for relaxation of Para 4.83 of HBP and Customs Circular No.27 of 2016 to avail benefit under Gold Outright Purchase Scheme against these 3 Shipping Bills.

Decision: The Committee reviewed the case on the basis of justification furnished by the firm and observed that the applicant has not submitted any cogent reason/ justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to maintain the earlier decision of PRC in its Meeting No.16/AM22 dated 29.11.2021 (Case No.80).

(Action: Applicant)

Case No. 08 M/s. Kores (India) Ltd., Mumbai
F. No.HQRPRCAPPLY00298300AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Extensions of EOP against Advance Authorizations No.0310820444 dated 12.04.2018.

The applicant stated that they are Manufacturer Exporter of all office stationery items and are exporting regularly to Developed and Under Developed countries and are generating valuable Foreign Exchange and are also creating employment which is needed for the Govt. of India. They had obtained the above authorisation from RA, Mumbai for export of Pencils against the order received from the foreign buyers in South Africa. The foreign buyer offices in South Africa were completely closed, due to recent Corona Virus (Covid-19) and therefore they had delayed the delivery of their export shipments. Further, stated that due to the Covid-19 Pandemic and frequent lockdown in India, export activities led to economic slowdown. Also, logistics has been disrupted and containers were scarce leading to unprecedented increase in shipping and transportation cost making export unviable even the freight charges were nearly 3 to 4 times more than the normal freight charges and they could not afford because of their low value export items. Practically entire one year had been wiped out without almost any business. They are a small scale unit and cannot afford to pay Customs duty alongwith interest on the unfulfilled export obligation to regularize their advance authorisation. As per DGFT Notification No.28/2015-2020 dated 23.09.2021 the export obligation period has been extended upto 31.12.2021, however, they are requesting to grant them extension upto 31.12.2022, so that they can fulfill the Export Obligation and close the licence.

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.0310820444 dated 12.04.2018 for a further period of 6 months from the date of endorsement subject to payment of composition fee @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 firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

Case No. 09 M/s. Ajanta Pharma Ltd., Mumbai
F. No.HQRPRCAPPLY00293391AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Extension of EOP against Advance Authorization No.0310838675 dated 05.10.2020.

The applicant stated that theyhave obtained the subject advance authorisation and imported 38 Kg Varenicline Tartrate under PC 9 condition on 06.11.2020 at CIF value of US$1440000.00 The material was imported assuming that they will receive US FDA approval for the export product as in the past in normal course by around January 2021 and will complete EO before September 2021. However, due to Covid 19 situation in US the approval process got delayed and the current indication is that it may take about further one year for receiving the approval as there are so many pending applications before the FDA. The delay is on account of the US FDA giving priority to clearance/approvals of medicines for treatment of Covid 19 diseases and the medicine required for treatment of post Covid complications. This inordinate delay was not anticipated by them before importing the medicine. As the EO period has expired, they have to go for EO extension. Being such an expensive item, the composition fee will be very huge, which they are finding it difficult to pay on account of the acute finance crunch in the Covid situation. Hence they are requesting to extend the EOP of this license till 30.11.2022 waiving the payment of composition fee.

Decision: The Committee discussed the case at length and found no merit or hardship in the arguments made by the firm and hence it decided to reject the request of the firm of EO extension without payment of composition fee.

(Action: Applicant)

Case No. 10 M/s. Deepak Novochem Technologies Ltd., Pune
F. No.HQRPRCAPPLY00302864AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: EOP extension against Advance Authorization No.3110067362 dated 02.04.2019.

The applicant stated that they are the manufacturer of basic building blocks for various performance oriented end use applications in Epoxies, Herbicides, Pharmaceuticals, Flavours & Fragrances, Adhesives, Construction Chemicals, Electrical & Electronics, Antioxidants, Specialty Resins & Polymers, factory located at Ratnagiri, Maharashtra.. They are a status holder exporter. They have been exporting the above product for the past 16 years and never incident happen with other cases except above said advance licenses. They had availed above said advance license from RA, Pune. They have imported 99% the raw Material (OCP 50) and export completed 91% with obtain EO period i.e. 25th Months. Balance 9% export within One Months due to change of delivery date by Buyer. viz., OCP 50 & In the usual course of business they have been importing the raw materials Methanol etc. for export of their product viz., Ortho Cresol. At the time of EO extension application, they ensure that they can export within one Month. So, they had taken 2nd EO extension for one Month. But due to buyer delivery date change they could not export. Finally they exported balance 9% on 26th Month i.e. One Months. Hence they are requesting to consider their case and grant them EO extension for one Month till the 1st June 2021.

Decision: The Committee examined the case in detail and in view of justification provided by the firm and it decided to accede to the request and allowed EOP extension up to 01.06.2021 against Advance AuthorisationNo.3110067362 dated 02.04.2019 only for regularization purpose subject to the payment of composition fees @ 1% per month on the unfulfilled FOB value. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Pune)

Case No. 11 M/s. Emmvee Photovoltaic Power Pvt. Ltd., Bangalore
F. No.HQRPRCAPPLY00302923AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Extension in EOP against Advance Authorization No.0710114648 dated 12.03.2019.

The applicant stated thattheyare the Manufacturer and Exporters of Solar Panel and Photovoltaic products. They had availed the above Advance Authorisation for import of inputs on 12.03.2019. They had availed the first EO extension on 17.03.2020 which expired on 12.03.2021. They had availed the second EO extension by paying composition fee on of 25.03.2021 as a regular second extension. The automatic extension Notification No. 28/2015-2020, due to covid pandemic was released on 23 September 2021 covering retrospectively from 01.08.2020 to 31.07.2021 licenses. Their second extension was qualifying for auto extension under the above notification which couldn't be availed as already they had availed the second extension. The second extension expired on 12.10.2021 and had they not availed the second extension, their export obligation period would have expired on 31.12.2021 and also qualifying for the one more extension of six months after the auto extension. Hence they are requesting to at least permit one more extension of six months treating their second extension as auto extension.

Decision: The Committee went through the submission made by the firm and discussed the matter at length and it decided to accede to the request of the firm and allowed EOP extension of Advance Authorization No.0710114648 dated 12.03.2019 for a further period of 6 months from the date of endorsement subject to payment of composition fee @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 firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Bangalore)

Case No. 12 M/s. Synthokem Labs Pvt. Ltd., Mandal
F. No.HQRPRCAPPLY00310947AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: 2nd Extension of EOP against Advance Authorization No.0910068379 dated 17.01.2020.

The applicant stated that they had obtained the subject advance authorization for export quantity 70,000 Kgs of Methocarbamol. However, due to Covid, the expected export orders are not received from overseas country like Germany, Colombia. The export orders are delayed due to prevailed Covid conditions, changed schedule of requirement in importing country. They had approached to RA, Hyderabad, but were told to approach PRC because of non-fulfilment fulfilment of 50% EO. They had not exported 50% of initial EO in quantity. Hence, they are requesting to accord the approval for second extension for a further period up to 17.01.2023, so that they could complete balance export quantity within the sanctioned time.

Decision: The Committee having examined the case on the basis of statement made by the applicant and discussed the matter at length and observed there is merit in the case and accordingly decided to accede to the request and allowed EOP extension of Advance Authorization No.0910068379 dated 17.01.2020 for a further period of 6 months from the date of endorsement subject to payment of composition fee @ 1% per month of the extension period granted, as above, on the unfulfilled FOB value. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Hyderabad)

Case No. 13 M/s. New India Cuprotec, Silvassa
F. No.HQRPRCAPPLY00316629AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Extension of EOP against Advance Authorization No.0310827501 dated 07.03.2019.

