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Directorate General of Foreign Trade
(PRC Section)

Minutes of the Policy Relaxation Committee Meeting Held on 10.09.2021 under the Chairmanship of Shri Amit Yadav, Director General of Foreign Trade

Meeting No.10/AM22 held on 10.09.2021

The following members were present in the meeting:

1. Shri Vijay Kumar — Addl. DGFT
2. Shri Hardeep Singh — Addl. DGFT
3. Shri Anil Aggarwal — Addl. DGFT
4. Shri Akash Taneja — Addl. DGFT
5. Dr. Amiya Chandra — 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. Base Metal Chemicals, Vadodara	1
2.	M/s. John Cockerill India limited, Mumbai	2
3.	M/s. Indica Conveyors Ltd., Amritsar	3
4.	M/s. Shrinath Pulses, Solapur	4
5.	M/s. Shri Shivam Industries, Chhattisgarh	5
6.	M/s. Swami Udyog, Raipur	6
7.	M/s. Aradhana Pulses, Raipur	7
8.	M/s. Nilkamal Limited, Mumbai	8&9
9.	M/s. Saikripa Foods Services Private Limited, Mumbai	10
10.	M/s. Pranas Agarbathies, Mysore	11
11.	M/s. Tranter India Private Limited, Pune	12
12.	M/s. Sumangal Silk Mills Pvt. Ltd., Mumbai	13
13.	M/s. Summit India, New Delhi	14
14.	M/s. Infiniti Retail Limited, Mumbai	15
15.	M/s. Raj Fishmeal And Oil Company, Karnataka	16
16.	M/s. Jewel Utensils Industries, Rajkot	17
17.	M/s. Yokogawa India Limited, Bangalore	18
18.	M/s. Pinnacle Clothing Co., Noida	19
19.	M/s. Brahmos Aerospace Thiruvananthapuram Ltd., Trivandrum	20
20.	M/s. Navkar Corporation Limited, Mumbai	21

21.	M/s. Navkar Corporation Limited, Mumbai	22
22.	M/s. Hyundai Motor India Limited, Kancheepuram	23
23.	M/s. SMS Engineering Services, Mumbai	24
24.	M/s. Special Cables Pvt. Ltd., Delhi	25
25.	M/s. Mukta Arts Ltd., Mumbai	26
26.	M/s. Onkar Jewellers Pvt. Ltd., Sonipat	27
27.	M/s. Dott Services Limited, Hyderabad	28
28.	M/s. ITC Limited, Secunderabad	29
29.	M/s. Mercedes-Benz Research and Development India Pvt. Ltd., Bangalore	30

Case No. 01 M/s. Base Metal Chemicals, Vadodara
F. No. HQRPRCAPPLY00128203AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Extension of EOP of Advance Authorisation No.3410041078 dated 25.03.2015.

The applicant stated that the Advance Authorization No.3410041078 dated 25.03.2015 was issued for Deemed Exports and ignorantly, they did not export 20,000 kgs with AR3A/CT3 copies, which are necessarily required for Deemed Export. Since EOP was expiring for this authorization as on 25.09.2016. (18 months from the date of issue), they want EOP Extension for this Authorization in order to club this authorization with another Advance Authorization No.3410042778 dated 20.12.2016, which was issued three months later than the expiry of Authorization No.3410041078 dated 25.03.2015. They had imported very less quantity of only 36310 kgs against allowed import of 160800 kgs. Hence, they want to club this authorization No.3410042778 dated 20.12.2016 with Advance Authorization No.3410041078 dated 25.03.2015 and get the benefit of clubbing and could save penalty of imposing payment of customs duty plus interest for Authorization No.3410041078 dated 25.03.2015. It is important to note that earlier they had already got PRC Approval for clubbing of Advance Authorization No.3410042778 dated 20.12.2016 with third Authorization No.3410041291 dated 12.06.2015 in PRC Meeting No.25/AM19 dated 18.12.2018 (Case No.31). Therefore, in case if they club all these 3 advance authorisations altogether and calculate with total export versus import quantity then also import quantity of more than 100 MT would remain pending in Advance Authorisation No.3410042778 dated 20.12.2016 with pending INR value of more than 1,25,00,000/-. Hence, requested to grant extension in EOP at least for 6 months or 1 year for Advance Authorization No.3410041078 dated 25.03.2015, so that they can club and get the benefit of clubbing scheme and altogether get EODC for all 3 authorisations in one stroke.

Decision: The Committee examined the case on the basis of submission made by the firm and discussed the matter at length and found no merit or hardship in the arguments made by the firm. Accordingly, the Committee decided to reject the request of the applicant.

(Action: Applicant)

Vijay

Case No. 02 M/s. John Cockerill India limited, Mumbai
F. No. HQRPRCAPPLY00129086AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Extension of EOP against Advance Authorization No.0310834076 dated 10.01.2020.

The applicant stated that they had received the subject authorization against invalidation letter issued to M/s. JSW Ltd. under EPCG authorization for their project. As soon as they received the authorization and ordered for imported components. Then lockdown was declared in India due to COVID-19 pandemic. They had ordered for import but due to worldwide crisis, they could not complete the import and as subsequent announcement of both lockdown 1 & 2 they were not able to manufacture the export goods as they do not fall under the category of essential goods. Similarly, their plant and head office both are located in Mumbai Metropolitan Region, which was declared as Red Zone. Since it is project supplies as per contract they cannot deliver the material without instruction form project authority. The authority asked them to wait for delivery and they have received only 50 percentage material. They have just fulfilled 50 percentage obligation and lost major EOP. They require first extension of 6 months having more value addition i.e. 35 percentage the composition fees 0.5 percentage of balance FOB Value comes to Rs.25 Lakhs approx. which is huge amount. In such pandemic situation it will be a complete loss. Paying the composition fees of Rs.25 lakhs is not viable as there is no fault from their side and the situation was out of their control. Hence, requested for extension without charging composition fee.

