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# Directorate General of Foreign Trade
## (PRC Section)

## Minutes of the Policy Relaxation Committee Meeting Held on 31.08.2023under the Chairmanship of Shri Santosh Kumar Sarangi, Director General of Foreign Trade

### Meeting No. 13/AM24 held on 31.08.2023& 05.09.2023

The following members were present in the meeting:

1. Shri S.B.S. Reddy — Addl. DGFT
2. Shri Hardeep Singh — Addl. DGFT
3. Shri AkashTaneja — Addl. DGFT
4. Shri Anil Aggarwal — Addl. DGFT
5. Dr. S.K. Bansal — Addl. DGFT
6. Shri S.C. Agarwal — 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. Aarti Drugs Limited, Mumbai | 1 |
| 2. | M/s. Colourtex Industries Pvt. Ltd., Mumbai | 2 |
| 3. | M/s. Gupta Oxygen Pvt. Ltd., Hisar | 3 |
| 4. | M/s. Hemani Industries Limited, Mumbai | 4 |
| 5. | M/s. Kumaran Filaments Pvt. Ltd., Nagercoil | 5 |
| 6. | M/s. Shri Lakshmi Agro Foods Pvt. Ltd., Chennai | 6-7 |
| 7. | M/s. TVS Srichakra Limited, Madurai | 8 |
| 8. | M/s. BLS Poymers Limited, New Delhi | 9 |
| 9. | M/s. Centrient Pharmaceuticals India Pvt. Ltd., Pune | 10 |
| 10. | M/s. Global Pharma Healthcare Pvt. Ltd., Chennai | 11 |
| 11. | M/s. Indo Colchem Limited, Ahmedabad | 12 |
| 12. | M/s. Jindal Drugs Pvt. Ltd., Mumbai | 13-14 |
| 13. | M/s. Sidmak Laboratories (India) Pvt. Ltd., Valsad | 15 |
| 14. | M/s. Shakumbhari Expo-Impo Limited, New Delhi | 16 |
| 15. | M/s. Sara Sea Pvt. Ltd., Dehradun | 17 |
| 16. | M/s. Rahul Agro Industries, Ajmer | 18 |
| 17. | M/s. Precision Metals, Mumbai | 19-20 |
| 18. | M/s. Nazareth Metals, Mumbai | 21 |
| 19. | M/s. Gulf Oil Lubricants India, Limited, Mumbai | 22 |

**Case No. 01 M/s. Aarti Drugs Limited, Mumbai**

F.No.HQRPRCAPPLY00000322AM24

Meeting No.13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization no. 0310808305 dated 06.10.2016.**

**Applicant Statement:** The applicant stated that in this license they have exported 9000 out of 200000 Kgs. to SEZ, however, Bill of Export procedure is not followed but attestation from excise authorities was taken. However, RA Mumbai is not accepting and hence duty would fall payable with interest. They have orders in hand and would like to use this license so can reduce cost in terms of interest and duty by exporting. DGFT online system cannot accommodate EOP extension beyond 6+6 months and system will not support payment of composition fee as it will not accept date beyond 6+6 and hence payment window will not be accessible to them. Hence they are requesting to allow EOP extension upto 31.12.2023 against subject license.They have requested to extend the validity of policy circular number 39/2015-20 dated 07.06.2022 or grant EOP extension till 31/12/2023 so that they can complete export obligation. They have submitted a copy of their letter dated 02/03/2021 addressed to Additional DGFT Mumbai in which they have mentioned regarding Statetment regarding export of excitable goods without payment of Duty, part A on the reverse of ARE-1 that is certification by the central excise officer, part B on ARE that is Certificate by the customs officer with reference to gate pass entry number, and endorsement of authorised officer about admission of goods.

**Decision**: The Committee examined the case on the basis of submission made by the firm and discussed the matter at length. The Committee noted that the applicant has not submitted any cogent reason/ justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to reject the request.

**(Action: Applicant)**

**Case No. 02 M/s. Colourtex Industries Pvt. Ltd., Mumbai**

F.No.HQRPRCAPPLY00000479AM24

Meeting No.13/AM24 held on 31.08.2023

**Subject: Clubbing of Advance Authorization no. 0310821727 dated 18.06.2018 & 0311002557 dated 25.03.2021.**

**Applicant Statement:** The applicant stated that they had taken AA dated 18.06.2018 and done import 98% but export they could do only 37%.By then Covid lockdown started and they could not complete export. Neither they could do any application for revalidation or EO extension. Their export was to

China and they were totally closed due to same epidemic. This also affected fulfilment of EO beyond Policy prescribed time against this license. Accordingly, post covid lock down they had another AA dated 25.03.2021 having same export product and one common import raw material but route different. They exported more than 100% export in this new license to accommodate shortfall qty in 1st Advance Licence and did less import in 2nd license by using excess imported item from 1st license for export under 2nd license. Subsequently, for regularisation of 1st licence they approached RA for clubbing of both above licenses so that Export Import quantity got matched and both files get regularised (VA% still comes to 175% ). But their application for clubbing was rejected by RA as per para 4.38 vi as per changes made in PN No.70 dated 30.01.2019. Hence they are requesting to relaxation from 30 months restriction in para 4.38 vi and to allow clubbing and regularisation of above mentioned 2 licenses.

**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. 03 M/s. Gupta Oxygen Pvt. Ltd., Hisar**

F.No.HQRPRCAPPLY00000526AM24

Meeting No. 13/AM24 held on31.08.2023

**Subject: To allow relaxation in provision for validity of import authorization on the date of import where BL date is before issuance of import authorization date 14 July 2023 against Import Authorisation No.0111009944 dated 14.07.2023.**

**Applicant Statement:** The applicant stated that they have set up a plant for processing, blending and refilling of various HFC refrigerant Gases in the year 2022 and they need to import various HFC Gases in bulk containers. The import policy for these gases was free till 08.03.2022 however w.e.f. 09.03.2022, the import policy of these gases was changed to Restricted vide Notification No.59 dated 09.03.2022 with policy condition that import HFC's is permitted with an import authorisation subject to recommendation of Ozone Cell, MOEF&CC. They have been granted earlier import authorisation in which they have only 33.74 MT unused balance as on 05.07.2023. They have applied for new/renewal import authorisation for import cell. They have already been dispatched prior to the date of new import authorisation No.0111009944 dated 14.07.2023. As per para 2.18 of the FTP, the import authorization must be valid on the date of imports and as per para 2.17 of FTP the date of reckoning of import is decided with reference to date of shipment/dispatch of goods from supplying country as given in paragraph 9.11

of HBP and not the date of arrival of goods in Indian Port. As per para 9.11 of HBP, Date of Shipment/dispatch for import will be reckoned for Sea shipments as the date affixed on the Bill of Lading. Therefore, the date of B/L must be after grant of import authorisation. They applied for the new/renewal of import authorisation on 17.05.2023 for which MOEF recommendation was also received on 26.05.2023 and EFC Meeting also approved the import authorization dated 28.06.2023, they were in anticipation that import authorization will be issued by 1st week of July 2023 but somehow it delayed to 14th July, 2023. Hence they are requesting to allow relaxation in provision for validity of import authorisation on the date of import (B/L date) in respect of above Bill of Lading where BL date is before issuance of import authorisation dated 14.07.2023.

**Decision:** The Committee went through the statement made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request and allowed relaxation of Para 2.18 for imports againstImport Authorisation No. 0111009944 dated 14.07.2023. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA- Mumbai)**

**Case No. 04 M/s. Hemani Industries Limited, Mumbai**

F.No.HQRPRCAPPLY00000560AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization No. 0310830911 dated08.08.2019.**

**Applicant Statement:** The applicant stated that the subject license was issued on 08.08.2019 for 18 months of EOP and they had completed imports as per export orders in the license. Within the EOP they had fulfilled 75.97% of the obligation under this license as all these exports were made during the covid period, later they had taken 1st EOP extension for 6 months to complete the orders by paying the composition fee which they could fulfil only 16.82% and the total exports made after taking the 1st extension is 92.79%. Bifenthrin Technical 98% is product used for seasonal crop, hence the demand of this product is particularly for 4 - 5 months in a year, their 95% of this product is for exports to the Latin American countries and to America, due to the lockdown they had no further export orders of the same, the projected export orders from the buyer got impacted, Travel restrictions during covid impacted greatly to search for new buyers of the said product and they could not take further extension in the license due to lack of orders. Hence they are requesting to allow 3 months EOP extension against subject license.

**Decision:** The Committee went through the statement made by the applicant and discussed the matter at length and observed that the firm has faced difficulty beyond their control and there is merit in the case. Accordingly, it decided to accede to the request and allowed EOP extension up to 31.08.2023 against Advance Authorisation No. 0310830911 dated08.08.2019subject to payment of composition fees as per Policy provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA- Mumbai)**

**Case No. 05 M/s. Kumaran Filaments Pvt. Ltd., Nagercoil**

F.No.HQRPRCAPPLY00000531AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization no. 3510045472 dated 22.01.2019.**

**Applicant Statement:**The applicant stated that they had obtained above said license from RA Madurai for export for Nylon Twine as per SION 63/406 and they are exporting past 18 years and never incident happen with other cases except above said license. They had fulfilled export obligation in terms of value but quantity wise they fulfilled 80.43%. Due to covid and current Ukraine War, so many export orders cancelled and they could not export balance quantity. Now they have valid export order and waiting for EO extension against this license. Hence they are requesting to allow 3 months EOP extension against subject license to complete the export.

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

(Action: Applicant)

**Case No. 06 M/s. Shri Lakshmi Agro Foods Pvt. Ltd., Chennai**

F.No.HQRPRCAPPLY00000529AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Waiver of procedural requirement as per HBP against Advance Authorization no. 0410163273 dated 27.06.2017.**

**Applicant Statement:** The applicant stated that they have completed the EO quantity wise and submitted documents for redemption at RA but they have issued D/L indicating shortfall in value addition and asking to regularize the same as per para 4.05 read with para 4.49 of HBP. They could achieve a V/A of 5.95% in FCC terms against stipulated V/A of 15%, mainly on account of the sharp decline in international price of the exported product. They could not match the desired sales value in the export market after considering their imported RM cost and the processing cost in India. Since they completed EO and due to price fluctuations in the international market they could not fulfil the value wise export obligation. Hence they are requesting to allow waiver of conditions of para 4.05 read with para 4.49 of HBP and allow them to pay 1% penalty for the VA shortfall and consider their request for redemption/issue of EODC.

**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. 07 M/s. Shri Lakshmi Agro Foods Pvt. Ltd., Chennai**

F.No.HQRPRCAPPLY00000528AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Waiver of procedural requirement as per HBP against Advance Authorization no. 0410163065 dated 05.05.2017.**

**Applicant Statement:** The applicant stated that they have completed the EO quantity wise and submitted documents for redemption at RA but they have issued D/L indicating shortfall in value addition and asking to regularize the same as per para 4.05 read with para 4.49 of HBP. They could achieve a V/A of 8.91% in FCC terms against stipulated V/A of 15%, mainly on account of the sharp decline in international price of the exported product. They could not match the desired sales value in the export market after considering their imported RM cost and the processing cost in India. Since they completed EO and due to price fluctuations in the international market they could not fulfil the value wise export obligation. Hence they are requesting to allow waiver of conditions of para 4.05 read with para 4.49 of HBP and allow them to pay 1% penalty for the VA shortfall and consider their request for redemption/issue of EODC.