The applicant stated thatdue to Covid-19 they are not able export quantity of around 16 Ton and they have already imported raw material against the said license. They have exported the quantity 31120.13 out of the export allowed quantity 47619.00 and pending quantity 16498.87 kg. Hence, they are requesting for extension of EOP against the subject advance authorisation.

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.0310827501 dated 07.03.2019 for a further period of 6 months from the date of endorsement subject to payment of composition fee @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 firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

Case No. 14 M/s. New India Cuprotec, Silvassa
F. No.HQRPRCAPPLY00316631AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Extension of EOP against Advance Authorization No.0310828669 dated 30.04.2019.

The applicant stated that due to Covid-19 they are not able export quantity around 3 Ton and they have already imported raw material against the said license. They have exported the quantity 91663.71 out of the export allowed quantity 95238.00 and pending quantity 3574.29 kg. Hence, they are requesting for extension of EOP against the subject advance authorisation.

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.0310828669 dated 30.04.2019for a further period of 6 months from the date of endorsement subject to payment of composition fee @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 firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

Case No. 15 M/s. Navratan Specialty Chemicals LLP, Ahmedabad
F. No.HQRPRCAPPLY00316993AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Extension of EOP against Advance Authorization No.0810145531dated 18.06.2019.

The applicant stated that they have received two extensions for Advance Authorisation No.0810145531dated 18.06.2019. However their export obligation is pending as export obligation done by mistake for earlier License No.0810144701 whereas import duty with interest paid to close the License No.0810144701.They have planned to complete the EO which was delayed due to Covid, expected orders are on hold or delay in processing and they hope to complete the EO by extended period (3rd extension). Hence, they are requesting for extension of EOP against the above mentioned subject.

Decision: The Committee went through the submission made by the firm and discussed the matter at length and decided to accede to the request and allowed EOP extension of Advance Authorization No.0810145531dated 18.06.2019for a further period of 6 months from the date of endorsement subject to payment of composition fee @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 firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Ahmedabad)

Case No. 16 M/s. FDC Ltd., Aurangabad
F. No.HQRPRCAPPLY00325023AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Extension of EOP against 5 Advance Authorizations No.(i) 0310835172 dated 03.03.2020, (ii) 0310833118 dated 02.12.2019, (iii) 0310838377 dated 21.09.2020, (iv) 0310836223 dated 15.05.2020 and (v) 0310836666 dated 15.06.2020 and waive off composition fees.

The applicant stated that their main products are eye drops, where they are importing duty free goods under Advance Authorisation. However, due to pandemic Covid-19, last two years their exports are affected on account of no demand. Especially, Eye Drops requirement has majorly come down. Since, these are compaign based products, they need to keep Inventory to cater export orders. Currently, they are seating on heavy inventory due to no exports. They have taken EO Extension from RA, Mumbai but could not complete their Export obligation. They want to take further EO extension but as per policy the EO extension fee is high and in this situation it is difficult for them to pay such a high Composition fee on EO Extension. Hence they are requesting to waive allow extension of EO without any composition fees.

Decision: The Committee discussed the case at length and found no merit or hardship in the arguments made by the firm and hence it decided to reject the request of the firm for EO extension without composition fee.

(Action: Applicant)

Case No. 17 M/s. Uniray Medical LLP, Mumbai
F. No.HQRPRCAPPLY00335378AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Extension of EOP against Advance Authorization No.0310830170 dated 09.07.2019.

The applicant stated that they have obtained the above said license on Net-to-net basis for Export of X-ray Protective Eyewear - Tested & Branded for 2000 numbers FOB value in Rs.12506560 and in USD 183920.00 with import item X- ray Protective Eyewear (neutral, untested, unbranded and bulk packed). 2000 numbers CIF to utilized in Rs.10336000.00 and in USD 152000.00. They have cleared the import material 1959 numbers and utilized the CIF Rs.4700134.19 and in USD 62760.73. They have fulfilled the Export obligation. Total numbers of quantity .841 numbers for FOB value in Rs.5887431.05 and in USD 71132.55. In terms of QTY 42% and in terms of value 47% within the EO period up to 06.01.2021. They have obtained 1" EO Extension up to 08.07.2021. Total number quantity 1125.00 exported for the

FOB value in Rs.8485236.75 and in USD 102376.29 in terms of quantity 57% in terms of value 67% in period of 1" Extension. They have obtained 2" EO Extension up to 08.01.2022. Total number quantity 1596.00 exported for the FOB value in Rs.11943308.82 and in USD 145469.79 in terms of quantity 81% in terms of value 95% in period of 2"Extension. Their overseas buyer held up the order and they need the balance quantity 363 numbers by end of April 2022. Hence they are requesting for further EO Extension for additional six months.

Decision: The Committee examined the case in detail and in view of justification provided by the applicant it decided to accede to the request and allowed EOP extension of Advance Authorization No.0310830170 dated 29.07.2019 for a further period of 6 months from the date of endorsement subject to payment of composition fee @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 firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

Case No. 18 M/s. Nilkamal Ltd., Mumbai
F. No.HQRPRCAPPLY00331655AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Revalidation of Advance Authorization No.0310830581 dated 25.07.2019.

The applicant stated that they have advance authorization no.0310830581 dated 25.07.2019, they have applied for revalidation on 24 June 2021 to RA Mumbai and the same has been approved on 08.09.2021 giving validity from 25.07.2021 to 25.01.2022. In this case they have already lose almost 3 months validity. They have utilize part quantity during this extended period. Hence, they are requesting to allow revalidation for further period of six months to utilize balance quantity.

Decision: The Committee went through the statement made by the firm and discussed the matter at length. The Committee decided to accede to the request of the firm and allowed last revalidation of Advance Authorization No.0310830581 dated 25.07.2019for a further period of 6 months from the date of endorsement. The firm shall approach RA concerned within 30 days of the uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

Case No. 19 M/s. Rahul Agro Industries, Ajmer
F. No.HQRPRCAPPLY00332115AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Revalidation of Advance Authorization No.1310049264 dated 22.04.2019.

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The applicant stated that they have obtained the subject Advance Authorization for import of Raw Pulses against the export of processed pulses. But during Covid-19 pandemic situation many of the governments closed their economy and had imposed lockdown during 2020. These lockdowns badly affected their business. Thereafter, there was a second surge in Covid-19 cases in 2021, in all over world which had a devastating and debilitating effect. This second wave badly derailed their exports business. During to this pandemic of Covid-19 and lockdown, they could not utilize the said advance authorisation. They took revalidation up to 22.04.2021 as per Notification No.57 and PN NO.67 both dated 31.03.2020. The item pulses covered under Appendix 4J of HBP, which requires pre-import condition, they have entered into the agreement with foreign suppliers, and remitted the USD 3800000/- amount in advance to those foreign suppliers of pulses to make the exports further. But unfortunately, there was 2nd wave surge in Covid-19 cases in 2021. As a result, they could not even utilize the extended period allowed and has expired. The foreign supplier is not ready to return the amount and insisting for taking the delivery of import consignment of pulses. Now, they got handsome exports orders and requires the import, being pulses is under pre-import condition. The import of pulses are free. Hence, they are requesting for revalidation for further 6 months from the date of endorsement.