<u>Decision</u>: 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. In any case, firm can always apply for 2 EO extensions as per extant policy/handbook. Accordingly, the Committee decided to reject the request of the firm.

(Action: Applicant)

Case No. 03 M/s. Indica Conveyors Ltd., Amritsar
F. No. HQRPRCAPPLY00122592AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Revalidation of Advance Authorization No.1210009674 dated 18.07.2018.

This is review case of PRC Meeting No.01/AM22 dated 25.05.2021 (Case No.02), wherein the Committee rejected the case. The applicant stated that they had stopped making imports only to get the adhoc norms fixed. The adhoc norms were first rejected and then after removing objection, it took much time to approve the norms. By the time, adhoc norms were approved, the license got expired. They considered that balance import should be made only after approval of adhoc norms otherwise they had to pay Custom duty and Penalty. They wanted to ensure that such situation of duty payment should not arise. Since, they have already made 100% export and there is big quantity of import still pending under the license, they have to face huge loss as their export prices are quoted on the basis of import prices of raw material and if duty free import of raw material is not done. They are at loss since they have to quote competitive and reduced export prices to the extent of dues saved on import of raw material under the license. They are MSME unit and already going through a very tough phase due to shortage of orders on account of COVID outbreak. Hence, requested for revalidation up to 18.07.2021, so that they may be able to make pending imports.

Decision: The Committee reviewed and examined the case on the basis of submission made by the firm and discussed the matter at length. It is observed that there is merit in the case and accordingly it decided to accede to the request and allowed revalidation of Advance Authorization No.1210009674 dated 18.07.2018 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/RA-Ludhiana)

Case No. 04 M/s. Shrinath Pulses, Solapur
F. No. HQRPRCAPPLY00126228AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Revalidation of Restricted items License No.3119051458 dated 14.10.2020.

The applicant stated that the Cargo was very well planned vessel dated 02.12.2020 and it was supposed to arrive Nhava Sheva on 26.12.2020 as per schedule / Normal transit time. The Cargo reached Transshipment port Jeddah on 05.12.2020 as per schedule. Unfortunately at transshipment port, there was huge congestion at port and in between massive fire broke out at port due to which all inward and outward vessels schedule got delayed. Ultimately it hampered on arrival of their cargo also and reached Nhava Sheva on 02.01.2021. Hence, requested for revalidation of above license.

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

(Action: Applicant)

Case No. 05 M/s. Shri Shivam Industries, Chhattisgarh
F. No. HQRPRCAPPLY00126451AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Revalidation of Restricted items License No.5019003982 dated 15.10.2020.

The applicant stated that the Cargo was very well planned vessel dated 02.12.2020 and it was supposed to arrive Nhava sheva on 26.12.2020 as per schedule / Normal transit time. The Cargo reached Transshipment port Jeddah on 05.12.2020 as per schedule. Unfortunately at transhipment port there was huge congestion at port and in between massive fire broke out at port due to which all inward and outward vessel schedule got delayed. Ultimately it hampered on arrival of their cargo also and reached Nhava Sheva on 02.01.2021. Hence, requested for revalidation of above license.

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

(Action: Applicant)

Case No. 06 M/s. Swami Udyog, Raipur
F. No. HQRPRCAPPLY0128141AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Revalidation of Restricted items License No.5019003880 dated 15.10.2020.

The applicant stated that the Cargo was very well planned vessel dated 02.12.2020 and it was supposed to arrive Nhava sheva on 26.12.2020 as per schedule / Normal transit time. The Cargo reached Transshipment port Jeddah on 05.12.2020 as per schedule. Unfortunately at transhipment port there was huge congestion at port and in between massive fire broke out at port due to which all inward and outward vessel schedule got delayed. Ultimately it hampered on arrival of their cargo also and reached Nhava Sheva on 02.01.2021. Hence, requested for revalidation of above license.

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

(Action: Applicant)

Case No. 07 M/s. Aradhana Pulses, Raipur
F. No. HQRPRCAPPLY00129382AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Revalidation of Restricted items License No.5019003804 dated 15.10.2020.

The applicant stated that the Cargo was very well planned vessel dated 02.12.2020 and it was supposed to arrive Nhava sheva on 26.12.2020 as per schedule / Normal transit time. The Cargo reached Transshipment port Jeddah on 05.12.2020 as per schedule. Unfortunately at transhipment port there was huge congestion at port and in between massive fire broke out at port due to which all inward and outward vessel schedule got delayed. Ultimately it hampered on arrival of their cargo also and reached Nhava Sheva on 02.01.2021. Hence, requested for revalidation of above license.

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

(Action: Applicant)

Case No. 08 M/s. Nilkamal Limited, Mumbai
F. No. HQRPRCAPPLY00108464AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Revalidation of Advance Authorization No.0310825963 dated 27.12.2018.