**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 decided to reject the request of the firm.

**(Action: Applicant)**

**Case No. 08 M/s. TVS Srichakra Limited, Madurai**

F.No.HQRPRCAPPLY00000525AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation of Advance Authorization no. 3211001042 dated 07.06.2021.**

**Applicant Statement:** The applicant stated that they are the manufactures of different types of tires for two, three wheelers and other off highways tires situated in Madurai. Due to fluctuation in export market and raw material cost, they could not import the bead wire material within the stipulated period. They have fulfilled the export obligation against the said license. Hence they are requesting to allow six month revalidation against subject license.

**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 decided to reject the request of the firm.

**(Action: Applicant)**

**Case No. 09 M/s. BLS Poymers Limited, New Delhi**

F.No.HQRPRCAPPLY00000449AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation of Advance Authorization no. 0511003468 dated 05.07.2021.**

**Applicant Statement:** The applicant stated that they have completed 70% of the export obligation by using locally available material without availing import duty concessions while they have imported 40% of the quantity allowed. Due to the Covid pandemic time and very high Oceans Freight their exports and imports were badly affected. Customers cancelled their requirements because of covid related lockdowns and consequent fall in demand of customer products in their country and the very high prices of their finished product due to approx. 10 times increase in oceans freight. They have few regular customers who use their product to manufacture their products and the business was dull due to the drop in demand, high prices on account of scarcity of raw materials and very high ocean freight. Hence they are requesting to allow six month revalidation against subject license.

**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 decided to reject the request of the firm.

**(Action: Applicant)**

**Case No. 10 M/s. Centrient Pharmaceuticals India Pvt. Ltd., Pune**

F.No.HQRPRCAPPLY000000489AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation of SEIS scrip no. 0511012188 dated 02.05.2022.**

**Applicant Statement:** The applicant stated that earlier, the validity of SEIS scrip was 18 months however, as per the Notification No.26 dated 16.09,.2021 the validity of scrip under chapter 3 and chapter 4 of HBP has been reduced to 12 months from the date of issue. At the time of SEIS scrip issued, the person who was looking customs matter had been retired and person to whom customs responsibilities are entrusted was not aware about this scrip. Further, even on DGFT/IECGATE portal, there is no facility provided presently to view the SEIS scrip utilization details. Due to change in the main person handling the customs matter and in the absence of any scrip utilization details available on DGFT/ICEGATE portal, the company forget to use the aforesaid mentioned scrip and the same has been missed to utilize the scrip. Hence they are requesting to allow 3 months revalidation of subject SEIS scrip.

**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 decided to reject the request of the firm.

**(Action: Applicant)**

**Case No. 11 M/s. Global Pharma Healthcare Pvt. Ltd., Chennai**

F.No.HQRPRCAPPLY00000504AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization Nos. 0410166147 dated 10.10.2019, 0410165747 dated 20.06.2019, 0410165950 dated 08.08.2019 and 0410165831 dated 16.07.2019.**

**Applicant Statement:** The applicant stated that the above 4 Advance Licenses issued between 20.06.2019 and 10.10.2019 for import of ErythromycinSterate against export of Erythromycin Tablets 250 mg and 500 mg. Subsequently, they have invalidated the above licenses and procured the material indigenously. During the covid period, they are not able to do exports as per valid EOP. They were able to manufacture and export limited quantity only, due to lack of man power and shortage in packing material in manufacturing. After the EOP over, they were not able to get the endorsement in the Bill of Export from Kandla, SEZ as per PN 67 of 2020. They asked them to get the EO extension endorsement from RA, then only they will allow the export against these Advance Licenses. Hence they are requesting to allow six months extension in EOP against subject licenses.

**Decision:** The Committee went through the statement made by the applicant and discussed the matter at length and allowed EOP extension up to 31.10.2023 against Advance Authorization No. 0410166147 dated 10.10.2019and upto 31.08.23 against Advance Authorization No 0410165950 dated 08.08.2019 only subject to payment of composition fees as per Policy provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA- Chennai)**

**Case No. 12 M/s. Indo Colchem Limited, Ahmedabad**

F.No.HQRPRCAPPLY00000346AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization No. 0811000192 dated 28.12.2020.**

**Applicant Statement:** The applicant stated that they are a manufacturer exporter of Dyes and Dyes intermediates having 2 Star Export House status. Their unit established in 1986 since inception of their unit they obtained more than 450 Advance Authorizations which includes few AA issued under No Norms/Self declaration. In all cases EO have been completed and EODC issued and in few files documents submitted for closure which are pending with the office. They obtained subject license, for export of Indofix Yellow ME4GL – 50000 kg. and against this export quantity they have made export of 40600 kgs. Export obligation in terms of value is achieved however there is a shortfall of 9400 Kg. to which they are seeking extension. Hence they are requesting to allow six month EOP extension against subject license.

**Decision:** The Committee went through the statement made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request and allowed EOP extension for 6 months against Advance Authorization No. 0811000192 dated 28.12.2020subject to payment of composition fees as per Policy provisions.

The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA- Ahmedabad)**

**Case No. 13 M/s. Jindal Drugs Pvt. Ltd., Mumbai**

F.No.HQRPRCAPPLY00000507AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization No. 0310836267 dated 20.05.2020.**

**Applicant Statement:** The applicant stated that they have obtained AA for import of Eucalyptol Oil and export of Eucalyptus oil on self declaration basis with input output ration of 0.847:1 and fulfilled EO accordingly. After several communications over a period of 1.5 years, being not entirely satisfied with the information available from documents submitted, a team of technical experts from DGFT decided to conduct a physical inspection of their factory and accordingly, a 3-members team from DGFT visited their manufacturing facility on 2nd Sep.2022 to better understand the manufacturing process and operations. After inspection NC fixed Norms ratio 0.803:1 as against request of 0.847:1 made by the company in its application. However, the norms fixation process took much longer due to reasons explained and more than 2.5 years' time elapsed from AA issue date till the final fixation of norms by Technical Experts Committee. Hence they are requesting to allow extension of EOP against subject license from the date of previous expiry of EOP on 20th November, 2021 and ending on a date after six months from the date of accepting their request.

<u>**Decision:**</u> The Committee examined the case on the basis of submission made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request and allowed EOP extension for 6 months from date of endorsement againstAdvance Authorization No. 0310836267 dated 20.05.2020 subject to payment of composition fees as per Policy provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Mumbai)**

**Case No. 14 M/s. Jindal Drugs Pvt. Ltd., Mumbai**

F.No.HQRPRCAPPLY00000508AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization no. 0310838232 dated 11.09.2020.**

**Applicant Statement:** The applicant stated that they have obtained AA for import of Eucalyptol Oil and export of Eucalyptus oil on self declaration basis with input output ration of 0.847:1 and fulfilled EO accordingly. After several communications over a period of 1.5 years, being not entirely satisfied with the information available from documents submitted, a team of technical experts from DGFT decided to conduct a physical inspection of their factory and accordingly, a 3-members team from DGFT visited their manufacturing facility on 2nd Sep.2022 to better understand the manufacturing process and operations. After inspection NC fixed Norms ratio 0.803:1 as against request of 0.847:1 made by the company in its application. However, the norms fixation process took much longer due to reasons explained and more than 2.5 years' time elapsed from AA issue date till the final fixation of norms by Technical Experts Committee. Hence they are requesting to allow extension of EOP against subject license from the date of previous expiry of EOP on 11th September, 2022 and ending on a date after six months from the date of accepting their request.

**Decision:** The Committee examined the case on the basis of submission made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request and allowed EOP extension for 6 months from date of endorsement againstAdvance Authorization No. 0310838232 dated 11.09.2020 subject to payment of composition fees as per Policy provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Mumbai)**

**Case No. 15 M/s. Sidmak Laboratories (India) Pvt. Ltd., Valsad**

F.No.HQRPRCAPPLY00000506AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization no. 5211000732 dated 13.05.2021.**

**Applicant Statement:** The applicant stated that there has been a reduction in demand for Minocycline Capsules in USA market for which this API was procured. The leftover material of 27.549 kg is insufficient to manufacture one batch of finished product. Further material procurement has been on hold due to lack of demand of the product. Hence they are requesting to allow extension of EOP against subject license.

**Decision:** The Committee examined the case on the basis of submission made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request and allowed EOP extension for a further period of 6 months from the date of endorsement against advance authorisation No. 5211000732 dated 13.05.2021subject to payment of composition fees as per Policy provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-CLA Delhi )**

**Case No. 16 M/s. Shakumbhari Expo-Impo Limited, New Delhi**

F.No.HQRPRCAPPLY00000389AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension/Revalidationof Advance Authorization no. 0510414747 dated 28.07.2020 .**

**Applicant Statement:** The applicant stated that they have completed import raw material and total export made 98.5% and there is a shortfall 1.5% against subject license. Due to spread pandemic crisis as covid all over world and all national/international market stuck at that time for very long period and export was also suffering due to international market was closed including India as lockdown situation. After open the lockdown, international market are totally crash and 80% - 85% buyers closed his own business and few are not stay able for regain the business. They are also crack down for the same reason and their office staff leave or temporarily not available due to the same situation facing. Hence they are requesting to allow extension of EOP to complete the export obligation against subject license.

**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 decided to reject the request of the firm.

**(Action: Applicant)**

**Case No. 17 M/s. Sara Sea Pvt. Ltd., Dehradun**

F.No.HQRPRCAPPLY00000512AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization no. 6110001393 dated 05.01.2017, 6110001549 dated 10.10.2018 and 6110001574 dated 17.01.2019.**

**Applicant Statement:** The applicant stated that due to research and development they were unable to export the goods as quickly as the customer required and as a result, the customer has put the order on hold. The client is now ready to receive the order after updating the value of the export goods. They are manufacturer exporter of parts and equipment for oil field drilling and they supply these items to local drilling companies like ONGC and Oil India Limited. The Middle East, Europe, North America, and various regions of Asia are their primary export markets. They performed their effort to help the country earn foreign currency with more than Rs. 50 crores from exports alone in the most recent fiscal year. Hence they are requesting to allow six month extension in EOP against subject 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. 18 M/s. Rahul Agro Industries, Ajmer**

F.No.HQRPRCAPPLY0000522AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation of Advance Authorization no. 1310049265 dated 22.04.2019, 1310049266 dated 22.04.2019 and 1310049267 dated 22.04.2019.**

**Applicant Statement:** The applicant stated they are in the trade of Sesame Seeds and Pulses since 15 years but due to Covid pandemic situation many of the governments closed their economy and had imposed lockdown during 2020. This lockdown badly effected their business. As per notification number 57 and public notice 67 board dated 31.03.2020 they took revaldation up to 22.04.2021 under para 4.41 of HBP 2015-20 read with both circulars. The item pulses are covered under appendix 4J of hbp which requires pre-import condition. They have entered into agreement with foreign buyers and remitted the some amount as advance to those foreign suppliers of pulses to make the export further. Thereafter, there was a second surge in covid in all over world which had a devastating and debilitating effect. Due to this they could not utilise the said Advance Authorization. The extended period has also expired, the foreign supplier is not ready to return the amount and insisting for taking the delivery of import consignment of pulses. They are in the huge losses. They do not have any chance of getting their money back except to request for grant of further revalidation. They have also relied on the Order of the Hon'ble Supreme Court in MA No. 665 of 2021 according to which the period 25/03/2020 to 02/10/2021 would exclude automatically for limitation purpose in quasijudicial proceedings.Hence they are requesting to allow six month revalidation against subject licenses.