Decision: The Committee having examined the case on the basis of submission made by the firm and discussed the matter at length. It observed that there is merit in the case since huge amount has been remitted already, as stated by the firm. Accordingly it decided to allow revalidation of Advance Authorization No.1310049264 dated 22.04.2019 for a further period of 6 months from the date of endorsement subject to the condition that the firm shall import only those pulses and/or Peas which are not listed in the restricted/prohibited/STE list at the time of actual imports under AA. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Jaipur)

Case No. 20 M/s. D.V. Rubber Industries Pvt. Ltd., Delhi
F. No.HQRPRCAPPLY00319842AM22
Meeting No.05/AM23 held on 24.05.2022

Subject:Revalidation of Restricted Item License No.0519201949 dated02.01.2020.

The applicant stated that they manufacture Crum rubber by importing raw material of Moulded rubber Articles Scrap. Crum rubber supply manufacturing Unit such as new tyre manufacturing moulded parts rubber conveyor belts, rubber sheets reclaim rubber, automotive rubber etc. They have obtained Import Authorization No.0519201949 dated 02.01.2020 from CLA-New Delhi after that they are trying to import of raw material. However due to complete lockdown in worldwide due to Covid-19 and stopped the import consignment. RAgranted them 1st revalidation on 02.07.2021 valid up to 01.01.2022. They have not import remaining quantities due to pandemic Nationwide and Worldwide in the period of 2020-21 and continue pandemic situation for the last 3 Months in the importing country. Hence they are requesting for consideration and allow revalidation for 12 Months from the date of endorsement

Decision: The Committee went through the submission made by the applicant and discussed the matter at length. The Committee observed that there is merit in the case and accordingly decided to accede to the request and allowed revalidation of Import License No.0519201949 dated 02.01.2020(import license for restricted list of import items) for a further period of 6 months from the date of endorsement. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/CLA-New Delhi)

Case No. 21 M/s. Karamtara Engineering Pvt. Ltd., Mumbai
F. No.HQRPRCAPPLY00300428AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Revalidation of Advance Authorization No.0310821301 dated 29.05.2018.

The applicant stated that they are Manufacturer Exporters of Transmission Line Towers & its allied Components which are High Technology Engineering Items. Their products are further utilized in Large Projects of national importance including Mega Power Projects. They had been issued aforesaid Advance Authorisation No.0310821301 dated. 29.05.2018 from RA, Mumbai.They have completed the Export Obligation 100% Quantity wise & 100% Value wise, within the stipulated EOP.As these Transmission Line Towers are used in Huge Power Projects they demand high quality control and testing. The Inputs used in the Manufacturing of Transmission Line Towers need to be of the utmost quality and therefore are needed to be procured only from their regular reliable with approved quality control procedures. It is not possible for their firm to restructure their supply chains in a short period and quite impossible in these constrained time. By virtue of Public Notice 67/2019-20 dated 31.03.2020, the license was automatically Revalidated further till 28.11.2020. While DGFT has been very kind to grant automatic Revalidation of six months up to 28.11.2020, the disruption to import value chain was larger than anticipated. They further submit that they have dutifully executed the exports in stipulated time under the Advance Authorisation conditions. Hence they are requesting for revalidation for a period of Six (6) Months from the date of endorsement.

Decision: The Committee examined the case on the basis of statement made by the firm and discussed the matter at length. The Committee decided to accede to the request of the firm and allowed revalidation of Advance AuthorisationNo.0310821301 dated 29.05.2018for a period of 6 months from the date of endorsement. This is last and final revalidation. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Mumbai)

Case No. 22 M/s. Sri Sai Ram Industry, Telangana

F. No.HQRPRCAPPLY00308228AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Revalidation of Restricted Item License No.0919022752 dated 27.11.2019.

The applicant stated that application for import of Old and used tyre scrap was considered in the 97th meeting of the Expert Committee held on 3rd and 4th June, 2019. The Committee then recommended an NOC of 9000 MT. However, the Ministry issued NOC for only 4,500 MT vide letter dated 29.11.2019. After that, the Ministry issued NOC for the remaining 4,500 MT vide letter dated 04.05.2020.Previous permission dated 29.11.2019 which got expire on 29.05.2021.Also, the DGFT issued the licensee vide File No.09/21/008/50034/AM20 dated28.11.2019/03.12.2020 /27.09.2021. After that they started their search for import and subsequently in February, 2021 they finalized. Then due to COVID-19 pandemic, the shipping lines were badly affected and their supplier was not able to send the material till November. Now the supplier has started sending the material in December 2021 and the material is on the way and MOEF has issued NOC extension letter till 28.02.2022.Hence they are requestingfor revalidation for at least 3 months so that they can clear the containers which will come to India by end of January, 2022.

<u>Decision:</u> The Committee went through the submission made by the applicant and discussed the matter at length. The Committee observed that there is merit in the case and accordingly decided to accede to the request and allowed revalidation of Import License No.0919022752 dated 27.11.2019(import license for restricted list of import items)for a further period of 3 months from the date of endorsement. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Hyderabad)

Case No. 23 M/s. MCPI Pvt. Ltd., Kolkata
F. No.HQRPRCAPPLY00311463AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Revalidation of Advance Authorization No.0210208980 dated 18.02.2019.

The applicant stated that they have completed their export obligation using duty paid inputs. Their advance license was finally expired. Even after taking extension for 12 months with an additional revalidation of 6 months for Covid-19, they could not complete import.Hence they are requesting for revalidation of the subject advance authorisation for a period of 6 months from the date of endorsement.

<u>Decision:</u> The Committee examined the case on the basis of statement made by the firm and discussed the matter at length. The Committee decided to accede to the request of the firm and allowed revalidation for a period of 6 months from the date of endorsement of the Advance AuthorisationNo.0210208980 dated 18.02.2019. This is last and final revalidation. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Kolkata)

Case No. 24 M/s. MCPI Pvt. Ltd., Kolkata
F. No.HQRPRCAPPLY00311488AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Revalidation of Advance Authorization No.0210208973 dated 13.02.2019.

The applicant stated that they have completed their export obligation using duty paid inputs. Their advance license was finally expired. Even after taking extension for 12 months with an additional revalidation of 6 months for Covid-19, they could not complete import. Hence they are requesting for revalidation of the subject advance authorisation for a period of 6 months from the date of endorsement.

Decision: The Committee examined the case on the basis of statement made by the firm and discussed the matter at length. The Committee decided to accede to the request of the firm and allowed revalidation for a period of 6 months from the date of endorsement of the Advance AuthorisationNo.0210208973 dated 13.02.2019. This is last and final revalidation. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Kolkata)

Case No. 25 M/s. MCPI Pvt. Ltd., Kolkata
F. No.HQRPRCAPPLY00311536AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Revalidation of Advance Authorization No.0210209039 dated 06.03.2019.

The applicant stated that they have completed their export obligation using duty paid inputs. Their advance license was finally expired. Even after taking extension for 12 months with an additional revalidation of 6 months for Covid-19, they could not complete import. Hence they are requesting for revalidation of the subject advance authorisation for a period of 6 months from the date of endorsement.

Decision: The Committee examined the case on the basis of statement made by the firm and discussed the matter at length. The Committee decided to accede to the request of the firm and allowed revalidation for a period of 6 months from the date of endorsement of the Advance AuthorisationNo.0210209039 dated 06.03.2019. This is last and final revalidation. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Kolkata)

Case No. 26 M/s. Oswal Cables Pvt. Ltd., Jaipur

F. No.HQRPRCAPPLY00315075AM22
Meeting No.05/AM23 held on 24.05.2022

Subject:Revalidation of Advance Authorization No.1310049399 dated 06.09.2019.