The applicant stated that they have completed export within initial EOP and submitted their request to RA for the revalidation and EODC. However, they have not received EODC with revalidation. Since they have already completed exports and online system was not fully established they were requesting RA for issuing manual EODC but RA has denied doing so. Meantime lockdown was imposed and DGFT has issued PN 67 for six months automatic revalidation to facilitate authorization holder in this pandemic. Since RA has already endorsed revalidation manually, system was not ready to accept revalidation request as per PN 67. They therefore approached RA where they have been advised to wait as the solution on such cases were expected from DGFT HQ and RA cannot do any changes in system. They have been continuously following up with RA for this but there was no such configuration gets done in online module to give effect of PN 67 till date where RA has already revalidated authorization manually. Meantime, RA has advised them to approach PRC for revalidation and hence requested for revalidation of 6 moths from the date of endorsement extending facility of PN 67.

Decision: The Committee examined the case on the basis of submission made by the firm and discussed the matter at length. It is observed that there is merit in the case and accordingly it decided to accede to the request and allowed revalidation of Advance Authorization No.0310825963 dated 27.12.2018 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/RA-Mumbai)

Case No. 09 M/s. Nilkamal Limited, Mumbai
F. No. HQRPRCAPPLY00108465AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Revalidation of Advance Authorization No.0310825860 dated 21.12.2018.

The applicant stated that they have completed export within initial EOP and submitted their request to RA for the revalidation and EODC. However, they have not received EODC with revalidation. Since they have already completed exports and online system was not fully established they were requesting RA for issuing manual EODC but RA has denied doing so. Meantime lockdown was imposed and

DGFT HQ has issued PN 67 for six months automatic revalidation to facilitate authorization holder in this pandemic. Since RA has already endorsed revalidation manually, system was not ready to accept revalidation request as per PN 67. They therefore approached RA where they have been advised them to wait as the solution on such cases was expected from DGFT HQ and RA cannot do any changes in system. They are continuously following up with RA for this but there was no such configuration gets done in online module to give effect of PN 67 till date where RA has already revalidated authorization manually. Meantime RA has advised them to approach PRC for revalidation. Hence, requested for revalidation of 6 months from the date of endorsement extending facility of PN 67.

Decision: The Committee examined the case on the basis of submission made by the firm and discussed the matter at length. It is observed that there is merit in the case and accordingly it decided to accede to the request and allowed revalidation of Advance Authorization No.0310825860 dated 21.12.2018 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/RA-Mumbai)

Case No. 10 M/s. Saikripa Foods Services Private Limited, Mumbai
F. No. HQRPRCAPPLY00132716AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Revalidation of SFIS License No.0310823502 dated 04.09.2018.

This is review case of PRC Meeting No.01/AM22 dated 25.05.2021 (Case No.18), wherein the Committee had rejected the case. The applicant stated that they are rendering Hotels and Hospitably related services. Their subject SFIS license was issued on Actual User Condition and the scrip was non-transferable. They could not utilized within the validity period due to the following reasons: (i) Covid-19 Pandemic has caused and economic slowdown across the Global which led to unstable business environment with lockdown being imposed across countries. Still few State are having restriction which are also effecting the requirements of the Raw Materials. (ii) Further since their suppliers are from Europe and most of the European Countries are having lockdown unit March 2021. This clearly implies that form the onset of this pandemic availability of Raw Material has been adversely affected across the globe. (iii) Logistic have been disrupted and shipping container are scarce leading to unprecedented increase in Shipping and transportation costs making Import unviable. Practically entire one year had been wiped out without almost any business. Several manufactures have opted to reduce their operating capacities owing to uncertain time while a few have completely shut their operations. This has created a buyer a market and nation with access to cheaper capital have booked entire production cycles leading to acute shortage of Raw Material. Hence, requested for revalidation of above SFIS license for period of one year.

Decision: The Committee reviewed the case on the basis of justification furnished by the firm and found no merit in the request and hence decided to maintain rejection of the earlier decision of PRC in its Meeting No.01/AM22 dated 25.05.2021(Case No.18).

(Action: Applicant)

Case No. 11 M/s. Pranas Agarbathies, Mysore
F. No. HQRPRCAPPLY00126255AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: To allow MEIS benefit against time barred Shipping Bill No.4893548 dated 16.05.2018.

The applicant stated that they realize the export proceeds in foreign exchange within the time limit and claim eligible export incentives against the exports. One of their export vide Invoice No.5 dated 16.05.2018 and Shipping Bills No.4893458 dated 16.05.2018, they have realised the invoice value of US$ 33,368/- in advance before effecting the shipment, that is to say inward remittance of US$ 33,280/- (after deduction of back charges of US$ 88/-) was received and realised on 10.05.2018 through their Bankers' SBI, Mysore Main Branch, Mysore, Karnataka and the shipment was effected on 16.05.2018. However, due to some reasons, e-BRC in respect of the above export was not uploaded by their Bankers, SBI, due to some reasons and e-BRC bearing no.SBIN0040054100117228 dated 03.06.2021 has been uploaded on 05.06.2021. They were not able to file online application for claiming MEIS benefit against their said exports within the maximum time limit of 3 years (including extended time limit with late cut) from the date of shipping bill, which expired on 15.05.2021. Due to non-availability of e-BRC the gap between last dates allowed for making online application i.e. 15.05.2021 and date of uploading e-BRC i.e. 05.06.2021 is only about 21 days. When they tried to file online application claiming MEIS benefit immediately after availability of e-BRC, eligibility is reflected as ZERO, as the shipping bill is time barred.

<u>Decision:</u> The Committee went through the statement made by the applicant and discussed the matter at length. The Committee observed that due to delay in uploading of BRC by the Bank, the firm has faced the problem which was beyond their control and accordingly decided to allow MEIS benefit against Shipping Bill No.4893548 dated 16.05.2018 without any late cut. The firm shall approach RA within 90 days from the date of uploading of the minutes of meeting.