**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. 19 M/s. Precision Metals, Mumbai**

F.No.HQRPRCAPPLY00000496AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization no. 0311000633 dated 01.01.2021.**

**Applicant Statement:** The applicant stated that they had obtained above said license from RA, Mumbai for Stainless Steel Bright Bar as per their buyer requirement. They are exporting Stainless Steel Bright Bar from past 22 years and due to global economic slowdown and Ukraine war their some order delivery date were change. They could not export 8.047% within validity time. Hence they are requesting to allow six months extension in EOP against subject license.

**Decision:** The Committee examined the case on the basis of submission made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request and allowed EOP extension for a further period of 6 months from the date of endorsement against advance authorisation No. 0311000633 dated 01.01.2021 subject to payment of composition fees as per Policy provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Mumbai)**

**Case No. 20 M/s. Precision Metals, Mumbai**

F.No.HQRPRCAPPLY00000502AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization no. 0311000128 dated 15.12.2020.**

**Applicant Statement:** The applicant has stated that they had obtained above said license from RA, Mumbai for Stainless Steel Bright Bar as per their buyer requirement. They are exporting Stainless Steel Bright Bar from past 22 years and due to global economic slowdown and Ukraine war their some order delivery date were change. They could not export 19.13% within validity time. They had fulfilled 80.87% export obligation and due to delivery date change balance 19.13%. Hence they are requesting to allow six months extension in EOP against subject license.

**Decision:** The Committee examined the case on the basis of submission made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request and allowed EOP extension for a further period of 6 months from the date of endorsement against advance authorisation No. 0311000128 dated 15.12.2020 subject to payment of composition fees as per Policy provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Mumbai)**

**Case No. 21 M/s. Nazareth Metals, Mumbai**

F.No.HQRPRCAPPLY00000436AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Clubbing of Advance Authorization no. 0310063820 dated 04.12.2000 and 0310277524 dated 28.06.2004.**

**Applicant Statement:** The applicant stated that due to non availability of ratified copy of norms for the 1st license the excess import as raised by the RA Mumbai the clubbing application is made for regularisation and closure. It will be seen the ratified copy of norms not available for the license No.0310063820 dated 04.12.2000. Hence the clubbing request is made for regularization/closure against Advance License No.0310277524 dated 28.06.2004. The exports and imports have been completed within 48 months from the date of 1st license. Hence they are requesting to allow clubbing of above mentioned licenses for closures.

**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. 22 M/s. Gulf Oil Lubricants India, Limited, Mumbai**

F.No.HQRPRCAPPLY000000402AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Request for Amendment in Advance Authorization License No. 0311004259 dated 03.06.2021.**

**Applicant Statement:** The applicant stated that they have applied and obtained subject license under Self Ratification Scheme. As per para 4.07A under self ratification scheme they have to comply with pre-import condition of licence. They are not able to fulfil pre-import condition in this license therefore, they have applied to amend the license from self ratification scheme as per para 4.07A of HBP to Self Declared Authorisations as per Para 4.07 of HBP. Under Self Declaration Scheme, they have submitted declaration as per Para 4.07 of HBP and Trade Notice No.1/AM2000 dated 07.04.1999 that they undertake to pay custom duty and interest for Norms rejected or reduced against Advance License. Amendment in issue of licence from Self Ratification Scheme as per para 4.07A of HBP to Self Declared Authorisations as per para 4.07 of HBP will enable them to regularise this license as per pre-import condition will not be applicable to licence under self declaration scheme. Hence they are requesting to allow amendment in the subject license.

**Decision:** The Committee examined the case on the basis of submission made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request and allowed them to amend the license from self ratification scheme as per para 4.07A of HBP to Self DeclaredAuthorisations as per Para 4.07 of HBP .The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Mumbai )**

**Case No. 23 M/s. Wellspring Industries Pvt. Ltd., Nagpur**

F.No.HQRPRCAPPLY000000493AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension of EOP against Advance Authorization no. 5010002407 dated 08.03.2018 & 5010002533 dated 04.07.2019.**

**Applicant Statement:** The applicant stated that they have obtained two Advance Licenses from RA Nagpur and have made some imports and export under these licenses. Due to slow down in international market, covid pandemic and some financial problem, they were unable to fulfil the export obligation during stipulated period. They are having export orders and are in position to fulfil export obligation. Hence they are requesting to allow extension of EOP against above said two Advance Authorizations to complete the export obligation.

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

**(Action: Applicant)**

**Case No. 24 M/s. Medreich Limited, Karnataka**

F.No.HQRPRCAPPLY00000517AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Requesting for correction of Authorization number wrongly mentioned authorization No. 0710117788 dated 12.03.2015 instead of the actual No. 0710107788 dated 12.03.2015 in decision of PRC meeting no. 05/AM24 dated 13.06.2023 ( case no.33)**

**Applicant Statement:** The applicant stated that they have obtained PRC decision approval for EO extension of AA No.0710107788 dated 12.03.2015 vide application No.HQRPRCAPPLY 00000213/AM24 in PRC Meeting No.05/AM24 held on 13.06.2023 (Case No.33), while filling-up authorization details, they have wrongly mentioned authorization No. as 0710117788 instead of the actual No.0710107788. They regret for the inconvenience on the above error and requesting to issue suitable correction approval in order to submit the same to the RA for closure purpose. Hence they are requesting to allow correction of Advance License number wrongly mentioned in their application.

**Decision:** The Committee examined the case on the basis of submission made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request of the firm for correction of authorization No. as0710107788 dated 12.03.2015 in decision of PRC meeting no. 05/AM24 dated 13.06.2023 (case no.33). The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Bangalore )**

**Case No. 25 M/s. Glenmark Pharmaceuticals Limited, Mumbai**

F.No.HQRPRCAPPLY00002794AM23

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Waiver of re-export or destruction of balance Raw material (1.155kgs) Consumed in QC testing and Production loss and Waiver of PC-18 Condition against Advance Authorization no. 0310804894 dated 23.05.2016 for regularization and redemption purpose.**

This is a defer case of PRC Meeting No.18/AM23 held on 15.11.2022 (Case No. 35) wherein Committee decided to refer the case to Central Drugs Standard Control Organisation (CDSCO) for comments. Now CDSCO has furnished their comments in the matter according to which there may be loss of drug in QC testing & Production.

**Applicant's statement:** The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that they had obtained Advance Licence from RLA Mumbai under P.C.9 condition for import of "Desoximetasone Micronized USP-IP "and imported 6.00 Kgs. and out of this 1.155 Kgs. has been destroyed in QC testing & Production loss in excess import. RLA Mumbai rejected their request and issued D/L. As per PN No.11 dated 14.06.2019 they have been submitted the Affidavit, Self-Declaration certified by CA affirming that the entire imported raw material has been consumed in production process only and they do not have the balance material for production .Hence they are requesting to allow waiver of raw material consumed in QC Testing and Production Loss and regularised and redeem the Advance Licence No.0310804894 dated 23.05.2016.

**Decision:** The Committee after discussing the matter on the basis of justification submitted by the application, decided to defer the case and call the firm for **Personal Hearing** as the facts of the case including justification/ explanation of excessive losses have not been clearly specified by them.

**(Action: Applicant/PRC)**

**Case No. 26 M/s. Glenmark Pharmaceuticals Limited, Mumbai**

F.No.HQRPRCAPPLY00002795AM23

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Waiver of re-export or destruction of** 31.08.2023**balance Raw material (540.64kgs) Consumed in QC testing and Production loss and Waiver of PC-18 Condition against Advance Authorization no. 0310816950 dated 09.11.2017 for regularization and redemption purpose.**

This is a defer case of PRC Meeting No.18/AM23 held on 15.11.2022 (Case No. 34) wherein Committee decided to refer the case to Central Drugs Standard Control Organisation (CDSCO) for comments. Now CDSCO has furnished their comments in the matter according to which there may be loss of drug in QC testing & Production.

**Applicant's statement:** The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that they had obtained Advance Licence from RLA Mumbai under P.C.9 condition for import of "Lithium Carbonate USP "and imported 166000.00 Kgs. and out of this 100 Kgs. has been destroyed in QC testing & Production loss in excess import. Balance qty 540.64 Kg has been used in QC testing and manufacturing process. RLA Mumbai rejected their request and issued D/L. As per PN No.11 dated 14.06.2019 they have been submitted the Affidavit, Self-Declaration certified by CA affirming that the entire imported raw material has been consumed in production process only and they do not have the balance material for production Hence they are requesting to allow waiver of raw material consumed in QC Testing and Production Loss and regularised and redeem the Advance Licence No.0310816950 dated 09.11.2017.

**Decision:** The Committee after discussing the matter on the basis of justification submitted by the application, decided to defer the case and call the firm for **Personal Hearing** as the facts of the case including justification/ explanation of excessive losses have not been clearly specified by them.

**(Action: Applicant/PRC)**

**Case No. 27 M/s. Syndicate Innovations International Limited, UP**

F.No.HQRPRCAPPLY00000061AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation for restricted license no. 0519254189 dated 05.03.2021.**

**Applicant Statement:** The applicant stated that they had submitted their request for revalidation at RA on 28.07.2022 and RA advised to approach DGFT. They immediately approached DGFT on 16.08.2022 and did not get any reply against their application. Finally, on 24.03.2023 they received the letter of approval dated 17.03.2023 from RA asking them for submission of original Import Authorisation for revalidation. They submitted original Import Authorization vide letter dated 28.03.2023, requesting the RA to consider revalidation of the said import authorization from the date of communication rather than the date of expiry as DGFT had delayed the matter for more than 7 months without taking any decision. The DGFT has revalidated the said authorization for further six months from the date of original expiry which was 04.09.2022 end the first revalidation on 04.03.2023 which has already lapsed. Their license got expired while goods were illegally detained by customs for requirement of Form X license and they have contractual obligations which have not been fulfilled due to this controversy. Hence they are requesting to allow revalidation for above mentioned import authorisation from the date of communication and not from the date of expiry as the delay was purely on the part of DGFT without any fault on their part.

**Decision**: The Committee examined the case on the basis of statement made by the applicant and discussed the matter at length and it decided to refer the case to PC-2 division for its examination . Thereafter the case may be brought back again before PRC for a decision.

**(Action: Applicant/ PC-2 Division)**

**Case No. 28 M/s. K K Jewels, Delhi**

F.No.HQRPRCAPPLY00000080AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Replenishment of Gold at international exhibition under para 4.46 of FTP and para 4.80 HBP.**

This is a defer case of PRC Meeting No.08/AM24 held on 26.06.2023 (Case No. 21) wherein Committee decided to defer the case to seek a comprehensive report, from G&J EPC, before taking the final decision. G&JEPC has furnished their comments in the matter.