The applicant stated that their company is engaged in manufacturing of cables and one star export house status for the last several years.They are obtaining advance authorisation from the RA,Jaipur and export/import activities are completing within prescribed time limit. But under this advance authorisationthey could not done import of raw material because of very serious financial crisis due to covid-19 pandemic situation and the subsequent lockdown which badly effectgoing in their business since last 2 years. They had completed entire export obligation under this authorisation. Now,their business is slowly growing and they can import the raw material. Hence they are requestingfor revalidation against the subject advance authorisation for a period of 6 months from the date of endorsement.

Decision: The Committee went through the submission made by the firm and discussed the matter at length. The Committee observed that there is merit in the case and decided to accede to the request of the firm and allowed revalidation of Advance AuthorisationNo.1310049399 dated 06.09.2019for the period of 6 months from the date of endorsement. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Jaipur)

Case No. 27 M/s. Harman Finochem Ltd., Mumbai
F. No.HQRPRCAPPLY00311604AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: To condone the non-availability of Bill of Export for supply made to SEZ unit against Advance Authorization No.0310818330 dated 09.01.2018 for redemption purpose.

The applicant stated that they have made duty free import of raw material and made export of same to a unit situated in Special Economic Zone (SEZ) Ahmedabad. They started doing export to quoted SEZ unit under above referred Advance Authorization in the year 2017 and complied with the export obligation. They obtained the inward endorsement of authorities like GST/Custom Authorities at the gate of said SEZ units from the officers of rank Superintendent, etc. as per procedures and practices of GST/Custom Authorities. Here they would like to bring to your notice that no one office at SEZ gate guided about Bills of Export Procedures & etc. nor they stopped them giving attestation on our export documents and gave them endorsement on their supply invoices. Secondly that they have indicated every note on their supply invoices required for supply under Advance Authorization like - Advance Authorization number, declaration of exempt material with its weight, etc. Since at initial stages of GST implementation, the process and procedures of GST were not clear therefore there were confusion while preparing documents, specially preparing exports documents and this is the point where procedural lapse occurred. There is procedural lapse in their case unknowingly happened in supply to SEZ units under

Advance Authorization. It is requested to consider their normal supply documents as export documents after verification/inspection that, the supply presented towards discharge of export obligation under said Advance Authorization is within the frame work of documents required for supply to SEZ under Advance Authorization and to allow that supply towards discharge of export obligation. Hence they are requesting to condone the condition of Bills of Export for supply to SEZ unit under Advance Authorization and allow redemption.

Decision: The Committee having examined the statement made by the firm and discussed the matter at length. The Committee observed that Bill of Export is a mandatory document in terms of FTP for discharge of EO of advance authorization in case of supplies to SEZ Unit. Accordingly, the Committee decided to reject the request of the firm.

However during discussions, committee felt that since large number of cases are being received by PRC on this ground, a general relaxation to such cases may be considered by policy division. It was also noted that an SLP filed before hon'ble SC against decision of Bombay HC was also not admitted in the past and this issue has been referred by this office to DoR many times for a resolution in the past. Committee asked PC 4 division to consider general relaxation to such exporters and examine the matter in detail.

(Action: Applicant/ PC 4 Division in Hqrs)

Case No. 28 M/s. Harman Finochem Ltd., Mumbai
F. No.HQRPRCAPPLY00313337AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Condone the non-availability of Bill of Export for supply made to SEZ unit against Advance Authorization No.0310816257 dated 10.10.2017 for redemption purpose.

The applicant stated that they have made duty free import of raw material and made export of same to a unit situated in Special Economic Zone (SEZ) Ahmedabad. They started doing export to quoted SEZ unit under above referred Advance Authorization in the year 2017 and complied with the export obligation. They obtained the inward endorsement of authorities like GST/Custom Authorities at the gate of said SEZ units from the officers of rank Superintendent, etc. as per procedures and practices of GST/Custom Authorities. Here they would like to bring to your notice that no one office at SEZ gate guided about Bills of Export Procedures & etc. nor they stopped them giving attestation on our export documents and gave them endorsement on their supply invoices. Secondly that they have indicated every note on their supply invoices required for supply under Advance Authorization like - Advance Authorization number, declaration of exempt material with its weight, etc. Since at initial stages of GST implementation, the process and procedures of GST were not clear therefore there were confusion while preparing documents, specially preparing exports documents and this is the point where procedural lapseoccurred. There is procedural lapse in their case unknowingly happened in supply to SEZ units under Advance Authorization. It is requested to consider their normal supply documents as export documents after verification/inspection that, the supply presented towards discharge of export obligation under said Advance Authorization is within the frame work of documents required for supply to SEZ under Advance Authorization and to allow that supply towards discharge of export obligation. Hence they are requesting to condone the condition of Bills of Export for supply to SEZ unit under Advance Authorization and allow redemption.

Decision: The Committee having examined the statement made by the firm and discussed the matter at length. The Committee observed that Bill of Export is a mandatory document in terms of FTP for discharge of EO of advance authorization in case of supplies to SEZ Unit. Accordingly, the Committee decided to reject the request of the firm.

However during discussions, committee felt that since large number of cases are being received by PRC on this ground, a general relaxation to such cases may be considered by policy division. It was also noted that an SLP filed before hon'ble SC against decision of Bombay HC was also not admitted in the past and this issue has been referred by this office to DoR many times for a resolution in the past. Committee asked PC 4 division to consider general relaxation to such exporters and examine the matter in detail.

(Action: Applicant/ PC 4 Division in Hqrs)

Case No. 29 M/s. Harman Finochem Ltd., Mumbai
F. No.HQRPRCAPPLY00313415AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Condone the non-availability of Bill of Export for supply made to SEZ unit against Advance Authorization No.0310817418 dated 29.11.2017 for redemption purpose.

The applicant stated that they have made duty free import of raw material and made export of same to a unit situated in Special Economic Zone (SEZ) Ahmedabad. They started doing export to quoted SEZ unit under above referred Advance Authorization in the year 2017 and complied with the export obligation. They obtained the inward endorsement of authorities like GST/Custom Authorities at the gate of said SEZ units from the officers of rank Superintendent, etc. as per procedures and practices of GST/Custom Authorities. Here they would like to bring to your notice that no one office at SEZ gate guided about Bills of Export Procedures & etc. nor they stopped them giving attestation on our export documents and gave them endorsement on their supply invoices. Secondly that they have indicated every note on their supply invoices required for supply under Advance Authorization like - Advance Authorization number, declaration of exempt material with its weight, etc. Since at initial stages of GST implementation, the process and procedures of GST were not clear therefore there were confusion while preparing documents, specially preparing exports documents and this is the point where procedural lapseoccurred. There is procedural lapse in their case unknowingly happened in supply to SEZ units under Advance Authorization. It is requested to consider their normal supply documents as export documents after verification/inspection that, the supply presented towards discharge of export obligation under said Advance Authorization is within the frame work of documents required for supply to SEZ under Advance Authorization and to allow that supply towards discharge of export obligation. Hence they are requesting to condone the condition of Bills of Export for supply to SEZ unit under Advance Authorization and allow redemption.