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

Case No. 12 M/s. Tranter India Private Limited, Pune
F. No. HQRPRCAPPLY00033937AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: To allow MEIS benefit against Shipping Bill No.3709107 dated 23.03.2018.

The applicant stated that they have exported one shipment vide Shipping Bill No.3709107 dated 23.03.2018. They were filing application for claiming MEIS against this shipping bill but they found that their name put under DEL Vide Order No.PUN4MKDL28883 dated 08.03.2021 with remarks that "Not Submitted export documents". Thereafter they have requested RA, Pune through mail on 13.03.2021 to remove their name from DEL as they do not have outstanding Authorization for which export documents are pending to be submitted and requested for removal from DEL. On being enquired from RA, Pune, they have been informed that their name was put in DEL by mistake due to some system error and they are trying to correct and get it solved from DGFT headquarters. They have also sent mail on 19.03.2021 to DGFT HQ at dgftedi@nic.in to resolve the matter and also reminder on 22.03.2021. They had tried to file MEIS application on 23.03.2021 but the MEIS module did not allow as their name was under DEL. After regular follow up with RA Pune, their name was removed from DEL on 25.03.2021 Vide Order No.PUN4RMDL36413 with remark i.e. the authorization on the basis of which their name was put under DEL was not related to them and their name was mistakenly put under DEL on the basis of some other party authorisation. Till the time of removal of their name form DEL, the last date of filing MEIS application against Shipping Bill No.3709107 dated 23.03.2018 was expired and now the claim is showing as Zero.

Decision: The Committee examined the case on the basis of submission made by the firm and discussed the matter at length. It is observed that there is merit in the case and accordingly it decided to accede to the request and allowed MEIS benefit against Shipping Bill No.3709107 dated 23.03.2018 without any late cut. The firm shall approach RA within 90 days from the date of uploading of the minutes of meeting.

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

Case No. 13 M/s. Sumangal Silk Mills Pvt. Ltd., Mumbai
F. No. HQRPRCAPPLY00130791AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: To allow MEIS benefit against Shipping Bill No.1823172 dated 27.12.2017.

The applicant stated that the export was made vide S/Bill No.1823172 dated 27.12.2017 and payment received from foreign buyer in 19.12.2020, which is beyond the time limit of 2 years. Therefore, the MEIS application cannot be made without attachment of BRC. Hence, requested for condonation of delay in filling of MEIS application.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee observed that due to delay in uploading of BRC by the Bank, the firm has faced the problem, which was beyond their control and accordingly decided to allow MEIS benefit against Shipping Bill No.1823172 dated 27.12.2017 without any late cut. The firm shall approach RA within 90 days from the date of uploading of the minutes of meeting.

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

Case No. 14 M/s. Summit India, New Delhi
F. No. HQRPRCAPPLY00102384AM21

PRC Meeting No.10/AM22 dated 10.09.2021

Subject: To allow MEIS benefit against 2 Shipping Bill No.5252282 dated 06.04.2017 and 5684004 dated 26.04.2017.

The applicant stated that they are the leading manufacture exporter of the readymade garments, based in Noida. They had made an export against the Shipping Bill Nos.5252282 dated 06.04.2017 and 5684004 dated 26.04.2017. The payment against the said shipping bills were duly realized against the same in the due time period. After realization of the payment against the said shipping bills, the BRC was issued wrong by the banker. After several attempts and continuous approach to the bank, they were unable to get the correct BRC from the banker within the due time period. Finally, on 08.02.2021, the banker issued the correct BRC. But, then they realized that due to time limitation by the DGFT software, they were unable to submit the application against the said 2 shipping bills. Hence, requested to allow manual filing of MEIS application for the incentive claim under the MEIS Scheme, as online system does not allow online submission of the application.

Decision: The Committee examined the case on the basis of submission made by the firm and discussed the matter at length. It is observed that due to delay in uploading of BRC by the Bank, the firm has faced the problem which was beyond their control and accordingly it decided to allow MEIS benefit against Shipping Bill No.5252282 dated 06.04.2017 and 5684004 dated 26.04.2017 without any late cut. The firm shall approach RA within 90 days from the date of uploading of the minutes of meeting.

(Action: Applicant/CLA-New Delhi/ EDI/NIC for necessary updation in the System)

Case No. 15 M/s. Infiniti Retail Limited, Mumbai
F. No. HQRPRCAPPLY00103244AM21
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Permission to clear the Import of Air Conditioner under Invoice No.MDAJS2010130008 dated 15.10.2020 by relaxing Para 1.05 (b) of FTP.

The applicant stated that they had imported a consignment of Air Conditioners with refrigerant vide Invoice No.MDAJS 2010130008 dated 12.10.2020 of M/s Media Electric Trading (Singapore) Co. Pvt. Ltd. Singapore bill of lading for the consignment is 15.10.2020. The import was against the irrevocable LC No.DPCBOM 001183 dated 24.09.2020 of M/s HSBC, Goregaon, East Mumbai valid up to 11.11.2020. Last date of shipment as per LC was 10.10.2020. The supplier / Vendor made the part shipment vide B/Lading dated 15.10.2020, on the date on which Notification No.41/2015-2020 dated 15.10.2020 was issued making Air conditioner from free to prohibited. However, they have requested the vendor to stop the remaining subsequent shipment. Further imports will be as per Notification No.41/2015-2020 dated 15.10.2020. Hence, requested to allow them to clear the import made under Invoice No. MDAJS 2010130008 dated 12.10.2020 which was beyond their control.