**Applicant's statement:** The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that they had participated in Jewellery exhibitions in Bahrain, Saudi Arabia and Kuwait in November, December, 2022. Replenishment of gold had to be taken from nominated agencies within 120 days of close of first exhibition which comes to 26.03.2023. The jewellery was hand carried for the exhibition's in terms of para 4..46 of FTP read with 4.80 of HBP read with relevant custom notification. However, as terminal 3, IGI Airport is not a EDI port the s/bill details were not uploaded in export data processing & monitoring system of RBI as required by RBI Circular RBI/2017-18/57A A.P.(Dir Series) Circular No.04 dated 15.09.2017. As a result EBRC's have not been issued till date and they could not take the replenishment of gold in statutory period of 120 days. The gold sold by them at the exhibitions was 2609.752 gms. Of .995 fineness on which are entitlement works out to 2600 gms. This is their first major exhibition and if they don't get the replenishment of gold they suffer a loss of 15% on account of gold duty and this may lead to loses and they may have to give up future participation in international jewellery exhibitions. Hence they are requesting to allow extension of 90 days from the date of order of PRC to take delivery of Gold from nominated agencies.

**Decision:** The Committee after discussing the matter on the basis of justification submitted by the application, decided to defer the case and call the firm for **Personal Hearing** as the facts of the case have not been clearly specified by them in a convincing manner. In the meantime the firm should permit documentary proof of the various points raised by them including difficulty while filing the shipping bills and difficulty in obtaining ebrc's, also proof of sale made by them in the exhibition besides other documents which may support their case.

**(Action: Applicant/PRC)**

**Case No. 29 M/s. Sterile India Pvt. Ltd., New Delhi**

F.No.HQRPRCAPPLY00004731AM23

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Clubbing of Advance Authorization no. 0510415732 dated 03.11.2020, 0511002989 dated 05.06.2021.**

This is a defer case of PRC Meeting No.04/AM24 held on 26.05.2023 (Case No. 16) wherein Committee decided to refer the case to EGTF/Policy-4 Division for resolution of the matter. The comments of NIC Division has been received and it is noted that there is no system check on the basis of Authorisation date and applicant can apply for clubbing.

**Applicant's statement:** The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that they had obtained subject licenses and made import within 30 months from the date of issue of earliest authorization. As per Trade Notice 28/2021-2022 dated 31.12.2021 they can only file manual EODC/closure applications for AA issued prior to 01.12.2020. The Advance Authorization which they have submitted. One Authorization issued prior to 01.12.2020 i.e. AA No.0510415732 dated 03.11.2020 and other authorization is issued after 01.12.2020 i.e. AA No.0511002989 dated 05.06.2021. As per the Policy provision they are claiming that they are eligible for clubbing of Advance Licenses but technically cannot submit the documents physically. Hence they are requesting to allow file physical application of closure of subject AA so that they can take benefit of clubbing of authorizations.

**Decision:** The Committee after going through the representation observed that no policy relaxation is involved in this case. Accordingly it decided to withdraw this case from PRC. Firm may approach RA in the matter and if difficulty is not resolved they may approach EDI.

**(Action: Applicant/ RA – CLA New Delhi/ EDI)**

**Case No. 30 M/s. Shhivtek Industries Pvt. Ltd., Delhi**

F.No.HQRPRCAPPLY0000058AM23

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation of Advance Authorization no. 0510415574 dated 20.10.2020.**

This is a defer case of PRC Meeting No.08/AM24 held on 26.06.2023 (Case No. 29) wherein Committee decided to condone delay of 22 days against subject licence and also refer to EGTF for internal comments regarding problems/issues raised by the applicant in their letter dated 20.10.2022.

**Decision:**The Committee noted the comments of EGTF. Appropriate relief has already been given in the matter.

**(Action: No Action)**

**Case No. 31M/s. AshapuraPerfoclay Limited, Mumbai**

F.No.HQRPRCAPPLY00004730AM23

Meeting No. 13/AM24 held on 31.08.2023

**Subject: To allow MEIS benefit for years 2019-20 and 2020-21 in relaxation of Policy Provision without late cut.**

This is a defer case of PRC Meeting No.03/AM24 held on 12.05.2023 (Case No. 48) wherein Committee decided to defer the matter and ask the firm to submit a statement/chart showing the shipping bill wise date of realisation and the date of uploading the BRC before taking the decision. They have now furnished the documents.

**Applicant's statement:** The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that they are manufacturer exporter of processed minerals like Kaolin crude, other kaolin pharmaceutical grade, crude bentonite and other activated natural mineral products. During the years 2019-20 and 2020-21 they had made exports and due to severe impact of Corona in India and overseas all have suffered huge financial losses. They are still awaiting foreign exchange payments from their foreign buyers. As per EXIM policy there is no provision for filing any supplementary MEIS applications. As such they are not able to file MEIS application even under late cut provisions. Hence they are requesting to allow MEIS application for FY 2019-20 and 2020-21 under relaxation of Policy provisions with late cut.

**Decision:** The Committee having examined the case on the basis of the submission made by the firm and discussed the matter at length. The Committee observed that due to delay in uploading the BRC the firm has faced the problem which was beyond their control. Accordingly, it decided to allow MEIS benefit only for those shipping bills whose realization has happened within time and e-BRC have been uploaded by the bank after 01.01.2022. It also decided that no late cut would be imposed on the entitlement. No other relief was allowed.The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Concerned/PC-3 division for necessary updation)**

**Case No. 32 M/s. APL Valueclay Pvt. Ltd., Gujarat**

F.No.HQRPRCAPPLY00004729AM23

Meeting No. 13/AM24 held on 31.08.2023

**Subject: To allow MEIS benefit for years 2019-20 and 2020-21 in relaxation of Policy Provision without late cut.**

This is a defer case of PRC Meeting No.03/AM24 held on 12.05.2023 (Case No. 47) wherein Committee decided to defer the matter and ask the firm to submit a statement/chart showing the shipping bill wise date of realisation and the date of uploading the BRC before taking the decision. They have now furnished the documents.

**Applicant's statement:** The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that they are manufacturer exporter of processed minerals like Kaolin crude, other kaolin pharmaceutical grade, crude bentonite and other activated natural mineral products. During the years 2019-20 and 2020-21 they had made exports and due to severe impact of Corona in India and overseas all have suffered huge financial losses. They are still awaiting foreign exchange payments from their foreign buyers. As per EXIM policy there is no provision for filing any supplementary MEIS applications. As such they are not able to file MEIS application even under late cut provisions. Hence they are requesting to allow MEIS application for FY 2019-20 and 2020-21 under relaxation of Policy provisions with late cut.

**Decision:** The Committee examined the case on the basis of the submission made by the firm and discussed the matter at length. The Committee observed that due to delay in uploading the BRC the firm has faced the problem which was beyond their control. Accordingly, it decided to allow MEIS benefit only for those shipping bills whose realization has happened within time and e-BRC have been uploaded by the bank after 01.01.2022. It also decided that no late cut would be imposed on the entitlement. No other relief was allowed. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action:Applicant/RA-Concerned/PC-3 division for necessary updation)**

**Case No. 33 M/s. Carborundum Universal Limited, Chennai**

F.No.HQRPRCAPPLY00004003AM23

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation of SHIS no. 0410159335 dated 04.09.2014 for imports purpose.**

This is a defer case of PRC Meeting No.29/AM23 held on 16.01.2023 (Case No. 09) wherein Committee decided to defer the case and seek a detailed report from RA Chennai in the matter for taking the decision. RA Chennai has furnished their comments in the matter.

**Applicant's statement:** The matter was taken up. The entire submission made by the applicant was gone through. The applicant referring PRC Online application vide File No.01/21/065/00164/AM19 Dt.16.08.2018 (Key No.838827 and E-Com Ref. No.04/88/033/47100/0566/4136) for revalidation of Status Holder Incentive Scrip No.0410159335 Dt.04.09.2014) has stated that since the SHIS Scrip was in the physical custody of RA Chennai for Amendment they could not utilise the scrip for imports and requested the RA to extend the validity period for import utilisation.. Hence, they are requesting to allow Revalidation of SHIS no. 0410159335 dated 04.09.2014 for imports purpose.
As per the report of RA Chennai the applicant filed an application on 26/03/2014 for Grant of SHIS for rupees 16579539/- for financial year 12 -13. The authorisation was issued for rupees 6839165/-. The applicant returned the scrip on 24/09/2014 for amendment. The RA amended the value to Rupees 11740819/- on 13/ 12/ 2015. The applicant sought extension of validity on the ground that for more than 15 months the scrip was in the custody of RA Chennai. On 02/02/2016 RA Chennai returned the scrip. On 29/02/2016 the applicant again represented for extension of validity by stating the grounds of arguments and filed a letter to the Additional dgft Chennai 3 days before expiry of the scrip. On 16/08/2016 Additional DGFT Chennai rejected the revalidation request of the firm. On 07/11/2016 firm again filed an appeal against the above decision erroneously thinking it was rejected at the level of Assistant DGFT. On 25/11/2016 the rejection of their revalidation request given earlier was again confirmed by Additional DGFT and communicated to the firm. The regional authority has requested suitable guidance /instructions to process the case further.

**Decision:** The Committee discussed the case on the basis of justification provided by the applicant and noted that the applicant has faced a difficulty beyond their control and there is merit in their request. It decided to accede to the request of the firm and allowed revalidation of SHIS No. **0410159335 dated 04.09.2014** for a 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-Chennai)**

**Case No. 34M/s. Economic Explosives Limited, Nagpur**

F.No.HQRPRCAPPLY00004649AM23

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation of MEIS Scrip no. 5019004491 dated 22.09.2021, 501900449 dated 22.09.2021 & 5019004492 dated 29.09.2021.**

**Applicant Statement:** The applicant stated that they have sold above MESI authorizations to their holding company namely Solar Industries India Ltd. (SIIL) on 15.11.2021, who have substantial imports on regular intervals. M/s. SIIL has been regularly making payment of customs duty on imports through utilization of authorization as well as in cash when available authorizations are exhausted. Many such MEIS authorizations were sold to them and they have successfully utilized the same against their imports. However, due to some technical issues in DGFT site, above referred two authorizations could not be transferred in on-line mode and as per procedure prescribed by DGFT, they have opted for manual transfer of the same. However, when M/s. SIIL went for utilizing the said authorization against their import first time in the month of March, 2022, they have encountered an error in ICEGATE. Due to this they could not utilize the said authorization. Hence they are requesting to allow revalidation against subject MEIS Scrip.

**Decision:** The Committee after discussing the matter on the basis of justification submitted by the application, decided to defer the case and call the firm for **Personal Hearing** as the facts of the case have not been clearly specified by them.

**(Action: Applicant/PRC)**

**Case No. 35M/s. Vishant Traders Pvt. Ltd., Ludhiana**

F.No.HQRPRCAPPLY00000501AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Request to accept of free Shipping Bill against Advance Authorization No. 3010096646 dated 06.09.2013.**

**Applicant Statement:** This is a review case of PRC Meeting No.09/AM24 held on 07.07.2023 (Case No.25) wherein Committee reject the case. The applicant stated that they had applied with PRC for relaxation to accept S/Bills which was cleared under Scheme Code-00 (Free S/Bills) instead of scheme Code 03 (AA S/Bills) and their request for relaxation was rejected by PRC. They have made direct export against subject license, but due to unawareness and by mistake the export made under S/B No.8765825 dated 03.12.2013 Sr.No.1,2,3 and S.B. No.8924003 dated 12.12.2013 Sr. No.12-13 mentioned as Free S.B. and EPCG S.B. (Code 00 and Code No.11) instead of actual (Code 03 of AA) of which falls under Advance License. Hence they are requesting to accept free shipping bills against subject license for closure purpose.