Decision: The Committee having examined the statement made by the firm and discussed the matter at length. The Committee observed that Bill of Export is a mandatory document in terms of FTP for discharge of EO of advance authorization in case of supplies to SEZ Unit. Accordingly, the Committee decided to reject the request of the firm.

However during discussions, committee felt that since large number of cases are being received by PRC on this ground, a general relaxation to such cases may be considered by policy division. It was also noted that an SLP filed before hon'ble SC against decision of Bombay HC was also not admitted in the past and this issue has been referred by this office to DoR many times for a resolution in the past. Committee asked PC 4 division to consider general relaxation to such exporters and examine the matter in detail.

(Action: Applicant/ PC 4 Division in Hqrs)

Case No. 30 M/s. Harman Finochem Ltd., Mumbai
F. No.HQRPRCAPPLY00314476AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Condone the non-availability of Bill of Export for supply made to SEZ unit against Advance Authorization No.0310812591 dated 19.04.2017 for redemption purpose.

The applicant stated that they have made duty free import of raw material and made export of same to a unit situated in Special Economic Zone (SEZ) Ahmedabad. They started doing export to quoted SEZ unit under above referred Advance Authorization in the year 2017 and complied with the export obligation. They obtained the inward endorsement of authorities like GST/Custom Authorities at the gate of said SEZ units from the officers of rank Superintendent, etc. as per procedures and practices of GST/Custom Authorities. Here they would like to bring to your notice that no one office at SEZ gate guided about Bills of Export Procedures & etc. nor they stopped them giving attestation on our export documents and gave them endorsement on their supply invoices. Secondly that they have indicated every note on their supply invoices required for supply under Advance Authorization like - Advance Authorization number, declaration of exempt material with its weight, etc. Since at initial stages of GST implementation, the process and procedures of GST were not clear therefore there were confusion while preparing documents, specially preparing exports documents and this is the point where procedural lapseoccurred. There is procedural lapse in their case unknowingly happened in supply to SEZ units under Advance Authorization. It is requested to consider their normal supply documents as export documents after verification/inspection that, the supply presented towards discharge of export obligation under said Advance Authorization is within the frame work of documents required for supply to SEZ under Advance Authorization and to allow that supply towards discharge of export obligation. Hence they are requesting to condone the condition of Bills of Export for supply to SEZ unit under Advance Authorization and allow redemption.

Decision: The Committee having examined the statement made by the firm and discussed the matter at length. The Committee observed that Bill of Export is a mandatory document in terms of FTP for discharge of EO of advance authorization in case of supplies to SEZ Unit. Accordingly, the Committee decided to reject the request of the firm.

However during discussions, committee felt that since large number of cases are being received by PRC on this ground, a general relaxation to such cases may be considered by policy division. It was also noted that an SLP filed before hon'ble SC against decision of Bombay HC was also not admitted in the past and this issue has been referred by this office to DoR many times for a resolution in the past. Committee asked PC 4 division to consider general relaxation to such exporters and examine the matter in detail.

(Action: Applicant/ PC 4 Division in Hqrs)

Case No. 31 M/s. Bombay Masala Company Pvt. Ltd., Mumbai
F. No.HQRPRCAPPLY00317228AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Fixation of Norms for the purpose of regularization of 2 Advance Authorization No.0310835801 dated 21.04.2020 and 0310831007 dated 14.08.2019.

The applicant stated that they had been issued the subject Advance Authorizations mentioning the Supporting Manufacturer M/s. Dhruhi Sterile who is providing them with the finished goods for exports manufactured by processing the exempted raw material imported under the said Advance Authorizations. The Norms Committee vide Meeting No.7/85-ALC3/2020 Case No 22 dated12.11.2020 and Meeting No.3/85-ALC3/2020 dated 13.08.2020 Case No.3 rejected their case mentioning that the Advance Authorisationis issued to the firm as a manufacturer exporter but no manufacturing is done by the Advance License holder. The manufacturing is done by 3rd party who is supporting manufacturer to Advance Authorisation holder and such arrangement is not permitted in FTP Para 4.04 of FTP and Para 4.10(v) of HBP allows supporting Manufacturer for spices to whom the material is supplied for processing (Sterilization) the raw material. They are manufacturers, but for the said product they need special processing for which they had to get this done through their supporting manufacturer M/s. Dhruhi Sterile whose name is mentioned in the Authorization. RA, Mumbai has allowed and issued the Authorization mentioning the Supporting manufacturer in the license without any queries and the policy allows them sterilization process for export of spices against which they had made imports and have also fulfilled the exports. They do not have any imported material with them and all is being exported under the licenses. They had fulfilled 100% Export Obligation under the subject Authorizations. Hence they are requesting to fix the norms of above mentioned 2 Advance Authorizations for the purpose of regularization.

Decision: The Committee went through the submission made by the firm and discussed the matter at length and it decided to refer the issue to NC-6 division for review the case.

(Action: Applicant/NC-6 division)

Case No. 32 M/s. Tanvirkumar & Co., Mumbai
F. No.HQRPRCAPPLY00325609AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Extension of exhibition/consignment permission for branded jewellery /Diamond studded gold jewellery exported to USA through 3 Shipping Bills No.(i) 9989380 dated 09.04.2021,(ii) 1563760 dated 03.05.2021 and (iii) 6044511 dated 15.11.2021.

The applicant stated that they had shipped two consignment shipment to their Customer in USA having branded Jewellery with the permission of GJEPC. details for which is as follows:-

Invoice date	Invoice No.	Shipping bill	Amount in $	Due date	Extension sought
07.04.2021	TKC/21-22/EH-01	9989380 dated 09.04.2021	85,000/-	31.03.2022	30.06.2022
30.04.2021	TKC/21-22/EH-02	1563760 03.05.2021	25,000/-	09.05.2022	09.08.2022

As per the EXIM policy, time limit of 1 year has been allowed to get the shipment returned back to India for Branded Jewellery Consignment. The said time limit is expiring in March & May months for above referred shipments.

Further, they had shipped one consignment export to their customer in USA having Diamond Studded Gold Jewellery.

Invoice date	Invoice No.	Shipping bill	Amount in $	Due date	Extension sought
15.11.2021	TKC/CON-10/21-22	6044511 dated 15.11.2021	15,100/-	14.05.2022	14.08.2022

As per EXIM Policy, time limit of 180 days has been allowed to either book sale or get the shipment returned back to India for unsold goods. The said time limit is expiring in May month for above referred shipment. However, with the fact of COVID situation not being under control & lockdowns have affected businesses in USA. During the actual time they could utilize to promote their jewellery and business was very lesser than allowed time limit. Hence they are requesting to grant extension of 3 months to get them opportunity of secure more business.

<u>Decision:</u> The Committee examined the statement made by the applicant in its application and it decided to defer the matter and ask the firm to submit current status of their consignment before taking the final decision.

(Action: Applicant)

Case No. 33 M/s. Natural Herbs & Formulations, Uttarakhand
F. No.01/60/162/120/AM21/PRC
Meeting No.05/AM23 held on 24.05.2022

Subject: Condonation of Procedural lapse of not following Para 4.06 of HBP and Para 4.11 (b) of <u>FTP 2015-2020</u> for regularization of import and export already made against 11 Advance Authorizations No.(i) 6110001419 dated 13.04.2017, (ii) 6110001452 dated 18.08.2017, (iii) 6110001478 dated 18.12.2017, (iv) 6110001484 dated 16.01.2018, (v) 6110001508 dated 11.05.2018, (vi) 6110001515 dated 22.06.2018, (vii) 6110001529 dated 27.07.2018, (viii) 6110001533 dated 06.08.2018, (ix) 6110001542 dated 17.09.2018, (x) 6110001567 dated 28.11.2018 and (xi) 6110001572 dated 07.01.2019.