Decision: The Committee went through the submission made by the applicant and discussed the matter at length and it decided to refer the issue to PC-2 Division for its examination and resolution.

(Action: Applicant/PC-2 Division)

Case No. 16 M/s. Raj Fishmeal and Oil Company, Karnataka
F. No. HQRPRCAPPLY00091988AM21
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Re-fixation of Annual Average against EPCG Authorization No.0730013402 dated 12.05.2014.

The applicant stated that the EO to be fulfilled against the subject authorisation is Rs.1,93,76,186.00 and Annual Average to be maintained is Rs.77,48,94,415.79. The main reason for importing the machinery was to utilize the resource (raw material) to maximum extent which was seen more up to 2014. Later sudden change or reduction in fish landing seen, quality of fish (raw materials) were not good and could not reach the quality terms of product for export and also they could not achieve exports due to International recession and economic slowdown. So far Foreign Exchange earned, which is utilized for subsequent / other EPCG license for closure. Hence, requested (i) to condone and consider the annual average for the non maintained the period which is shortfall and (ii) to re-fix the annual average of Rs.40 crores instead of Rs.77,48,94,415.79, so that they could submit application for redemption of said authorisation.

Decision: The Committee noted that the matter related to this case is to be dealt by EPCG Division. Hence, this case was withdrawn from PRC and referred to EPCG-Division for its examination and finalization.

(Action: Applicant/EPCG- Division)

Case No. 17 M/s. Jewel Utensils Industries, Rajkot
F. No. HQRPRCAPPLY00088704AM21
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Second EOP Extension against Advance Authorization No.2410042434 dated 07.06.2018.

The applicant stated that they have completed EO of 44.57% in quantity terms and 47.05% in value terms within valid EOP + extended EOP. Due to outbreak of Covid-19 all the commercial activities were heavily suffered in year 2020. Further due to complete lockdown for around 3-4 months, limited movement of persons, work from home, reduction in market demand, financial crunch, problem in supply chain etc., all the business activates suffered a lot during this period. They were trying to bet orders for export but due to recession around the world for 4-6 months in 2020 due to Covid-19, there was, no new sales orders in international market as fall the foreign buyers had existing stock in their warehouses / retail store. Further due to delayed and defaults in payments by foreign buyers, they have to be very cautious in payments by foreign buyers, in taking new export orders otherwise their whole payment will be at risk. Now the situation has improved and they have already got export orders in hand to supply the balance material but they could not supply as the EOP of the authorization was expired on 06.12.2020. They are eligible for 2nd EO extension till 06.06.2021 as per para 4.412 (f) of the HBP subject to condition that minimum 50% should be fulfilled. However, they have completed just below 50% i.e. 44.57% EO in quantity terms and 47.05% OE in value terms in valid & Extended EOP. The unutilized inputs imported against the subject authorisation are available with them in their factory premises. Hence, requested to allow EOP extension for 6 months from the date of endorsement so that they can complete their balance export obligation.

Decision: The Committee went through the submission made by the firm 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 EOP extension of Advance Authorization No.2410042434 dated 07.06.2018 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-Rajkot)

Case No. 18 M/s. Yokogawa India Limited, Bangalore
F. No. HQRPRCAPPLY00122117AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Extension of EOP against Advance Authorization No.0710115342 dated 28.08.2019.

The applicant stated that the first extension of the subject authorization is valid till 28.08.2021. Their export product is B SION 204, which is a distributed control system used in the process control industries like Refinery and Petro Chemical sectors. The manufacture of the system involves Design, Engineering, wiring, integration, graphic test, generating the required software. All these are to be done in their manufacturing facility. Due to the on-going Pandemic, Govt. has imposed a strict lock-down, due to this their facility was not permitted to operate since April 1st week to 14th June, 2021. Later govt. had extended a relaxation for the Export units with a restriction in working time as well as with a minimum work force. This has taken away their normal working time, a hardship in augmentation of resources, skilled Engineers to the work location. In this process they have lost a valuable 3 months working time. Taking forward they have a huge challenges ahead to meet the overseas customer deliveries, augment the resources related to operation, sourcing the required local inputs, maintain the govt. permitted workforce. They also undertake to pay the compensation fees that is payable for the balance unfulfilled export value. Hence, requested to consider their working time lost due to covid situation and extend the EOP up to 28.12.2021.

Decision: The Committee examined the case on the basis of submission made by the firm and discussed the matter at length. It is observed that there is merit in the case and accordingly decided to accede the request and allowed EOP extension of

Advance Authorization No.0710115342 dated 28.08.2019 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-Bengaluru)

Case No. 19 M/s. Pinnacle Clothing Co., Noida
F. No. HQRPRCAPPLY00136305AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Regularization of export already made beyond EOP (within 40 months i.e. 24.04.2021) against Advance Authorization No.0510405099 dated 26.12.2017.

The applicant stated that they have obtained first EOP extension from RA i.e. up to 24 Months (14.12.2019). They have imported 100 Percentage against this authorization and completed 10 Percentage export obligation with in EOP i.e. up to 40 months. Shipment detail shipped with 40 Months. Within 24 months 85 percentage against Shipping Bill No.4268810 dated 17.04.2018, 4260587 dated 17.04.2018, 4273979 dated 17.04.201 and 3727887 dated 25.04.2019. Within 30 Months 85 Percentage not any goods shipped due to COVID-19 and Lockdown. Buyer had postponed order, balance 15 Percentage shipment had shipped within 40 months, against Shipping Bill No.9370055 dated 15.03.2021, 1347390 dated 24.04.2021. Now, they have completed 100 percentage EOP within 40 months i.e. on 24.04.2021. Hence, requested to accept the export made beyond EOP that is EO 40 Months i.e. up to 24.04.2021 for regulation of exports already made under aforementioned advance authorization.