**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. 36M/s. Vishant Traders Pvt. Ltd., Ludhiana**

F.No.HQRPRCAPPLY00000500AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Request to accept of free Shipping Bill against Advance Authorization No. 3010090406 dated 12.12.2012.**

**Applicant Statement :**This is a review case of PRC Meeting No.09/AM24 held on 07.07.2023 (Case No.26) wherein Committee reject the case. The applicant stated that they had applied with PRC for relaxation to accept S/Bills which was cleared under Scheme Code-00 (Free S/Bills) instead of scheme Code 03 (AA S/Bills) and their request for relaxation was rejected by PRC. They have made direct export against subject license, but due to unawareness and by mistake the export made under S/B No.8924003 dated 12.12.2013 Sr.No.1 and S.B. No.4976530 dated 16.04.2013 Sr. No.03 mentioned as Free S.B. and EPCG S.B. (Code 00 and Code No.11) instead of actual (Code 03 of AA) of which falls under Advance License. Hence they are requesting to accept free shipping bills against subject license for closure purpose.

**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. 37M/s. Microns India, Haryana**

F.No.HQRPRCAPPLY00000219AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Allow the shifting of CG due to change of the address of the business premises &Condonation for delay in issuance of installation certificate and consider the deemed export without mentioning EPCG authorization no on ARE 3. In respect of EPCG License No.0530137860 dated 14.01.2005 and 0530149813 dated 15.09.2009.**

**Applicant Statement:** This is a review case of 10th Meeting of AM-23 of the EPCG Committee held on 18.01.2023 and 20.01.2023 wherein Committee reject the case. The applicant stated that they had made the import of CG vide B/E 824839 dated 17.03.2005 and 719721 dated 14.10.2009 respectively and get the installation certificate from independent chartered engineer with in prescribed time period i.e. 6 months. All the above said business premises on rent and in the year 2010 they had shifted company to own business premises situated to Plot No.1140-1141 Sector 58 Faridabad. They had shifted their all plant and machinery at new business premises. They had made amendment in IEC regarding change of address but due to oversight they had not made amendment in EPCG License. They had been also applied for issuance of installation certificate from Central Excise and finally get the installation certificate from Central excise also. They had made supply to 100% EOU through ARE-3 that is covered under deemed export and some supply made to directly foreign buyer i.e. direct export. But due to lack of knowledge they had not mentioned the EPCG authorization No. on supply documents i.e. S/Bill in case of direct export and ARE-3 in case of Deemed Export. They had applied for EODC at RA. Hence they are requesting to allow the shifting of machine and condone the delay issuance of installation certificate from Central Excise Department and also allow to consider their Deemed Export documents without mentioning EPCG authorization no. for fulfilment of EO against subject licenses.

**Decision**: The Committee examined the case on the basis of statement made by the applicant and discussed the matter at length and it decided to refer the case to EPCG division for its examination . Thereafter the case may be brought back again before PRC for a decision.

**(Action:Applicant/ PC-5 Division)**

**Case No. 38M/s. StyraxPharma Pvt. Ltd., Hyderabad**

F.No.HQRPRCAPPLY00000026AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Request for grant of permission for accede FORM A for the supplies made from DTA-to-EOU against their Two clubbed Advance Authorization No.0910066710 dated 04.10.2018 &0910066840 dated 14.11.2018.**

**Applicant Statement:** The applicant stated that the above said two licenses issued by RA Hyderabad and both are registered with Customs Authorities, Chennai with an execution of Bond/Bank Guarantees as per their guidelines specified in Notification No.21 dated 01.04.2015 before importing their raw materials. They manufacture finished goods at their Factory and supplied the same to 100% EOU i.e. M/s. Mylan Laboratories Ltd. for availing Deemed Export benefits against the above said Two AA. After successful realization of their export proceeds, they prepared their redemption application as per ANF 4 and filed at RA and RA issued D/L to furnish Form A. As per CGST guidelines, Form A is only a letter of intimation for procurement of supplies between DTA-to-EOU and it is not a certified document either by CGST (or) EOU Departments. The EOU recipientant also issued them a certificate for acknowledging the Goods supplied by them and same has been certified by the Customs Authorities of the jurisdiction concern of EOU Department. Hence they are requesting to allow relaxation to furnish FORM A and recommend to RA for issue of Redemption against subject licenses.

**Decision**: The Committee went through the submission made by the applicant and discussed the matter at length and it decided to refer the case to PC-4 division for its examination, whether there is scope for relief . Thereafter the case may be brought back again before PRC for a decision.

**(Action:Applicant/ PC-4 Division)**

**Case No. 39M/s. StyraxPharma Pvt. Ltd., Hyderabad**

F.No.HQRPRCAPPLY00000033AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Request for grant of permission for accede FORM A for the supplies made from DTA-to-EOU against their Advance Authorization No.0910066485 dated 19,07,2018.**

**Applicant Statement :** The applicant stated that the above said two licenses issued by RA Hyderabad and both are registered with Customs Authorities, Chennai with an execution of Bond/Bank Guarantees as per their guidelines specified in Notification No.21 dated 01.04.2015 before importing their raw materials. They manufacture finished goods at their Factory and supplied the same to 100% EOU i.e. M/s. Mylan Laboratories Ltd. for availing Deemed Export benefits against the above said Two AA. After successful realization of their export proceeds, they prepared their redemption application as per ANF 4 and filed at RA and RA issued D/L to furnish Form A. As per CGST guidelines, Form A is only a letter of intimation for procurement of supplies between DTA-to-EOU and it is not a certified document either by CGST (or) EOU Departments. The EOU recipientant also issued them a certificate for acknowledging the Goods supplied by them and same has been certified by the Customs Authorities of the jurisdiction concern of EOU Department. Hence they are requesting to allow relaxation to furnish FORM A and recommend to RA for issue of Redemption against subject licenses.

**<u>Decision</u>**: The Committee went through the submission made by the applicant and discussed the matter at length and it decided to refer the case to PC-4 division for its examination, whether there is scope for relief . Thereafter the case may be brought back again before PRC for a decision.

**(Action: Applicant/ PC-4 Division)**

**Case No. 40 M/s. StyraxPharma Pvt. Ltd., Hyderabad**

F.No.HQRPRCAPPLY00000034AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Request for grant of permission for accede FORM A for the supplies made from DTA-to-EOU against their Advance Authorization No.0910068893 dated 24.06.2020.**

**Applicant Statement :** The applicant stated that the above said two licenses issued by RA Hyderabad and both are registered with Customs Authorities, Chennai with an execution of Bond/Bank Guarantees as per their guidelines specified in Notification No.21 dated 01.04.2015 before importing their raw materials. They manufacture finished goods at their Factory and supplied the same to 100% EOU i.e. M/s. Mylan Laboratories Ltd. for availing Deemed Export benefits against the above said Two AA. After successful realization of their export proceeds, they prepared their redemption application as per ANF 4 and filed at RA and RA issued D/L to furnish Form A. As per CGST guidelines, Form A is only a letter of intimation for procurement of supplies between DTA-to-EOU and it is not a certified document either by CGST (or) EOU Departments. The EOU recipientant also issued them a certificate for acknowledging the Goods supplied by them and same has been certified by the Customs Authorities of the jurisdiction concern of EOU Department. Hence they are requesting to allow relaxation to furnish FORM A and recommend to RA for issue of Redemption against subject licenses.

**Decision**: The Committee went through the submission made by the applicant and discussed the matter at length and it decided to refer the case to PC-4 division for its examination, whether there is scope for relief . Thereafter the case may be brought back again before PRC for a decision.

**(Action: Applicant/ PC-4 Division)**

**Case No. 41 M/s. StyraxPharma Pvt. Ltd., Hyderabad**

F.No.HQRPRCAPPLY00000035AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Request for grant of permission for accede FORM A for the supplies made from DTA-to-EOU against their Advance Authorization No.0910068653 dated 17.04.2020.**

**Applicant Statement :** The applicant stated that the above said two licenses issued by RA Hyderabad and both are registered with Customs Authorities, Chennai with an execution of Bond/Bank Guarantees as per their guidelines specified in Notification No.21 dated 01.04.2015 before importing their raw materials. They manufacture finished goods at their Factory and supplied the same to 100% EOU i.e. M/s. Mylan Laboratories Ltd. for availing Deemed Export benefits against the above said Two AA. After successful realization of their export proceeds, they prepared their redemption application as per ANF 4 and filed at RA and RA issued D/L to furnish Form A. As per CGST guidelines, Form A is only a letter of intimation for procurement of supplies between DTA-to-EOU and it is not a certified document either by CGST (or) EOU Departments. The EOU recipientant also issued them a certificate for acknowledging the Goods supplied by them and same has been certified by the Customs Authorities of the jurisdiction concern of EOU Department. Hence they are requesting to allow relaxation to furnish FORM A and recommend to RA for issue of Redemption against subject licenses.

**Decision**: The Committee went through the submission made by the applicant and discussed the matter at length and it decided to refer the case to PC-4 division for its examination, whether there is scope for relief . Thereafter the case may be brought back again before PRC for a decision.

**(Action: Applicant/ PC-4 Division)**

**Case No. 42 M/s. Deepak Traders, Mumbai**

F.No.HQRPRCAPPLY00000059AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: To allow MEIS for Shipping bills with intent marked as N for Period Oct. 15 to Feb. 2016.**

**Applicant Statement:** The applicant stated that they are eligible for MEIS for the period October 2015 to March, 2016 in terms of High Court Order dated 13.01.2023 for some other litigant. Declaration of Intent also mentioned on all Shipping Bills but due to mistake on Part of CHA intent is marked as "N" hence S/Bills were not transmitted by Customs to DGFT MEIS Module. They had approached RA for same but it is informed that they need to apply it online. While checking the same, it is observed that MEIS Module is functional only for PRC cases. Hence they are requesting to allow MEIS for S/Bills with intent marked as "N" for the above mentioned period.
The internal report was seen according to which in this case there is no order of the Hon'ble Court in their favour on record and the applicant may approach along with orders passed by the court.
**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. 43 M/s. Shakumbhari Expo-Impo Ltd, UP**

F.No.HQRPRCAPPLY00000392AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension/revalidation of Advance Authorization no. 0510414816 dated 05.08.2020.**

**Applicant Statement:** The applicant stated that they had obtained above mentioned Advance Authorization and have completed import "Raw material" dated 02.12.2020 and their last export was made dated 19.03.2021 i.e. total export made 98.5%. Their export short fall due to spread pandemic crises as covid 19 all over world and all national/international market stuck at that time for very long period. Their export was also suffering due to international market was closed including India as lockdown situation. Afteropening of the lockdown international market are totally crashed and 80%-85% buyers closed his own business and few are not stay able for regain the business. Hence they are requesting to allow EOP extension against subject license for the period 05.08.2023 to 05.02.2024.