This is referred case of PRC Meeting No.04/AM22 dated 28.06.2021 (Case No.06), wherein the Committee decided to refer the case to ECA Division to seek a report from RA concerned and take further necessary action accordingly. The applicant stated that theyare a Manufacturer Exporter of 'Animal Feeds' and started their operations on 18.12.2005 and started exports in 2007. They had been issued 11 Advance Authorisations from CL-New Delhi under Para 4.07 of HBP 2015-2020 (Norms are Not Fixed-On Self Declaration Basis). Accordingly, after Issuance of Advance Authorisations, they had started doing Import and Export, taking the view that Norms for their Advance Authorisations would be ratified /fixed by the Norms Committee (NC) as per Para 4.07 of HBP 2015-2020. After a long time gap, approximately 2 years from the date of Issuance of first Advance Authorisation, they have come to know through Minutes of Norms Committee (NC) Meeting No.15/82 ALC4/2018 dated 22.03.2019 (Case No.548/15/82-ALC4/2018, at Sl. No.212), that Norms for their one Advance Authorisation No.6110001419 Dated 13.04.2017 were discussed in the Meeting and was 'Rejected' and the Minutes of the Decision of the Meeting Reads as follows:

"Decision: RLA, Surat was requested vide e-mail dated 05.04.2019 to furnish the hard copy of 4.07 application of subject Advance Authorization. However, the Committee considered the case as per online generated agenda and it was observed that import of vitamins are not allowed against export of food /feed supplements. The Committee deliberated on the matter and it was decided to reject the case".

They wish to inform that after Norms Committee Decision, vide Meeting dated 22.03.2019, Norms Committee had discussed Norms for their other Advance Authorisations also and had decided to 'REJECT' the cases, on similar grounds, as given for aforementioned Advance Authorisation. Hence they are requesting for condonation of Procedural lapse of not following Para 4.06 of HBP and Para 4.11 (b) of <u>FTP 2015-2020</u> for regularization of import and export already made against 11 Advance Authorizations.

Decision: The Committee discussed the case at length and observed that Advance Authorisations issued on self-declaration basis as per Para 4.07 of the HBP are not allowed in case of non-eligible items indicated under Para 4.11 of the FTP 2015-20. Therefore RA was not required to issue AAs in this situation. In fact, firm was required to get prior norms fixed from concerned NC before getting the AAs issued to them. Nevertheless these were issued by RA Dehradun (since closed) and firm has also reportedly completed imports and exports in these AAs.

Keeping these facts in view, the Committee decided to accede to the request of the firm for regularization of export and import already made by the firm against the above-mentioned11 Advance Authorizations subject to fixation of Norms by the NC concerned. The Show Cause Notice issued by CLA, New Delhi may be kept in abeyance till the fixation of norms by the Norms Committee.

(Action: Applicant/CLA-New Delhi/ NC-III Division)

Case No. 34 M/s. Shaurya Industries Pvt. Ltd., Gujarat
F. No.01/60/162/569/AM21/PRC
Meeting No.05/AM23 held on 24.05.2022

Subject: Refund of Terminal Excise Duty (TED) on the basis of manual BRC instead of e-BRC against RA File No.52/347/AM17/TED DBK.

The applicant stated that the textile industry is facing intense recessionary trends mainly due to the new taxation regime, intense competitive pressures in the global market and uncertainty in the neighbouring markets due to pandemic situation,etc,. which have casted a shadow in the exports volume also. The worse situation, as above, has further been aggravated by the heavy accumulation of refund claims of Terminal Excise Duty (TED) in respect of various Capital Goods (Textile Machineries) procured indigenously under EPCG Scheme. They had been procuring machineries from domestic suppliers under EPCG Scheme and claiming refund of TED as per para 7.05 of Foreign Trade Policy (2015-2020), which specifies that supply of goods will be eligible for refund of terminal excise duty as per Para 7.03 (c) of FTP, provided recipient of goods does not avail CENVAT credit/rebate on such goods. They had filed an application for refund of TED on 03.01.2017 for Rs.22,19,250.00 vide File No. 52/347/AM-17/TED-DBK to RA,Surat against the Capital Goods procured by them under EPCG Authorization No.5230019822 dated 01.03.2016.

Along with their application they have submitted original Bank Certificate of payments for domestic suppliersissued by the Sutex Co. Op. Bank Ltd., Pandesara/ Sachin Branch, Surat. Inspite of their repeated requests, till date they have not been issued e-BRCs against the payments made by them saying their Bank is unable to issue certificate of e-BRC as per DGFT. Now they have been advised by RA, Surat to approach DGFT(HQ) or Policy Relaxation Committee in this regard. There is no doubt or dispute of the fact that theyhad purchased the capital goods under valid and authentic EPCG Licences which got installed in their factory within the prescribed time limit as evidenced by the Installation Certificate duly submitted to DGFT. The fact that the supplier discharged Central Excise Duty against the Invoices is also not in doubt. They made the payment of the value of goods along with applicable duties and the supplier also realised the value of the goods within the time limit as certified by the Bank. Hence substantial compliance of the law is fulfilled and owing to the procedural infraction of submitting manual BRC instead of the prescribed e-BRC is condonable and cannot be a reason for denying a substantial benefit. Hence they are requesting to release the long pending TED refunds on the basis of manual BRC instead of e-BRC against RA File No.52/347/AM17/TED DBK.

Decision: The Committee having examined the statement made by the applicant along with the comments received from PC-6 Division and concluded that genuine hardship is there in this case. Accordingly, it decided to accede to the request for allowing the refund of TED claim against RA File Number 52/347/AM17/TED DBK on the basis of Manual BRC instead of e-BRC subject to fulfillment of all other provisions of FTP/HBP for such cases. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

(Action: Applicant/RA-Surat)

Case No. 35 M/s Lok Beta Pharmaceuticals P. Ltd., Mumbai
F. No.01/60/162/563/AM14/PRC& 01/60/162/555/AM14/PRC
Meeting No.05/AM23 held on 24.05.2022

Subject: Implementation of decision of PRC Meeting No.15/AM20 dated 13.08.2019 (Case No.28&29)for regularization of export made beyond EO period i.e. after 18 months against Advance Authorization No.0310525292 dated 22.06.2009 and 0310544733 dated 12.01.2010..

This case is referred by RA, Mumbai regarding implementation of decision of PRC Meeting No.15/AM20 dated 13.08.2019 (Case No.28&29), wherein the Committee allowed EOP extension above mentioned 2 Advance Authorisations for regularization purpose only.

RA, Mumbai vide mail dated 01.04.2022 intimated that they had passed 2 adjudication orders-in original against the petitioner vide file No.03/85/040/00059/AM10 dated 05.03.2018 and 03/85/040/00234/AM10 dated 09.03.2018 wherein fiscal penalty of Rs.10,000/- and Rs.1,50,000/- were imposed on the petitioner under Section 11(2) of the FTDR Act. As the orders in original were not set aside by Hon'ble High Court or by the appellate authority, it is not possible to implement PRC decision unless party pays the penalties specified in the orders. Moreover, it is beyond the purview of RA to review the said order in originals passed by this office as no appeals have been preferred by the party and now it is time barred under the FTDR Act, to file such appeal. Hence, guidance of PRC has been requested in the matter for further course of action in the matter.