Decision: The Committee went through the submission made by the firm and discussed the matter at length. The Committee decided to allow EOP extension up to 24.04.2021 of Advance Authorisation No.0510405099 dated 26.12.2017 only for regularization purpose subject to payment of composition fees @0.5% per month on the unfulfilled FOB value, if exports are fulfilled more than 50% 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/CLA-New Delhi)

Case No. 20 M/s. Brahmos Aerospace Thiruvananthapuram Ltd., Trivandrum
F. No. HQRPRCAPPLY00136923AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Extension of EOP against Advance Authorization No.5310019545 dated 05.01.2018.

This is review of PRC Meeting No.08/AM21 dated 21.08.2020 (Case No.11), wherein the Committee approved the case. The applicant stated that they had successfully supplied further more quantity of 84 sets thereby fulfilling 68.9% of EO by which time the second wave of COVID-19 Pandemic created irretrievable bottlenecks starting from December 2020 when they were not able to obtain Special steels from the India suppliers due to lockdown in Europe. Since, then supplies delayed and further got aggravated by the second wave of pandemic in India resulting in the closure of Production activities by almost 2 months starting from 08.05.2021. Now having resumed production, they hopes to start supplies at the rate of 12/month from August 2021 and complete the EO by March 2022.
Further, stated that that due to recent development in the frontier, M/s Rafeal has given clearance to export the above remaining quantity and also indicated to lift further quantities which may require further import of Parts. However, prior to executing valuable and much needed further export orders, BATL needs to close the existing AA by exporting remaining 75 sets and thereby meet current EO, BATL is herewith appealing to the chairman to consider grant of permission for third Extension of EO, for a period upto 4 march 2022. So as to enable Brahmos Meet the EO. The Covid-19 Pandemic had created not only delays in supplies, but also affected the cost of production due to Covid-19 production restrictions, safety protocols, intermittent stoppages due to local government stipulated shutdowns.

Decision: The Committee having examined the statement made by the firm 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 EOP extension of Advance Authorization No.5310019545 dated 05.01.2018 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-Cochin)

Case No. 21 M/s. Navkar Corporation Limited, Mumbai
F. No. HQRPRCAPPLY00137136AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: To allow SEIS benefit for period FY 2016-2017.

This is review of PRC Meeting No.24/AM21 dated 25.02.2021 (Case No.14), wherein the Committee rejected the case. The applicant stated that due to unprecedented situation of Pandemic Covid-19 and for preventive measures put in place to prevent the spread of Covid-19, their office premises were completely shut since March 2020, which caused significant disruption on the business of the Company. Further, the workforce of the company was also severely affected owing to adverse impacts posed by the unprecedented situation. Therefore they are unable to file the applications under SEIS for the services rendered in FY 2016-17 within the extended due date of 30.06.2020. Secondly due date for compliances under various enactments have been extended by the Government from time to time after taking cognizance of the difficulty faced by taxpayers in view of Covid-19 and various representations filed by the trade and industry seeking extension in deadlines.

Hence, requested to consider their case and extend the filing the SEIS application for FY 2016-17 subject to late cut of 10%.

Decision: The Committee reviewed and examined the case on the basis of justification furnished by the firm and found no merit in the request and hence decided to maintain rejection of the earlier decision of PRC in its Meeting No.24/AM21 dated 25.02.2021(Case No.14).

(Action: Applicant)

Case No. 22 M/s. Navkar Corporation Limited, Mumbai
F. No. HQRPRCAPPLY00137123AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: To allow SEIS benefit for the period FY 2015-16.

The applicant stated that during FY 2015-16, they have contributed Rs.247,71,09,976/- to India's exports and has satisfied all the eligibility criteria envisaged under the FTP and thus, eligible to claim rewards in the form of duty credit scrps under SEIS. As per Para 3.04 of HBP 2015-20, an application for grant of duty credit scrips is to be filed online for a FY on annual basis in Form ANF 3B and in terms of Para 3.15(b) of HBP, the last dated for filing application is 12 months from the end of relevant financial year of claim period or, the applicant can file the application as Para 9.02 of FTP 2015-20 with applicable late i.e. up to 31.03.2019. However, as their senior officers were shifted they have not filed the application in due course of time. Hence, requested that the due date for filing applications under SEIS for the services rendered in FY 2015-16 by extended up to 31.03.2021 or any other date which will enable them to file the application for claiming duty credit scrips.

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

(Action: Applicant)

Case No. 23 M/s. Hyundai Motor India Limited, Kancheepuram
F. No. HQRPRCAPPLY00137708AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: To allow MEIS benefit against 07 shipping bills.