**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 decided to reject the request of the firm.

**(Action: Applicant/ RA-CLA )**

**Case No. 44 M/s. P.R. Global Resources India Nagpur**

F.No.HQRPRCAPPLY00170062AM22AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: To allow MEIS benefit against 10 S/Bills wherein the HS Code was amended.**

This a defer case of PRC Meeting No.05/AM24 held on 13.06.2023 wherein Committee decided to obtained detailed comments from PC-3 Division for taking the decision. PC-3 has furnished their comments in the matter.

**Applicant's statement:** The matter was taken up. The entire submission made by the applicant was gone through. The applicant stated that the Customs Authority has endorsed the correction of ITC HS code in shipping bills, vide letter issued by the concerned Customs Authority (Letter No.VII(Cus) ICD NOK/01/Amend/BE/2020 Borkhedi dated 15.05.2020), for the purpose of availing export incentives under MEIS scheme. Hence they are requesting to allow the MEIS benefits against 13 shipping bills.

**Decision**: The Committee examined the case on the basis of statement made by the applicant and discussed the matter at length and it decided to refer the case to PC-3 division for its examination and resolution.

**(Action:Applicant/ PC-3 Division)**

**Case No.45M/s. BhagwatiTirathPolycontainers Industries Pvt. Ltd., Mumbai**

F.No.HQRPRCAPPLY00000510AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation of Advance Authorization no. 0310831285 dated 28.08.2019.**

**Applicant Statement:** The applicant stated that due to delay in system problem of DGFT online server the above mentioned license has been expired. They say they had provided the screen shot of technical problem and then it was not corrected by the server. They have exported in time and also applied the revalidation in time. They have completed the export and applied for revalidation of license for import of raw material against subject licence. Hence they are requesting to allow six month revalidation against subject license.
The internal report dated 18/08/2023 was seen according to which the licence pertains to August 2019 and was issued from the earlier Legacy system. There are no specific system related revalidation issues reported for the said period.

**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. 46M/s. Zentiva Pvt. Ltd., Mumbai**

F.No.HQRPRCAPPLY00000348AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Closure of Advance Authorization no. 3411000898 dated 26.07.2021.**

**Applicant Statement:** The applicant stated that they have imported item of imports Sr.No.3 i.e. Hydrochlorothiazide for 250 Kgs. and they have utilised item of import of Sr.No.3 i.e. Hydrochlorothiazide for 248.90 Kgs. and balance quantity 1.10 Kgs. of item of import is consumed as process loss as per CA Certificate. As per rejection letter of RA Vadodara, RA is not authorised to accept process loss, Regularise the Advance License and Redeem the Advance Licence. They have already made payment of Custom Duty with interest on 1.10 kgs. of the import item. Hence they are requesting to allow regularisation of import against subject license and accept process loss of subject license.

**Decision:** The Committee after discussing the matter on the basis of justification submitted by the application, decided to defer the case and call the firm for **Personal Hearing** as the facts of the case have not been clearly specified by them.

**(Action: Applicant/PRC)**

**Case No. 47M/s. La-Gajjar Machineries Pvt. Ltd., Ahmedabad.**

F.No.HQRPRCAPPLY00000475AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: To allow MEIS Benefit against 4 Shipping Bills.**

**Applicant Statement:** The applicant stated that they are regular exporter of various submersible motors and they are availing the MEIS Benefit from DGFT. As per the financials, they have to show the accrual benefits against the exports made during the year. MEIS scheme, many notifications were issued and it was very difficult to keep track of all the notifications, circulars and public notices. They have faced many problems while applying against the shipping bills like site congestion etc. Due to this practical reasons they tried to make the application, the window as closed permanently from the DGFT site. They have never crossed the MEIS ceiling/cap limit of Rs. 2 crores which is given by the DGFT vide Notification No.30 dated 01.09.2020 for the period 01.09.2020 to 31.12.2020. Hence they are requesting to allow MEIS benefits against three S.Bills.Their letter dated 21st July 2023 was also examined.

The internal report dated 16/08/2023 was seen according to which the screenshot dated 31/12/ 2021 attached by the firm doesn't show that it is facing any issue since the site is slow/ closed. Additionally it is noted that as per DGFT notification Number 26/2015-20 dated 16/ 09/2021,the last date for applying for any MEIS through online module is 31/12/2021.

**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. 48M/s. ChampaPurie-Chem Industries, Vadodara**

F.No.HQRPRCAPPLY00000499AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation of Advance Authorization No. 3411000982 dated 16.08.2021.**

**Applicant Statement:** The applicant stated that their raw material namely mercury is allowed import against their license and validity amended up to 16.08.2023 is pending due to the hardships and delay in getting prior informed consent (PIC) from MoEF& CC. Because to import mercury, importers have to get Prior Informed Consent (PIC) from MoEF& CC, as the import of mercury has been revised from Free to Restricted vide Notification No.24 dated 09.09.2021. It is under process/follow-up to get their PIC from the Ministry and import the item. They have already completed and fulfilled export obligation against subject license within the original validity period. Hence they are requesting to allow one year revalidation against subject license to complete the import.

**Decision:** The Committee examined the case on the basis of submission made by the applicant and discussed the matter at length and observed that they have faced difficulty beyond their control and there is merit in the case. Accordingly, it decided to accede to the request and allowed revalidation for a further period of 12months from the date of endorsement against advance authorization No. 3411000982 dated 16.08.2021.The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Vadodara )**

**Case No. 49M/s. SMS Pharmaceuticals Ltd., Hyderabad**

F.No.HQRPRCAPPLY00000546AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension in EOP of Advance Authorization no. 0911000403 dated 23.02.2021.**

**Applicant Statement:** The applicant stated that they have imported raw materials for manufacturing of Ibuprofen API against subject license. However, the qualification timelines got extended for various reasons and also the USFDA approval got delayed beyond their estimation. The other main reason was the recent pandemic which was created lost procedure delay. Finally, their two customer have received ANDA approvals very recently for selling various dosages forms of Ibuprofen for which they have to source API from their company which is about 160 MT per month. However, since they have received approvals now and they will be able to complete those obligation in the next months without any doubt. They apologize for the delay in completing the obligations but request to extend the same. Hence they are requesting to allow six month EOP extension against subject license.

**Decision:** The Committee went through the statement made by the applicant and discussed the matter at length and decided to accede to the request and allowed EOP extension against Advance Authorization No. 0911000403 dated 23.02.2021for a further period of 6 months from the date of endorsement subject to payment of composition fees as per Policy provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Hyderabad)**

**Case No. 50M/s. SMS Pharmaceuticals Ltd., Hyderababad.**

F.No.HQRPRCAPPLY00000572AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension in EOP of Advance Authorization No. 0911000475 dated 09.03.2021.**

**Applicant Statement:** The applicant stated that they have imported raw materials for manufacturing of Ibuprofen API against subject license. However, the qualification timelines got extended for various reasons and also the USFDA approval got delayed beyond their estimation. The other main reason was the recent pandemic which was created lost procedure delay. Finally, their two customer have received ANDA approvals very recently for selling various dosages forms of Ibuprofen for which they have to source API from their company which is about 160 MT per month. However, since they have received approvals now and they will be able to complete those obligation in the next months without any doubt. They apologize for the delay in completing the obligations but request to extend the same. Hence they are requesting to allow six month EOP extension against subject license.

**Decision:** The Committee went through the statement made by the applicant and discussed the matter at length and decided to accede to the request and allowed EOP extension against Advance Authorization No. 0911000475 dated 09.03.2021for a further period of 6 months from the date of endorsement subject to payment of composition fees as per Policy provisions. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Hyderabad)**

**Case No. 51M/s. Garuda Intercust, Bangalore**
F.No.HQRPRCAPPLY00002535AM23

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Re-credit of SAD under FPS FMS as per consolidated refund order issued by the Customs.**

**Applicant Statement:** This is a review case of PRC Meeting No.05/AM22 held on 09.07.2021 wherein Committee reject the case. The applicant stated that facts of the case which will establish that reasons/justification submitted have caused genuine hardship in support of their request for revalidation of 17 Duty Credit Scrips deemed to have expired in the custody of customs in terms of provisions of para 2.20 (c) of HBP as the consolidated refund order has been issued by the Customs after the expiry of the scrips. The case is regarding the sanction of 4% SAD Refund vide Customs Notification No.102/2007-Customs dated 14th September, 2007. The duty credit scrips under consideration were fully utilised inclusive of value of 4% SAD debited within the validity of the scrip. As per the guidelines for claiming 4% SAD re-credit vide Customs Notification the application was submitted to customs within the validity of the scrip. Based on the quashing of the customs circular Nos.6/2008 dated 28.04.2008, 10/2012 dated 29.03.2012, 18/2013 dated 29.04.20213 by the Delhi High Court Order dated 01.02.2016, which denied the benefits of SAD re-credit, the consolidated credit notes were issued by customs for 4% SAD re-credit but after the expiry of the duty credit scrips. They are drawing attention to the decision of PRC Meeting No.05/AM19 dated 19.06.2018 in case of M/s. Ripple Fragrances Exports Pvt. Ltd., Mysore permitting the firm to get the re-credit and revalidation endorsement. Hence they are requesting to allow re-credit and revalidation of Scrips that have expired due to the delay in issuance of consolidated credit notes by the Customs.

**<u>Decision</u>:**The Committee reviewed and examined the case on the basis of justification furnished by the firm and observed that there is no merit in firm's contention. Hence, it decided to maintain the earlier decision of PRC Meeting No. 05/AM22 dated 09.07.2021 (Case No.24).

**(Action: Applicant)**

**Case No. 52M/s. Balasore Alloys Ltd., Kolkata.**

F.No.HQRPRCAPPLY00000340AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension in EOP of Advance Authorization no. 0210209123 dated 23.04.2019.**

**Applicant Statement:** The applicant stated that their plant was not in operation since June 2020 to December, 2022 due to the Covid 19 pandemic along with its frequent lock-downs which resulted in the nose – diving of the ferrochrome market mainly in China, resulting in complete disruption of the supply chain, desertion by dedicated manpower, etc. Therefore, the duty free imported raw material under the license was not being utilized for the production of the finished goods due to closure of Plant operation. Due to this the company could not fulfil the export obligation under the subject license.The detailed justification given in annexure A was also examined. Hence they are requesting to allow six EOP extension against subject license to fulfil the E.O.

**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. 53M/s. Balasore Alloys Ltd., Kolkata**

F.No.HQRPRCAPPLY00000337AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension in EOP of Advance Authorization No. 0210209836 dated 23.03.2020.**

**Applicant Statement:** The applicant stated that their plant was not in operation since June 2020 to December, 2022 due to the Covid 19 pandemic along with its frequent lock-downs which resulted in the nose – diving of the ferrochrome market mainly in China, resulting in complete disruption of the supply chain, desertion by dedicated manpower, etc. Therefore, the duty free imported raw material under the license was not being utilized for the production of the finished goods due to closure of Plant operation. Due to this the company could not fulfil the export obligation under the subject license. The detailed justification given in annexure A was also examined. Hence they are requesting to allow six EOP extension against subject license to fulfil the E.O.