Decision: The Committee examined the case in detail on the basis of mail received from RA, Mumbai and after discussing, it was decided to refer the case to ECA-Division (HQ) for suomoto review (in terms of FTDR 1992 provisions) of the adjudication order passed by RA, Mumbai, keeping in view of decision of PRC Meeting No.15/AM20 dated 13.08.2019 (Case No.28&29).

(Action: Applicant/ECA-Division(HQ))

Case No. 36 **M/s. Kamala International Exim Private Limited, Hyderabad**
F. No.01/60/162/631/AM19/PRC
Meeting No.05/AM23 held on 24.05.2022

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

This is deferred case to PRC Meeting No.25/AM21 dated 16.03.2021 (Case No.04), wherein the Committee decided to seek a detailed report from RA, Hyderabad in chronological of the events before taking the final decision.The applicant stated that the original DFIA was submitted for revalidation, EODC & Transferability to the RA, Hyderabad which was rejected since the inputs actually used in the product exported have not been specifically indicated in the Shipping Bills through which exports were made after 01.08.2013. The above mentioned DFIA was issued after issuance of Notification No.31 dated 01.08.2013 only with inputs in generic item description as per the SION. In compliance to the Notification they had requested the Customs Authorities to incorporate the same in the shipping bills. But the Custom Authorities have denied to enter the specific input details in the Shipping Bills stating that there is no software available for the Custom Officers to mention the name of the specific inputs. They like to mention that this fact has been confirmed by DG System of CBEC way back in 2017.Hence, requested for Revalidation, EODC and Transferability of above mentioned DFIA.

Decision: The Committee reviewed the case on the basis of justification furnished by the firm along with the report received from RA, Hyderabad and discussed the matter at length. Keeping in view of earlier decision of PRC taken in its Meeting No.08/AM19 and 18/AM19 held on 17.07.2018 and 09.10.2018 in cases of M/s Indian Biscuits Manufactures Association, M/s Desai Brothers Ltd, M/s Heemankshi Bakers Private Limited and M/s Ravi Foods Pvt. Ltd., Hyderabad, it decided to allow Revalidation, EODC and Transferability of DFIA No.0910060663 dated 15.07.2014 subject to the following conditions:

i. DFIA holder for exports made prior to 01.08.2013 shall submit undertaking in terms of Para 2 of Public Notice No.35 dated 30.10.2013.
ii. For exports made on or after 01.08.2013, they shall submit (a) Declaration and statement of specific inputs used in the manufacturing of product exported under the subject DFIA in question. (b) an affidavit cum indemnity bond affirming therein that in case any revenue loss noticed in future on account of misdeclaration, they will surrender the same to the government without any protest on demand by RA, and (c) a certificate from Chartered Engineer of respective field certifying specific inputs actually used in the manufacturing of export product exported under the subject DFIA in question.
iii. At the time of discharge of export obligation (EODC) and endorsement of transferability, RA shall allow only those inputs which have been specifically indicated in the declaration given by exporter and in the certificate of Chartered Engineer.
iv. RA shall also revalidate the DFIA for six months from the date of endorsement.

v. DFIA holder shall submit application for EODC/Transferability to RA, concerned within 30 days from the date of uploading of the minutes of the meeting.

(Action: Applicant/RA-Hyderabad)

Case No. 37 M/s. Ankit Biscuits Pvt. Ltd., Hyderabad
F. No.01/60/162/625/AM19/PRC
Meeting No.05/AM23 held on 24.05.2022

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

This is deferred case to PRC Meeting No.25/AM21 dated 16.03.2021 (Case No.05), wherein the Committee decided to seek a detailed report from RA, Hyderabad in chronological of the events before taking the final decision. The firm stated that the original DFIA was submitted for revalidation, EODC & Transferability to the RA, Hyderabad. The above mentioned DFIA was issued after issuance of Notification No.31 dated 01.08.2013 only with inputs in Generic item Description as per the SION. In compliance to the Notification they produced declaration containing the specific inputs utilised in the export product and requested the Customs Authorities to incorporate the same in the shipping bills. But the Custom Authorities have denied to enter the specific input details in the Shipping Bills stating that there is no software available for the Custom officers to mention the name of the specific inputs. They like to mention that this fact has been confirmed by DG System of CBEC way back in 2017. Hence, requested for Revalidation, EODC and Transferability of above mentioned DFIA.

Decision: The Committee reviewed the case on the basis of justification furnished by the firm along with the report received from RA, Hyderabad and discussed the matter at length. Keeping in view of earlier decision of PRC taken in its Meeting No.08/AM19 and 18/AM19 held on 17.07.2018 and 09.10.2018 in cases of M/s Indian Biscuits Manufactures Association, M/s Desai Brothers Ltd, M/s Heemankshi Bakers Private Limited and M/s Ravi Foods Pvt. Ltd., Hyderabad, it decided to allow Revalidation, EODC and Transferability of DFIA No.0910058150 dated05.11.2013 subject to the following conditions:

i. DFIA holder for exports made prior to 01.08.2013 shall submit undertaking in terms of Para 2 of Public Notice No-35 dated 30.10.2013.
ii. For exports made on or after 01.08.2013, they shall submit (a) Declaration and statement of specific inputs used in the manufacturing of product exported under the subject DFIA in question. (b) an affidavit cum indemnity bond affirming therein that in case any revenue loss noticed in future on account of misdeclaration, they will surrender the same to the government without any protest on demand by RA, and (c) a certificate from Chartered Engineer of respective field certifying specific inputs actually used in the manufacturing of export product exported under the subject DFIA in question.

iii. At the time of discharge of export obligation (EODC) and endorsement of transferability, RA shall allow only those inputs which have been specifically indicated in the declaration given by exporter and in the certificate of Chartered Engineer.

iv. RA shall also revalidate the DFIA for six months from the date of endorsement.

v. DFIA holder shall submit application for EODC/Transferability to RA, Concerned within 30 days from the date of uploading of the minutes of the meeting.

(Action: Applicant/RA-Hyderabad)

Case No. 38 M/s. Pahal Foods Pvt. Ltd., Hyderabad
F. No.01/60/162/635/AM19/PRC
Meeting No.05/AM23 held on 24.05.2022

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

This is deferred case to PRC Meeting No.25/AM21 dated 16.03.2021 (Case No.06), wherein the Committee decided to seek a detailed report from RA, Hyderabad in chronological of the events before taking the final decision. The firm stated that the original DFIA were submitted for revalidation, EODC & Transferability to the RA, Hyderabad, which were rejected since the inputs actually used in the product exported have not been specifically indicated in the Shipping Bills through which exports were made after 01.08.2013. All these DFIAs were issued after issuance of Notification No.31 dated 01.08.2013 only with inputs in Generic item Description as per the SION. In compliance to the Notification they had requested the Customs Authorities to incorporate the same in the shipping bills. But the Custom Authorities have denied to enter the specific input details in the Shipping Bills stating that there is no software available for the Custom Officers to mention the name of the specific inputs. They like to mention that this fact has been confirmed by DG System of CBEC way back in 2017. Hence, requested for Revalidation, EODC and Transferability of above mentioned DFIA.