The applicant stated that they have filed the MEIS application for 7 Shipping Bill No.(i) 2507439 dated 05.03.2019, (ii) 2507542 dated 05.03.2019, (iii) 2584700 dated 08.03.2019, (iv) 2610366 dated 09.03.2019, (v) 3721585 dated 24.03.2018, (vi) 4133628 dated 11.04.2018 and (vii) 8347481 dated 31.08.2017 and MEIS issued to them as per the Foreign Currency exchange rate mentioned the shipping bill. After internal reconciliation they found exchange rate of USD is calculated while granting the MEIS license, while actual currency of export is EURO and the same EURO has been realized in statement Realization certificate in E-BRC. At the time of filing MEIS

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application, the realisation value of each line item is calculated in USD instead of EURO and MEIS is given on USD rate with the short of Rs.3.90 Lacs. Buyer's payment realized in Foreign Currency in EURO are reflected in E-BRC as interfaced by DGFT. As there is no provision to amend the currency in the ICEGATE system, Customs have issued a manual NOC amending the currency from USD to EURO. In view of the system constraints, they have received a MEIS with the short of Rs.3.90 lacs. As the currency change has crept in inadvertently, they hereby request to refund the balance amount of Rs.3.90 Lacs.

Decision: The Committee examined the case on the basis of submission made by the firm and discussed the matter at length and found no merit or hardship in the arguments made by the firm. Accordingly, the Committee decided to reject the request of the applicant.

(Action: Applicant)

Case No. 24 M/s. SMS Engineering Services, Mumbai
F. No. HQRPRCAPPLY00098562AM21
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: To allow MEIS benefit against Shipping Bill No.1777943 dated 26.12.2017.

The applicant stated that they have made shipment under Shipping Bill No.1777943 dated 26.12.2017. So they can fill MEIS Application up to 26.12.2020 as per FTP & HBP 2015-2020 with late cut condition. All payments have been received in time and realization of all 3 payments of USD 70400.00, 49280.00 & 14026.25 also done by their bank on 05.01.2018, 18.01.2018 and 19.07.2019 respectively. And all shipping bills closed on 22.12.2020. But their bank is unable to upload file and issue e-BRC, because their digital signature which is mandatory to issue e-BRC was not activated by DGFT till 26.12.2020. It was activated after 26.12.2020 and then their bank able to issue all e-BRC certificates against all 3 payments of the Shipping Bill No.1777943 dated 26.12.2017 on 18.01.2021. Now they are trying to file Application for MEIS claim, but DGFT MEIS system deduct 100% MEIS claim amount, so MEIS claim amount is coming Rs.00.00. They have requested to allow filling Application for MEIS claim Against time Barred Shipping Bill No.1777943 dated 26.12.2017 vide e-COM Reference No.03/08/019/20200/0723/7465.

Decision: The Committee went through the statement made by the applicant and discussed the matter at length. The Committee observed that due to delay in uploading of BRC by the Bank, the firm has faced the problem which was beyond their control and accordingly decided to allow MEIS benefit against Shipping Bill No.1777943 dated 26.12.2017 without any late cut. The firm shall approach RA within 90 days from the date of uploading of the minutes of meeting.

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

Case No. 25 M/s. Special Cables Pvt. Ltd., Delhi
F. No. HQREPCGPRAPP00121966AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Extension of EOP against EPCG License No.0530153905 dated 03.11.2010.

The applicant stated that the subject license was issued to import capital goods with an obligation to export 6 times of duty saved in 6 years as EO. However, it could not be completed within the stipulated period i.e. up to 02.11.2016. They have been granted the extension for 2 years up to 02.11.2018. However, due to various situations arisen beyond their control leading to extreme difficulties and hardship, their competitiveness in the market got badly affected for which they could complete only 9.09.% of EO. They have applied for extension of EO to EPCG Committee 2.06.2019, but their request was not accepted. Unfortunately during last 1 year of the period of extension granted they faced major calamities and other problems at Rudrapur, Uttarakhand, where their plant is located, due to which their production was impacted very badly. However, in the last 1 year, in spite of economic slowdown and hardship caused by COVID-19 pandemic, they have managed to execute some export orders. Against the total balance EO of USD 371271.17 (Total EO being USD 40807.17 less 37136.00 already done in 2018), they have made total export worth USD 420,783.92 by 04.12.2020 which is more than 100% of EO. Hence, requested to consider the exports made by them till 04.12.2020 towards fulfillment of EO of above EPCG license for regularization purpose.

Decision: The Committee examined the case on the basis of submission made by the firm and discussed the matter at length and found no merit or hardship in the arguments made by the firm. Accordingly, the Committee decided to reject the request of the applicant.

(Action: Applicant)

Case No. 26 M/s. Mukta Arts Ltd., Mumbai
F. No. HQREPCGPRAPP00136088AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Relaxation in maintaining the Average EO imposed on 3 EPCG Authorization No.0330000345 dated 02.06.2000, 0330004540 dated 22.10.2003 and 0330006644 dated 07.09.2004 by treating exports of film content by Tapes / CDs as Service exports and not Physical Exports.

This is review case of PRC Meeting No.25/AM20 dated 24.12.2019 (Case No.20), wherein the Committee rejected the case. The applicant stated that they are service providers and the above EPCG licenses were issued 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 are being made in physical or soft form. Condition of fulfillment of EO 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 EO shall be determined in accordance with para 5.1 of the policy. But the license holder shall not be required to maintain the average level of exports as specified in para 5.4(i) and 5.9 of the policy. With effect from 01.04.2017, vide PN 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 AEO. AS such service providers w.e.f. 01.04.2007 required to maintain the AEO. Further stated 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). In the case of License No.0330000345 dated 02.06.2000, RA had deleted the AEO imposed considering the fact that they are service providers. However, subsequently they insisted that the same will be exempted only on exports in soft form and not on physical form. Hence, requested 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 reviewed the case on the basis of justification submitted by the firm and it decided to defer the case for further detailed examination in the matter. Thereafter the case may be brought back again before PRC for a decision.