**Decision:** The Committee examined the case on the basis of submission made by the applicant and discussed the matter at length. The Committee decided to accede to the request and allowed EOP extension of Advance Authorization No. 0210209836 dated 23.03.2020 for a further period of 6 months from the date of endorsement subject to payment of composition fee as per policy provisions. The firm shall approach RA concerned within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Kolkatta)**

**Case No. 54M/s. Indo Amines Ltd., Thane.**

F.No.HQRPRCAPPLY00000658AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension in EOP of Advance Authorization No. 0311001176 dated 27.01.2021 and 0310837474 dated 29.07.2020.**

**Applicant Statement:** They had obtained above said licenses for duty free import of various chemicals as raw material against the export of chemical products. They have imported raw materials against the quantity to be exported. The shortfall in terms of quantity and value in the item of import and export due to the cancellation of the export order and the non availability of containers. This situation arose because the USA and European countries were suffering from the Covid 19 pandemic from September, 2019 onwards. They were unable to import and export and EO could not fulfilled. Hence they are requesting to allow six months EOP extension to fulfil the export obligation against subject licenses.

**Decision:** The Committee went through the justification made by the applicant and discussed the matter at length. The Committee decided to accede to the request and allowed EOP extension of Advance Authorization No. 0311001176 dated 27.01.2021 and 0310837474 dated 29.07.2020 for a further period of 6 months from the date of endorsement subject to payment of composition fee as per policy provisions. The firm shall approach RA concerned within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Mumbai)**

**Case No. 55M/s. Bright Star Impex, Moradabad**

F.No.HQRPRCAPPLY00004244AM23

Meeting No. 13/AM24 held on 31.08.2023

**Subject: To allow MEIS benefit against 3 S/Bills.**
**This is a defer case of meeting number 34/AM 23 dated 09/03/2023. The committee after discussing the matter on the basis of justification submitted by the applicant had decided to defer the case and ask the firm to submit revised detail of shipping bill showing the date of realisation and date of uploading of the BRC by the banker and also submit the copy of BRC for taking decision.**
**Applicant Statement:** The applicant stated that they have exported metal handicrafts items during the period of July 2020 to 27th August, 2020 to Hongkong based overseas buyers under invoice dated 06.07.2020 and it was the peak time of Corona virus covering entire world. Hence the adverse circumstances and dark future of all kind of international and national

trade.Their concern buyer has asked them to dispatch their orders goods at 90 days D/A basis and raised export invoices/Bills at least minimum 90 days D/A basis, otherwise keep their orders goods in own go down till the Corona Virus wave and recession is over. That during the worldwide corona virus wave at that time, they had no any option accept to allow their overseas buyer 90 DA payments terms and conditions. Consequently they were agreed and allow them 90 days payment on mutually consent. Step by step they sold out exported goods to retailers in their country, they have started to make their export bills payment w.e.f. 09.03.2022 and all three pending export bills with them, were partially realized up to 27.05.2022, mean within 80 days. Hence they are requesting to allow MEIS benefit against 3 S/Bills.

**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 decided to reject the request of the firm.

**(Action: Applicant)**

**Case No. 56M/s. Bright Star Impex, Moradabad.**

F.No.HQRPRCAPPLY00207355AM22

Meeting No. 13/AM24 held on 31.08.2023

**Subject: To allow FPS benefit against 2 S/Bills.**

**Applicant Statement:** The applicant stated that they are large exporter of Metal Handicraft and due to some unavoidable circumstances their buyer had made their export bill payment late. Due to Covid 19 and non availability of proper and regular staff in their banker, banker could not issue e- BRC . Proprietor of company was suffering from highly critical deceases corona, heat and sugar etc. and was not in position to look after the business matters since last six months. Certain documents in this regard has been submitted. The applicant has submitted that they have exported the material to their exporter but due to some unforeseen reason with their buyer with technical reason they are not paying outstanding in a stipulated time. So that their shipping bills are pending for realisation. But after so many correspondence they paid the outstanding and clear the issue. But they have not received the benefit from DGFT. Against shipping bill number 6541597 dated 09/12/2014 the realisation date is 07/08/2019 and for shipping bill 5540390 the realisation date is 29/08/2019.Both have been uploaded by the bank.Hence they are requesting to allow FPS benefit against 2 S/Bills.

**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 decided to reject the request of the firm.

**(Action: Applicant)**

**Case No.57M/s. Real Engineering, Gujarat.**

F.No.HQRPRCAPPLY00000440AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: EOP extension againstAdvance Authorization No. 2410043269 dated 06.10.2020.**

**Applicant Statement:** The applicant stated that they had imported their raw materials during the period Covid 19 and they had tried to exports the same under subject license but to covid and also after that Russia Ukraine War market was unstable and they are not be able to fulfil the export obligation even after EO extension granted by RA. Now they had an export order against the same and they need only 3 months EO extension. Hence they are requesting to allow three months EOP extension against subject license.

**Decision:** The Committee examined the case on the basis of submission made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request and allowed EOP extension for a further period of 6months from the date of endorsement against advance authorisationNo. 2410043269 dated 06.10.2020.The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.
**(Action: Applicant/RA-Vadodara )**

**Case No.58M/s. Prasanna Rubber India, Srikakulam, Telngana.**

F.No.HQRPRCAPPLY00000541AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation ofImport Authorization No. 091026528 dated 20.11.2020 for restricted item.**

**Applicant Statement:** The applicant stated that they are manufacture of Crumb Rubber Powder 40 to 100 Mesh Size importing raw material of Rubber Crumb/Granules having size 10 to 15 Mesh and devoid of iron/steel and most of the fibres for manufacture of 40, 60, 80, 100 Mesh Size of Crumb Rubber Powder. They have not imported the quantity of 24,808.59 MT due to complete lockdown in worldwide due to covid 19 and stop the import consignment in period of 2020-21 and after that the Russia and Ukraine war in the worldwide supply chain as well as international sea freight being at a high level. Hence they are requesting to allow six month revalidation against subject license.

**<u>Decision:</u>** The Committee went through the justification made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to allow revalidation for a further period of 6months from the date of endorsement against ImportAuthorisationNo. 091026528 dated 20.11.2020 for restricted item. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Vadodara)**

**Case No. 59M/s. Mundra Solar Pvt. Ltd., Gujarat.**

F.No.HQRPRCAPPLY00000265AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: (1) to allow scrapping of subject scrapped CG in domestic market and (2) to waive the condition of submission of BG equal to 20% of duty saved amount as decided in PRC Meeting No.30/AM23 held on 17.01.2023 against EPCG Authorization No.0831004392 dated 15.03.2022.**

**Applicant Statement:** This is review case of PRC Meeting No.30/AM23 held on 17.01,2023 .
**The case had earlier been decided in the meeting number 30 /AM 23 held on 17/01/ 2023 as a review case** of EPCG committee's 9th meeting of AM 23 .The applicant had stated that they had imported capital goods for solar line and module line during the year 2016.At that time the company was a SEZ unit and the capital goods were imported duty free. Due to business requirement they have opted to exit from SEZ and the capital goods installed in the factory premises where cleared on as is where is basis under epcgauthorisation. Recently they have decided to go for upgradation of the present plant and machinery and accordingly applied for a new epcgauthorisation for installing upgraded Technology. As a result some of the existing installed capital goods in the SOLAR line and module line are being replaced by the upgraded capital goods. They had stated that the company is committed to completing the export obligation of both epcgauthorisations. They had stated that present factory premises of the manufacturing unit is spread over 30 acre with a two story building. The existing machinery is occupying the entire factory premises and the same is required to be uninstalled in order to upgrade the existing manufacturing facility. They had also stated that technology is very high. The stated that they have found a buyer willing to take the capital goods at some utility value. With upgradation project additional investment of rupees 1000 cr is expected to the invested in Solar industry. The present upgradation would increase their manufacturing capacity and result into higher demand of field employees as well as skilled and semi-skilled labour in the remote place of Gujarat.

The Committee decided to accede to the request of the firm to grant permission for export of scrapped capital goods which are under EPCG Authorisation No.0831004392 dated 15.03.2022 and completing Export Obligation of said Authorisation by export of solar modules from upgraded plant & Machineries under EPCG Authorisation No.0831005688 dated 04.08.22 subject to submission of BG equivalent to 20% of duty saved value of EPCG Authorisation No.0831004392 dated 15.03.2022.

**Now they have stated that** with a view to increase exports, the company will need to have lot of financial leverage and the burden of providing BG 20% amounting to Rs. 34 crores will put additional financial constraints which will impact export performance. In view of the financial constraints on increasing exports due to BG and carrying the cost of holding of scrapped CG, they request to amend the decision of PRC Meeting No.30/AM23 dated 17.01.2023. Hence they are requesting to allow scrapping of subject scrapped CG in domestic market and to waive the condition of submission of BG equal to 20% of duty saved amount to help the company avoid financial constraints.

**Decision:** The Committee went through the justification made by the applicant and discussed the matter at length and noted that they are facing a difficulty beyond their control and observed that there is merit in the case. Accordingly, it decided to allow removal of the scrap capital goods in the domestic market, with other conditions remaining the same as in the earlier decision. The following conditions were imposed by the committee:-

1. A certificate would be obtained from their statutory auditor to the effect that the imported capital goods can no longer be put to functional use and would be sold as scrap to an Indian buyer. This would be submitted to the RA.
2. The Indian buyer to whom the scrap would be sold should not be a related person or entity to the seller.
3. A valuation certificate from recognized valuer would be submitted to the RA.
4. An undertaking would be obtained from the buyer of the scrap to the effect that all the material purchased as scrap shall be disposed off as scrap only.
5. The jurisdictional GST authorities would be kept duly informed by the company, with a copy to the RA.

The RA may issue permission for sale of the goods as scraped on receipt of copies of documents as specified above and on submission of bank guarantee equal to 20% of duty saved amount which should be a continuing BG and valid for a period of the entire EOP of the EPCG authorization.

**(Action: Applicant/RA-Ahmedabad)**

**Case No. 60M/s. Medreich Ltd., Karnataka**

F.No.HQRPRCAPPLY00000673AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension in EOP of Advance Authorization no. 0710116536 dated 02.06.2020.**

**Applicant Statement:** The applicant stated that they have obtained subject license under Appendix 4J/Pre-import conditions and imported the raw material from unregistered source. All the imports have been made during Covid period. The date of 1st import has been received on 08.09.2020 without 2nd import item by the supplier. Since the finished good required two items for manufacturing, they have got the 2nd raw material through 2nd import dated 16.09.2020. The last import has been made on 09.12.2020. Due to the covid pandemic, the production and exports have been delayed and exports have been re-scheduled. The 1st export has been made on 04.06.2021 after 6 months from date of last import. 57.75% of export have been made within the extendable period of 31.12.2021 as per Notification No.28 dated 23.09.2021. They have made their last export on 21.04.2022. 14% of both the import materials have been destroyed and duty paid due to deficient quality. Hence they are requesting to allow six months EOP extension against subject license.