<u>**Decision:**</u> The Committee reviewed the case on the basis of justification furnished by the firm along with the report received from RA, Hyderabad and discussed the matter at length. Keeping in view of earlier decision of PRC taken in its Meeting No.08/AM19 and 16/AM19 held on 17.07.2018 and 09.10.2018 in cases of M/s Indian Biscuits Manufactures Association, M/s Desai Brothers Ltd., M/s Heemankshi Bakers Private Limited and M/s Ravi Foods Pvt. Ltd., Hyderabad, it decided to allow Revalidation, EODC and Transferability of 5 DFIAs No.(i) 0910058202 dated 13.11.2013, (ii) 0910060195 dated 23.05.2014, (iii) 0910061032 dated 25.09.2014, (iv) 0910061033 dated 25.09.2014 and (v) 0910061671 dated 05.03.2015 subject to the following conditions:

i. DFIA holder for exports made prior to 01.08.2013 shall submit undertaking in terms of Para 2 of Public Notice No-35 dated 30.10.2013.
ii. For exports made on or after 01.08.2013, they shall submit (a) Declaration and statement of specific inputs used in the manufacturing of product exported under the subject DFIA in question. (b) an affidavit cum indemnity bond affirming therein that in case any revenue loss noticed in future on account of misdeclaration, they will surrender the same to the government without any protest on demand by RA, and (c) a certificate from Chartered Engineer of respective field certifying specific inputs actually used in the manufacturing of export product exported under the subject DFIA in question.
iii. At the time of discharge of export obligation (EODC) and endorsement of transferability, RA shall allow only those inputs which have been specifically indicated in the declaration given by exporter and in the certificate of Chartered Engineer.
iv. RA shall also revalidate the DFIA for six months from the date of endorsement.
v. DFIA holder shall submit application for EODC/Transferability to RA, Concerned within 30 days from the date of uploading of the minutes of the meeting.

(Action: Applicant/RA-Hyderabad)

Case No. 39 M/s. Singhania Foods International, Hyderabad
F. No.01/60/162/626/AM19/PRC
Meeting No.05/AM23 held on 24.05.2022

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

This is deferred case to PRC Meeting No.25/AM21 dated 16.03.2021 (Case No.07), wherein the Committee decided to seek a detailed report from RA, Hyderabad in chronological of the events before taking the final decision.The firm stated that the original DFIA were submitted for revalidation, EODC & Transferability to the RA, Hyderabad, which were rejected since the inputs actually used in the product exported have not been specifically indicated in the Shipping Bills through which exports were made after 01.08.2013. These DFIA were issued after issuance of Notification No.31 dated 01.08.2013 only with inputs in Generic item Description as per the SION. In compliance to the Notification they had requested the Customs Authorities to incorporate the same in the shipping bills. But the Custom authorities have denied to enter the specific input details in the Shipping Bills duly stating that there is no software available for the Custom Officers to mention the name of the specific inputs. They like to mention that this fact has been confirmed by DG System of CBEC way back in 2017. Hence, requested for Revalidation, EODC and Transferability of above mentioned DFIA. Hence, requested for Revalidation, EODC and Transferability of above mentioned DFIA.

<u>Decision:</u> The Committee reviewed the case on the basis of justification furnished by the firm along with the report received from RA, Hyderabad and discussed the matter at length. Keeping in view of earlier decision of PRC taken in its Meeting No.08/AM19 and 18/AM19 held on 17.07.2018 and 09.10.2018 in cases of M/s

Indian Biscuits Manufactures Association, M/s Desai Brothers Ltd., M/s Heemankshi Bakers Private Limited and M/s Ravi Foods Pvt. Ltd., Hyderabad, it decided to allow Revalidation, EODC and Transferability of 2 DFIA No.0910057626 dated 19.09.2013 and 0910061510 dated 08.01.2015 subject to the following conditions:

i. DFIA holder for exports made prior to 01.08.2013 shall submit undertaking in terms of Para 2 of Public Notice No-35 dated 30.10.2013.
ii. For exports made on or after 01.08.2013, they shall submit (a) Declaration and statement of specific inputs used in the manufacturing of product exported under the subject DFIA in question. (b) an affidavit cum indemnity bond affirming therein that in case any revenue loss noticed in future on account of misdeclaration, they will surrender the same to the government without any protest on demand by RA, and (c) a certificate from Chartered Engineer of respective field certifying specific inputs actually used in the manufacturing of export product exported under the subject DFIA in question.
iii. At the time of discharge of export obligation (EODC) and endorsement of transferability, RA shall allow only those inputs which have been specifically indicated in the declaration given by exporter and in the certificate of Chartered Engineer.
iv. RA shall also revalidate the DFIA for six months from the date of endorsement.
v. DFIA holder shall submit application for EODC/Transferability to RA, Concerned within 30 days from the date of uploading of the minutes of the meeting.

(Action: Applicant/RA-Hyderabad)

Case No. 40 M/s. Mukta Arts Ltd., Mumbai
F. No.HQRPRCAPPLY00136088AM22
Meeting No.05/AM23 held on 24.05.2022

Subject: Relaxation in maintaining the average EO imposed on the 3 EPCG Authorizations No.(i) 0330000345 dated 02.06.2000, (ii) 0330004540 dated 22.10.2003 and (iii) 0330006644 dated07.09.2004 by treating exports of film content by Tapes / CDs as service exports and not physical exports.

This is deferred case of PRC Meeting No.22/AM22 held on 22.03.2022 & 29.03.2022 (Case No.33), wherein the Committee decided to defer the case for further examination in the matter. The applicant stated that they are Service Providers and the referred 3 EPCG Licences have been issued in the years 2000, 2003 and 2004, wherein in terms of Para 5.7.6 of the relevant Policy Service Providers were exempted to maintain Average Export Obligation irrespective of the fact that exports being made in Physical or soft form. Condition for Fulfilment of Export Obligation Para 5.7.6 In case of export of goods relating to handicraft, handlooms, cottage, tiny sector, agriculture, aqua-culture, animal husbandry, floriculture, horticulture, pisciculture, viticulture, poultry, sericulture and services, the export obligation shall be determined in accordance with paragraph 5.1 of the Policy, but the licence holder shall not be required to maintain the average level of exports as specified in paragraph 5.4 (i) and 5.9 of the Policy. With effect from 1st April 2007, vide Public

Notice No. 01/2007 dated 19/04/2007, the above para 5.7.6 was amended to exclude Services from the list of exempted categories for maintaining Average Export obligation. As such Service Providers w.e.f. 1st April 2007 were required to maintain the average export obligation. Also they humbly wish to submit that in their case of physical exports, the value of medium (Film, Tape etc.) is negligible whereas the main value is of the content (software). It is significant to note that on 18/05/2011, in case of Licence No. 0330000345 dated 02.06.2000, the Regional Licencing Authority had deleted the Average Export Obligation imposed considering the fact that they are Service Providers. Relevant Amendment Sheet no. 3 confirming the same is attached herewith for your ready reference. However, subsequently they insisted that the same will be exempted only on exports in soft form and not on physical form. Hence they are requesting that since their Licenses were issued prior to 01.04.2007, as Service providers they should be exempted from maintaining AEO irrespective of the exports being in physical or soft form.

Decision: The Committee examined the case on the basis of statement made by the applicant and noted that this case required to be examined in detail by EPCG Division. Accordingly it decided to refer the case to EPCG Division for their examination. After obtaining inputs of EPCG division, case would be brought back to PRC for a decision.

(Action: Applicant /EPCG-Division)

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