(Action: Applicant /PRC-Division)

Case No. 27 M/s. Onkar Jewellers Pvt. Ltd., Sonipat
F. No. HQRPRCAPPLY00117587AM21
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Revalidation of Restricted items License No.0550004219 dated 10.04.2019.

The applicant stated that the above authorization was obtained from CLA, Delhi for import of Gold Bars, which is restricted item under FTP. However, authentication gives them permission to import. The authorization is expired on 09.04.2020. During the import validity they could not import the material due to unfavourable Global Market and import contracts were not executable from the sourcing country. Subsequently, they had been granted 6 months revalidation by CLA, Delhi up to 09.04.2021. In the meantime, import contracts were executed and they could import to the extent of 12.30% (between the period 29.12.2020 to 30.03.2021) of the total import quantity. Thereafter all countries including India went on lockdown due to COVID-19 and all the international market closed thereby during that period they could not make any further imports. They started interacting with suppliers from November, 2020 for importing of Gold Dore Bar and started importing Gold Dore Bar from December, 2020 and able to get few shipments till April, 2021. They are able to import approximately 24% of material in US Dollar in their allotted value in license in US Dollar. Now, they have already got suppliers which are interested to supply the materials and are very keen to utilize their pending quantity in their license. They are holding valid import contracts. Hence, requested to allow revalidation for a period of 6 months.

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. 28 M/s. Dott Services Limited, Hyderabad
F. No. HQRPRCAPPLY00136389AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Relaxation of condition of re-export and permission to alienate locally with regard to the dump trucks allowed for the importation.

This is review case of PRC Meeting No.11/AM16 dated 20.10.2015 (Case No.50) and 10/AM17 dated 06.07.2016 (Case No.51), wherein the Committee approved the case. The applicant stated that they had been allowed to import of old dump trucks by PRC. The import included 41 numbers of dump trucks some of Indian origin having Caterpillar make, which have been procured from their overseas supplier M/s Kab Enterprises F.Z.C., Dubai. While relaxing the import condition for import of old dump trucks, the PRC has imposed some conditions including condition that dumps truck will be re-exported after completion of the projects. The project for which the said dump trucks were imported and now completed /their work obligation is over, therefore, no more required to retain with them. Because of the said re-export conditions the equipment so imported shall be re-exported on completion of the project, they are facing acute problem as there is no overseas buyer/s to take them because of heavy transport cost, which is almost higher than the price of dump trucks themselves. As the said dumpers have balance have balance residual life, they can still be utilized within country for development work together with generation of employment and contribution in nation GDP. Further stated that they have made a lot of efforts to re-export them but could not succeed, as they could not find any overseas buyer. It is also submitted that being off road machines they are not going to ply on road, as it is not at all possible. Thus, they have no other choice and alternative but to alienate the said dumpers locally. Hence, it is requested to relax the said re-export condition looking at the genuine hardship/s of the applicant and allow them to alienate the said dump trucks locally.

Decision: The Committee reviewed the case on the basis of justifications submitted by the firm and discussed the matter at length and found no merit or hardship in it and hence decided to reject the request of the firm. The Committee further decided to ask the firm to either re-export or scrap the imported used off Highway Mining Dump Trucks and report to the RA within 3 months from the date of uploading the minutes.

(Action: Applicant/RA Hyderabad)

Case No. 29 M/s. ITC Limited, Secunderabad
F. No. HQRPRCAPPLY00117641AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: To allow MEIS benefit against 39 Shipping bills.

The application stated that they could not claimed the MEIS benefit as both the shipping bill and BRC are not available at DGFT Portal. They have repeatedly followed up with the Customs and NIC, however, issue remained unresolved. The MEIS incentive involved is above Rs.7 lacs. As per the FTP last date of filling for duty credit scrip is within a period of 12 months or 3 months from the date of uploading. These shipping bills are still not uploaded in DGFT Portal. Hence, requested to allow them to apply manually.

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.

(Action: Applicant)

Case No. 30 M/s. Mercedes-Benz Research and Development India Pvt. Ltd., Bangalore
F. No. HQRPRCAPPLY00154254AM22
PRC Meeting No.10/AM22 dated 10.09.2021

Subject: Change in port from Mumbai Sea Port to Chennai Sea Port for import of Vehicle for R&D Purpose already permitted by PRC in its Meeting No.05/AM22 dated 09.07.2021 (Case No.13).

This is review case of PRC Meeting No.05/AM22 dated 09.07.2021 (Case No.13), wherein the Committee approved the case. The applicant stated that the port of imports earlier scheduled at designated Mumbai Port changed to Chennai Sea Port by their overseas parent company for legitimate justification. This is due to vessel delays, reduced sailings, space shortage, container crisis, surge in demand due to aftermath of Suez Canal blockage, Europe leading to creation of demand in booking of vessel after lifting lockdown restriction. The overseas parent company booked the earliest available vessel to Chennai due to high demand for vessels. The vessel is arriving at Chennai sea port before 25.08.2021. Hence, requested for approval of change in port from Mumbai to Chennai due to logistic reasons and crisis on vessel availability due to lockdowns /restrictions and various other reasons due to COVID impact worldwide.

Decision: The Committee reviewed the case on the basis of justification submitted by the firm and discussed the matter at length. The Committee decided to accede to the request of the firm for change in port for import one RHD used Mercedes vehicles from Mumbai sea Port to Chennai sea Port for R&D testing purposes and its plying on Indian roads subject to necessary permission by Ministry of Road Transport & Highways.

(Action: Applicant)

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