**Decision:** The Committee examined the statement made by the applicant and discussed the matter at length and decided to accede to the request and allowed EOP extension for 6 months from date of endorsement against Advance AuthorisationNo.**0710116536 dated 02.06.2020** subject to payment of composition fees as per Policy provisions. No other relaxation was allowed.The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA- Bangalore)**

**Case No. 61M/s. Swop Engineering Pvt. Ltd., Chennai.**

F.No.HQRPRCAPPLY00000542AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: To allow extension in EOP of 7 Advance Authorization No.(1) 0410166909 dated 22.07.2020 (2) 0410166996 dated 26.08.2020 (3) 0410167019 dated 02.09.2020 (4) 0410166979 dated 21.08.2020 (5) 0410166862 dated 06.07.2020 (6) 0410166864 dated 06.07.2020 (7)**

**0410167251 dated 06.11.2020 and revalidation of advance authorization No. 0410166909 dated 22.07.2020.**

**Applicant Statement:** The applicant stated that they have won a contract from HMH, in September, 2019 (formerly known as "Baker Hughes-GE") to export 109 Blow Out Preventers (BOPs) to be delivered across six lots. Shortly after winning the contract the onset of Covid-19 delayed their customer's project completion, which in turn, cascaded into a major delay for them too. Their customer required the BOPs at the very end of their project as the BOPs are part of a package that will be installed at the end each delivery cycle of the customer. This would mean that if the customer faces delays in completing their project, their finished BOPs cannot be dispatched for an egregiously long time as the BOPs will only be required at the end of the customers' delivery cycle. They have a back-to-back agreement with their customer, and since they could not proceed with the timely completion of their project, the dispatch of finished products from them got invariably delayed. This has then resulted in a major cash flow crunch for them that, in turn, resulted in the hampering of the ongoing production works that involve BOPs and other products that have their own respective export obligations. Many of the finished products have been stuck with them over the past two years, which resulted in the cash crunch that was mentioned above. Hence they are requesting to allow EOP extension against above mentioned four Advance Licences. They have submitted an email dated 5$^{th}$ September, 2023 in which they have requested for revalidation of the AA No. 0410166909 dated 22.07.2020 on the grounds that there was technical error which prevented them from making the imports, and for which they have submitted the proof by way of emails and screen shots.

__Decision:__ The Committee went through the justification made by the applicant and discussed the matter at length decided to allow EOP extension of **7 Advance Authorization Nos. .(1) 0410166909 dated 22.07.2020 (2) 0410166996 dated 26.08.2020 (3) 0410167019 dated 02.09.2020 (4) 0410166979 dated 21.08.2020 (5) 0410166862 dated 06.07.2020 (6) 0410166864 dated 06.07.2020 (7) 0410167251 dated 06.11.2020** for a further period of 6 months from the date of endorsement subject to payment of composition fee as per policy provisions. Regarding the other request of the applicant for revalidation of advance authorization **No. 0410166909 dated 22.07.2020.**, the Committee decided to refer the case to EGTF for their comments. The firm shall approach RA concerned within 30 days from the date of uploading of the minutes of meeting for obtaining the EOP extension and shall furnish relevant documents to EGTF to show the technical difficulties faced by them in utilisation of advance authorization No. 0410166909 dated 22.07.2020.

**(Action: Applicant/RA-Mumbai/EGTF-Division)**

**Case No. 62M/s. Achiever Creations Pvt. Ltd., New Delhi**

F.No.HQRPRCAPPLY00000533AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Request for acceptance of Free Shipping Bills to counter towards fulfilment of EO against AA No.0510296126 dated 08.07.2011.**

**Applicant Statement:** The applicant stated that they have obtained above Advance License and have made import 97.087% of Fabric against B/E dated 19.09.2011. They have utilised the imported fabric and exported the final product ( Ladies T-shirt) within the original EOP. That for the excess import quantity, which remained unutilised, they have deposited the customs duty + interest and submitted TR 6 challans with the department. They have submitted EODC/redemption application and department haveshown their inability to accept three S/Bills No.5628989, 5628572 dated 28.09.2011 and 5702761 dated 03.10.2011 out of 4 S/Bills as they are Free Shipping Bills.Due to technical glitch while filing the S/Bills under scheme code No.3 in the online data system, it shows error, hence unable to generate S/Bill under AA. As the export orders were of urgent nature and had no option, except filing of S/bill in Normal system as free shipping bill, as they could not hold the shipment further as they are on the verge of cancellation. They tried to get permission for manual shipping bill but there was no provision and due to limitation of space in the description column the advance authorisation number was not mentioned. Hence they obtained custom attested invoices wherein all the details are mentioned like AA No. BOE No. and other vital information. Export proceeds have been realised and EBRC were uploaded. Hence they are requesting to allow Free Shipping Bills towards fulfilment of EO against subject 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. 63M/s. DhwaniPolyprints Pvt. Ltd., Mumbai.**

F.No.HQRPRCAPPLY00000537AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Revalidation of Advance Authorization No. 0311015966 dated 29.06.2022.**

**Applicant Statement:** The applicant stated that they have obtained subject and have completed 100% EO and the license has been redeemed by RA Mumbai on 10.05.2023. During the validity period having validity till 29.06.2023 they could not import/procure the material as they received EODC letter on 10.05.2023. It was not possible to import within the short period of just 45 days. They had tried to revalidate for imports on DGFT portal but its shown as "Closed" hence unable to revalidate the same. They also had tried to resolve this issue through VC session on 27.07.2023 attended wherein he has advised to contact DGFT Delhi. This is particularly considering the fact that their case is genuine and bonafide, since as already mentioned they could not submit their application for revalidation because it shows closed at DGFT portal after discharge of E.O. certificate. Hence they are requesting to allow revalidation of above mentioned license.

**<u>Decision:</u>** The Committee went through the justification made by the applicant and discussed the matter at length and observed that there is merit in the case. Accordingly, it decided to accede to the request and allowed revalidation for a further period of 6months from the date of endorsement against advance authorization No. 0311015966 dated 29.06.2022.The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting.

**(Action: Applicant/RA-Vadodara )**

**Case No. 64M/s. Achiever Creations Pvt. Ltd., New Delhi.**

F.No.HQRPRCAPPLY00000532AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Request for acceptance of Free Shipping Bills to counter towards fulfilment of EO against AA No.0510367391 dated 03.10.2013.**

**Applicant Statement:** The applicant stated that they have obtained above Advance License and have made import 92.92% of Fabric against B/E dated 15.10.2013 and 31.10.2013. They have utilised the imported fabric and exported the final product ( Ladies Blouse) within the original EOP. That for the excess import quantity, which remained unutilised, they have deposited the customs duty + interest and submitted TR 6 challans with the department. They have submitted EODC/redemption application and theyshown their inability to accept S/Bill No.8894933, 8894935, 8894810 and 8894846 dated 10.12.2013 out of 7 S/Bills as they are Free Shipping Bills. Due to technical glitch while filing the S/Bills under scheme code No.3 in the online data system, it shows error, hence unable to generate S/Bill under AA. As the export orders were of urgent nature and had no option, except filing of S/bill in Normal system as free shipping bill, as they could not hold the shipment further as they are on the verge of cancellation. They tried to get permission for manual shipping bill but there was no provision and due to limitation of space in the description column the advance authorisation number was not mentioned. Hence they obtained custom attested invoices wherein all the details are mentioned like AA No. BOE No. and other vital information. Export proceeds have been realised and EBRC were uploaded. Hence they are requesting to allow Free Shipping Bills towards fulfilment of EO against subject license.

**Decision**: The Committee examined 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. 65M/s. Abhishri Packaging Pvt. Ltd., Mumbai**

F.No.HQRPRCAPPLY00000677AM24

Meeting No. 13/AM24 held on 31.08.2023

**Subject: Extension in EOP of Advance Authorization no. 0310822220 dated 11.07.2018.**

**Applicant Statement:** The applicant stated that the rapid spread of covid throughout India, particularly in Maharashtra, led to the imposition of numerous restrictions. These constraints resulted in a reduction in their factory's production capacity and a shortage of available manpower. The foreign buyers from the USA, Belgium and Canada have cancelled all outstanding orders due to the pandemic. They have fulfilled 98% of EO in accordance with the terms of AA. The outstanding 2% remains pending, primarily due to the significant impact of Covid19. Hence they are requesting to allow EOP extension up to 30.10.2023 against subject 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. 66 M/s. C G Galva India, Guwahati**

F.No.01/60/162/414AM21/PRC

Meeting No. 13/AM24 held on 05.09.2023

**Subject: Permission for re-export of uninstalled/sealed pack of imported machinery under EPCG License No.0530150416 dated 19.11.2009.**

**Applicant Statement:** The applicant stated that they had imported industrial plant & machinery for manufacturing of galvanizing and corrugated sheets in November, 2009 to setup the industry in the state of Assam under above EPCG. Before starting work on the project, they had discussion and consulted all applicable statutory provisions and prevalent policies as were existence then, and based on those deliberations, they started working on this project based on eligible benefits like VAT, Transport exemption as per the policy of Government of Assam. Unfortunately immediately after import of above machinery, Assam Govt. made the existing incentives ineligible with retrospective effect from 1st October, 2008. Accordingly their project became uneconomical and financially unviable. The unviability happened due to withdrawal of several incentives. They had imported capital goods under EPCG scheme with good intentions for starting the production in the state of Assam but it could not happened because of change of Government policy with retrospective effect and unfortunately it was published even before clearing of capital goods from the port. The product was put in negative list by the State Government. They could not start the project because of this sudden change. Hence they are requesting to allow permission for re-export of uninstalled/sealed pack machinery back to supplier against payment within 6 months.

**Decision:** The Committee after discussing the matter on the basis of justification submitted by the application, decided to defer the case and call the firm for Personal Hearing as the facts of the case have not been clearly specified by them.

**(Action: Applicant/PRC)**

**Case No. 67 Adyar Gate Hotels Limited**

F.No.HQRPRCAPPLY00000275AM24
Meeting No. 13/AM24 held on 05.09.2023

**Subject: Re-fixation of the annual average export obligation under three EPCG License No.(i) 043008097 dated 13.01.2010 (ii) 043007625 dated 25.08.2009 (iii) 0430012390 dated 23.04.2013.**

**Applicant Statement:** This is review case of PRC Meeting No.27/AM20 held on 14.01.2020 (Case No.16), wherein Committee refer the case to EPCG

Division for examining, if there is case of general reduction of average EO (AEO) in the hospitality sector. The applicant stated that the representation is modification of their previous submission, where they sought a waiver of average obligation on account of Hotel Industry's overall slowdown in FOREX earning and circumstances related to their company. However, instead of total waiver of average export obligation, they now seek only reduction of the average obligation due to unforeseen circumstances concerning one of their hotel unit at Chennai. The ITC Hotel business, which was launched in the late 1970's has been operating their Chennai Hotel unit since 1984 under brand name. This relationship of 30 plus years took an adverse turn when ITC opened its self-owned property within their vicinity in 2012. This development led to conflict of interest in priorities of ITC, as on one end they had new self-owned property competing against them which was just an operated one. The launch of new property had led to a dramatic drop in the earnings, as most of the business was diverted away from them. They chose not to renew the agreement with ITC and explored other brands for tie-up but most of the leading brands already had presence in Chennai, they finally entered into an agreement with a relatively new operator for the India market – Intercontinental Hotels Group. It is crucial to acknowledge that the hotel industry had already been experiencing a downturn, especially concerning foreign guests arrivals, leading to a decline in forex earnings since 2008. Therefore, they are requesting to exclude the earnings under ITC from the average export obligation calculation, and they also commit not to avail the benefit of forex earnings towards specific EO while under ITC Hotels operation. Hence they are requesting to allow re-fixating of AEO in the subject license.

**Decision:** The Committee after discussing the matter on the basis of justification submitted by the application, decided to defer the case and call the firm for Personal Hearing as the facts of the case have not been clearly specified by them.

**(Action: Applicant/PRC)**